

# STATE OF NEVADA

## State of Nevada 2015 Annual Action Plan



### Housing and Community Development Program

CDBG  
HOME  
ESG  
HOPWA



**Final Report: May 8, 2015**

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**With the State of Nevada Housing Division and  
the State of Nevada Health Division  
For the U.S. Department of Housing and Urban Development (HUD)**



# **2015 NEVADA ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT**

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# **I. EXECUTIVE SUMMARY**

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## **A. INTRODUCTION**

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The 2015 Annual Action Plan (AAP) is the first annual action plan of the State of Nevada's 2015-2019 Consolidated Plan, a five-year plan addressing the State's housing and community development needs. This annual action plan is the third submitted using the IDIS e-Con Planning Suite; the format reflects the e-Con Planning Suite.

The purpose of each annual action plan is to provide a summary of what the State proposes to do in the upcoming year to further the priorities and objectives of the Consolidated Plan. The plan is reviewed by the public; citizen comments are summarized in each annual action plan.

An annual plan also explains the State's method of distribution for the following programs:

- Community Development Block Grant (CDBG)
- Home Investment Partnership Program (HOME)
- Emergency Solutions Grant Program (ESG)
- Housing Opportunities for People with AIDS (HOPWA)

Activities funded from these programs must meet the priorities identified in the Consolidated Plan. Programs are administered by the Governor's Office of Economic Development (GOED): Rural Community & Economic Development Division, Department of Business & Industry: Nevada Housing Division (NHD), and the Department of Health & Human Services (DHHS): Division of Public & Behavioral Health.

Additionally, the annual plan reports on specific items required by the U. S. Department of Housing and Urban Development (HUD) including, but not limited to, lead-based paint actions and removal of barriers to affordable housing.

## **B. CITIZEN PARTICIPATION SUMMARY**

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The Nevada's Governor's Office of Economic Development began gathering information for the 2015 Annual Action Plan by offering the public and stakeholders various opportunities to comment on the development of the 2015-2019 Consolidated Plan and Annual Action Plan. The first public input meeting took place on January 27 in Carson City. Additional public input opportunities occurred during the Public Review sessions held on April 29 in Carson City. In developing the Plan, three focus groups were held prior to other public input opportunities to gather input from experts and stakeholders throughout the state.

In addition, as part of the plan update, numerous outside agencies and individuals were contacted. These organizations and individuals were encouraged to provide statistics,

data, and other information to aid in preparing the Action Plan and related studies. The Citizen Participation Plan is included in **Appendix A**.

### **C. 2015 ANNUAL ACTION PLAN SUMMARY**

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The State of Nevada is required by the U.S. Department of Housing and Urban Development (HUD) to prepare an Action Plan for Housing and Community Development annually. Timely completion of the Plan in a HUD-acceptable format helps ensure continued funding of housing and community development activities throughout the state. Beginning in 2014, the State of Nevada prepared its Five-Year Consolidated Plan, covering the program years 2015 – 2019. This Consolidated Plan contains information about demographic, economic, and housing market trends in the state; analysis of statewide affordable housing needs; findings from the citizen participation process; and an analysis of the needs of special populations.

The following represents the first year of that five year plan, the 2015 One-Year Action Plan for allocating the state’s federal block grant funds to address housing and community development needs. In order to make the document more informative for citizens and more useful for policy makers and those engaged in the production of affordable housing, the document describes actions and activities to be undertaken with resources beyond the federal grant programs and by organizations other than those administering the federal grant programs. It is intended to represent a comprehensive Action Plan for affordable housing and community development activities statewide. The goals and activities identified here can by no means be accomplished through the use of the federal grant programs alone. Where possible, the plan specifies those actions or activities that are expected to be undertaken with other resources as well as the related outcomes expected to be achieved; however, since many of these other resources are more flexible than the federal grant programs, it is difficult to estimate how these resources may be utilized.

### **D. EVALUATION OF PAST PERFORMANCE**

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The Governor’s Office of Economic Development and the State of Nevada Housing Division’s evaluation of its past performance on CDBG, HOME, ESG and HOPWA has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER), most recently published for 2013. This documents state the objectives and outcomes identified in each Annual Action Plan and includes an evaluation of past performance through measurable goals and objectives compared to actual performance. This document can be found on the Governor’s Office of Economic Development’s website at

<http://diversifynevada.com/programs-resources/rural-community-development/division-documents>

## **II. ANNUAL ACTION PLAN DEVELOPMENT PROCESS**

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### **A. LEAD AGENCY AND ADMINISTERING AGENCIES**

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The Governor's Office of Economic Development: Division of Rural Community & Economic Development Division is the lead agency for overseeing the development of the 2010-2014 Consolidated Plan and subsequent Annual Action Plans. Partnering agencies are: the Department of Business & Industry: Nevada Housing Division [responsible for HOME and ESG]; the Department of Health and Human Services: Division of Public and Behavioral Health [responsible for the HOPWA and Special Needs of Non-Homeless activities]. A non-state partnering organization is the non-profit Northern Nevada HOPES and a sub-recipient of HOPWA funding.

### **B. CONSULTATION AND COORDINATION**

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The State of Nevada's HUD-funded programs have established procedures for consultation with local governments, advisory groups, program stakeholders, Continuum of Care, community leaders and businesses, public institutions, faith based organizations, other state agencies and interested citizens are consulted during preliminary development of the Consolidated and Action Plans. All are consulted in the event amendments are necessary to the Consolidated or Annual Action Plan. Consultation may occur in a variety of methods: surveys and/or meetings, Public Notices, mail, and/or by publication in one or more newspapers of general circulation.

CDBG, ESG and HOME program staff actively engaged housing and homeless providers, community leaders, and other interested parties throughout rural Nevada by conducting or participating in forums, community coalitions and planning meetings to gather input on housing, homeless, and community needs in rural communities. Input from the northern Continuums of Care was also obtained to ensure ESG funds passed through to the City of Reno funded activities that were locally supported.

The State has a strong working relationship with the Housing Authority in rural Nevada and provides State Trust funds for tenant-based rental assistance and security deposit programs.

The State provides funding from either the federal ESG Program or the State Low-Income Housing Trust Fund Program to a number of county social services agencies throughout Nevada. Activities funded include tenant-based rental assistance to eligible households, emergency rent and utility assistance for households at risk of homelessness, and funding for rapid re-housing programs. Agencies receiving these funds are required to work closely with public institutions including as hospitals, jails, and mental health clinics, which allows clients access to housing and supportive services. Memorandums of Understanding have been implemented to ensure cooperation between agencies, and staff from hospitals, jails, mental health, and other providers. All participate in community coalition meetings that are also attended by Housing Division staff when possible.

The Housing Division has actively participated in the Rural Nevada Continuum of Care (RNCoC) for the past 11 years, and the ESG Program Manager is a member of the RNCoC Steering Committee. Funding priorities and allocations for the ESG program were determined by a committee that included co-chairs of the RNCoC and other board members. ESG program staff worked in conjunction with the RNCoC to develop performance standards for projects and activities funded through the ESG and other CoC programs.

The State engaged the Reno Area Alliance for the Homeless (RAAH) to ensure that programs and services that will be offered by the City of Reno, as a sub-recipient of State ESG funds, are in alignment with RAAH goals and objectives. This was accomplished during monthly Leadership Council meetings. The State also worked with RAAH to develop performance standards for the ESG program.

Due to sequestration, State ESG funds will not be provided to agencies in southern Nevada. However the State still engaged members from the southern Nevada CoC during quarterly Statewide CoC meetings to gather information regarding the types of programs and services needed in the Clark County area. The ESG Program Manager also met with all three CoC's to work on the development of statewide Performance Standards to be used in the future.

The State allocates funding to the HMIS Lead Agency to support costs of the HMIS database in northern and rural Nevada communities. The State ESG Program Manager participates in the statewide HMIS subcommittee, and is an active participant in the development of policies and procedures for the operation and administration of the statewide HMIS.

Finally, State CDBG funds support the Rural Nevada Continuum of Care by providing funding for oversight of the CoC process. The benefit of this support is the approximately \$700,000 in homeless funding that is awarded by HUD to rural communities; and the additional dollars that are leveraged to provide supportive housing projects, all of which would not be awarded if the RNCoC didn't have that planning capacity support"

### **C. EFFORTS TO ENHANCE CITIZEN INVOLVEMENT**

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Public involvement began in October 2014 and extended over a period of several months. Two key steps were taken in the involvement process. One was the implementation of three focus group meetings involving experts in housing and community development issues for the state of Nevada, and the other was a set of public input meetings during which citizens were provided the opportunity to offer feedback and input regarding the Consolidated Plan.

The focus groups were held in early November of 2014 with the purpose of drawing upon the expert knowledge of stakeholders and their thoughts on barriers and constraints encountered in Nevada's housing and community development arena. These focus groups were designed around five key topic areas: affordable housing, economic development, and infrastructure. These meetings allowed key stakeholders and statewide leaders the

opportunity to explore the depth of the respective housing and community development barriers and uncover creative solutions to emerging problems.

The draft report for public review was released on April 2, 2015, which initiated a 30-day public review period. One public presentation of the draft was made in Carson City on April 29, 2015.

#### **D. ACTIONS TO BE TAKEN TO ENHANCE THE INSTITUTIONAL STRUCTURE AND ITS COMMUNICATION**

The State of Nevada is committed to continuing its participation and coordination with federal, state, county, local agencies, and the private and nonprofit sectors in order to serve the needs of low-income individuals and families across Nevada. The Governor's Office of Economic Development, Department of Business and Industry, and the Department of Health and Human Services collaborate with various entities to continually improve coordination.

The Governor's Office of Economic Development, Department of Business and Industry, and the Department of Health & Human Services all have individual institutional structures. Within each Office or Department, there are divisions that administer HUD programs. The CDBG Program is in the Rural Community & Economic Development Division of the Governor's Office of Economic Development. The HOME and ESG programs are in the Nevada Housing Division of the Department of Business & Industry. The HOPWA program is in the Division of Public and Behavioral Health in the Department of Health and Human Services. Each Division has its institutional structure, as well.

HUD funds pass through the State to local governments and other entities that are eligible to receive HUD program funding. These entities, when funded, are part of the institutional structure for each program. The scope of the institutional structure is from the state level to those at the community level where projects are created, implemented and managed. Actions to be taken in or continuing in 2015 to enhance coordination and promote further development of that institutional structure in 2015 include:

- Supporting the creation or strengthening of economic development across and between regions;
- Providing CDBG and NHD funding for the Rural Continuum of Care;
- Supporting the Strengthening Fair Housing outreach and training to NHD and CDBG grantees and sub-grantees;
- Providing annual training and technical assistance to CDBG grantees;
- Supporting Strengthening Economies Together (SET) and other collaborations in CDBG non-entitlement areas;
- Quarterly meetings with other funders to maximize limited resources (CDBG, USDA, EPA, other collaborative funders);

## II. Annual Action Plan Development Process

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- Continuing (HOME program) to work with the staff of the Low-Income Housing Tax Credit program to ensure HOME funds are used to leverage this program;
- Continuing to work with the northern, southern and rural Continuums of Care and remaining actively involved in the CoC process.

### **III. ALLOCATING HOUSING AND COMMUNITY DEVELOPMENT RESOURCES**

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#### **A. OVERVIEW OF AVAILABLE RESOURCES**

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With Nevada's Governor's Office of Economic Development as the lead agency overseeing development, numerous state and federal programs support the implementation of the state's Consolidated Plan. Interagency cooperation and coordination of state, federal, and local agencies and organizations is critical to the success of many projects. The following summaries describe programs supporting the overall implementation of Nevada's Consolidated Plan with respect to affordable housing, public facilities, economic development, and homelessness.

#### **B. FEDERAL RESOURCES**

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##### **HUD Formula Grants**

The State of Nevada receives annual funding from four HUD formula grant programs:

- CDBG Program, administered by Nevada's Governor's Office of Economic Development: Rural Community & Economic Development Division;
- HOME Program, administered by the Department of Business & Industry: Nevada Housing Division;
- HOPWA, administered by the Department of Health and Human Services: Division of Public and Behavioral Health ; and
- ESG Program, administered by the Department of Business & Industry: Nevada Housing Division.

##### Community Development Block Grant (CDBG) Program

The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community and economic development needs. Beginning in 1974, the federal CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to 1,209 general units of local government and States.

The Rural Community & Economic Development Division of the Governor's Office of Economic Development administers the CDBG Program. The allocation from HUD for the State CDBG Program in Nevada for 2015 is \$2,447,641. At the time of writing this annual action plan, the CDBG Advisory Committee has allocated the full amount.

**Table III.1**  
**2015 CDBG Funding**  
 State of Nevada

<b>CDBG funding</b>	<b>Amount</b>
Estimated Total FY 2015 Allocation	\$2,447,641
Program Income	0
Prior Year Resources	\$270,288
<b>Total</b>	<b>\$2,177,353</b>

HOME Investment Partnerships (HOME) Program

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. HOME funds are awarded annually as formula grants to participating jurisdictions (PJs). The program's flexibility allows states and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancements, or rental assistance or security deposits.

The HOME Program, administered by the Nevada Housing Division, is expected to receive \$3,002,167 in HUD funds for the plan year beginning April 1, 2015.

**Table III.2**  
**2015 HOME Funding**  
 State of Nevada

<b>HOME funding</b>	<b>Amount</b>
Estimated Total FY 2015 Allocation	\$3,002,167
Program Income	
Prior Year Resources	
<b>Total</b>	<b>\$3,002,167</b>

Additionally, the State HOME Program expects that grantees will generate approximately \$200,000 of program income and/or recaptured funds from previously awarded grants.

Housing Opportunities for Persons with AIDS (HOPWA)

The Housing Opportunities for Persons with AIDS (HOPWA) program, managed by HUD's Office of HIV/AIDS Housing, was established to provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families. HOPWA formula grants are made using a statutorily-mandated formula to allocate approximately 90 percent of HOPWA funds to eligible cities on behalf of their metropolitan areas and to eligible States.

The HOPWA program, administered by the Nevada Department of Health and Human Services, expects to receive an annual allocation of \$249,481.

**Table III.3**  
**2015 HOPWA Funding**  
State of Nevada

<b>HOPWA funding</b>	<b>Amount</b>
Estimated Total FY 2015 Allocation	\$249,481
Program Income	
Prior Year Resources	\$100,000
<b>Total</b>	<b>\$349,481</b>

Emergency Solutions Grant (ESG) Program

The Emergency Solutions Grant Program, formerly named the Emergency Shelter Grant, provides formula funding to address homelessness to eligible jurisdictions. The Nevada Housing Division estimates it will receive \$407,797 for the ESG Program.

**Table III.4**  
**2015 ESG Funding**  
State of Nevada

<b>ESG funding</b>	<b>Amount</b>
Estimated Total FY 2015 Allocation	\$407,797
Program Income	
Prior Year Resources	
<b>Total</b>	<b>\$407,797</b>

**HUD Competitive Grants**

Competitive grant programs allow eligible applicants to request funding directly from HUD by submitting an application. Each year, HUD’s SuperNOFA (Super Notice of Funding Availability) process makes competitive funds available for the selection of proposals submitted by government agencies and nonprofits. These proposals address special projects of national significance and long-term projects in areas that are not eligible for formula allocations.

Continuum of Care (CoC)

In 2014, the state of Nevada received a total of \$14,798,196 in Continuum of Care funding. The Nevada Balance of State CoC (NV-502) received \$623,593 in Continuum of Care funding for a total of nine projects serving the Balance of State area. Table III.5, on the following page, shows the funded projects for FY 2014. The State expects similar funding for FY 2015.

**Table III.5**  
**NV-502 Continuum of Care (CoC) Awards**

2014 Balance of State

US Department of Housing and Urban Development

Project Name	Program	Amount
Advanced Recovery Expansion	CoCR	\$24,740
Douglas County Transitional Housing Program	CoCR	\$142,800
High Desert Housing	CoCR	\$84,164
New Frontier Treatment Center Transitional Center	CoCR	\$16,742
NV-502 CoC Planning Application FY 2014	CoC	\$7,968
PATH – Provisional Assistance Through Housing	CoCR	\$69,704
Rural Shelter Plus Care FY2014	CoCR	\$215,412
SPC 1	CoCR	\$22,426
SPC II	CoCR	\$39,637

## OTHER HUD RESOURCES

### National Housing Trust Fund

The National Housing Trust Fund (NHTF) established in July 2008 as part of the Housing and Economic Recovery Act of 2008 (HERA) required that Fannie Mae and Freddie Mac pay 4.2 basis points of their annual volume of business to two funds. The NHTF was to receive 65% and the remaining 35% was to go the Capital Magnet Fund (CMF). The requirement that Fannie Mae and Freddie Mac contribute to the two funds was suspended when the companies were taken into conservatorship in September 2008 at the height of the housing crisis. The Director of the Federal Housing Finance Agency, has now lifted the suspension on Fannie Mae and Freddie Mac’s obligation to fund the National Housing Trust Fund (NHTF) and the CMF.

The NHTF is a block grant to the states, the District of Columbia, Puerto Rico, and the U.S. territories. The purpose of the NHTF is to increase and preserve the supply of housing, principally rental housing for extremely low-income households. The U.S. Department of Housing and Urban Development (HUD) will administer the NHTF and in 2010 HUD issued proposed regulations to implement the NHTF. The proposed regulations can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2010-10-29/pdf/2010-27069.pdf>. Final regulations are expected in early 2015.

The law that created the National Housing Trust Fund (NHTF) requires HUD to use a formula to distribute NHTF dollars directly to states. The Nevada Housing Division (NHD), a division of the Department of Business & Industry, was created by the Nevada Legislature in 1975 when it was recognized that a shortage of safe, decent, and sanitary housing existed throughout the State for persons and families of low- and moderate-income. NHD was also designated as a housing credit agency authorized to administer the Low-Income Housing Tax Credits (LIHTC) in addition to administering the HOME funds. NHD is

currently in the process of receiving designation as the authorized agency to receive NHTF money from HUD and to administer the state's NHTF program.

NHD on behalf of the State of Nevada will prepare a NHTF "Allocation Plan" as part of the Annual Action Plan every year. That Allocation Plan will show how NHD will allot the NHTF dollars it will receive in the upcoming year. NHTF dollars will be distributed by NHD based on the priority housing needs in the Consolidated Plan (ConPlan). Based on the information currently available, NHD anticipates the NHTF to be available in 2016. HUD proposes to codify the NHTF regulations in a new subpart N of 24 CFR part 92. Part 92 contains the regulations for HUD's HOME program. The HOME program is similar in most aspects to the proposed NHTF. The NHTF as a potential source of funds is being incorporated in the ConPlan. The ConPlan public participation process will provide advocates an opportunity to influence how the NHTF resources are allocated by NHD.

### **OTHER FEDERAL RESOURCES**

#### Low Income Housing Tax Credits (LIHTC)

The Tax Credit Program is a federally regulated state administered program designed to help eliminate the funding gap in the creation of low- and very low-income housing projects. Federal Tax Credits, awarded on a competitive basis, provide equity financing for affordable housing projects. The Housing Division develops an annual Tax Credit Allocation Plan pursuant to Section 42 of the Internal Revenue Code. LIHTC is used for acquisition, multifamily new construction, multifamily rental rehabilitation, and housing.

### **C. STATE RESOURCES**

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#### Nevada Housing Trust Fund

State Low-Income Housing Trust funds that can be used for the following purposes: new and rehabilitation of multi-family projects, down payment assistance, homeowner rehabilitation, tenant-based rental assistance, and homeless prevention assistance. It is estimated that \$7,000,000 will be available for FY 2015.

### **D. LEVERAGING AND MATCHING OF FEDERAL DOLLARS**

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Federal funds will continue to be leveraged with nonfederal resources to achieve the objectives of this plan. Matching requirements will be achieved through a variety of methods. Grant recipients are encouraged to utilize funds from the private sector, state and local programs, and other sources to assist in meeting HUD matching requirements and to increase the amount of funds available to provide affordable housing, expand economic opportunities, improve infrastructure, and provide community facilities.

### **Community Development Block Grant**

While HUD does not require matching funds for funded projects, historically, the Nevada non-entitlement CDBG program's grantees contribute significant leverage. For the 2015 program year, grantees anticipate leveraging \$3,576,470 in cash and \$778,879 in-kind for a total of \$4,355,349.

### **Home Investment Partnerships Program**

Nevada Housing Division will leverage funds from the Low-Income Housing Tax Credit program and funds from Rural Development with regard to home ownership projects. Match requirements for the HOME program are fulfilled using property tax exemptions and Low-Income Housing Trust Funds.

### **Emergency Solutions Grant Program**

The ESG Program requires the State to identify or provide match for the entire allocation amount, less the first \$100,000.00 of the annual allocation. The match requirement for 2015 will be \$307,797.

ESG sub-recipients have provided sources of match funds in their annual application. Sources identified include:

- Cash match, such as the State's Low Income Housing Trust Fund-Tenant Based Rental Assistance Program used to provide rental assistance for homeless and at-risk of homelessness clients,
- The State's Welfare Set-Aside Program for emergency rent and utility assistance,
- County funds that pay for salaries of agency staff providing ESG programs and services,
- Community Services Block Grant funds,
- Non-federal grants from United Way and Newmont Gold;
- In-kind services such as volunteer hours and donations; and
- ESG Program Manager salary for time to manage grant (paid out of a state allocation)

Agencies are required to identify match on every draw reimbursement request, which is logged in a tracked by the ESG Program Manager to ensure match obligation is met. Match records are reviewed during monitoring visits.

### **Housing Opportunities for Persons With AIDS:**

No matching funds required. Due to the federal budget issues there will not be any anticipated contributions from the Ryan White Grant.

## **E. GEOGRAPHIC DISTRIBUTION OF HUD RESOURCES**

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The geographic distinction determining allocation of HOME, ESG, HOPWA, and CDBG program funds is between the state's major urban centers and the smaller cities, counties,

and rural areas of Nevada. Generally, major urban centers are funded for one program or more directly by HUD. The smaller cities, counties, and rural areas are funded through the State of Nevada.

Major urban centers benefit from having a concentration of resources. Smaller cities, counties, and rural areas are challenged by having fewer resources and an expansive area to cover. While geographically, Nevada is the seventh largest state in the nation “only 13 percent of the land is not administered by the federal or state government. This 13 percent controlled by local governments or private property owners, makes Nevada the tenth smallest state in the Nation.”<sup>1</sup> Nevada has the highest percentage of Federal acreage in the nation at 82.9 percent. The next highest is Alaska at 68.5 percent. It is difficult to imagine just how sparsely populated the rural areas are.

### **GEOGRAPHIC DISTRIBUTION**

Following is a summary of each program’s geographic distribution system.

#### **Community Development Block Grant Program**

The State of Nevada does not allocate funds geographically. Project funding is based on needs identified at the local level and through a competitive grant process.

The rationale for the priorities for allocation of resources is based on a competitive grant process. The State does not designate specific target areas. However, CDBG set-asides address specific issues that may be more regional in nature and not necessarily addressed by units of local government (UGLG). Decisions on set-aside funds are addressed at the annual CDBG Forum held late summer or early fall. The annual Forum for the 2015 grant cycle was held September 9 & 10, 2014. During 2015, actions that will be taken to address obstacles to meeting these needs are funding: 1) 10 economic development focused projects; 2) rural continuum of care; 3) housing rehabilitation; 4) small business counseling; and 5) general planning (not project specific).

The non-entitlement area is composed of 26 eligible entities: 15 rural counties and 11 small cities. Of the 26 eligible entities, four are LMI-designated Counties or Cities (Caliente, Lovelock, West Wendover, and Yerington). However, they, too, participate in the competitive grant process. Each UGLG is entitled to apply for CDBG grant assistance on an annual basis. For the 2015 program year, each UGLG could submit two applications plus a third, if that application served beyond that City or County. If applying for set-aside funds, additional applications were permitted. For 2015 each City or County could submit three applications plus multiple set-aside applications.

Funding of projects is based on priorities set by the City or County through a Citizen Participation process and through a Housing and Community Needs Assessment or other planning process. Applicants are required to submit a Housing and Community Needs

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<sup>1</sup> Nevada State Demographer, [nvdemography.org](http://nvdemography.org), February 8, 2011.

Assessment at the time they submit a grant application. City and County needs are taken into consideration and incorporated into the Consolidated Plan that guides the project selection and implementation process. Eligible projects are selected through a rigorous CDBG Advisory Committee peer-review process. Committee recommendations are ratified by the Governor's Office of Economic Development.

### **Emergency Solutions Grant Program**

ESG funds will be provided to northern and rural communities and counties that submitted a Request for Funds. The following counties will receive an allocation of funds: Carson, Churchill, Douglas, Elko, Lyon, and Washoe counties.

Of the six counties provided State ESG funding, five have an average poverty rate at or below 15.3 percent. Washoe County has three Targeted Area Census Tracts and a poverty rate of 15.3%. Elko County has 2 Targeted Area Census Tracts and a poverty rate of 8.30%. Carson City has a poverty rate of 15.10%, and the remaining areas have an average poverty rating of 10.80%.

Of the counties requesting ESG funds, three (Washoe, Elko, and Carson counties) reflect Hispanic or Latino/Latina populations between 20 to 30 percent as of 2011. The remaining rural counties average 10.9% Hispanic or Latino/Latina populations.

Funds received from HUD are for non-entitlement areas; however the City of Reno has been a recipient of ESG funds since the beginning of the program. Once they became a direct recipient of ESG funds from HUD, State funds were still allocated as the grant received from HUD was significantly less than the amount received annually from the State. The State's grant is divided into northern and rural allocations based on a formula that was created. The City of Reno, as a state grantee, typically receives approximately 25-30% of the State's allocation. Rural areas requesting allocations were awarded funds based upon poverty data; unmet need; annual point-in-time data; and recommendations received from the Rural Nevada Continuum of Care. Every agency from rural Nevada that submitted a funding request received an allocation. Decisions to fund agencies in northern Nevada were made by the City of Reno as a state recipient of the Division's ESG Program.

### **HOME Investment Partnerships Program**

The State HOME funds are allocated statewide. Each Participating Jurisdiction will choose where to allocate their state funds. The Division is anticipating the development of three new properties in non-entitlement areas of the state. These are proposed to include a multi-family rehabilitation property and a supportive housing development. In order to achieve this, the applicant will have to receive an award of Low Income Housing Tax credits.

As the allocating agency for the State of Nevada, the Housing Division has to take into consideration the needs of all Nevadans. Therefore, that is the rationale for allocating

funds to all Participating Jurisdictions in the State. Eligible jurisdictions include all non-entitlements plus Carson City.

## **HOPWA**

The majority of clients utilizing HOPWA funding reside within the Reno-Sparks area. HOPES currently serves approximately 70 individuals with HIV/AIDS who live in the rural areas outside of the Reno/Sparks. Because of the distance, providing effective case management and housing assistance can be difficult. HOPES recognizes that geographic location can be a barrier when administering services.

## **F. OBSTACLES IN MEETING UNDERSERVED NEEDS**

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Agencies are struggling with program participants in homeless prevention and rapid re-housing programs not following program rules. Clients do not show up for monthly case manager meetings, and do not participate in required job searches, budgeting classes, or other developmental training classes. The "Housing First" model encourages communities to quickly house homeless clients without eligibility requirements, and the State encourages communities to implement the concept for both rapid re-housing and homeless prevention programs. However, case managers have indicated that they feel pressure to meet State performance measures, yet are struggling to find enough resources such as permanent housing subsidies, which will ensure the long-term success of program participants. Limited funding means that clients need to be exited quickly, yet the limited availability of permanent housing subsidies means clients are in jeopardy of exiting without sufficient resources to ensure long term housing stability.

To help address the first issue, the State will partner with the local Continuum of Care to provide a forum where experienced case managers from the VA and other providers can share "best practices" and other ideas that have helped their clients obtain long-term success. This will be an ongoing topic that will be discussed during monthly Technical Meetings throughout the next year.

A shortage of permanent housing subsidies is a more challenging issue to resolve, especially in rural Nevada. Fortunately the Section 8 Program Administrator for the Nevada Rural Housing Authority is a co-chair of the rural Continuum of Care and is very engaged in directing funds to homeless providers. Although it is likely that resources will not be sufficient to cover all of the housing needs of program participants, it is encouraging to have a Housing Authority who is so engaged in addressing the needs of the homeless persons in rural Nevada.

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## IV. HOUSING AND COMMUNITY DEVELOPMENT STRATEGIES

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### A. 2015-2020 HOUSING AND COMMUNITY DEVELOPMENT PLAN SUMMARY

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The following list presents the overriding priorities of the Nevada Five-Year Consolidated Plan for Housing and Community Development, including selected performance criteria associated with each strategy and goal. Furthermore, there may be a need to direct such housing resources by use of project selection criteria, which may be updated annually, based upon year-to-year need and local circumstances.

#### HOUSING PRIORITIES:

**Priority 1:** Increase the availability of rental housing for low- income households

**Priority 2:** Increase, preserve and improve the long-term life of existing affordable rental and owner-occupied housing stock, as well as improving housing accessibility and safety

**Priority 3:** Expand homeownership opportunities for low-income homebuyers

#### HOMELESS PRIORITIES:

**Priority 4:** Continue support of existing sub-recipients operating emergency shelters and transitional housing for the homeless, including motel vouchers in communities lacking adequate shelter.

**Priority 5:** Create additional transitional and permanent supportive housing, including the rapid re-housing program.

**Priority 6:** Provide financial support to assist those at imminent risk of homelessness

**Priority 7:** Support effective data collection and entry activities for the homeless services provided when servicing client populations

#### SPECIAL NEEDS PRIORITIES:

**Priority 8:** Increase and preserve the supply of affordable housing available to the elderly and disabled

**Priority 9:** Improve the access that special needs populations have to needed services

**COMMUNITY DEVELOPMENT PRIORITIES:**

**Priority 10:** Improve infrastructure by assisting with sidewalk/path, street, water and wastewater system upgrade and development projects.

**Priority 11:** Enhance access to quality facilities to serve the population throughout rural Nevada.

**Priority 12:** Provide infrastructure and other planning support for units of local government.

**ECONOMIC DEVELOPMENT PRIORITIES:**

**Priority 13:** Retain and expand existing businesses.

**Priority 14:** Support recruitment and attraction of new businesses to Nevada

**Priority 15:** Provide employment opportunities for low- and moderate-income people

Each of the priorities identified above, as well as the objectives consistent with each strategy are discussed in greater detail below. Performance measurement criteria are presented at the end of each priority narrative. The following section also describes one-year funding allocations and goals.

**HOUSING PRIORITIES**

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The population throughout Nevada continues to increase, and this growth is occurring more quickly in certain areas of the state with dramatic economic change. The demand for quality affordable homeowner and rental housing will continue to rise along with population, but at different rates depending on the local community's economic, demographic and housing market conditions. As the State of Nevada strives to meet the needs of its residents, housing remains a top priority.

***Priority 1: Increase the availability of rental housing for low- income households***

The Housing Division will assist eligible nonprofit and for-profit housing builders with financial subsidies for the development of rental properties affordable to low-income households through the affordable housing development programs. The program will be implemented through the State Housing Trust Fund and available HOME funds. Funds are made available for the development of affordable permanent and transitional rental housing units through a competitive application process. Financed units must comply with long-term income restrictions and rent limits.

Outcome: Availability/accessibility

Objective: Provide decent affordable housing

2015 Funding: HOME: \$520,000  
Nevada Housing Trust Fund: \$50,000

Five-Year Goal:

Rental Units Constructed                      45 Housing Units added

One-Year Goal:

Rental Units Constructed                      9 Housing Units added

***Priority 2: Increase, preserve and improve the long-term life of existing affordable rental and owner-occupied housing stock, as well as improving housing accessibility and safety***

The State’s housing rehabilitation programs will provide resources for preserving the affordable housing stock. Housing rehabilitation and energy assistance is primarily focused at elderly households who make up the largest share of low- and moderate-income homeowners. Elderly households continue to be the largest group of owners facing a housing cost burden. Much of the housing stock in the consolidated plan area is older and needs repair in order to maintain it as part of the housing stock. Improvements will lower the cost of maintenance and energy, thereby improving affordability among owners, particularly elderly owners.

Outcome: Sustainability

Objective: Provide Decent Affordable Housing

2015 Funding: CDBG: \$50,000  
HOME: \$240,000  
Nevada Housing Trust Fund: \$20,000

Five-Year Goal:

Rental Units Rehabilitated                      27 Household Housing Units  
Homeowner Housing Rehabilitated              20 Households Housing Units

One-Year Goal:

Rental Units Rehabilitated                      5 Household Housing Units  
Homeowner Housing Rehabilitated              4 Households Housing Units

**Priority 3: Expand homeownership opportunities for low- to moderate-income homebuyers**

The Housing Division will offer down payment assistance to low-income households purchasing homes in high-cost areas of the state. The program will provide low-interest, deferred loans to be used for down payment and closing costs.

Outcome: Affordability

Objective: Provide Decent Affordable Housing

2015 Funding: HOME: \$200,000

Five-Year Goal:

Direct Financial Assistance to Homebuyers 66 Households Assisted

One-Year Goal:

Direct Financial Assistance to Homebuyers 13 Households Assisted

**HOMELESS PRIORITIES**

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The State of Nevada is committed to helping to work towards the goals of reducing and ending homelessness throughout the State by prioritizing homelessness with funding and program initiatives.

**Priority 4: Continue support of existing sub-recipients operating emergency shelters and transitional housing for the homeless, including motel vouchers in communities lacking adequate shelter.**

Under the broad category of homeless services, the Housing Division will work with nonprofit partner and local government agencies to provide funding for a number of services needed by homeless persons, such as case management, health services, and outreach. Funding will also be provided to assist with shelter maintenance and operations.

Outcome: Sustainability

Objective: Create Suitable Living Environments

2015 Funding: ESG: \$222,500  
Nevada Housing Trust Fund: \$10,000

Five-Year Goal:

Homeless Person Overnight Shelter 3,000 Persons Assisted



***Priority 7: Support effective data collection and entry activities for the homeless services provided when servicing client populations***

As the State strives to reduce and ultimately end homelessness, accurate information and data collection is necessary to track progress and needs throughout the State. Effective data collection and entry activities for homeless activities are essential to making progress in the fight against homelessness. Therefore, the State will allocate ESG funds for this purpose.

Outcome: Sustainability

Objective: Create Suitable Living Environments

2015 Funding: ESG: \$84,000

Five-Year Goal:

Sub-recipients comply with HMIS Data Quality Standards. Average data quality 85 percent

**SPECIAL NEEDS PRIORITIES**

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Throughout the state of Nevada, there remain a number of special needs groups that are in need of housing and housing related services. The State strives to meet the needs of these populations through various services and housing programs.

***Priority 8: Increase and preserve the supply of affordable housing available to the elderly and disabled***

Through affordable housing development programs, a variety of resources will be available for this purpose. The State Housing Trust Fund will be available to fund a variety of affordable rental housing, including rental housing for special needs groups like the elderly and large families. A goal of this program is to provide a certain percentage of all units built as accessible to disabled persons. Any units produced with federal funds that are designed to be accessible to persons with disabilities must meet affirmative marketing requirements. Additionally, HOPWA funds will be available for persons with HIV/AIDS and their families.

Outcome: Availability

Objective: Provide Decent Affordable Housing

2015 Funding: HOME: \$160,000

Five-Year Goal:

Rental Units Constructed

18 Household Housing Units

One-Year Goal:

Rental Units Constructed

3 Household Housing Units

***Priority 9: Improve the access that special needs populations have to needed services, including persons with HIV/AIDS***

The CDBG program will allow jurisdictions to apply for a limited amount of funding on an annual basis to support social service activities that benefit primarily low-income households. These activities can include, but are not limited to, domestic violence shelters, food banks, youth services, senior services, services for persons with disabilities and persons with HIV/AIDS, and transit services. Housing Division and the Division of Public and Behavioral Health will also work with local and state partners to coordinate effective housing and support services.

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

2015 Funding: CDBG: \$152,454  
HOPWA: \$325,017

Five-Year Goals:

Public Service activities other than Low/Moderate Income Housing Benefit  
200 Persons Assisted

HIV/AIDS Housing Operations 480 Persons Assisted

One-Year Goals:

Public Service activities other than Low/Moderate Income Housing Benefit  
40 Persons Assisted

HIV/AIDS Housing Operations 96 Persons Assisted

**COMMUNITY DEVELOPMENT PRIORITIES**

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Throughout the state of Nevada, there are various community development needs, including public facilities, infrastructure as well as the need for additional planning. This Plan prioritizes funds to meet those needs to serve the residents of the State.

***Priority 10: Improve infrastructure by assisting with sidewalk/path, street, water and wastewater system upgrade and development projects.***

#### IV. Housing and Community Development Strategies

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The Rural Community & Economic Development Division will participate in funding activities that improve the existing infrastructure through updating street, water and wastewater systems and sidewalks/paths.

Outcome: Sustainability

Objective: Create Suitable Living Environment

2015 Funding: CDBG: \$591,955

Five-Year Goal:

Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit  
105,000 persons assisted

One-Year Goal:

Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit  
21,000 persons assisted

***Priority 11: Enhance access to quality facilities to serve the population throughout rural Nevada.***

The Rural Community & Economic Development Division will participate in funding quality facilities that benefit the low- to moderate-income populations throughout rural Nevada.

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

2015 Funding: CDBG: \$988,591

Five-Year Goal:

Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit  
70,000 persons assisted

One-Year Goal:

Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit  
14,000 persons assisted

***Priority 12: Provide infrastructure and other planning support for units of local government.***

As part as the on-going effort to improve the quality of living environments for rural Nevada residents, the Rural Community & Economic Development Division will provide

funding for infrastructure and other planning activities for local units of government. The amount of funds available to planning is limited by HUD regulations.

Outcome: Sustainability

Objective: Create Suitable Living Environments

2015 Funding: CDBG: \$335,575

Five-Year Goal:

Other: Planning Activities 65,000 persons assisted

One-Year Goal:

Other: Planning Activities 13,000 persons assisted

### **ECONOMIC DEVELOPMENT PRIORITIES**

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The State has many opportunities to improve the quality of life for Low- to Moderate-Income residents throughout the State by providing for economic development.

#### ***Priority 13: Retain and expand existing businesses.***

The Rural Community & Economic Development Division will participate in funding for a business assistance network and microenterprise business development system. Activities will include providing credit for the stabilization and expansion of business, providing technical assistance and business support services, and providing general support.

Outcome: Sustainability

Objective: Creating Economic Opportunities

2015 Funding: CDBG: \$292,000

Five-Year Goal:

Businesses Assisted 100 Businesses Assisted

One-Year Goal:

Businesses Assisted 20 Businesses Assisted

#### ***Priority 14: Support recruitment and attraction of new businesses to Nevada***

The Rural Community & Economic Development Division will participate in funding for a business assistance network and microenterprise business development system. Activities will include providing credit for the establishment of business, providing technical assistance and business support services, and providing general support.

IV. Housing and Community Development Strategies

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Outcome: Availability/Accessibility

Objective: Creating Economic Opportunities

2015 Funding: CDBG: \$62,500

Five-Year Goal:

Businesses Assisted	125 Businesses Assisted
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One-Year Goal:

Businesses Assisted	25 Businesses Assisted
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***Priority 15: Provide employment opportunities for low- and moderate-income people***

The Rural Community & Economic Development Division will participate in providing infrastructure or facilities to provide for business expansion or development to offer employment opportunities throughout the rural service area.

Outcome: Availability/Accessibility

Objective: Creating Economic Opportunities

2015 Funding: CDBG: \$71,425

Five-Year Goal:

Jobs created/retained	25 Jobs
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One-Year Goal:

Jobs created/retained	5 Jobs
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## **B. ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE**

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In the Fair Housing Act, it is a policy of the United States to prohibit any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap, or familial status.

According to HUD, impediments to fair housing choice include actions or omissions in the state that constitute violations of the Fair Housing Act. Further, impediments mean actions or omissions that are counter-productive to fair housing choice or that have the effect of restricting housing opportunities based on protected classes.

### **B.1. FAIR HOUSING CERTIFICATION**

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In accordance with the applicable statutes and regulations governing the consolidated plan, the State of Nevada certifies that they will affirmatively further fair housing. This means that the State has conducted an AI within the state, will take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard. A summary of the most recent AI is noted below.

### **B.2. A SUMMARY OF THE 2015 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE**

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#### **ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE - PURPOSE AND PROCESS**

##### **AI PURPOSE AND PROCESS**

As a requirement of receiving funds under the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), and the Emergency Solutions Grant (ESG), entitlement jurisdictions must submit certification of affirmatively furthering fair housing to the U.S. Department of Housing and Urban Development (HUD). This certification has three elements:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI),
2. Take actions to overcome the effects of any impediments identified, and
3. Maintain records reflecting the actions taken in response to the analysis.

In the *Fair Housing Planning Guide*, page 2-8, HUD provides a definition of impediments to fair housing choice as:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices [and]

- Any actions, omissions, or decisions which have [this] effect. . .<sup>2</sup>

The list of protected classes included in the above definition is drawn from the federal Fair Housing Act, which was first enacted in 1968. However, state and local governments may enact fair housing laws that extend protection to other groups, and the AI is expected to address housing choice for these additional protected classes as well.

The AI process affirmatively furthers fair housing and involves a thorough examination of a variety of sources related to housing, the fair housing delivery system, and housing transactions, particularly for persons who are protected under fair housing law.

The development of an AI also includes public input and review via direct contact with stakeholders, public meetings to collect input from citizens and interested parties, distribution of draft reports for citizen review, and formal presentations of findings and impediments, along with actions to overcome the identified impediments.

## IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS

### Private Sector Impediments, Suggested Actions, and Measurable Objectives

**Impediment 1: Discrimination against disabled residents and families with children.** This impediment, which may serve to restrict the availability of housing for residents with disabilities and those with children, was identified through a review of complaints filed with HUD and the Silver State Fair Housing Council; through forum and outreach meeting discussions with Nevada stakeholders; the review of fair housing cases and studies; and the results of the Nevada Fair Housing Survey. “Disability” ranked as the most frequent basis for complaints filed with HUD by residents of non-entitlement areas of the state, accounting for more than half of all complaints lodged from 2004 through 2014. Complaints based on disability accounted for an even larger share of complaints filed with the Silver State Fair Housing Council, which also received more complaints overall than HUD during approximately the same period. Representatives of the Fair Housing Council who participated in forum and outreach committee discussions confirmed that disability was the most common basis for complaints that they receive, and much of the discussions at those meetings revolved around the challenges facing the community of residents with disabilities. The presence of those challenges in the state is to some degree borne out by the profile of the seven cases filed by the Department of Justice against Nevada housing providers over the last ten years; five of these were related to disability-based discrimination. Discrimination based on disability was also a recurrent theme in comments submitted by respondents to the Nevada Fair Housing Survey, which promoted the input and involvement of residents and stakeholders with disabilities and those with children.

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<sup>2</sup> U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity. *Fair Housing Planning Guide*. Vol. 1, p. 2-8.  
[http://www.hud.gov/offices/cpd/about/conplan/fairhousingexs/Module5\\_TopSevenAFFH.pdf](http://www.hud.gov/offices/cpd/about/conplan/fairhousingexs/Module5_TopSevenAFFH.pdf)

“Failure to make reasonable accommodation” was the most common type of discriminatory practice alleged in complaints filed with HUD, and approximately a third of the reasonable accommodation requests that the Silver State Fair Housing Council sent to housing providers in the state’s non-entitlement areas were denied. However, discrimination against residents with disabilities can also consist of a refusal to rent to a person with disabilities, or denying that a housing unit is available. For example, one of the complaints filed by the Department of Justice in the state alleged that a landlord refused to rent to a woman with severe allergies, on the grounds that she might lose consciousness while the electric range was on.

*Action 1.1:* In partnership with the Silver State Fair Housing Council, conduct outreach and education with managers of new and existing rental housing complexes.

*Measurable Objective 1.1:* The number of outreach efforts conducted.

*Action 1.2:* Conduct a survey of local and county zoning regulations or unified development codes to determine whether they include a statement on reasonable accommodation or ADA building requirements.

*Measurable Objective 1.2:* The number and percentage of local and county ordinances that contain a statement on reasonable accommodation and ADA requirements.

***Impediment 2: Racial and ethnic minority home loan applicants are denied more frequently than white or non-Hispanic applicants.*** This impediment was identified through review of home loan data gathered under the Home Mortgage Disclosure Act. These data reveal the existence of impediments that may restrict housing choices or the availability of housing choice by race and national origin, indicating that the denial rate for American Indian residents was nearly ten percentage points higher than the denial rate for white applicants and the denial rate for black residents was nearly twice as high as that of white residents. Similarly, the denial rate for Hispanic applicants, of 28.6 percent, was over ten percentage points higher than the denial rate for non-Hispanic residents. It should be noted that HMDA data do not include information that is pertinent to the decision to approve or deny a loan, such as the credit score of applicants or the size of the prospective down payment. Nevertheless, these data do provide an index of the average applicant’s experience during the loan application process, and indicate whether an applicant is more likely to be denied if he or she is black, Hispanic, or American Indian.

*Action 2.1:* Contact professionals in the home lending industry, the Division of Mortgage Lending, and other pertinent agencies and organizations to discuss the findings of the AI regarding home lending and gather recommendations on how to address differential rates of home loan denials.

*Measurable Objective 2.1:* Record of contact with local professionals, officials, and other experts, along with a list of recommendations.

*Action 2.2:* Conduct outreach and education of prospective housing consumers on how to acquire and keep good credit, in partnership with local civic organizations (i.e., churches, schools, etc.)

*Measurable Objective 2.2:* Records of existing and forthcoming outreach and education activities in local and county jurisdictions, including locations, number of participants, etc.

**Impediment 3: Lack of understanding of fair housing laws and the role of the fair housing infrastructure.** This impediment was identified through review of the Nevada Fair Housing Survey and in consultation with state and local officials and stakeholders during the outreach committee and fair housing forum meetings. Though a majority of respondents maintained that they were “somewhat” or “very” familiar with fair housing laws, a substantial minority noted that these laws are difficult to understand or follow. In addition, survey questions concerning specific areas, industries, policies, or practices relating to fair housing choice tended to receive high shares of “don’t know” responses. Participants in the public outreach committee meetings also cited a lack of knowledge concerning fair housing among members of the public, feeling this to represent a significant challenge to efforts to affirmatively further fair housing, and maintained that efforts to increase public knowledge of fair housing policy should be a priority in the current AI process.

*Action 3.1:* Partner with the Silver State Fair Housing Council to enhance outreach and education throughout the state, targeting property managers and other housing providers.

*Measurable Objective 3.1:* Number of outreach and education sessions offered and number of attendees.

*Action 3.2:* Establish a requirement that local and county grantees take actions to publicize fair housing rights, responsibilities, and remedies.

*Measurable Objective 3.2:* The number of documented activities and actions completed and tracked through monitoring site visits.

### **Public Sector Impediments, Suggested Actions, and Measurable Objectives**

**Impediment 1: Zoning laws and development standards have restricted some types of housing, notably group homes and other types of supportive housing.** This impediment was identified through results of the fair housing survey and discussions with participants in outreach committee meetings. Though the share of respondents who were aware of barriers to fair housing choice in given public sector practices was generally low, a greater share of respondents claimed to be aware of policies and practices in zoning laws that represented barriers to fair housing choice. Several participants in the outreach committee meetings shared that perception, and noted that at present it is unclear the extent to which local jurisdictions and counties have updated their zoning and land-use planning codes in accordance with State Bill 233, passed in 2013, which removes certain restrictions on the placement of group homes and supportive housing.

Furthermore, it is not known whether those local zoning codes still include language that (1) restrict the number of non-related persons living together, or prohibit cohabitation by non-related persons entirely; (2) require special use permits or public hearings on proposed supportive housing; (3) bar accessory apartments from single family zoning districts; (4) fail to include a statement on reasonable accommodation; and (5) bar manufactured housing from single family zoning districts, even if such units are converted to real property and permanently placed on a lot.

*Action 1.1:* Conduct a statewide survey to determine if local zoning and land-use ordinances are in compliance with recent changes to state law, and to identify any provisions still in effect that may serve to disproportionately restrict housing choice for protected class individuals (examples of such language are included in Technical Appendix F).

*Measurable Objective 1.1.1:* Record the number of local and county ordinances reviewed throughout the state, identified by jurisdiction.

*Measurable Objective 1.1.2:* Record the number and percentage of local and county ordinances that maintain the spacing requirements prohibited by S.B. 233 (2013) or similar requirements, identified by jurisdiction.

*Measurable Objective 1.1.3:* Record the number and percentage of local and county zoning ordinances that maintain provisions or language that has the effect of excluding units more frequently inhabited by protected class populations.

*Action 1.2:* Notify jurisdictions that are not in compliance with the requirements adopted in S.B. 233.

*Measurable Objective 1.2:* Record of correspondence with and notification of local jurisdictions.

*Action 1.3:* Compile a compliance report based on the review.

*Measurable Objective 1.3:* Draft the compliance report.

**Impediment 2: Lack of a substantially equivalent state agency enforcing the Nevada Fair Housing Law.** This impediment was identified through a review of the state's fair housing infrastructure and discussions at the public outreach committee meetings. The Nevada Equal Rights Commission is identified in the state's fair housing law as the agency responsible for enforcing the provisions of the law, which, among other things, provide for the intake, investigation, and resolution of complaints. However, in spite of efforts in the legislature in 2005 and 2009, which had the support of the Commission, legislation designed to make the state law substantially equivalent to the federal Fair Housing Act were not passed. As a result, the Commission is unable to benefit from federal funding provided through the Fair Housing Assistance Program.

Participants in the outreach committee meetings considered the Commission's role in fair housing enforcement to be limited. As a result, housing complaints from residents in the state are typically forwarded to HUD, unless those complaints pertain to discrimination on bases that are not covered by the federal Fair Housing Law. For example, those who have

suffered discrimination in the private housing market on the basis of gender identity or sexual orientation have limited recourse under federal law, and must resolve their complaints at the state level.

*Action 2.1:* Contact the Equal Rights Commission to share the findings of the State AI, discuss past efforts to introduce legislation that would make the state law “substantially equivalent” to the FHA, and assess the feasibility of reintroducing legislation in the 2015 or 2017 Regular Session of the Legislature.

*Measurable Objective 2.1:* Record of contact with the Equal Rights Commission on the subject of “substantial equivalency.”

*Action 2.2:* Discuss with the Commission ways in which it might collaborate with the Housing Division and Silver State Fair Housing Council on any of the other actions identified in this AI.

*Measurable Objective 2.2:* Record of contact with the Equal Rights Commission on the subject of collaboration on the actions identified in this AI.

*Action 2.3:* Request a copy of the Commission most recent report submitted to the governor in accordance with NRS 233.080, and review fair housing activities; in particular, the outcome of fair housing complaints submitted to the Commission.

*Measurable Objective 2.3:* Record of contact with the Commission and the results of the review of fair housing activities.

**Impediment 3: Lack of understanding of fair housing laws and the responsibility to affirmatively further fair housing.** This impediment was identified through review of the Nevada Fair Housing Survey and in consultation with state and local officials and stakeholders during the outreach committee and fair housing forum meetings. As noted in Public Sector Impediment 3, a substantial minority of survey respondents noted that fair housing laws are difficult to understand or follow. Furthermore, survey questions concerning specific areas, industries, policies, or practices relating to fair housing choice tended to receive high shares of “don’t know” responses. Participants in the public outreach committee meetings also cited a lack of knowledge concerning fair housing among members of the public, believing this to represent a significant challenge to efforts to affirmatively further fair housing, and maintained that efforts to increase public knowledge of fair housing policy should be a priority in the current AI process. Accordingly, the survey, which was itself designed to promote the input and involvement of stakeholders who were more likely to be impacted by fair housing issues, revealed a need for further outreach and education on the issues of fair housing.

*Action 3.1:* Enhance outreach and education to units of local government, as well as housing consumers, as it relates to affirmatively furthering fair housing and the duty to affirmatively further fair housing.

*Measurable Objective 3.1:* Number of outreach and education efforts taken.

### C. BARRIERS TO AFFORDABLE HOUSING

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Barriers to affordable housing are created by market, infrastructure, environmental, and governmental factors. Barriers may result in housing that is not affordable to low-income households or an inadequate supply of housing. In the eight-county State HOME area, traditional barriers to affordable housing are not readily apparent. Some of the counties and cities in the area directly address the need for affordable housing types in the local planning documents. In most cases, communities have taken few active steps to encourage affordable housing development. Development regulations and development standards are fairly minimal in most communities; therefore, associated costs are generally not viewed as an impediment to affordable housing. The housing inventory in the area is largely dominated by mobile homes. Multi-family structures are very limited due to overall housing affordability and higher ownership rates and less demand for multi-family rental housing. The limited employment and population growth in the past did not generate significant demands for rental housing either. Available infrastructure needed to support high-density residential development is lacking.

Some of potential barriers or constraints to the development of affordable housing that were identified are as follows:

#### URBAN AREAS

- Availability of financing
- Limited funding
- High land cost/availability of land
- Impact/development fees
- Zoning
- Design guidelines
- Lack of infrastructure

#### NON-URBAN AREAS

- Limited funding
- Wage gap
- Lack of employment opportunities
- Lack of infrastructure
- Availability of financing
- Lack of local capacity
- High land cost/availability of land

Nevada is committed to removing or reducing barriers to affordable housing whenever possible. The Nevada Housing Division will identify and disseminate innovative solutions to housing affordability barriers used successfully by other states, including the promotion of alternative building materials and methods, land banking, and planning and zoning reservations for affordable development.

**Table IV.1**  
**Do any of the following acts as barriers to the**  
**development or preservation of housing?**

State of Nevada  
 2014 Housing and Community Development Survey

Barrier	Number of Citations
Not In My Back Yard (NIMBY) mentality	34
Cost of land or lot	26
Cost of materials	22
Lack of Affordable housing development policies	21
Cost of labor	20
Lack of other infrastructure	15
Lack of qualified contractors or builders	13
Permitting process	12
Construction fees	12
Density or other zoning requirements	12
Lack of sewer system	11
Lack of available land	11
Lack of water	10
Lack of water system	10
Permitting fees	10
Building codes	7
ADA codes	6
Lot size	5
Impact fees	4
Other Barriers	7

The 2014 Housing and Community Development Survey included questions about barriers and constraints to affordable housing. Responses included Not In My Back Yard (NIMBY) mentality, cost of land or lot, and cost of materials. Additional comments included lack of affordable housing development policies, cost of labor and lack of other infrastructure.

The Nevada’s Governor’s Office and the State of Nevada will take the following actions to remove barriers to affordable housing:

In the non-entitled areas of the State the Housing Division does not feel that there are negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fee and charges, growth limitations and policies affecting the return on residential investments. With the funding available for rural areas, we see approximately one new multi-family project tax credit project a year, and when funding allows, a small project of approximately eight units can be funded with HOME and Trust Funds.

**D. LEAD-BASED PAINT HAZARDS**

Housing units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors.

Table IV.2, below, presents data regarding the number of owner-occupied households at risk of lead-based paint hazards, broken down by presence of children age 6 and under and income. Owner-occupied households showed 3,415 units with young children built prior to 1980. There were higher numbers of households in these older units at higher income levels.

**Table IV.2**  
**Vintage of Owner-Occupied Households by Income and Presence of Young Children**

Non-Entitlement Areas of Nevada Plus Carson City  
 2007–2011 HUD CHAS Data

Income	One or more children age 6 or younger	No children age 6 or younger	Total
<b>Built 1939 or Earlier</b>			
30% HAMFI or less	0	181	181
30.1-50% HAMFI	15	460	475
50.1-80% HAMFI	75	640	715
80.1% HAMFI or more	60	250	310
100.1% HAMFI and above	190	1,585	1,775
<b>Total</b>	<b>340</b>	<b>3,116</b>	<b>3,456</b>
<b>Built 1940 to 1979</b>			
30% HAMFI or less	160	2,440	2,600
30.1-50% HAMFI	220	3,490	3,710
50.1-80% HAMFI	605	4,930	5,535
80.1% HAMFI or more	405	3,135	3,540
100.1% HAMFI and above	1,685	16,425	18,110
<b>Total</b>	<b>3,075</b>	<b>30,420</b>	<b>33,495</b>
<b>Built 1980 or Later</b>			
30% HAMFI or less	510	4,135	4,645
30.1-50% HAMFI	495	5,575	6,070
50.1-80% HAMFI	1,300	9,405	10,705
80.1% HAMFI or more	1,080	6,830	7,910
100.1% HAMFI and above	7,000	45,975	52,975
<b>Total</b>	<b>10,385</b>	<b>71,920</b>	<b>82,305</b>
<b>Total</b>			
30% HAMFI or less	670	6,756	7,426
30.1-50% HAMFI	730	9,525	10,255
50.1-80% HAMFI	1,980	14,975	16,955
80.1% HAMFI or more	1,545	10,215	11,760
100.1% HAMFI and above	8,875	63,985	72,860
<b>Total</b>	<b>13,800</b>	<b>105,456</b>	<b>119,256</b>

Table IV.3 shows renter-occupied households at risk of lead-based paint exposure by income and presence of children under 6 years of age. There were 3,950 households with young children present in housing units built prior to 1980 in 2011. The number of households in these units was more equally spread among income levels than that of

owner-occupied units. In addition, 36.2 percent of renters with young children were in units built prior to 1980, compared to 22.9 percent of owners with young children.

**Table IV.3**  
**Vintage of Renter-Occupied Households by Income and Presence of Young Children**

Non-Entitlement Areas of Nevada Plus Carson City  
 2007–2011 HUD CHAS Data

Income	One or more children age 6 or younger	No children age 6 or younger	Total
<b>Built 1939 or Earlier</b>			
30% HAMFI or less	20	320	340
30.1-50% HAMFI	115	240	355
50.1-80% HAMFI	40	390	430
80.1% HAMFI or more	40	130	170
100.1% HAMFI and above	35	455	490
<b>Total</b>	<b>250</b>	<b>1,535</b>	<b>1,785</b>
<b>Built 1940 to 1979</b>			
30% HAMFI or less	830	2,310	3,140
30.1-50% HAMFI	925	2,075	3,000
50.1-80% HAMFI	680	2,265	2,945
80.1% HAMFI or more	465	1,450	1,915
100.1% HAMFI and above	800	3,290	4,090
<b>Total</b>	<b>3,700</b>	<b>11,390</b>	<b>15,090</b>
<b>Built 1980 or Later</b>			
30% HAMFI or less	1,165	3,555	4,720
30.1-50% HAMFI	1,175	2,865	4,040
50.1-80% HAMFI	1,660	4,215	5,875
80.1% HAMFI or more	885	2,310	3,195
100.1% HAMFI and above	1,590	7,255	8,845
<b>Total</b>	<b>6,475</b>	<b>20,200</b>	<b>26,675</b>
<b>Total</b>			
30% HAMFI or less	2,015	6,185	8,200
30.1-50% HAMFI	2,215	5,180	7,395
50.1-80% HAMFI	2,380	6,870	9,250
80.1% HAMFI or more	1,390	3,890	5,280
100.1% HAMFI and above	2,425	11,000	13,425
<b>Total</b>	<b>10,425</b>	<b>33,125</b>	<b>43,550</b>

**NEVADA LEAD REMOVAL EFFORTS**

**HOME** - The Housing Division ensures that the non-profit in charge of the homeowner rehabilitation program has the necessary XRF training and equipment to test for lead based paint. All units funded that were built prior to 1978 are tested. The Housing Division will continue to ensure that all housing projects funded with CDBG and HOME funds will comply with the Federal guidelines regarding notification and abatement requirements.

**CDBG** - The Governor’s Office of Economic Development: Rural Community & Economic Development/CDBG ensures that homes built prior to 1978 that are rehabilitated with

CDBG funds are tested for lead-based paint hazard by the Rural Nevada Development Corporation (RNDC) staff. Any chipped, peeling, or flaking paint is tested with an XRF analyzer. If lead-based paint is present, the contractor is tasked with setting up proper containment areas during construction and with proper clean up. Any hazardous lead paint areas must be encapsulated. In some instances, the components, such as door and window frames, are replaced. Other times the peeling paint is scraped and peeled away and a special paint is used to seal the area. One-hundred percent of the homes rehabilitated with CDBG funds are LMI households.

**Nevada Division of Public and Behavioral Health** - The Bureau of Child, Family, and Community Wellness Division of the Division of Public and Behavioral Health (DPBH) is in charge of the Childhood Lead Poisoning Prevention Program throughout the State of Nevada. In southern Nevada the State partnered with the University of Nevada – Las Vegas to implement the “Healthy Home Partnership”, which was a CDC-funded grant program to provide a holistic approach to addressing public health issues in the home. It was the plan of the State to implement this program in northern and rural Nevada. However, the grant received from the CDC has been cancelled. Therefore, the communities will be working locally to continue with this initiative.

Outreach within northern and rural communities to ensure that homes are safe, clean, and healthy for the people who live there is the mission of the DPBH for the upcoming year. The Division plans to assist the capacity of local communities in their efforts to reduce or eliminate housing-related health hazards over time. To accomplish this, the Division plans to provide trainings to communities, including agencies in the health and social services fields, and property management companies, which will educate staff on ways to help protect Nevada’s children and families from housing related hazards, including lead-based paint. The Division would like staff from these agencies to help spread the word to individuals and families on how to live healthy within their homes.

#### **E. ANTI-POVERTY STRATEGY**

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Nevada’s anti-poverty strategy is based on helping families to move to economic self-sufficiency. Providing low-income households with assistance through the CDBG and HOME programs allows them to live in safe, decent, attractive housing. This helps to provide a base for them to maintain employment, provides a nurturing environment to raise children, and helps them become a part of the community where they work.

The Nevada Housing Division continues to fund projects that support transitional housing and supportive programs. There are several nonprofit organizations that have and continue to develop services and facilities to move very low-income and homeless persons to self-sufficiency.

Other continued efforts to move lower-income, poverty-level, and homeless households into self-sufficiency include improvements to transportation services that provide access to job training, employment opportunities, and counseling services. The State of

#### IV. Housing and Community Development Strategies

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Nevada continues to integrate additional services into the welfare to work program. The State of Nevada also offers family resource centers. These centers are located throughout the state in most of the larger communities and provide a variety of support services to lower-income families. The family resource centers, in conjunction with local social service offices, are generally the initial point of contact for many persons and families seeking assistance.

## V. ONE YEAR ACTION PLAN

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The following narrative describes the activities that the state of Nevada will undertake for each of the formula grant programs to which it receives funding: the CDBG, HOME, HOPWA and ESG programs.

### METHOD OF DISTRIBUTION

#### A. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

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The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community and economic development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. Through the CDBG program, HUD provides annual grants on a formula basis to 1,209 general units of local government and States.

The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

The State of Nevada is a recipient of the State Administered CDBG program, also known as the Small Cities' CDBG program. States award grants to smaller units of general local government that carry out community development activities. This program is also known as the non-entitlement program. Cities under 50,000 and counties under 200,000 are considered non-entitlement. Annually, each State develops funding priorities and criteria for selecting projects. Nevada's priorities are established by units of local governments and their determined needs.

#### Funding Period

Grant applications are submitted early January with funding recommendations made before the end of March. Grant awards are effective July 1.

The grant period is generally one year to 18 months depending on the type of grant and complexity of the project. Depending on the circumstances, grants may be extended beyond the expiration date. The CDBG Staff has the option of granting the added time. If necessary, the request is referred to the Advisory Committee for consideration.

#### Distribution of Funds

**a. Unused Funds:** Funds returned to the State by a grantee may be redistributed to another CDBG applicant or grantee. The distribution of unused funds occurs during the annual allocation process.

**b. Reallocated Funds:** Funds reallocated to the State by HUD and funds recaptured from HUD-administered Small Cities grants and returned to the State by HUD may be redistributed

to CDBG applicants or grantees in the same manner as unused funds returned to the State by a grantee. GOED may use up to two percent of the reallocated funds to administer the CDBG Program.

**c. Additional or Remaining Funds:** Additional funds received by the State as the result of action at the federal level will be distributed to CDBG applicants or grantees in the same manner as unused funds returned to the state by a grantee. Funds remaining at the state level may be distributed in the same manner as unused funds. GOED may use up to two percent of the additional or remaining funds to administer the CDBG Program.

**d. Recaptured Funds:** Funds that were distributed to a grantee and are later taken back may be distributed in the same manner as unused funds.

**e. Program Income:** This is gross income received by the state or eligible city or county and directly generated from the use of CDBG funds. Program income earned by eligible units of general local government through the Revolving Loan Fund (RLF) or the Housing Rehabilitation Program may be kept at the local level to continue economic development or housing efforts locally. Program income may be distributed to eligible applicants in the form of loans to for-profit businesses via local governments, or for grants for CDBG-eligible project such as infrastructure projects, housing activities, etc. Income earned from other CDBG activities may be retained at the local level and used to fund additional eligible community development activities. Communities electing to retain these funds must submit an intended use plan for the program income to GOED for approval prior to project closeout.

To be treated as program income, the total amount of funds received in a single year and retained by a unit of local government and its sub-recipients must be \$25,000 or more. Program income that is received by the State from the RLF program may be obligated and distributed to eligible grantees for economic development projects funded where deemed appropriate. The State may use two percent of the program income generated by the RLF program for program administration. Program income received by the State from projects other than the RLF program will be distributed in the same manner as unused funds returned to the State by a grantee. Program income received from the Housing Rehabilitation Set-Aside Program may be used to fund other CDBG eligible activities including housing activities where deemed appropriate.

### **Application Criteria**

The rating system and other factors are involved in making funding recommendations. The rating system is a guide that is used to evaluate CDBG applications. It has been developed and modified in consultation with representatives during annual CDBG Forums. The rating system contains the following elements that are considered in project selections.

Project Impact - Proposals are evaluated to determine the extent to which the project meets a need and the seriousness of the problem or need. Any project that addresses documented

public health and safety hazards, regardless of national objective, will receive extra consideration in the selection process.

Resource Leveraging - Values will be assigned to proposals to the extent that outside sources of funds are involved including public and private funds, self-help, in-kind, volunteer measures, and planning efforts.

Benefit to Low- and Moderate-Income (LMI) Persons - Values will be assigned to proposals based upon the proportion of LMI individuals benefited.

Planning – the applications are scored on the extent to which the projects involved have undergone prior planning at the local level.

Housing and Community Development Needs Assessments – applicants are expected to provide such assessments annually and if supplied at the time of the applications, they are scored accordingly.

Risk Analysis – CDBG staff score the applicant and the application according to general grant administration capacity, and project readiness to implement and maintain the project in the proposed application.

For the 2015 Economic Development set aside of \$500,000, in addition to the aforementioned criteria, priority is given to:

- a) Applications for projects that have written endorsement from one or more Regional Development Authority;
- b) Projects that lead directly to job creation;
- c) Projects in areas where the unemployment rate can be shown to be greater than the state-wide average.

**Other Considerations:**

Factors other than rating are involved in making funding recommendations. The project's rating is one of many factors taken into consideration by the Advisory Committee in recommending projects for funding. The factors may include, but are not limited to, the following and may also include additional considerations recommended by the Advisory Committee.

If an application with a high rating requests a large proportion of funds available, the Advisory Committee may take that into consideration and recommend other lower rated applications be funded in the interest of better use of funds. Additionally, phasing of larger projects, where practical, into freestanding segments is strongly encouraged to allow the Advisory Committee to recommend partial funding for projects that might otherwise be non-fundable as a whole. In those cases, projects are partially funded allowing phased implementation with a reduced Scope of Work. In past years, these applications have been funded in their entirety. However, more recently that has not always been possible with reduced funding levels.

If a phase of a project was funded by CDBG in a previous year, the Committee may recommend funding of the next phase over a higher rated project. Therefore, based on the availability of funds and an effort to “do no harm”, projects that receive a lower rating may be funded over projects with a higher rating.

Project readiness is also an important factor taken into consideration. The Advisory Committee will pay particular attention to the starting and completion dates for projects, so that funds are not allocated to an application that will not be ready to start for 9-12 months or more. A grantee must be able to make a first draw down of funds within nine months of grant award. Exceptions may be granted on a case-by-case basis.

The Advisory Committee may also consider the community's demonstrated efforts to seek other sources of funding for the project. If a community has not explored, secured, or exhausted resources available at the local or state level to fund the project, the Advisory Committee may choose to not recommend the project for funding. Examples of these resources include, but are not limited to, a local user fee, room tax, a local gas tax or setting up a general or special assessment district.

Past performance on CDBG projects is also a consideration. If a community has not made progress on a previous year's grant, the committee may take this into account when considering whether the community will be able to effectively administer an additional grant. The capacity of the community to administer additional grants and the extent to which the community has received assistance from the State's CDBG program may also be taken into consideration in funding recommendations.

Proposals must demonstrably address the primary objective of the Act as well as one of the three broad national objectives set out in the federal act passed by Congress. In accordance with federal law, the Advisory Committee strives to meet or exceed the requirement that 70 percent of the State's CDBG funds for any three-year period must be allocated to projects that benefit LMI persons. The current three-year reporting period is 2015-2017.

### **Awarding Funds**

Nevada has established a selection process that is used for considering which jurisdictions are awarded CDBG funds. The process is designed to include analysis and comments from a range of interested parties and the public at large. The CDBG Advisory Committee makes funding recommendations during the annual selection meeting in March. The listing of projects recommended for approval is provided to the Governor for final approval.

CDBG Staff initially reviews applications. This review is designed to help ensure that the applicant is eligible, the activity and line items within the budget are eligible and a national objective is met. In addition, Staff helps clarify issues that will enhance the Advisory Committee's understanding of the project. Other public agencies with a direct interest in the program review applications and provide appropriate comments to the Advisory Committee. The Committee is tasked with scoring the applications in advance of the annual selection

meeting in March (see Scoring Criteria). These scores are used to provide the Committee with a starting point in their March deliberations.

There are 26 units of local government (UGLG's) eligible to apply. Non-profits, including community and faith-based organizations, may apply through sponsorship by an UGLG. Each community that applies for funds may make a presentation to the Advisory Committee on the second or third day of the selection meeting. Each community is permitted five minutes of presentation time per application and ten minutes to respond to questions from the Advisory Committee for each application. Communities not able to send a representative may send a narrative for Staff to present to the Advisory Committee.

### **Funding Categories**

The Director of Rural Community & Economic Development/CDBG, taking into account the recommendations of the CDBG Advisory Committee, reviews and approves the Advisory Committee recommendations, and then forwards the recommendations to the Governor for final approval. Approval may take into consideration emergency situations, public health and safety concerns, cost benefit to low- and moderate-income persons, applicant performance or capacity, project readiness, leveraging and any other factors deemed relevant. Since the program's inception in 1982, all of the Advisory Committee's funding recommendations have been endorsed and approved by the Governor.

In the event of disagreement with the Advisory Committee's recommendation or if an applicant appeals the decision of the Advisory Committee, the matter is directed back to Staff and the Advisory Committee for reconsideration.

This Method of Distribution of addressing funding categories applies to the 2015 grant allocation cycle. For 2015, the Method of Distribution includes taking incremental steps to focus more closely on economic development and collaboration with the Regional Development Authorities.

### **Amendment Process:**

Through the Annual Forum process, procedures are established to be used in amending an approved activity. A grantee must request approval to change the size, scope or beneficiaries of a project.

### **Monetary Increases:**

Request for additional funds for an existing project must follow the same process as normal grant applications. The Advisory Committee will make a funding recommendation to CDBG Staff and the proposal will be submitted to the Governor for final approval.

### **Scope, Purpose or Intent:**

The Committee and Staff may approve requests for minor changes in the scope of a project. If Staff determines that a request constitutes a major change in the project, the request requires

review by the Advisory Committee with a recommendation to Staff and the Director for final approval.

Changes in the scope, purpose and intent include, but are not necessarily limited to, changes in the size, location, use and budget. Changes in the CDBG budget items that constitute 10 percent or less of the CDBG budget are considered minor and may be made by the grant recipient upon filing an amended budget with Staff. Staff will review budget amendments that are more than 10 percent and less than 20 percent to determine whether the change alters the scope of the project. If Staff determines that the change in the budget does not constitute a change in scope, the amended budget will be accepted. If Staff believes the amendment changes the scope, the change will be referred to the Advisory Committee for a recommendation to Staff and the Director for final approval. The Advisory Committee must review changes in the budget amounting to 20 percent or more of the grant award.

### **Beneficiaries:**

If a project was approved to benefit LMI persons and the proposed change results in the total percentage of LMI persons benefited being less than 51 percent, the change will be reviewed by the Advisory Committee with a recommendation to Staff and the Director for final decision.

NOTE: If the project scope, purpose, intent, location or beneficiaries changes substantially, the local government shall follow the State's Citizen Participation plan by providing citizen's reasonable notice of and an opportunity to comment on the proposed changes.

### **Grant Size**

There is neither a maximum nor minimum limit on the amount of a grant award. In past years, the practice has been to recommend approval in such a manner as to distribute the limited funds as widely as possible while still meeting the most urgent needs of the communities. However, with an increased emphasis on economic development, and in an effort to encourage fewer and larger grants, those applications \$150,000 and over are given priority and are reviewed and funded before applications under \$150,000.

### **Outcome Measures**

The method of distribution ensures that outcome measures are determined by the units of local government. Because the UGLGs participate in the consolidated planning process, and are the entities that help determine those priorities and goals, outcome measures are also established during that planning process.

## **B. HOME INVESTMENT PARTNERSHIP PROGRAM**

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The HOME funds are allocated to all Participating Jurisdictions (PJ's) in the State. The State has decided to allocate the HOME funds based on population to ensure that each Nevadan receives the same amount of funding. If the State were to only distribute HOME funds in

the non-entitled areas they would receive approximately four times the amount of funding that other PJ's receive. Therefore, the State takes into consideration all of the HOME funds coming into the State and distributes the State funds based on a population formula.

The allocation for other Participating Jurisdictions in the State are as follows:

Clark County HOME Consortium-\$540,986  
City of Henderson-\$187,193  
City of Las Vegas-\$408,497  
Washoe County HOME Consortium-\$295,066  
Non-entitled area of the State-\$1,198,209

### **Application Criteria**

The State will allocate the non-entitled portion of the HOME funds to only non-entitled areas. We will make funding Low Income Housing Tax Credit projects as our first priority and will evaluate remaining projects and make selections based on need and funding remaining.

### **Funding Categories**

HOME funds and Low Income Housing Tax credits will be used for multi-family projects whether they are new construction or rehabilitation. HOME funds will also be used for down payment assistance and homeowner rehabilitation programs. The State will use the majority of its Trust Funds for tenant based rental assistance in the non-entitled areas of the state.

### **Grant Size**

Threshold factors are mainly based on the amount of funding the State has for the project and how many projects are successful in obtaining Low Income Housing Tax Credits. The average amount of HOME funds that it takes to fund a tax credit project is usually about \$400,000.00. The State usually allocates \$300,000 to down payment assistance/homeowner rehabilitation projects.

### **Outcome Measures**

Nevada Housing Division expects that it will be able to fund all of its priorities using this method of distribution. NHD foresees funding multi-family new construction projects, multi-family rehabilitation projects, a down payment assistance program and a homeowner rehabilitation program.

## **C. EMERGENCY SOLUTIONS GRANT PROGRAM**

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Regulatory changes made to the ESG program in 2009 limits the amount of funding that can be used to support emergency, transitional and domestic violence shelters for the homeless each year. Regulations placed a sixty (60) percent cap on the amount of funds

that may be allocated for these programs, resulting in financial impacts to shelter operations and essential services programs that have been established for many years. As a result the Division will continue to fund the maximum amount allowed to established sub-recipients that operate homeless shelters, transitional housing for the homeless, domestic violence shelters, and programs that provide motel vouchers in areas without access to homeless shelters. Remaining funds will be allocated for rapid-rehousing and homeless prevention programs, along with HMIS and data collection costs. Since requests for ESG funding exceeds the amount of funds allocated by HUD each year, State Low-Income Housing Trust funds will be used to supplement the rapid re-housing and homeless prevention programs to ensure priorities for the housing of homeless and those at imminent risk of homelessness are addressed.

The State of Nevada's Emergency Solutions for the Homeless and At-Risk of Homelessness programs are designed to meet the priority needs identified by the State, the local continuums of care, and local communities.

Through public input meetings the State identified the need to maintain existing emergency and transitional housing for the homeless, including domestic violence shelters; create additional transitional and permanent housing, including rapid re-housing assistance; provide financial support to assist those in imminent danger of becoming homeless; and support effective data collection and entry activities for services provided.

### **Application Criteria**

Rural Allocation: Due to limited amount of funding available, preference shall be given to agencies that currently are recipients of ESG funds; can demonstrate successful implementation of their programs; and are actively helping to meet the objectives of the Division, HUD, and the Rural Nevada Continuum of Care (RNCOC).

Preference will be given to agencies that choose activities to help homeless and chronically homeless individuals and families to obtain and maintain shelter and housing. Division staff shall review rural area Requests for Funds to ensure that instructions have been followed; that the project/program is eligible to receive ESG funds; the project/program meets the needs and priorities reflected in the State's Consolidated Plan; and the project/program will address the goals and objectives of the RNCOC. The Division may convene a review panel to rate and rank all Request for Funds received. If convened, the panel will include persons qualified to make decisions about programs and services offered to assist homeless and at-risk of homelessness persons, including members of the Rural Nevada Continuum of Care, the VA, and Rural Housing Authority. Division staff will present allocation information to the RNCOC for approval. Agencies will be chosen, and final allocations will be made, based on recommendations received from the RNCOC.

Allocations provided to local consortiums, such as the City of Reno or Clark County will be decided locally. There will be no application review process conducted by the Division for funds allocated as they are responsible for selecting agencies to receive funds within their

community; choosing the eligible activities that shall be funded with State ESG funds; consulting with local Continuums of Care to determine how to allocate ESG awards; developing performance standards in alignment with the local Continuum of Care; and evaluating outcomes of projects and activities assisted with ESG funds to ensure success of the State's ESG program. As required by program regulations, the Division shall also engage the local CoC to ensure that ESG-funded activities chosen will address the goals and objectives of the CoC.

### **Awarding Funds**

ESG funds are passed through the State of Nevada Housing Division and are directly allocated to city, county and non-profit organizations in Nevada who submit a Request for Funds application. City and county recipients may award to local homeless providers, but due to limited number of providers in rural communities all government agencies retain funds to implement programs directly. State ESG funds may also be allocated to the City of Reno and Clark County as State Recipients, and are responsible for awarding state ESG funds sub-recipients in their area(s).

### **Funding Categories**

The following activities will be funded with ESG and State Low-Income Housing Trust funds: Shelter Operations and Essential Services; Homeless Prevention and Rapid Re-housing rental assistance; Housing Relocation and Stabilization programs for homeless prevention and rapid re-housing clients; Data Collection costs; and administrative expenses. State Low-Income Housing Trust funds will provide the majority of rental assistance funding for clients receiving homeless prevention and rapid re-housing assistance, and ESG funds will pay for a limited amount of rental assistance and housing relocation and stabilization costs, including case management salaries, utility assistance, etc. Funds allocated for shelter operations, motel vouchers, and essential services will not exceed 60% of the total allocation, which is the most allowed by program regulations.

### **Grant Size**

The Division does not have a funding threshold and there are no maximum or minimum grant limits for the Emergency Solutions Grant Program. Awards shall be based on data provided by applicants in the ESG Request for Funds application, homeless point-in-time data, and data provided for existing programs via HMIS. Selected activities will address priorities of HUD, Continuum's of Care, and the Division.

### **Outcome Measures**

The State works closely with local Continuum's of Care to develop performance outcomes for sub-recipients of state ESG funds. In rural Nevada performance outcomes were created jointly and are reflected in the "Rural Nevada Continuum of Care and State Emergency Solutions Grant Program Performance Evaluation Tool." This document reflects goals, measures and expected outcomes for all projects funded through the CoC and State ESG-

funded programs. The most recent version of the combine outcome measures are also available at:

<http://housing.nv.gov/uploadedFiles/housingnvgov/content/programs/ESG/2015RNCOandESGPerformanceEvaluation.pdf>.

#### **D. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)**

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Northern Nevada HOPES is the sole project sponsor of the HOPWA program for the entire state of Nevada excluding Clark County (Las Vegas area). The HOPWA program is designed to assist HIV positive individuals at-risk of homeless with rental, mortgage, and utility assistance; as well as assistance with move-in costs associated with securing permanent housing.

Project sponsors who are awarded HOPWA funds may use funds to:

1. Provide Short-Term Rental and Mortgage Assistance (STRMU) for 21 weeks out a 52 week calendar year;
2. Provide Tenant Based Rental Assistance (TBRA).<sup>93\*</sup> to individuals who will need long-term financial assistance in order to prevent homelessness;
3. Provide Supportive Services (SS) Assistance to individuals in need of financial help to obtain items that are required prior to being approved for a rental unit, such as a state issued ID;
4. Provide Permanent Housing Placement (PHP) assistance to individuals who need financial assistance with unit move-in costs such as first month's rent and deposits.

#### **Application Criteria**

The results of the Request for Proposals for the HOPWA program were announced in 2011. At the time of the announcement four organizations expressed interest in bidding on the project, but only Northern Nevada HOPES submitted a complete proposal. Because of their proven track record and expertise in the field, Northern Nevada HOPES was granted funding.

In the event that more than one agency submits a request for funding for the HOPWA program preference will be given to agencies that are current or past recipients of HOPWA funds; can demonstrate successful implementation of the HOPWA program; have chosen to utilize HOPWA funds on activities that will prevent homelessness amongst the HIV positive community, and are actively helping to meet the Objectives of the Division and HUD.

#### **Awarding Funds**

HOPWA funds will be passed through the State of Nevada Health and Human Services (DHHS): Division of Public & Behavioral Health and will be allocated to local for-profit and non-profit organizations throughout Northern Nevada. Because Clark County (Las Vegas) receives funding for housing assistance from HUD HOPWA separately and Las

Vegas TGA receives Ryan White Part A program, HOPWA funds are solely allocated to Northern Nevada and the rural areas. Project sponsor Northern Nevada. HOPES receives the entire HOPWA grant minus three percent that is retained for State administration.

### **Funding Categories**

The State does not allocate funds to specific HOPWA sub-programs (TBRA, STRMU, PHP, SS), instead the program sponsor receives a total funding amount and the State allows them to utilize the funds based on identified client needs. The only allocation contained within the funding award is Administration, which is limited to seven percent of the total award amount.

### **Grant Size**

The HOPWA program does not have formal Threshold Factors or Grant Size Limit. Threshold factors are mainly based on the amount of the State funding award. Size of the award to the project sponsor also depends on the quality of the application. The average amount awarded to the project sponsor is \$236,000.

### **Outcome Measures**

The Division of Public and Behavioral Health expects that the current method of distribution will enable it to meet identified priority areas. We foresee continuing to fund our current project sponsor who provides housing assistance to individuals who are HIV positive and at-risk of homelessness in Northern Nevada.

## **E. HOMELESS STRATEGIC PLAN AND COORDINATION WITH THE CONTINUUMS OF CARE**

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The Strategic Plan developed as part of the five-year Consolidated Plan identified a number of gaps in homeless housing and services. Lack of adequate housing resources included emergency shelter, transitional housing and permanent supportive housing. The greatest need for individuals was permanent supportive housing, while the greatest need for families was emergency shelter. Social services, including case management and mental health/substance abuse treatments, were also considered to be a high need for homeless persons.

Rural Nevada currently has access to two homeless shelters and a number of domestic violence shelters. In addition many communities without access to a homeless shelter have developed programs utilizing motel vouchers in emergency situations. In 2015 the ESG program will provide funding to two homeless shelters located in Elko and Carson City, along with two domestic violence shelters in Carson City and Silver Springs to offset costs of shelter operations. Funds may also be used to provide for case management of clients residing in the shelters or accessing services offered by the provider.

Programs and services provided by the shelters will include food, shelter, life skills classes, transportation for shelter clients to and from the shelter and other services, clothing,

showers, access to prescriptions, work permits, birth certificates, and other services as available. Housing assistance programs offered by homeless service providers shall include rental assistance for up to 12 months in some communities, and may be extended if funding is available and the program participant's needs are warranted. Assistance will be offered to homeless individuals and families, including veterans and victims of domestic violence, who are currently in shelters or other inhabitable areas.

Limited funding will mean not as many clients will be offered assistance, but communities are motivated to address the ongoing issues of homelessness and have become quite creative in partnering whatever resources are available to ensure as many homeless are provided housing as possible. Many communities will utilize State Low-Income Housing Trust funds for rental assistance, using ESG and CDBG funds for Housing Relocation and Stabilization services described in the next paragraph.

Housing relocation and stabilization services will be used to provide case management to program participants, along with utility payments, utility deposits, security deposits, and rental application fees for program participants. Agencies will utilize all available mainstream resources available to homeless person within a community to ensure the ongoing success and stabilization of the household.

In northern Nevada the City of Reno is a State Recipient of a portion of the Divisions ESG funds. Funds may be used to offset costs of the Community Assistance Center for the homeless, providing much needed wrap-around services to homeless individuals and families. If funding allows, the City may also provide rapid re-housing assistance to homeless individuals and families in Washoe County. The State will also allocate funds to the Homeless Management Information System Lead Agency to be used to offset costs of the HMIS database in northern and rural Nevada.

The point-in-time counts done by the Nevada CoCs provide a helpful estimation of the homeless population in the state. It was estimated that 370 persons were homeless in the areas of the Balance of State CoC in 2014, as shown in Table V.1. This is compared to the 341 persons estimated to be homeless in the state in 2013.

**Table V.1**  
**Homeless Point in Time Count**

Nevada Balance of State CoC  
US Department of Housing and Urban Development<sup>3</sup>

Status	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Emergency Shelter	268	149	132	129	54	92	52	83	69	88
Transitional Housing	3,028	36	77	125	89	57	56	100	52	88
Total in Shelter	3,296	185	209	254	143	149	108	183	121	176
Unsheltered	100	147	37	76	297	173	189	122	220	194
<b>Total Homeless</b>	<b>3,396</b>	<b>332</b>	<b>246</b>	<b>330</b>	<b>440</b>	<b>322</b>	<b>297</b>	<b>305</b>	<b>341</b>	<b>370</b>

<sup>3</sup> <https://www.hudexchange.info/grantees/nv-502/>

In 2014, 47.6 percent of the counted homeless population was sheltered throughout the state. Some 35.5 percent of the homeless population was sheltered in 2013, and 32.5 percent in 2009.

The point-in-time counts also gathered additional data household type, veteran status, and subpopulation information for each homeless person counted. As seen in Table V.2, below, there were 66 persons in households with at least one adult and one child in the State of Nevada during the 2014 count. Of these households, 100 percent were sheltered. Some 36.4 percent of persons in households without children were sheltered during the count.

**Table V.2**  
**Homeless Count 2014**

Nevada Balance of State CoC  
US Department of Housing and Urban Development<sup>3</sup>

Household Type	Emergency Shelter	Transitional Housing	Unsheltered	Total
Households without Children	65	45	192	302
Persons in households without children	65	45	192	302
Households with at least one adult and one child	9	9	0	18
Persons in households with at least one adult and one child	23	43	0	66
Households with only children	0	0	2	2
Persons in households with only children	0	0	2	2
<b>Total Homeless</b>	<b>88</b>	<b>88</b>	<b>194</b>	<b>370</b>

Information about the various homeless subpopulations was collected during the 2014 count. Data was collected regarding the following six subpopulations:

- Chronically homeless
- Severely Mentally Ill
- Chronic Substance Abuse
- Veterans
- Persons with HIV/AIDS
- Victims of Domestic Violence

**Table V.3**  
**Homeless Subpopulations 2014**

Nevada Balance of State CoC  
U.S. Department of Housing and Urban Development

Homeless Attributes	Sheltered	Unsheltered	Total
Chronically Homeless Individuals	11	110	121
Chronically Homeless Persons in Families	6	0	6
Severely Mentally Ill	10	9	19
Chronic Substance Abuse	14	23	37
Veterans	9	11	20
HIV/AIDS	0	0	0
Victims of Domestic Violence	15	1	16
Persons not otherwise classified	111	40	151
<b>Total Homeless Persons</b>	<b>176</b>	<b>194</b>	<b>370</b>

Table V.3 shows the various subpopulations for the homeless within the state. The largest subpopulation group was chronically homeless individuals, with 121 persons. The next largest subpopulation group was persons with chronic substance abuse. There were 20 veterans counted in 2014, accounting for 5.4 percent of the total homeless population. Veterans were sheltered at a rate of 45.0 percent during the count. According to the Department of Housing and Urban Development’s 2013 Annual Homeless Assessment Report, veterans

account for just over 12 percent of all homeless adults in the United States, with an average of 60 percent being sheltered during 2013 counts across the nation.<sup>4</sup>

### Goals for Reducing and Ending Homelessness

The Division has implemented requirements that direct agencies receiving ESG allocations to reach out to homeless persons through various means. It is the intent of the Division to reduce the length of time persons experience homelessness by 5% each year, and to reduce returns to homelessness by 20% using ESG funds and other available resources.

To help the Division to meet these goals, rural communities will continue to partner with local sheriff and police to outreach to homeless clients; agencies will engage other community members to garner referrals; partnerships will include churches that routinely walk the streets and camps, providing homeless information, food, clothing, blankets and referrals to providers; and community providers will supply case managers to interview homeless during point-in-time counts and other outreach events. All of these activities will create opportunities to provide referrals to available services and programs, including the VA and access to HUD VASH Housing vouchers, the Section 8 program, and other homeless programs funded through local Continuums of Care.

In northern Nevada Volunteers of America will insure that homeless individuals in the area are aware of the services provided at the Community Assistance Center Campus (CAC). Outreach staff will go out weekly to educate unsheltered individuals on services available, and to help address any barriers/concerns they may have regarding accessing assistance at the CAC. The City will provide a full time case manager to screen clients who may be eligible for rapid re-housing programs offered by the City.

### **Transitions to Permanent Housing**

The State ESG Program and Continuums of Care throughout the State have implemented a goal that, depending on the area and type of program, requires up to 50% of homeless households served be "harder to serve" homeless populations. "Harder to serve" populations are defined as having one or more of the following issues: mental illness, alcohol abuse, drug abuse, chronic health conditions, HIV/AIDs, developmental disabilities, physical disabilities, or are chronically homeless.

Agencies will be required to reduce lengths of homelessness episodes, and new and returned entries into homelessness, by requiring programs to ensure that at least 80% of homeless persons stay in permanent or transitional housing for at least 6 months. Recipients of ESG and CoC funds shall also be required to increase jobs, income and self-sufficiency of program participants, and shall be measured annually to ensure that these objectives are met.

The State ESG Program has also encouraged agencies to increase the number of veterans provided access to permanent housing, and to increase the number of families with access

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<sup>4</sup> <https://www.onecpd.info/resources/documents/ahar-2013-part1.pdf>

to rapid re-housing and homeless prevention assistance. Funding for case management to ensure the long-term stability of program participants will be provided with ESG and Community Services Block Grant funds.

In 2014, Governor Sandoval designated that years as the "Year of the Veteran" and is asked partners throughout the State of Nevada to address veteran housing and service needs, including development of housing for low-income and homeless veterans. The Housing Division created a task force that includes representatives of veteran housing and service providers, whose mission will be to determine best practices for addressing the housing needs of Nevada veterans. Progress and results from this initiative will be continued through this upcoming planning year.

### **Helping low-income individuals and families avoid becoming homeless**

In rural Nevada service providers in local communities are working closely with each other to ensure low-income individuals and families avoid becoming homeless. Communities have implemented informal and formal Memorandums of Understanding with local jails, health care facilities, mental health providers, Division of Child and Family Services (DCFS), Child Protective Services, (CPS) schools, and other facilities and programs so that providers are engaged when a homeless or at-risk of homeless person or family has been identified.

Community Coalition meetings are held throughout the year as the forum to develop protocols to ensure the homeless and low-income households have access to programs and services, including housing if available. Homeless liaisons at local school districts are also working closely with providers to help families gain access to housing and supportive services. Community meetings have identified the need for at-risk of homelessness assistance, however ESG funding will be limited for this type of program due to funding cuts. Agencies will utilize other funding sources such as State Low Income Housing Trust funds to insure individual and families at most risk of homelessness are assisted.

In northern Nevada State ESG funds will not be used for homeless prevention and rapid re-housing programs due to the need for funding to offset the costs of the regional homeless campus. Funds received directly by HUD to the City of Reno will be used for that purpose. The City and its partners will continue to work with local institutions to develop appropriate discharge coordination policies and hope to have a formalized process in the next year.

## **F. FOSTERING AND MAINTAINING AFFORDABLE HOUSING**

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The Consolidated Plan indicates the relative priorities for assistance among 1) different categories of extremely low-, very low- and low-income households with needs for housing assistance, and 2) the activities appropriate for meeting the identified needs.

The principal features for achieving the objectives of this strategy include:

- Increasing the supply of standard, affordable rental housing through the

- rehabilitation of existing housing and the construction of new units;
- Promoting home ownership opportunities through the acquisition and rehabilitation of housing, the construction of new single-family homes, and the provision of below market rate mortgage financing;
  - Preserving existing home ownership through the renovation of owner-occupied single-family homes;
  - Providing rental assistance to alleviate rental cost burden experienced by very low and low-income households;
  - Providing affordable housing opportunities designed to meet the needs of the elderly, people with disabilities, large families, and other special needs groups;
  - Addressing the needs of homeless individuals and homeless families through the provision of services and assistance to shelter operators;
  - Providing opportunities for nonprofit community organizations to develop and execute projects which benefit lower-income residents;

## **G. MONITORING AND AUDIT REQUIREMENTS**

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To ensure that all statutory and regulatory requirements are being met for activities with HUD funds, the State uses various monitoring standards and procedures. Following are Program Specific Monitoring Standards and Procedures.

### **HOME & ESG Program Monitoring Plans**

The Division will monitor recipients for compliance with applicable HOME and ESG regulations based on the following processes:

- a. Application Process: Some documents and budget issues necessary for compliance are required at the time of application for funding and will be reviewed for compliance standards.
- b. Contractual Agreement: The Division will incorporate into its award letter many of the policy issues that are areas of concern to HUD and the Division. These agreements signed by authorized agency personnel represent their willingness to comply with these issues.
- c. Draw Process: Draw processes for reimbursement of funds have been created to include various areas of compliance required by HUD. Supporting documentation will be reviewed prior to the actual request of funds from HUD. Agencies that choose to summarize their expenses and not submit actual copies of supporting documentation will be earmarked for a more detailed review during on-site visits.
- d. On-Site Review: On-site visits for certain aspects of compliance-such as facility verifications, equipment inventory, review of client files and accounting records that cannot be monitored by other components of the grant process will be conducted as scheduling allows.

Sub-recipients will be notified in writing and via email at least two weeks in advance of the site visit. The notification letter will include a summary of the review and all checklists and tools that will be used by Division staff during the review. A following is a sampling of what will be reviewed during an on-site visit:

- Policies and Procedures and any Program Guidelines (copies will need to be included as part of the site visit record);
  - Evidence that funds are being used as submitted in the program application (will be determined during overall review of program);
  - Supporting documentation for expenditures;
  - Client files for dates selected, including eligibility documentation;
  - Wage documentation/time sheets for salaries charged to the grant to ensure costs are categorized appropriately for time periods reflected above (if applicable);
  - Match documentation;
  - Program Income; and
  - HMIS user agreements and policy statements to ensure documents meet client confidentiality requirements, a review of user security protocols and data input procedures, if applicable. A self-assessment survey shall be completed by sub-recipient staff prior to the visit which will be reviewed by Division and sub-recipient staff during the visit.
- e. Financial Monitoring: Monitoring visits recipients will be made to review the financial records of the agency. Recipients will be asked to make available all accounting records applicable to the project (grant) being reviewed. Verification of documented program matching funds and/or other resources (i.e., bank statement, canceled checks and volunteer hours) as well as evidence of any sub-contracts awarded and paid by the recipient are among the types of documentation to be made accessible for review. A review of the agencies most recent Single Audit or Audited Financial Statements will also be conducted during the financial monitoring process. Additionally, recipients that fail to request reimbursements in a timely manner will be counseled on the need for a more expedited process to ensure that funds are drawn in a timely manner.
- f. Programmatic Monitoring: The Division will conduct a programmatic review of recipients in order to evaluate program management in compliance with the application submitted to the Division, assess the accomplishments of the program, and to offer technical assistance where required. Items reviewed during the scheduled programmatic site visit include: financial management system, record keeping system (including all financial, contractual, environmental, progress reports, and client complaint data), as well as the current budget and amendments.

### **HOPWA Monitoring Plan**

Annual monitoring occurs to ensure that programmatic and fiscal guidelines are followed. Monthly fiscal reconciliations are submitted to, and reviewed by the state of Nevada. HOPES staff ensures eligibility criteria and completes all required documentation prior to providing housing services to any individual. Eligibility to other local housing resources is conducted prior to a client being placed on the program. Case files are maintained per regulations and HOPES policy and procedures. DPBH and HOPES staff receives technical assistance when needed and remain up to date on all regulations and policies related to the HOPWA program.

### **CDBG Program Monitoring Plan**

To ensure that all Federal and State statutory and regulatory requirements are met for activities with HUD/CDBG funds, the Rural Community Development Division/CDBG has established the following monitoring standards and procedures.

The formal CDBG Monitoring Plan is a three-step process: 1) Risk Analysis, 2) Desk Monitoring, 3) On-Site Monitoring. Risk Analysis is conducted annually on all grantees and open files. Risk is based on points assigned to various factors, including but not limited to: a) the number and dollar amount of open grants, b) complexity of the project(s), c) significant outstanding audit issues, d) significant outstanding compliance issues, e) management history. Risk level is based on points assigned to each factor. Extreme Risk is 66 to 85 points; High Risk is 46 to 65 points; Moderate Risk is 21 to 45 points; Low Risk is 0 to 20 points. Scheduling of on-site reviews is highly determined by the degree of risk assigned.

The second step of monitoring is Desk Monitoring, which occurs throughout the life of the grant. Daily, weekly, and on-going technical assistance is offered prior to application submission, during project implementation, and through close out of the grant. Initially, the application is reviewed by staff to ensure the project eligibility and alignment with a HUD National Objective. Once the application is approved for grant funding, staff approves final budget changes, reviews project beneficiaries, leveraging, and scope of work for required documentation.

All projects have an Environmental Review. No project can commence until the review process is completed and a Notice to Proceed has been issued by the CDBG Director or CDBG Administrator.

The preparation and publication of Request for Quotes (RFQs) and bid documents are carefully monitored, as are all the labor issues in project implementation.

Monitoring continues with the draw down process. All requests must have the correct supporting documentation; requests are reviewed by two staff members. A third person in the Accounting Unit approves the disbursement and draw down from HUD. If any documentation required for grant implementation has not been submitted, the draw

request is held until all documentation is received. Additionally, progress and compliance are checked each time a Draw Request is made. Draw Request procedures have been developed that include HUD compliance requirements.

Monthly and Quarterly Reports provide additional updates on the progress of each project. A Monthly Financial Report, developed and implemented in 2008, requires grantees to “prove out” prior obligations. This provides another opportunity to detect any problems.

Where administrative difficulties do arise or where issues of non-compliance are observed, technical assistance is provided by telephone, email, or on-site. All grantees are site monitored a minimum of every other year. All construction grants are monitored. Desk audits are conducted prior to field visits and inspections.

The CDBG Program Administrator conducts reviews of audits to determine compliance with applicable accounting regulations. Audit results are tracked on a spreadsheet and addressed in desk monitoring or site monitoring.

On-Site Monitoring is a structured review conducted at the location where the project activities are carried out or where project records are maintained. A month prior to a site monitoring visit, a monitoring letter is sent to the grantee requesting documents required for the grant review.

During a site visit, grantee files are reviewed for appropriate documentation to satisfy compliance with the Department of Housing and Urban Development’s (HUD) requirements. Files also are reviewed for organization and management of the Application Process, Financial Management, Environmental Review, Bidding and Contractor Selection Processes, Contractor/Sub-Contractor Management and Labor Compliance, Project Benefits, Section 3, and Equal Opportunity/Civil Rights/Fair Housing and Non-Discrimination Records. A Monitoring Review Form is used to ensure all issues are addressed.

Close-Out of Grants: Once a grant file has been monitored for closing, it is closed in IDIS. Additionally, another monitoring/financial management tool used is the CDBG Property Log. After reviewing a grant file for close out, the State maintains a record of CDBG property acquired by its recipients. Maintenance of a property record helps ensure there is no unauthorized change in the use or disposition of real or personal property acquired or improved with CDBG funds.

After close out in the CDBG office, a close out letter is sent to the grantee. The letter references the five year retention period required by HUD for all real and personal property acquired or improved with CDBG funding.

Grant Maintenance: In addition to monitoring, CDBG staff review reporting formats used by sub-recipients to ensure ease of use, while gathering the required data and information. During annual Grant Administration Workshops, reference manuals and guidebooks are distributed to all attendees. The guidebooks include reporting forms. Instruction is given

on labor compliance, financial management, procurement, record keeping and filing, reporting, and the monitoring process.

CDBG staff members and contractors worked diligently in 2010 and 2011 to close long-standing grants, in which all funds had been drawn down. In July 2011, prior to receiving information on a HUD OIG audit and a Finding of Noncompliance, the State CDBG Program commissioned an external contractor to research the long-standing open activities and advise how they could be closed. The research resulted in the majority of the grants being closed; they were part of the “en masse” closing of long-standing open activities in IDIS by HUD. Per HUD, there was additional “en masse” closing of such grants. All outstanding grants in this category were resolved in 2012. Currently grant years through 2009 are closed and program years 2010 and 2011 are expected to close in 2015.

To avoid future problems with projects, the CDBG Advisory Committee members are advised to give priority in the 2014 allocation of funds to communities that are clearly “project ready.” Actions such as this help with the timely use of HUD funds and close-out of grants.

## H. NEEDS OF PUBLIC HOUSING

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This section pertains to grantees who also oversee public housing authority activities. These activities are administered by Nevada Rural Housing Authority (NRHA), Reno Housing Authority (RHA) and the Southern Nevada Regional Housing Authority (SNRHA). Each Authority is responsible for submitting an Annual Action Plan. Please refer to the following links for additional information regarding actions that will occur at Public Housing Authorities in the State of Nevada.

NRHA: <http://www.nvrural.org/sites/default/files/HousingPlan2013.pdf>

City of Reno: [http://www.renoha.org/pdf/Misc/Annual\\_Plan.pdf](http://www.renoha.org/pdf/Misc/Annual_Plan.pdf)

Southern Nevada HA: <http://www.snvrha.org/pdf/Snrha-5yr-Plan-2011-2016-Updates.pdf>

The Nevada Housing Division, in conjunction with nonprofit housing providers, local governments and private sector participants, works to develop safe, affordable and decent housing. Programs such as down payment assistance, rehabilitation of existing single/multi-family units, and development of new multi-family units allow the Housing Division to address the needs of the state residents.

### **Actions planned**

The Housing Division will continue to provide State funds to Nevada Rural Housing Authority (NRHA) to subsidize the Section 8 Housing Choice Voucher program; providing assistance to senior and disabled populations on the wait list. Additional funds will be allocated to NRHA for a security deposit program that is provided to Housing Choice Voucher tenants needing financial assistance to obtain housing.

State funds that are passed through to local jurisdictions may be used in the same manner in northern and southern Nevada, but it is the decision of the local Consortiums to support

local housing authorities with their allocation of funds.

In rural Nevada, the Nevada Rural Housing Authority oversees the “Home at Last” program for 1st-time homebuyers and provides up to 4% of the loan amount for down payment assistance. In addition the Housing Authority oversees the Mortgage Credit Certificate program which provides a dollar-for-dollar federal income tax credit equal to 20% or 50% of the interest paid on a mortgage loan. The tax credit is provided to the homebuyer every year; and annual savings is estimated to average \$2,000 per year. Finally the Housing Authority works with eligible Housing Choice Voucher recipients to set aside funding to become 1st-time homebuyers

### **I. ENHANCING COORDINATION BETWEEN PUBLIC AND PRIVATE HOUSING AND SOCIAL SERVICE AGENCIES**

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Throughout the State of Nevada there exists an effective coordination effort between public and private housing and social services agencies. For example, in rural Nevada members of the Rural Nevada Continuum of Care (RNCOC) include: 1) staff from Nevada Rural Housing Authority, which oversees the Housing Choice Voucher and HUD VASH Voucher programs; 2) a number of county social services agencies, a few who are also recipients of HUD Supportive Housing and Shelter + Care funds; 3) staff from the State's Office of Mental Health which oversees a Shelter + Care program for mentally ill homeless; 4) a low-income housing and homeless developer; and 5) staff from the Housing Division. The State's CDBG Program shows support by providing funding to offset the costs of the rural continuum of care initiative. In northern and southern Nevada many of the same types of agencies participate in the local continuum of care initiatives.

In 2015 it is anticipated that efforts to continue coordination between public and private housing providers and social services agencies will include the following actions:

- Implementation of the Governor's Interagency Council on Homeless which will include state, local and non-profit agencies from throughout Nevada. The mission of the Council will be to address homeless needs throughout Nevada;
- Implementation of the State of Nevada's Division of Public and Behavioral Health's CABHIS (Cooperative Agreements to Benefit Homeless Individuals for States) grant, which will include the development of a statewide plan to ensure sustained partnerships across public health and housing systems that will result in short- and long-term strategies to support individuals who experience chronic homelessness;
- Implementation of the Veteran's Housing Task Force, which includes representatives from local HOME consortiums, developers, and other state and local housing providers; and
- Statewide Continuum of Care meetings will continue to be held throughout the year. Topics of discussion will include implementation of a statewide strategic plan to end homelessness; implementation of statewide performance measures for CoC and ESG programs; statewide discharge planning; implementation of a statewide

Homeless Management Information System Lead agency; and other issues that affect homelessness at a statewide level.

## **APPENDIX A- CITIZEN PARTICIPATION PLAN**

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### **NEVADA CITIZEN PARTICIPATION PLAN Consolidated Plan for Housing and Community Development**

#### **Introduction**

In 1994, the US Department of Housing and Urban Development issued new rules consolidating the planning, application, reporting, and citizen participation processes of four formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), Emergency Solutions Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The new planning process was intended to more comprehensively fulfill three basic goals: to provide decent housing, to provide a suitable living environment and to expand economic opportunities.

Provision of decent housing may involve assisting homeless persons in obtaining appropriate housing, retaining the affordable housing stock, increasing the availability of permanent affordable housing for low income households without discrimination or increasing supportive housing to assist persons with special needs. Providing a suitable living environment might entail improving the safety and livability of neighborhoods, including the provision of adequate public facilities; deconcentration of housing opportunities and revitalizing neighborhoods; restoring and preserving natural and physical features with historic, architectural, and aesthetic value; and conserving energy resources. Expanding economic opportunities can involve creation of accessible jobs, providing access to resources for community development, and assisting low income persons to achieve self-sufficiency.

The Consolidated Plan is actually a three-part planning process required by HUD. It comprises developing a five-year strategic plan, preparing annual action plans and submitting annual performance reports. These three parts are intended to furnish the framework whereby Nevada can identify its housing, homeless, community, and economic development needs, identify resources that will be tapped and actions to be taken to address the needs, as well as look back and evaluate the state's progress toward achieving its strategic goals. Completing these documents on time and in a manner that is acceptable to HUD ensures program funding.

The precursor to the Consolidated Plan is the Citizen Participation Plan (CPP). The objectives of the CPP are to ensure that the citizens of Nevada, particularly persons of low and moderate income, persons living in slum and blight areas, units of local government, housing agencies and other interested parties, are provided with the opportunity to participate in the planning and preparation of the Consolidated Plan, including amendments to the Consolidated Plan and the Annual Performance Report. In doing so, the CPP sets forth general policies and procedures for implementing and carrying out the consolidated planning process, such as how the Consolidated Plan will be developed, dates and milestones along which the process will proceed and methods for citizens to

offer the state assistance and guidance in the formulation of the Plan. Furthermore, the provisions of the CPP fulfill statutory and regulatory requirements for citizen participation specified in the U.S. Department of Housing and Urban Development's rules for the Consolidated Plan, the HOME Investment Partnerships (HOME) Program, the Community Development Block Grant (CDBG) Program, the Emergency Solutions Grants (ESG) Program and the Housing Opportunities for Persons with AIDS (HOPWA) Program. In Nevada, the Nevada Housing Division administers the HOME and ESG funds, the Division of Public and Behavioral Health administers HOPWA funding, and the Rural Community & Economic Development Division administers CDBG funds. The Governor's Office of Economic Development: Division of Rural Community & Economic Development Division is the lead agency for overseeing the development of the 2015-2019 Consolidated Plan.

In order to ensure maximum participation in the Consolidated Plan process among all populations and needs groups, and in order to ensure that their issues and concerns are adequately addressed, the State of Nevada will follow the standards set forth in its adopted Citizen Participation Plan during development of its Consolidated Plan, Action Plan and Annual Performance Report.

The term "entitlement area" refers to cities and counties that, because of their size, are able to receive federal funding directly. These areas must complete a Consolidated Plan separately from the state's to receive funding. For purposes of this report, non-entitlement refers to cities and towns that do not file Consolidated Plans individually and are not able to receive funding from the HUD programs directly. Entitlements not covered by the Nevada Consolidated Plan are Carson City, City of Henderson, City of Las Vegas, City of North Las Vegas, City of Reno, City of Sparks, and Clark County. Individuals wishing to contribute to the consolidated planning process in these areas should contact housing and community development specialists in these cities.

### **Encouraging Citizen Participation**

The Consolidated Plan is designed to enumerate Nevada's overall strategy for coordinating federal and other housing and community development resources to provide decent housing, establish and maintain a suitable living environment, and expand economic opportunities, particularly for low and moderate income persons.

Interested groups and individuals are encouraged to provide input into all aspects of Nevada's consolidated planning activities, from assessing needs to setting priorities through performance evaluation. By following the CPP, there will be numerous opportunities for citizens to contribute information, ideas and opinions about ways to improve our neighborhoods, promote housing affordability and enhance the delivery of public services to local residents.

## Limited English Proficient Persons and the Language Access Plan

The State of Nevada will make every effort to ensure that Limited English Proficient (LEP) persons have meaningful access to federally funded programs and services as is required under Title VI of the Civil Rights Act of 1964.

The State of Nevada has a diverse population where many languages are spoken. A substantial number of persons that speak these languages do not speak English or do not speak English very well and are considered Limited English Proficient (LEP).

Regardless of which language a person speaks or their ability to speak English, the State of Nevada will make every effort to ensure that they have meaningful access to federal funding services through either oral interpretation or written translations of vital documents.

Since the State of Nevada has such a large number of LEP persons, all countywide public notices and public hearings must ensure that language services are provided or available. For example, each year the public notice for the Annual Action Plan will be printed in various languages and translation services will be provided as necessary for the public hearing.

However, many programs and services delivered within the State of Nevada, including those carried out by participating cities, have distinct service areas and, as such, an assessment must be made by each agency administering the activity to determine which language services should be provided based on the identified LEP population in the service area.

To assist participating agencies, the State of Nevada has developed a bulletin instructing them to conduct the four-factor analysis and develop their own Language Access Plan (LAP) to ensure that LEP persons have meaningful access to their federally funded programs and services. The state will also provide technical assistance to assist the agencies in conducting the four-factor analysis and in developing their Language Access Plans.

The four-factor analysis is as follows:

- Factor 1:** Determine the number or proportion of LEP persons served or encountered in the eligible service area.
- Factor 2:** Determine the frequency with which LEP persons come in contact with the program.
- Factor 3:** Determine the importance of the information, services, program, or the activity to people's lives.
- Factor 4:** Assess costs versus resources and benefits in providing language services.

The State of Nevada is confident that no person will be denied federally funded services based on their ability to speak English.

The State of Nevada is committed to keeping all interested groups and individuals informed of each phase of the consolidated planning process and of activities being proposed or undertaken under HUD formula grant programs. Opportunities to comment on or participate in planning community development and affordable housing activities and projects will be publicized and disseminated throughout the state.

### **Public Hearings and Meetings**

The State of Nevada will conduct a minimum of two public hearings to obtain citizens' views and to respond to proposals and questions. The hearings will take place at different stages of the consolidated planning process. At least one will occur prior to development of the Draft Plan and will be intended to solicit public input regarding distinct issues, thereby aiding policy formation. At least one hearing will occur after the Draft Plan has been released for public review, allowing interested parties an opportunity to review the strategies and how they were developed, designed and presented.

Information about the time, location and subject of each hearing will be provided to citizens at least 14 calendar days in advance through adopted public notice and outreach procedures. This notification will be disseminated to local governments and other interested parties. Public notification of the hearings will be published in statewide newspapers of general circulation in hearing location cities or towns and on the State of Nevada's websites. Staff may also attend other meetings and conventions in Nevada throughout the year, thereby providing an opportunity for additional public input on the Consolidated Plan.

Every effort will be made to ensure that public hearings are inclusive. Hearings will be held at convenient times and locations and in places where people most affected by proposed activities can attend. The State of Nevada will utilize hearing facilities that are accessible to persons with mobility impairments. If written notice is given at least seven days before a hearing date, the state will provide appropriate materials, equipment and interpreting services to facilitate the participation of non-English speaking persons and persons with visual and/or hearing impairments. Interpreters will be provided at public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. All public hearings and public meetings associated with the consolidated planning process will conform to applicable Nevada open meetings laws.

However, the State of Nevada may, at its discretion, actively solicit input on housing and community development issues during the course of the year with regional forums, town hall meetings and other venues, as they may present themselves.

Applicants must provide opportunities for public participation in the development of community development goals, objectives and applications for funding assistance by undertaking the following activities:

- Provide for and encourage citizen participation within their areas of jurisdiction with particular emphasis on participation by persons of low and moderate income

- Provide citizens with reasonable and timely access to local meetings, information, and records relating to proposed and actual use of funds
- Provide for technical assistance to groups and representatives of low and moderate income persons that request assistance in developing proposals. The level and type of assistance is to be determined by the applicant
- Provide for public hearings to obtain citizen participation and respond to proposals and questions at all stages

Prior to selecting a project and submitting an application for CDBG funding assistance, eligible applicants must conduct at least one public hearing for the following purposes:

- To advise citizens of the amount of CDBG funds expected to be made available for the current fiscal year
- To advise citizens of the range of activities that may be undertaken with CDBG funds
- To advise citizens of the estimated amount of CDBG funds proposed to be used for activities that will meet the national objective to benefit low and moderate income persons
- To advise citizens of the proposed CDBG activities likely to result in displacement and the unit of local government's anti-displacement and relocation plans
- To obtain recommendations from citizens regarding the community development and housing needs of the community
  - After considering all recommendations and input provided at the public hearing(s), the county commission or city/town/village council may select one or more projects for which to submit an application for funding assistance at an official public meeting
  - The applicant must conduct a second public hearing to review program performance, past use of funds and make available to the public its community development and housing needs including the needs of low and moderate income families and the activities to be undertaken to meet such needs
  - Public hearing notices must be published in the non-legal section of newspapers or posted in a minimum of three prominent places within the project area with reasonable time and public access
  - Evidence of compliance with these regulations must be provided with each application, i.e. hearing notice, minutes of these meetings, list of needs, and activities to be undertaken
  - Amendments to goals, objectives, and applications are also subject to public participation
- Provide for timely written answers to written complaints and grievances within 15 working days where practicable
- Identify how needs of non-English speaking residents will be met in the case of public hearings where a significant number of residents can be reasonably expected to participate

## Publication of Consolidated Plan Documents

The state will publish the draft Consolidated Plan or Annual Action Plan for public review in a manner that affords citizens, public agencies and other interested parties a reasonable opportunity to examine its contents and submit comments. The Draft Plan will be a complete document and shall include:

- The amount of assistance the state agencies expect to receive and,
- The range of activities that may be undertaken, including the estimated amount that will benefit persons of low and moderate income.

A notice for the release of the Draft Plan will be published in several newspapers of general circulation at the beginning of the public comment period. The release will include a list of the locations where copies of the entire proposed Consolidated Plan may be obtained or examined. The following are among the locations where copies of the public comment draft will be made available for inspection:

- Governor's Office of Economic Development offices,
- Rural Community & Economic Development Division website  
[www.diversifynevada.com/programs-resources/rural-community-development](http://www.diversifynevada.com/programs-resources/rural-community-development)
- NHD offices,
- NHD website <https://housing.nv.gov>

Citizens and groups may obtain a reasonable number of free copies of the proposed Consolidated Plan by contacting the Governor's Office of Economic Development: Rural Community & Economic Development Division at (775) 687-9900, or Nevada Housing Division at (775) 687-2040 or the document may be downloaded from the NHD website, located at <http://housing.nv.gov>

## Public Comments on the Draft Consolidated Plan and Annual Action Plans

The Governor's Office of Economic Development: Division of Rural Community & Economic Development, as lead agency, will receive comments from citizens on its draft plan for a period not less than 30 days prior to submission of the Consolidated Plan or Annual Action Plans to HUD. The drafts will be scheduled for release in early fall of each year.

All comments or views of citizens received in writing during the 30-day comment period will be considered in preparing the final Consolidated Plan or Annual Action Plan. A summary of these comments or views and a summary of any comments or views not accepted and the reasons therefore shall be attached to the final Consolidated Plan or Annual Action Plan.

## **Public Notice and Outreach**

An informed citizenry is critical to effective and responsive housing and community development programs. Efforts to educate residents and empower their participation are an ongoing element of the consolidated planning process.

As the fundamental means of notifying interested citizens about the Consolidated Plan and related activities, such as the Annual Action Plan or the Consolidated Annual Performance and Evaluation Report, the state will publish public notices in newspapers of general circulation in Nevada and on NHD web pages. Such notices will be published at least 14 calendar days prior to public hearings. All notices will be written in plain, simple language in English and Spanish and direct efforts will be undertaken to publish and/or post information at locations that will elicit maximum low and moderate income and minority participation.

Public education and outreach will be facilitated through the use of public advertisements that describe the consolidated planning process, opportunities for citizen participation and available funding through the CDBG, ESG, HOME and HOPWA programs. The Consolidated Plan mailing list will likely include social service organizations, local jurisdictions, low income housing consumers, neighborhood groups, previous participants and commentators, and others expected to desire input on the Plan. This list is updated periodically and is available for inspection at the State of Nevada website.

## **Technical Assistance**

Groups or individuals interested in obtaining technical assistance to develop project proposals or applying for funding assistance through HUD formula grant programs covered by the Consolidated Plan or Annual Action Plan may contact the staff of the Governor's Office of Economic Development: Division of Rural Development. Issues regarding HOME and ESG may contact Nevada Housing Division, and for HOPWA may contact Nevada Division of Public and Behavioral Health. Such assistance may be of particular use to community development organizations, nonprofit service providers, and for-profit and nonprofit housing development groups that serve or represent persons of low and moderate income. Pre-application workshops offer basic program information and materials to potential project sponsors, and staff provides in-depth guidance and assistance to applicants and program participants on an ongoing basis. Emphasis is placed on capacity development of community-based organizations.

## **Amendments to the Consolidated Plan**

An amendment to the Consolidated Plan is required whenever the jurisdiction determines to:

- Substantially change the allocation priorities or its method of distributing HUD formula grant funds;

- Utilize formula grant funds (including program income) to carry out an activity not previously described in the Action Plan; or
- Change the purpose, scope, location or beneficiaries of an activity.

Such changes, prior to their implementation, are reviewed under various federal or local requirements, particularly rules on procurement and/or policies on the allocation of public resources. Substantial amendments to the Consolidated Plan are, in addition, subject to a formal citizen participation process. Notice and the opportunity to comment will be given to citizens through public notices in local newspapers and other appropriate means, such as direct mail or public meetings. A public comment period of not less than 30 days will be provided prior to implementing any substantial amendment to the Consolidated Plan. Staff will prepare a summary of all comments received in writing and, in cases where any citizens' views are not accepted, provide reasons for the decision. This documentation will be attached to the substantial amendment, which will be available to the public and submitted to HUD.

### **Substantial Amendments**

Occasionally, public comments warrant an amendment to the Consolidated Plan. The criteria for whether to amend are referred to by HUD as Substantial Amendment Criteria. The following conditions are considered to be Substantial Amendment Criteria:

- Any change in the described method of distributing funds to local governments or nonprofit organizations to carry out activities. Elements of a method of distribution are:
  - Application process,
  - Allocation among funding activities in excess of 35 percent of the total current entitlement allocation,
  - Grant size limits, and
  - Criteria selection.
- An administrative decision to reallocate all the funds allocated to an activity in the Action Plan to other activities of equal or lesser priority need level, unless the decision is a result of:
  - Federal government recession of appropriated funds, or appropriations are so much less than anticipated that the state makes an administrative decision not to fund one or more activities, or
  - The governor declares a state of emergency and reallocates federal funds to address the emergency, or
  - A unique economic development opportunity arises where the state administration asks that federal grants be used to take advantage of the opportunity.

## **Citizen Participation in the Event of a Substantial Amendment**

In the event of a substantial amendment to the Consolidated Plan, the Rural Community & Economic Development Division, depending on the nature of the amendment, will conduct at least one additional public hearing. This hearing will follow a comment period of no less than 30 days, where the proposed substantially amended Consolidated Plan will be made available to interested parties. Citizens will be informed of the public hearing through newspaper notification and the state websites prior to the hearing and the notice will appear in at least one newspaper that is circulated statewide.

Citizens will be notified of the substantially amended Consolidated Plan's availability through newspaper notification prior to the 30-day comment period. The substantially amended sections of the Consolidated Plan will be available on the NHD website, <http://housing.nv.gov> for the full public comment period.

## **Consideration of Public Comments on the Substantially Amended Plan**

In the event of substantial amendments to the Consolidated Plan, the state will openly consider any comments on the substantially amended Consolidated Plan from individuals or groups. Comments must be received in writing or at public hearings. A summary of the written and public hearing comments on the substantial amendments will be included in the final Consolidated Plan. The final Consolidated Plan will also include a summary of all comments not accepted and their reasons for dismissal.

## **Changes in Federal Funding Level**

Any changes in federal funding level after the Consolidated Plan's draft comment period has expired and the resulting effect on the distribution of funds will not be considered an amendment or a substantial amendment.

## **Standard Amendments**

Standard amendments are those that are not considered substantial in nature and pertain chiefly to minor administrative modifications of the programs. Thus they do not require in-depth citizen participation.

## **Annual Performance Reports**

Performance reports on CDBG, HOME, ESG and HOPWA programs covered by the Consolidated Plan or Annual Action Plan are to be prepared by the Rural Community & Economic Development Division, Nevada Housing Division, and the Department of Health and Human Services for annual submission to HUD within 90 days of the start of each program year. Draft performance reports will be made available upon written request. The draft performance report will be available for comment for no less than 15 days, and any public comments received in writing will be reported in an addendum to the final performance report.

## Access to Records

To the extent allowed by law, interested citizens and organizations shall be afforded reasonable and timely access to records covering the preparation of the Consolidated Plan or Annual Action Plan, project evaluation and selection, HUD's comments on the Plan and annual performance reports. In addition, materials on formula grant programs covered by the Consolidated Plan or Annual Action Plan, including activities undertaken in the previous five years, will be made available to any member of the public who requests information. A complete file of citizen comments will also be available for review by interested parties. After receiving notice of HUD's approval of its Consolidated Plan or Annual Action Plan, the Rural Community & Economic Development Division will inform those on its mailing list of the availability of the final Plan document and of any HUD comments on the Plan.

## Complaints and Grievances

Citizens, administering agencies and other interested parties may submit complaints and grievances regarding the programs the Rural Community & Economic Development Division, Department of Health and Human Services, and the Nevada Housing Division administer. Complaints should be in writing, specific in their subject matter, and include facts to support allegations. The following are considered to constitute complaints to which a response is due:

- The administering agency has purportedly violated a provision of the Citizen Participation Plan;
- The administering agency has purportedly violated a provision of federal CDBG, ESG or HOME, or HOPWA program regulations;
- The administering agency, or any of its contractors, has purportedly engaged in questionable practices resulting in waste, fraud or mismanagement of any program funds.

Residents may also present complaints and grievances orally or in writing at the community meetings and/or public hearing. All public comments, including complaints and grievances, made either orally or in writing within the 30-day public comment period, will be included in the final Consolidated Plan or Annual Action Plan. Such complaints or grievances for CDBG, HOME, HOPWA, or ESG shall be directed to the Consolidated Plan representative at the Rural Community & Economic Development Division and Nevada Housing Division.

## Timely Response to Complaints or Grievances

Upon receipt of a written complaint, the designated representative at Rural Community & Economic Development Division or Nevada Housing Division shall respond to the complainant within 15 calendar days and maintain a copy of all related correspondence, which will be subject to review.

Within 15 calendar days of receiving the complaint, the designated representative shall discuss the matter with the department manager and respond to the complainant in writing. A copy of the Rural Community & Economic Development Division or NHD response will be transmitted, concurrently, to the complainant and to the division directors. If, due to unusual circumstances, the designated representative finds that he/she is unable to meet the prescribed time limit, the limit may be extended by written notice to the complainant. The designated representative's notice must include the reason for the extension and the date on which a response is expected to be generated, which may be based on the nature and complexity of the complaint.

Public review materials and performance reports will include data, as appropriate under confidentiality regulations, on any written complaints received and how each was resolved.

### **Activities Exempt from Substantial Amendment Citizen Participation Requirements**

#### **Urgent Needs**

It may be necessary to amend the Consolidated Plan or Annual Action Plan in the event of an emergency such as a natural disaster. These amendments may include funding new activities and/or the reprogramming of funds including canceling activities to meet community development needs that have a particular urgency. Therefore the State of Nevada may utilize its HOME or CDBG funds to meet an urgent need without the normal public comment period, which is otherwise required for substantial amendments.

To comply with the national objective of meeting community development needs having a particular urgency, an activity will alleviate existing conditions that the State of Nevada certifies:

- Pose a serious and immediate threat to the health and welfare of the community;
- Are of recent origin or recently became urgent;
- The local jurisdiction is unable to finance the activity on its own; or
- Other resources of funding are not available to carry out the activity.

A condition will generally be considered to be of recent origin if it is developed or became critical within 18 months preceding the Rural Community & Economic Development Division's certification.

#### **Availability of the Citizen Participation Plan (CPP)**

Copies of the CPP may be obtained from Nevada Governor's Office of Economic Development's website at [www.diversifynevada.com](http://www.diversifynevada.com) or from Nevada Housing Division's website at <http://housing.nv.gov/>. Upon request, the Rural Community & Economic Development Division or NHD will make the Plan available in an alternative format accessible to persons with disabilities.