

CDBG at Work in the Silver State:

An Examination of the Community Development Block Grant Program in the State of Nevada

Staff Report from the Office of Senator Catherine Cortez Masto

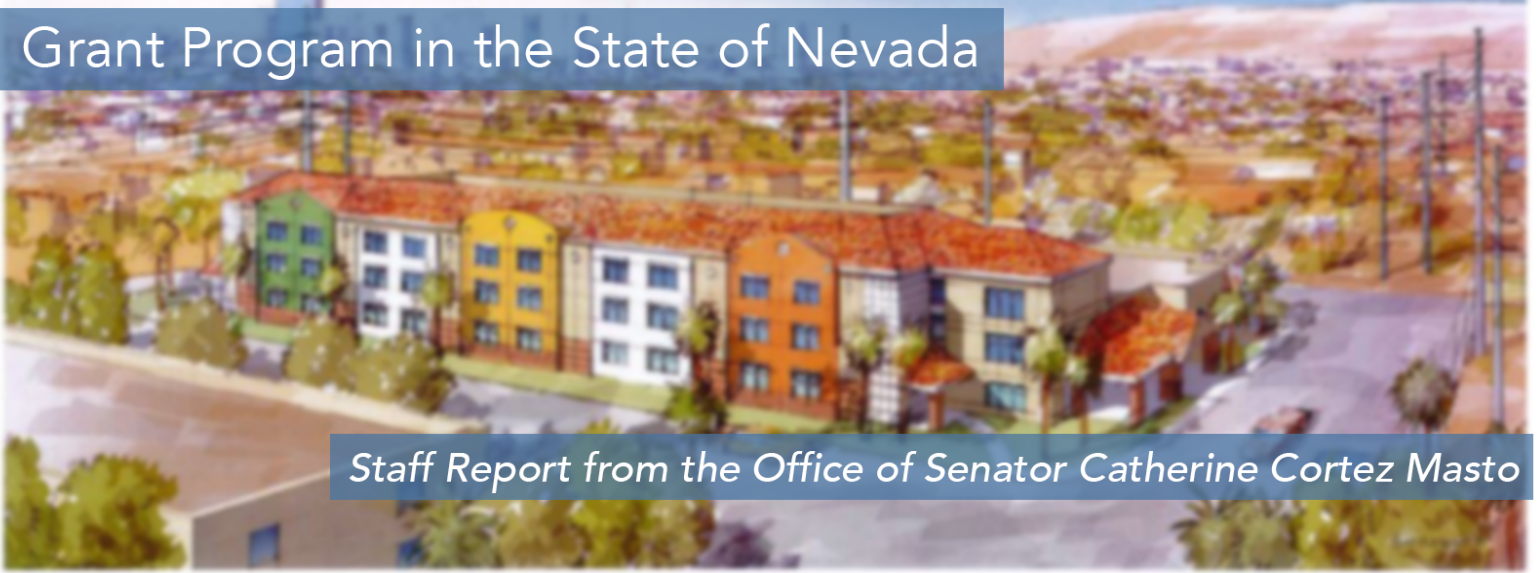


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Executive Summary

On Thursday, March 16th, 2017, President Donald Trump released his budget blueprint for Fiscal Year 2018 (FY 2018).¹ This budget proposal helps frame the debate in Congress over how we fund programs within the jurisdiction of the U.S. Department of Housing and Urban Development, or HUD, for the coming fiscal year, which begins on October 1st, 2017.

Immediately upon release of the FY 2018 budget, stakeholders in Nevada began to contact and meet with the Office of Senator Cortez Masto to discuss the proposal's potential impact on housing and community development in the Silver State. One area of particular concern was the Administration's proposal to eliminate the Community Development Block Grant program, or CDBG, starting in FY 2018.

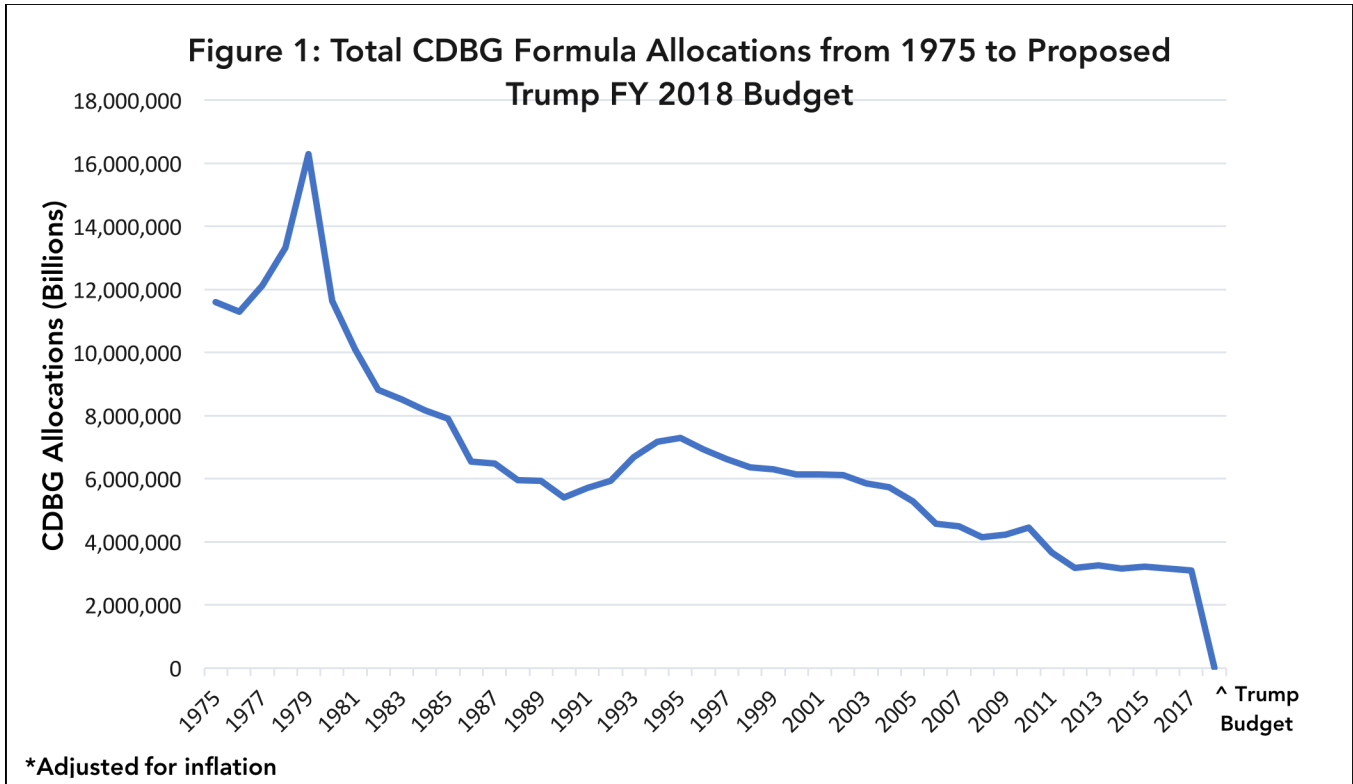
For example, the Office of Senator Cortez Masto received 25 letters from Nevadans supporting CDBG and urging funding of the program in FY 2018. They cited its positive contributions to local communities and ability to further leverage funding for community initiatives. One Nevadan called it critical "to support a more cohesive and stable community overall" while another praised CDBG's support of crucial programs in Nevada communities.

The proposed elimination of CDBG should be of concern for *all* communities in Nevada, whether urban, suburban or rural, as CDBG allows neighborhoods to invest in locally-driven projects that spur private investment and address housing and economic development challenges. CDBG creates jobs, makes essential infrastructure projects possible, and addresses unique housing needs that benefit elderly, disabled, and economically-vulnerable households. The Trump Administration is considering the complete elimination of this vital economic development program.

Funding for CDBG has already deteriorated since the program's creation. Figure 1, below, documents how the Trump Administration budget would make a bad situation even worse. When adjusted for inflation, funding for CDBG in FY 2017 was less than a third of what it was in 1975, and less than a fifth of what it was during the program's peak year of funding, 1979. In fact, the program today is funded far below the levels allocated during the presidencies of Ronald Reagan, George H.W. Bush, Bill Clinton and George W. Bush. These funding cuts all come at a time of significant population growth in the Silver State. Indeed, Nevada had a population of just over 600,000 in 1975, compared to more than 2.9 million in 2016.² This increasing population means there are growing infrastructure and housing needs to serve an economy with more workers, families and retirees. Without CDBG funding reinvesting federal tax dollars into Nevada, state and local governments will be required to abandon projects or to find other sources of revenue.

¹ President Donald J. Trump's Budget Blueprint for Fiscal Year 2018. Available at: <https://www.whitehouse.gov/omb/budget>

² Population data is sourced from the U.S. Census Bureau and the Nevada State Demographer. See: <https://www.census.gov/quickfacts/NV>; and https://tax.nv.gov/uploadedFiles/taxnvgov/Content/TaxLibrary/March_2017_Five_Year_Projections.pdf.pdf.



Source: Department of Housing and Urban Development

In FY 2017, the State of Nevada received a total of \$20,522,369 in CDBG funds. Below, in Figure 2, is a table of funding levels to Nevada grantees in FY 2017. Note that larger cities and counties in the State receive direct grants from HUD (depicted later in Figure 3), while other areas of the State

Figure 2: Nevada CDBG Grants		
Grantee	Amount (FY 2017)	Amount (Proposed Trump Administration FY 2018)
Henderson	\$1,289,112	\$0
Las Vegas	\$4,727,675	\$0
North Las Vegas	\$1,846,566	\$0
Reno	\$1,931,523	\$0
Sparks	\$622,192	\$0
Clark County	\$6,841,450	\$0
State of Nevada	\$3,263,851	\$0
TOTAL NEVADA CDBG FUNDING	\$20,522,369	\$0

Source: HUD data; available at: https://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/budget/budget17

are served via distributions made from the State of Nevada, based on community input and evaluations of local need.

The grantees for CDBG funds distributed by the State of Nevada are listed further below, in Figure 3. If the Trump Administration budget were enacted, Nevada communities would lose the entirety of the funding outlined in Figures 2 and 3.

The following Staff Report follows-up an earlier work from the Office of Senator Cortez Masto on housing programs in the Silver State, focusing on the impact of the President's proposed elimination of CDBG on the State of Nevada.

Specifically, this Staff Report collects stories from CDBG-grantees and stakeholders in the Silver State, who each describe how they use the program to support communities and spur private investment. The Staff Report concludes that CDBG is vitally important for urban, suburban, and rural Nevada communities, and that the program is utilized by a variety of stakeholders – from non-profits to faith-based organizations. Conversations with stakeholders indicate that key projects, such as those listed below, would not have been implemented without access to CDBG funding:

- Esmeralda County relied on CDBG funds to implement a 9-1-1 switchboard to provide first responder services for the county.
- The City of Reno used CDBG funds to support the region's sole homeless shelter; losing these funds would amount to a loss of 95 beds per night or 35,040 bed-nights per year.
- Catholic Charities of Southern Nevada utilized CDBG funds to increase the size of their food pantry, serving more than 3,000 Nevada families a month.
- The City of North Las Vegas provided CDBG funds to the Blind Center of Nevada to provide vocational training and employment opportunities to blind or visually impaired North Las Vegans.

As the budget process proceeds, Senator Cortez Masto and her office will continue outreach to constituents and local organizations to understand the effects of the proposed budget cuts on the Silver State.

Figure 3: 2017 CDBG Grantees – Sub-allocated from the State of Nevada

Community	Project	Total CDBG Funds	Dollars Leveraged	People Benefitting
City of Lovelock	Recoating Waste Water Tanks	\$252,800	\$58,280	1,120
City of Wells	El Rancho Business Incubator Reconstruction, Phase 1	\$140,000	\$142,000	1063
Esmeralda County	911 Communication System	\$200,000	\$15,000	200
White Pine County	Rural Housing Rehabilitation	\$100,000	\$321,000	11
City of Fernley	Fernley Depot ADA Access & Sewer Project, Phase 2	\$300,907	\$145,006	4646
City of Caliente	Flood Risk Assessment/Economic Resilience Plan	\$175,000	\$5,000	865
Washoe County	NV-SBDC Small Bus. Counseling & Training for Rural LMI Entrepreneurs	\$80,000	\$10,000	120
Washoe County	Gerlach Economic Development Plan	\$98,750	\$13,250	590
City of Yerington	Pumpkin Hollow Recreation Complex Feasibility Study	\$75,000	\$175,000	2687
Douglas County	Eagle Gas Station Redevelopment Project	\$539,350	\$229,336	2652
Douglas County	North Valley Wastewater Treatment Plant Upgrade	\$192,939	\$9,835,000	170
City of Fallon	Fallon Food Hub Dedicated Facility Phase 1	\$107,000	\$10,200	1505
Total		\$2,261,746.00	\$10,959,072.00	15,629

Source: Nevada Governor's Office of Economic Development

Methodology and Format of this Staff Report

The following Staff Report from the Office of Senator Cortez Masto was compiled through conversations with individuals and organizations across the State of Nevada who are actively involved with the Community Development Block Grant program. In order to collect stories, Senator Cortez Masto's office contacted over twenty organizations in the Silver State. Many organizations also contributed their own reports and metrics compiled from internal databases, which can be referenced at the end of this report.

The Staff Report is organized by topic area, and includes stories from grantees on how they use CDBG in the neighborhoods they service. The Office is grateful to all stakeholders who contributed their perspectives to this report.

CDBG: Providing Critical Support to Rural Areas

Since 1982, CDBG has provided \$84,550,775 to 26 rural cities and counties in Nevada. As Figure 3 shows, Nevada non-entitlement communities received \$3.26 million in CDBG funds in 2017.³ HUD defines non-entitlement communities as cities with populations of less than 50,000 (excluding cities that are designated as principal cities in Metropolitan Statistical Areas) and counties with populations of less than 20,000. In these communities, eliminating CDBG would harm the vitality of neighborhoods and would put further strain on local governments' resources. Without another source of funding, communities would be forced to turn to other federal programs, or be forced to go without funds and make cuts to already essential programs.

The **Rural Nevada Development Corporation** (RNDC) is an organization based in Ely that seeks to address critical issues such as affordable housing, down payment assistance, and home rehabilitation. In 2017, the RNDC received \$100,000 in CDBG funds. Since 1991, the organization has received roughly \$4 million dollars through CDBG for housing rehabilitation, which has assisted approximately 239 households or 424 people living in rural Nevada.

Source: Rural Nevada Development Corporation, interview with staff, June 1, 2017.

[Rural Nevada Development Corporation interview](#)

Before 2017, **Esmeralda County** did not have an updated 9-1-1 communication system to service the region, and was unable to receive wireless 9-1-1 calls. In the event of an emergency, residents would often call into another town, such as Pahrump, Hawthorne or Fallon, all of which are located at least 100 miles from the county. Operators outside the local area were frequently unaware of the roads or locations of buildings. As a result, ambulances were going to the wrong locations and patients were forced to wait. In 2017, Esmeralda County received a CDBG grant to purchase equipment and install the County's own 9-1-1 switchboard. The project is expected to be fully completed at the end of the year.⁴

³ See Figure 2

⁴ Dr. Jean L. Barrette (CDBG Program Administrator, State of Nevada), interview with staff, June 7, 2017.

After the closure of the Nye Hospital in the fall of 2015, the region was left without medical care. In 2016, CDBG funded two vans that would drive elderly citizens and disabled citizens from **Nye County and Esmeralda County**, to Reno, Carson City or Las Vegas to the doctors' office and receive healthcare that is locally unavailable.⁵

Robert Hooper, the Executive Director of the Northern Nevada Development Authority, discussed the importance of CDBG to rural communities who are already stretched thin with providing essential services. Rather than forcing governments to make the choice between paying for a 9-1-1 system or paying for a police force, CDBG funds allows for these communities to go down both paths. As Mr. Hooper shared:

In **Lincoln County**, inaccurate mapping lead to high-risk flood zone designations for the area. As a result, homeowners were saddled with increasing flood insurance premiums that did not reflect their actuarial risk. Rising premiums particularly affected low and moderate-income homeowners who would have been forced out of their homes. With the help of the Lincoln County Regional Development Authority, the County received a CDBG grant for the express purpose of re-mapping the region to reveal more accurate flood zones, and subsequently reflect homeowners' actuarial risk, resulting in lower and more affordable premiums for residents.

Source: Robert Hooper (Executive Director, Northern Nevada Development Authority), interview with staff, May 30, 2017.

“They really do need this kind of program to lift them up and I think by lifting them with CDBG at least gives them a fighting chance within their own community to grow it.”

CDBG: Providing Critical Support to Urban Areas

Through CDBG funds, Nevada stakeholders have been able to expand services and better meet the needs of their communities. Local governments receiving CDBG funds have used them to develop infrastructure in blighted areas and expand services, such as sheltering the homeless or providing high-quality, affordable housing. CDBG has also given localities the ability to leverage these funds for additional financing. Without these funds, local governments would be stretched thin and forced to either cut services or find alternative sources of financing. Some organizations that receive CDBG funds would be unable to continue operating, and be forced to close, depriving Nevadans of access to already scarce assistance.

⁵ Robert Hooper (Executive Director, Northern Nevada Development Authority), interview with staff, May 30, 2017.

CDBG at Work in Northern Nevada

Northern Nevada benefits widely from the CDBG program. In an editorial published in the *Reno Gazette-Journal*, Mayor Hillary Schieve shared the importance of CDBG to the City of Reno:⁶

However, of all the president's recommendations, the potential elimination of the CDBG and HOME Investment Partnerships programs at the Department of Housing and Urban Development would likely inflict the most serious damage to the Reno community...Since 1974, the CDBG program has been providing funds to local governments such as Reno with a requirement that they support low and moderate income neighborhoods and families. The flexible nature of the program allows for expenditures that meet each community's individual needs.

In 2017, the **City of Reno** received \$1,931,523 in CDBG funds and leveraged an additional \$997,827 in other federal, local and non-profit funds.⁷

The City of Reno designated \$200,000 to assist with the rehabilitation of non-profit housing for individuals with special needs, which is estimated to benefit 21 individuals. In 2017, the City also allocated \$899,074 to low- and middle-income neighborhoods for improvements to public facilities, including the installation of Americans with Disabilities Act (ADA)-accessible ramps, and audible crosswalk symbols. These public facilities improvements assist 33,825 individuals.⁸

Losing funding would also eliminate the City's planned investment of \$674,074 in lower and middle-income communities, and prevent revitalization of blighted areas. Investing CDBG funds in low- and middle-income neighborhoods makes them safer for children and the elderly, and remedies ADA infringements. These investments also help remediate blight and revitalize Northern Nevada. Additionally, if CDBG were eliminated, the City of Reno would be unable to continue rehabilitating non-profit housing for individuals with special needs.

CDBG at Work in Southern Nevada

Over the past five years, **Clark County** has received almost \$41 million in CDBG funds for use in the unincorporated parts of the county, North Las Vegas, Boulder City and Mesquite.⁹ According to the Clark County Board of County Commissioners, these funds provide flexible resources to the county and aid in addressing community development and affordable housing needs through investment.

⁶ Schieve, Hillary. "Reno Residents Must Act to Save Fed Funding." *Reno Gazette-Journal*, April 17, 2017. Available at: <http://www.rgj.com/story/opinion/voices/2017/04/17/reno-residents-must-act-save-fed-funding-hillary-schieve/305346001/>

⁷ City of Reno, Nevada, "City of Reno Comments on Proposed FY 2018 White House Budget," *Department of Community Development, Division of Housing and Neighborhood Development, City of Reno, Nevada*, April, 2017, p.3.

⁸ *Ibid*, p.2

⁹ Clark County Board of County Commissioners to Senator Catherine Cortez Masto, April 13, 2017, p.1.



Proposed Site for Boulder Highway Collaborative Campus. Source: Clark County Board of Commissioners



Planned Boulder Highway Collaborative Campus. Source: Clark County Board of Commissioners

Clark County is investing \$5,794,306 in CDBG funds to redevelop a blighted 17-acre site alongside Boulder Highway into the **Boulder Highway Collaborative Campus**. The complex will include Boys and Girls Club for neighborhood children.¹⁰ CDBG funds also went towards the rehabilitation of

¹⁰ Clark County Board of County Commissioners to Senator Catherine Cortez Masto, April 13, 2017, p.1.

Boys and Girls Club of Southern Nevada’s Carey Street Facility, which has served over 1,200 youths.¹¹



Shannon West Homeless Youth Center Plan. Source: Clark County Board of Commissioners

According to the 2016 Southern Nevada Homeless Census, more than half of the homeless youth identified were unsheltered. Using \$3,747,129 in CDBG from Clark County to leverage \$1 million from other entities and over \$3 million in New Market Tax Credits, HELP of Southern Nevada recently completed construction on the **Shannon West Homeless Youth Center**, a three-story, 37,267 square foot building with forty dormitory rooms, six Step Up Program Rooms, a kitchen and a dining room.¹² The Step Up Program, known formally as the Funds to Assist Former Foster Youth (FAFFY) program, is designed to assist youth who turned 18 while in the foster care system and have “aged out” in the transition to economic self-sufficiency.¹³ Construction of this facility will provide living space for 120 homeless youth from the ages of 16 to 24, and doubles current homeless youth shelter capacity in Clark County.¹⁴

¹¹ Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

¹² Clark County Board of County Commissioners to Senator Catherine Cortez Masto, April 13, 2017, p.1.

¹³ More information about the Step Up Program can be found at <http://www.clarkcountynv.gov/social-service/services/Pages/Step%20up.aspx>

¹⁴ Ibid, p.2.

In **North Las Vegas** alone, over 179,341 residents have been assisted with CDBG funding over the last five years. Cuts to CDBG funds could slow or eliminate crucial programs that impact low- and moderate-income residents.¹⁵

Dr. Leone Lettsome, who serves as the Neighborhood Services Coordinator for the City of North Las Vegas summed up the CDBG program this way:

Funds from CDBG are used to support client advocates at **Shade Tree**, who provide immediate assistance to low-income homeless women and children. These client advocate services are an essential part of empowering women to work towards self-sufficiency and end the cycle of homelessness. The shelter also provides emergency shelter, food and support services to over 5,000 homeless women and children.

Source: Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

“Since its foundation, the CDBG program has been a shining illustration of the benefits of a successful federal-state-local partnership. Each year, communities in Nevada leverage millions of dollars in local and private funds from their CDBG allocations, making it a truly fiscally sound investment. The result of this investment is often job creation through programs that provide housing rehabilitation or infrastructure improvements, economic development through direct assistance to local businesses, and an important safety net for struggling Nevada families through public services programming.”

CDBG At Work Across the State of Nevada

The **Silver State Fair Housing Council (SSFHC)** is a non-profit organization that serves Nevadans related to their housing issues. Since 1989, SSFHC has received its funding through the CDBG’s administration fund and grants from entitlement communities. The group enlists a multi-pronged approach to ensuring fair housing in the State of Nevada, with activities including assisting consumers facing housing discrimination and educating housing providers on fair housing laws.

One of SSFHC’s responsibilities is outreach into communities to educate consumers on their rights under fair housing laws. In addition to direct outreach to consumers, SSFHC also trains other local non-profit organizations to understand housing discrimination in order to better reach consumers. The SSFHC also educates government officials to understand and recognize housing discrimination issues, and their responsibilities regarding ensuring fair housing.¹⁶ Lastly, SSFHC uses CDBG funds to educate housing providers on fair housing law and housing discrimination. Through CDBG funds, the group is able to put on approximately eight three-hour trainings per year that train housing professionals, real estate agents, and property managers on fair housing. These trainings are

¹⁵ Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

¹⁶ Katherine Knister Zook (Executive Director of the Silver State Fair Housing Council), interview by staff, June 9, 2017.

also accredited by the Nevada Real Estate Division, so attendees can receive professional and continuing education credits.¹⁷

Given that SSFHC receives a large amount of funding through CDBG, the organization's main concern is the ability to continue operating while offering the same level and quality of services. If SSFHC closed its doors, cases filed with the Nevada Equal Rights Commission would likely increase, further straining state resources and staff. Housing providers and local governments would lose a comprehensive program teaching them about fair housing law and compliance. Katherine Knister Zook, Executive Director of the Silver State Fair Housing Council, also discussed the long-term impact that losing CDBG funding would have on the State of Nevada:

It's not just helping people make complaints but it's being responsible in zoning laws when it comes to group homes, it's looking at where we are placing affordable housing in our communities so that everybody has access to the good schools, to transportation, to shopping, to all of those things. And it is also taking those communities that have been disenfranchised for so long and building them up and making sure that the services get to them. So to pull the rug out from under all of that--and especially in Nevada where we have such a housing crisis already and the market is so so tight--it just makes it easier to discriminate.

CDBG: Powering Economic Development

In order to make funding decisions as it relates to CDBG, Nevada has an Advisory Committee which reviews and selects applications from non-entitlement communities. In an effort to strengthen applications for review, Nevada's Development Authority Agencies assist their respective regions in planning and applying for CDBG funds. These Development Authorities take a holistic approach towards project planning and ensure proposals both help the low- and middle-income populations and form a building block in the state's Economic Development Strategic plans. The State has also formed relationships with other funders, and worked with communities to form long-term development projects. Through the Advisory Committee and the Development Authorities, Nevada has worked to keep the administration of CDBG funds more accountable and transparent, while more effectively targeting funds to projects that benefit both the communities and the economy. According to Dr. Jean Barrette, who is the CDBG Administrator for Nevada, approximately 70 percent of CDBG funds for non-entitlement communities go towards infrastructure projects, which help with economic development.¹⁸

¹⁷ Katherine Knister Zook (Executive Director of the Silver State Fair Housing Council), interview by staff, June 9, 2017.

¹⁸ Dr. Jean L. Barrette (CDBG Program Administrator, State of Nevada), interview with staff, June 7, 2017.

CDBG: Economic Development in Northern Nevada

The **Northern Nevada Development Authority (NNDA)** is a non-profit organization serving the Sierra Region of Nevada, specifically Douglas, Storey, Lyon and Carson City Counties. Their mission is to facilitate economic development in the region, specifically by supporting initiatives that decrease poverty, increase wages and ensure that infrastructure and services are available to residents. Robert Hooper of the NNDA called the organization “a critical building block in economic development” and stressed the importance of these funds to allowing local governments, which would typically be financially unable to implement these projects, to move forward with them. In many cases, these projects directly benefit constituents in the area, but also rehabilitate infrastructure that is important to economic development in underserved regions of Nevada.¹⁹

For example, **Yerington** was awarded a planning grant to develop a design for an industrial park and a new venue for the annual “Night in the Country” summer concert, which benefits the Boys and Girls Club of Mason Valley. In the past, this event has generated \$2 million a year for the organization. Future proposals include construction of a new venue, and implementing infrastructure, including roads, electrical substations, power lines, critical waste and water treatment infrastructure that will have both commercial and industrial uses.²⁰

In **Gardnerville**, CDBG funds are being utilized to rehabilitate the site of a former gas station and remediate a brownfield (a former industrial or commercial site affected by environmental contamination). CDBG funds are being used to create retention ponds surrounding the building, which is located in a floodplain. Creating these ponds will remove the area from the floodplain and allow for development.

Source: Dr. Jean L. Barrette (CDBG Program Administrator, State of Nevada), interview with staff, June 7, 2017.

Lovelock received CDBG funds to recoat waste treatment tanks and expand operations in an industrial park, which directly benefits both businesses and constituents living in the area. Grant funding will keep utility rates steady for residents while allowing for further renovations to the park. Completion of the project will allow additional businesses to move to the industrial park.

Source: Robert Hooper (Executive Director, Northern Nevada Development Authority), interview with staff, May 30, 2017.

In **Douglas County**, CDBG is providing partial funding to extend, improve and upgrade the North Valley Wastewater Treatment Plant in order to better support future industrial, commercial and residential needs- without an upgraded system, there would be no economic development.

Source: Nevada Governor’s Office of Economic Development, “Douglas County Nevada North Valley Wastewater Treatment Plant Upgrade,” January 10, 2017. Available at: douglascountynv.iqm2.com/Citizens/FileOpen.aspx?Type=4&ID=3607

¹⁹ Robert Hooper (Executive Director, Northern Nevada Development Authority), interview with staff, May 30, 2017.

²⁰ Ibid.

CDBG also funded the **Rural Economic Development Fund (REDF)**, which was administered by the Rural Nevada Development Corporation. The REDF received \$280,000 in CDBG funds to make loans to small businesses that did not qualify for traditional financing. Additionally, these businesses used the financing to support employment of low- and middle-income individuals. After businesses paid back the principal on their loans, the funds were revolved back into financing more businesses. As of March 31st, 2017, the revolving fund has grown to \$427,000 and assisted 12 businesses. In total, these loans have created and retained 32 jobs in the rural areas.²¹

In the **City of Wells**, CDBG funds were used to remediate damage to buildings caused by a 6.0 earthquake in 2008.

In addition, in effort to stimulate the economy, the City of Wells utilized CDBG funds to stabilize the El Rancho Hotel, a historically significant but vacant hotel building which will be used as a business incubator for home-based businesses to grow and create jobs in the region.

Source: Dr. Jean L. Barrette (CDBG Program Administrator, State of Nevada), e-mail message to staff, July 20, 2017.

CDBG: Economic Development in Southern Nevada

Both the City of North Las Vegas and the City of Las Vegas provided the **Salvation Army** with about \$150,000 in funding for their job training program, which provides Nevadans coming out of Salvation Army's adult substance abuse rehabilitation program with job training, resume writing, interview skills and jobs search help.²²

CDBG funds to the **Blind Center of Nevada** funded the group's "Road to Independence", a transportation service program for disabled individuals. The Road to Independence Program will allow blind or visually impaired North Las Vegasans (90 percent of whom are low or extremely low-income) to ride to and from the blind center, which provided vocational training and employment opportunities. This funding has helped over 168 visually impaired residents.²³

The City of North Las Vegas also funded the **Nevada Partners' Regional Workforce Development Center**, which focuses on residents' barriers to participation and the needs of the region to develop a skilled workforce. Specifically, the Regional Workforce Development Center seeks to address the issues of unemployed and low-skilled workers and the need for more employees in a particular sector.

Source: Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

²¹ Rural Nevada Development Corporation, interview with staff, June 1, 2017.

²² Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

²³ Ibid.

The City of North Las Vegas provided CDBG funding to **Southern Nevada Public Television**, which then directly offered scholarships to over 1,000 low- and middle-income North Las Vegasans to access the Vegas PBS Pathway Planner Assessment and Global Online Advanced Learning (GOAL) Program. The GOAL Program offers 330 online instructor-led career certification exams, which prepare participants to take certification exams for entry-level positions in their industry of choice.

Source: Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

CDBG: Powering Economic Development Across Nevada

In many cases, CDBG funds indirectly assist with economic development while improving the lives of constituents. For example, the **RNDC's** work with housing rehabilitation lead to the development of affordable housing for the local workforce. **Douglas County's** application to improve the wastewater system directly benefits an industrial park that can house businesses, while increasing capacity for wastewater treatment at little cost to residents. The **City of North Las Vegas'** investments in public works projects and utilities infrastructure improvement projects created and retained construction jobs and administrator support jobs, while also improving neighborhoods.²⁴

In the case study of **Esmeralda County** discussed earlier, the implementation of the 9-1-1 system is crucial to economic development in the area. CDBG funds also allowed the County to purchase an emergency vehicle and fire engine in 2016. In addition to providing citizens with an emergency services infrastructure, it also benefits businesses. Without an emergency services platform, mining companies and other businesses are unable to take root in the region. Businesses, such as mining, can bring a substantial number of jobs to Esmeralda County. Current proposals would create jobs for over 200 potential employees. In addition to the implementation of an emergency services system, the County has also been working on an improved water pipeline project to provide infrastructure for mining companies. Investors, including CDBG, the Nevada Revolving Loan Fund, and the United States Department of Agriculture's rural development program, have invested over \$1.5 million in the project over the last five years. However, without additional funding in 2018 to complete the water pipeline project, the mining company would be unable to enter Esmeralda County and economic development in the area may be limited.²⁵

CDBG: Helping Faith-Based Organizations

CDBG assists struggling Nevadans, helping them get back to employment and self-sufficiency. Evidence from stakeholders contacted by the Office of Senator Cortez Masto shows that CDBG funds are helping faith-based communities in their efforts to assist vulnerable families in Nevada communities.

²⁴ Dr. Leone R. Lettsome (Neighborhood Services Coordinator for the City of North Las Vegas), e-mail message to staff, June 23, 2017.

²⁵ Dr. Jean L. Barrette (CDBG Program Administrator, State of Nevada), interview with staff, June 7, 2017.

CDBG: Faith-Based Organizations in Northern Nevada

In Northern Nevada, **Volunteers of America** is a non-profit, faith-based organization that runs the region's sole homeless shelter. CDBG funds from the City of Reno and the City of Sparks are designated to Volunteers of America to operate the homeless shelter.

In 2017, the City of Reno used \$502,195 of their CDBG allocation and the City of Sparks used \$123,496 of their allocation to support the region's sole homeless shelter. In addition to support of the homeless shelter, the City of Reno planned to use \$260,000 to acquire land adjacent to the homeless shelter to build a playground for children, directly benefitting an additional 406 homeless children per day, or an additional 148,190 homeless children per year.²⁶

CDBG funds make up more than a third of their day-to-day operating budget. At its current capacity, the shelter houses 27 homeless families, and 304 homeless individuals.²⁷ In addition to housing families and individuals, the facility also offers a daytime resource center to help residents access resources necessary to re-enter the workforce and find permanent housing.²⁸

Losing CDBG would be catastrophic to the region's efforts to operate their homeless shelter, provide services to homeless families and individuals, and would further strain the region's resources. Elimination of CDBG would result in a loss of almost a third of available beds, or 95 fewer beds available each night. This loss translates 35,040 fewer bed-nights per year.²⁹ Elimination of CDBG would also affect planning for the next year. Without the allocation, the shelter would be required to re-evaluate the operating hours and number of beds available in the shelter, since there is no money built into the general fund to cover the loss. Federal funding of the homeless shelter is critical to keeping homeless individuals, which includes children, veterans and persons with special needs, from exposure to extreme temperatures and the dangers of sleeping outside or squatting on private property. The City also anticipates that loss of beds in the shelter will in turn increase costs associated with associated medical care and policing.³⁰

CDBG: Faith-Based Organizations in Southern Nevada

In Clark County, the planned **Boulder Highway Collaborative Campus** will also include a 7,500-square foot Lutheran Social Service Resource Center that will include a food bank, offices for other non-profits and supportive services programs to help families becoming self-sufficient.³¹

The **Catholic Charities of Southern Nevada** is another faith-based organization administering twenty programs, including operation of a food pantry, running the Meals on Wheels program and managing a homeless shelter in Southern Nevada. Last year, Catholic Charities received a \$2.5

²⁶ City of Reno, Nevada, "City of Reno Comments on Proposed FY 2018 White House Budget," *Department of Community Development, Division of Housing and Neighborhood Development, City of Reno, Nevada*, April, 2017, p.2.

²⁷ Ibid. p.2.

²⁸ Ibid, p.1.

²⁹ Ibid, p.1.

³⁰ Ibid, p.1.

³¹ Clark County Board of County Commissioners to Senator Catherine Cortez Masto, April 13, 2017.

million CDBG grant that allowed the organization to increase the size of their food pantry and expand the kitchen used to produce meals served in the Meals on Wheels program.

Through a partnership with another local non-profit, Three Square Food Bank, Catholic Charities purchases its groceries to supply its food pantry. The food pantry serves over 100 low-income Nevada families a day, or more than 3,000 families per month.³² Their partnership with Three Square has brought costs down, allowing for a greater supply of food at a lower cost. According to Deacon Tom Roberts, President and CEO of the Catholic Charities of Southern Nevada, the expansion of the food pantry changed delivery from a bag of food to allowing people to choose from a small grocery store the items they wanted to supplement their food budget. Deacon Roberts called the expansion of the pantry critical to the wellbeing of clients, stating,

“And we think that is so important because that’s the dignity and compassion that not only provides help, but provides hope and the hope is the thing that turns the corner for so many people when they know that they’re getting a chance to participate in their own recovery.”

Catholic Charities of Southern Nevada also operates the Meals on Wheels program, which serves nutritionally balanced meals to home-bound, low-income Nevada seniors. Currently, the organization estimates they prepare more than 766,500 meals per year and serve 2,100 Nevada seniors meals every day. In addition to meal delivery, drivers often make “wellness checks” on clients- for many seniors, this is the only contact home-bound seniors have with someone during the week. After drivers began to see clients sharing meals with their pets, Catholic Charities began offering donated pet food. Below are stories of clients who receive Meals on Wheels and benefit from their work:



Rafael Santiago Figueroa

Rafael started receiving Meals on Wheels in August of 2016. He is a veteran who spent a lifetime working as a helicopter mechanic, including 28 years as an inspector. Rafael was left bed ridden after surviving a helicopter crash and is now battling multiple sclerosis. Rafael's doctor recommended Meals on Wheels to ensure he received adequate nutrition.



Billy and Kathy Bautista

Billy and Kathy have been married for 50 years and are both recipients of Meals on Wheels, along with their dog Bailey. Billy recalls that when he moved to Las Vegas in 1931, there were only 300 people living there. Billy retired from Area 51 where he worked as a plumber and Kathy was a stay at home mom working with Avon for 35 years. After struggling through a heart attack and stroke last year, Billy and Kathy are very grateful for Meals on Wheels.

³² Deacon Tom Roberts (President and CEO of the Catholic Charities of Southern Nevada), interview with staff, May 25, 2017.



Doug Runion

Doug is 61 years old and retired from the U.S. Air Force as a heavy equipment engineer. Doug was in need of the Meals on Wheels service after surviving a hit-and-run automobile accident that left him bound to a wheelchair. Poor circulation in his legs and the inability to stand for long periods of time make preparing meals difficult for Doug. He loves to play guitar, and his favorite types of music to play are pop, rock and country. Doug is also an avid writer.

Source: Catholic Charities of Southern Nevada

Federal funding is critical to operating Meals on Wheels, and every dollar is especially important to the State of Nevada. In 2011, 16.5 percent of Nevada seniors were deemed “food insecure,” with limited food resources to maintain a healthy lifestyle. Nevada also ranks among the top 10 states with the highest hunger rates of risk among seniors. With Nevada’s growing senior citizen population, ensuring seniors are fed is becoming a priority. While last year’s CDBG grant enabled Catholic Charities to expand the kitchen used to prepare meals for seniors and remove more senior citizens off the waitlist, more than 900 Nevada seniors remain on the waitlist.³³

If Catholic Charities were to receive more funding from CDBG, Deacon Roberts planned to use those dollars to expand infrastructure and eliminate the waiting list. Without continued availability of these funds, 2,100 Nevada seniors would be going hungry. By feeding seniors a meal, Catholic Charities is able to keep these Nevadans independent and in their own homes, rather than going hungry or forcing them to move into assisted living and becoming a Medicare/Medicaid liability. Indeed, the cost of a single day in the hospital can provide a senior with Meals on Wheels for one calendar year, and keeping a single senior citizen at home saves Nevada taxpayers more than \$42,000 per year.³⁴

Through grants from Clark County, Catholic Charities also operates a homeless shelter, which houses 500 men per night. The County funds approximately 160 beds in the shelter. Losing CDBG funds would be devastating to the region, because it would remove what is a last resort for individuals and leave hundreds of homeless individuals on the street. As Deacon Roberts shared with the Office:

“...These people are going to be out on the street because we truly, we are the last resort for people. And, if you can imagine 500 men spending the night on the street, what that would cause in turbulence for the business community, not to mention the human indignity of keeping people out of the shelter there are lots of reasons why those dollars are absolutely critical for operations like Catholic Charities that are truly dealing with the most vulnerable people, in Southern Nevada. We, again, we are often the last resort for people. So, the reduction of those dollars becomes catastrophic for many of our programs.”

³³ Catholic Charities of Southern Nevada, “Meals on Wheels: A Lifeline for Low-Income and Homebound Seniors,” *Catholic Charities of Southern Nevada*, accessed June 19, 2017, p.1

³⁴ *Ibid*, p.1

Without CDBG funds, Catholic Charities would be unable to continue expanding their infrastructure and operating the services provided. Existing programs would be unable to grow and change to fit the needs of the community without CDBG dollars. More importantly, losing these funds would be catastrophic for southern Nevada and would leave hundreds of vulnerable Nevadans hungry and without shelter.

Conclusion

The Trump Administration is proposing to eliminate CDBG. This would have a devastating impact on Nevada families, veterans, seniors, and people with disabilities, and would diminish the private investment that is catalyzed by CDBG funding. Moreover, Nevada is still recovering from a housing crisis that increased neighborhoods' needs while also hobbling state and local budgets. Now is not the time to retrench federal investments in our communities.

This Staff Report highlights a selection of stories on how Nevada is utilizing CDBG funding in urban, suburban and rural communities. The Report also highlights how funding is catalyzing economic development and is being used by faith-based organizations to support our most vulnerable neighbors and help them on the road to self-sufficiency.

Senator Cortez Masto's office will continue to discuss the importance of CDBG with state and local stakeholders, and advocate for housing and community development funding for Nevada as the budget process progresses.

Special Thanks

Without the hard work, time and dedication of individuals and the organizations across this state, thousands of Nevadans would be left behind. The Office of Senator Cortez Masto is grateful to those across the Silver State who work on behalf of Nevadans and who took the time to speak with staff and share the stories and photographs featured in this report.

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