



# City Manager's Office

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## MEMORANDUM

**DATE:** 3/26/2024

**TO:** Mayor and City Council

**THROUGH:** Doug Thornley, City Manager Update Approved Electronically  
Jackie Bryant, Assistant City Manager

**FROM:** John Flansberg, Regional Infrastructure Administrator  
Kayla Garcia, Management Analyst

**SUBJECT:** **Affordable Housing Sewer Connection Fee Subsidy Program Update** *Updated*

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This memorandum is provided as an update to City Council and no action is being requested at this time.

At the March 18, 2024 City Council Budget Workshop, Councilmember Taylor requested information on the affordable housing sewer connection subsidy program as it related to tracking the amount of subsidies and the fiscal sustainability of the program.

On November 1, 2023, Council took the following action:

1. Approved an additional \$4,000,000 for sewer connection fee reductions out of the sewer fund through the end of FY25;
2. Directed staff to evaluate sustainability of current program and impact to sewer user fees to maintain an annual subsidy for this program as part of the sewer fund sufficiency review performed every two years (due January 2025); and
3. Determine alternate funding sources for consideration during FY26 budget discussions.

As a result of this action, the total amount of sewer connection fee subsidies was capped at \$11,318,399 through June 30, 2025. Per the table below, the total amount approved by Council to date is \$9,402,153 leaving \$1,916,246 for future projects over the next 15 months.

Staff prepares a sewer fund sufficiency analysis every two years and will include an option for ongoing funding of the affordable housing sewer connection fee subsidy program and report back the impact to current fees. In addition, staff will continue to look for alternative funding sources through federal and state grant opportunities.

<b>Project Name</b>	<b>Number of Units</b>	<b>Sewer Connection Fee Subsidy Amount</b>	<b>Date Approved by Council</b>
Springview by Vintage	180	\$735,075	April 14, 2021
Marvel Way	42	\$228,690	April 14, 2021
Washington Station	205	\$837,168	March 9, 2022
Orovada	40	\$217,800	March 9, 2022
Pinyon Apartments	252	\$1,166,319	July 27, 2022
Copper Mesa	290	\$1,342,192	July 27, 2022
Dick Scott Manor	12	\$65,340	April 26, 2023
Vintage at Redfield	223	\$1,032,099	June 14, 2023
Marvel Way Phase 2	45	\$245,025	August 23, 2023
Sutro Street Senior	170	\$1,448,690	October 25, 2023
Carville Park Apartments	208	\$714,246	February 28, 2024
Eddy House	36	\$316,412	February 28, 2024
Nevada Cares Campus Phase 4	50	\$433,782	February 28, 2024
Orovada St. Senior Apartment II	34	\$305,808	February 28, 2024
Village at Sage	96	\$313,507	February 28, 2024
<b>Total</b>	<b>1883</b>	<b>\$9,402,153</b>	