

**Sierra County
Board of Supervisors'
Agenda Transmittal &
Record of Proceedings**

MEETING DATE: June 16, 2020	TYPE OF AGENDA ITEM: <input type="checkbox"/> Regular <input checked="" type="checkbox"/> Timed <input type="checkbox"/> Consent
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DEPARTMENT: Behavioral Health
APPROVING PARTY: Lea Salas, Administrative Director
PHONE NUMBER: (530) 993-6746

AGENDA ITEM: Approval of the Plumas and Sierra Counties Plan to address Homelessness; Accept the Sierra County Housing Study and the No Place Like Home (NPLH) Housing Site Feasibility Study for Sierra County; and Authorize staff to issue a Request for Qualifications (RFQ) in order to solicit information from potential development sponsors as to their experience and qualifications to pursue an NPLH project in Sierra County.

SUPPORTIVE DOCUMENTS ATTACHED: Memo Resolution Agreement Other

BACKGROUND INFORMATION: Please see attached memo

FUNDING SOURCE:
GENERAL FUND IMPACT: No General Fund Impact
OTHER FUND:
AMOUNT: \$ N/A

ARE ADDITIONAL PERSONNEL REQUIRED?

 Yes, -- --
 No

IS THIS ITEM ALLOCATED IN THE BUDGET? Yes No

IS A BUDGET TRANSFER REQUIRED? Yes No

SPACE BELOW FOR CLERK'S USE

<p>BOARD ACTION:</p> <input type="checkbox"/> Approved <input type="checkbox"/> Approved as amended <input type="checkbox"/> Adopted <input type="checkbox"/> Adopted as amended <input type="checkbox"/> Denied <input type="checkbox"/> Other <input type="checkbox"/> No Action Taken	<input type="checkbox"/> Set public hearing For: _____ <input type="checkbox"/> Direction to: _____ <input type="checkbox"/> Referred to: _____ <input type="checkbox"/> Continued to: _____ <input type="checkbox"/> Authorization given to: _____	Resolution 2020- _____ Agreement 2020- _____ Ordinance _____ Vote: Ayes: Noes: Abstain: Absent: <input type="checkbox"/> By Consensus
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COMMENTS:

CLERK TO THE BOARD _____ DATE _____

MEMORANDUM

Date: June 5, 2020

To: Honorable Board of Supervisors

From: Lea Salas, Behavioral Health Administrative Director

Re: Agenda Item for the Meeting of June 16, 2020

It is recommended that the Board:

1. Approve the Plumas & Sierra Counties Plan to Address Homelessness;
2. Accept the Sierra County Housing Study and the NPLH Housing Site Feasibility Study for Sierra County; and
3. Authorize staff to issue a Request for Qualifications (RFQ) in order to solicit information from potential Development Sponsors as to their experience and qualifications to pursue an NPLH project in Sierra County.

Background and Discussion:

No Place Like Home: On July 1, 2016, Governor Brown signed landmark legislation enacting the No Place Like Home program (NPLH) to dedicate up to \$2 billion in bond proceeds to invest in the development of permanent supportive housing for persons experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness, and who also have a serious mental health condition. The bonds are repaid by funding from the Mental Health Services Act (MHSA).

The State Department of Housing and Community Development (HCD) is the state agency responsible for the dissemination and administration of the NPLH funding, and counties are the eligible applicants. There are two types of allocations available, a Non-Competitive Allocation and a Competitive Allocation. Each small county (counties with a population of less than 200,000 people), including Sierra, has been allocated a share of the Non-Competitive funds which is \$500,000. The County's \$500,000 allocation was accepted by the Board in August 2019. In addition, counties can also choose to apply for Competitive funds, and will compete within a category of like-size counties. Sierra County may therefore choose to apply and compete with other small counties for additional funds, with no project being funded for more than \$20 million.

While counties are the eligible applicants for the NPLH funding, it is expected that counties will partner with a Development Sponsor who will develop, own and manage the housing units. The County functions as a "pass through" partner for the NPLH funding. The Development Sponsor, typically a nonprofit affordable housing developer, will be financially responsible for the NPLH loan which is ultimately issued by HCD. The Development Sponsor will also be responsible for determining what other sources of funding will be needed in order for the housing development to be feasible, including whether or not Competitive NPLH funds may be necessary. In addition, the County may decide in the future to allocate certain funds for the housing development from the upcoming Permanent Local Housing Allocation being made available by SB2. Potential other sources of funding that the

Development Sponsor may apply for include but are not limited to: Low Income Housing Tax Credit Program, Affordable Housing Program through the Federal Home Loan Bank and Multi-Family Housing Program and HOME Program through HCD.

Each County that applies for the NPLH funds must commit to providing Behavioral Health support services to the tenants of the assisted housing for a minimum of 20 years, as well as helping to facilitate their access to other community support services for physical health care, accessing benefits and basic housing retention skills.

There is the potential for our county to partner with Plumas County on a joint housing project that would be located in Portola and would serve residents from both counties who reside in the Sierra Valley.

Technical Assistance: In order to support the work necessary to meet certain application requirements and provide data to inform decisions about the eventual housing project, the State provided each county with a technical assistance grant to pay for consulting support in preparing for an application. In 2019, our Department joined with the Plumas County Behavioral Health Department to contract with Housing Tools, a housing and community development consultant, to prepare a two-county Plan to Address Homelessness, which is a threshold requirement to apply for NPLH funding, as well as a Housing Needs Study and Site Feasibility Study (one for each county), to assist the County in our decision-making process about the potential size, model, and sites for a supportive housing project.

The Plan and the Reports are attached as Exhibits A,B and C. Some background on the purpose and scope of each document, and their key results and findings are summarized below.

Plumas & Sierra Counties Plan to Address Homelessness

This Plan is a threshold requirement for the County to apply for and receive NPLH funds for supportive housing. The Plan is further required to address certain topics and include specific information mandated by the State. Beyond these requirements however, the Plan is intended to provide our community with a blueprint for the actions we've identified as important to address homelessness over a multi-year period. The Plan was developed in coordination with the Plumas-Sierra Counties Continuum of Care, and was facilitated through a number of meetings to discuss needs, gaps, priorities and specific actions needed to address homelessness. The Plan process also included focus groups with those who have a lived experience of homelessness, family caregivers of those with a serious mental illness, and interviews with service providers. The core of the Plan is the Proposed Solutions to Address Homelessness, which begin on page 36. These solutions include a set of goals with targeted objectives to implement or achieve over the next one, three, five and ten years. The objectives are intended to: move those currently experiencing homelessness to being housed; over time, to reduce the number of individuals and families becoming homeless for the first time; and to shorten the length of time any person or households experiences homelessness.

Key findings:

- An estimated 13.8% of the County's population (or 393 individuals) have a disability of some type, whether physical, mental or developmental. By comparison, there are no beds in housing with features and services specifically for people with disabilities in the County. One of the

Plan's objectives is to develop 10 beds of transitional housing in the County over the next five years.

- Preliminary data for the 2020 Point-in-Time (PIT) Survey shows a total of 9 individuals experiencing homelessness on the day of the count . All 9 individuals were unsheltered, as Sierra County does not have any emergency shelter options.
- The 2019 PIT Survey counted 11 homeless individuals. All individuals were unsheltered, and three self-reported having a mental illness or both a mental illness and a substance use disorder. Almost 73% were chronically homeless.
- The Sierra County Office of Education counted 12 homeless children in the County in 2019 using the McKinney-Vento definition of homelessness, which includes those who are doubled up or couch-surfing with friends or family. These families lack housing stability and are at risk of becoming unsheltered homeless.
- Congregate winter shelter options are vitally needed to address people's immediate safety needs.
- A community-identified proposed solution to homelessness is to expand the supply of and access to, affordable housing as well as supportive housing for populations with specialized needs.
- Education is needed for our community to understand the complex causes of homelessness and the dynamics of the housing development process, in order to support new housing development for those needing affordable and supportive housing.
- The County and its partners must actively pursue funding opportunities to support all forms of shelter and housing development.
- A comprehensive landlord engagement and education program is needed, which will include information about the Housing Choice Voucher Program available through the Plumas County Community Development Commission, compliance with State and local Health and Safety standards in rental units, and investigation of a non-profit community-based property management company.

Sierra County Housing Study

The purpose of the study is to describe general housing market conditions and identify development opportunities in Plumas County. It includes geography, demographics, local economic indicators, household and housing characteristics, residential construction trends, for-sale market statistics, and rental market statistics. Key findings are listed below.

Demographics & Housing Affordability

- There is a clear need for affordable housing in the County. Beyond meeting an immediate need for residents, affordable housing creates the potential for positive spillover benefits to the broader community.
- 83% of Sierra County households earning less than \$35,000 pay 30% or more of income on housing, and 28% of renter households in the County pay more than 50% of income to rent.

- A three-person household earning 60% of Area Median Income (AMI) can afford \$182 less than the Fair Market Rent of \$1,270 in the County. The Fair Market Rent is much lower than the Countywide Zillow Rental Index for January 2020, which was \$1,681.
- The two income categories with the most households are \$100,000-\$149,999 with 263 and \$35,000-\$49,999 with 196. About a quarter of homeowner households earn \$100,000- \$149,000 (259), while half earn less than \$50,000 (477).
- The City of Loyalton is a 45-minute drive to Reno, Nevada which has a population of 250,998. Reno has become a major technology hub and is home to the University of Nevada, Reno. There are potential development opportunities to develop housing for people that live and/or work in the Reno area.

Housing Availability & Type

- There is a significant shortfall of at least 427 units that are affordable to Low Income households in the County.
- There is a clear shortage of smaller units for small households, and an oversupply of larger units.
- The County has experienced a net loss of six residential units from 2015-2020. A major contributor was the demolition of more than 30 mobile homes at Loyalton Mobile Estates that are no longer available to households with limited incomes.
- About two-thirds of residential units in the County were built in 1979 or earlier, and about one-third were built in 1949 or earlier. This likely indicates a high need for rehabilitation of older houses.
- There are not any multi-family rental complexes and most rentals are homes, rooms, or mobile homes. There is a bi-furcated rental market with small affordable rentals on the low end, and larger home vacation rentals on the high end.

NPLH Housing Site Feasibility Study

The purpose of the study is to research the potential of sites for the development of NPLH-assisted permanent supportive housing, and identify the most attractive site in terms of development feasibility, financial feasibility, community benefit, and neighborhood integration.

The property search focused on the City of Loyalton, which has adequate infrastructure and services to support permanent supportive housing and also has a strong need for such housing.

Two sites were analyzed and ranked as follows:

1. 701 Main Street, Loyalton. An existing office building that could be converted to permanent supportive housing units (9 Points).

2. 130-132 Smithneck Rd., Loyalton. A vacant site that would accommodate new construction of 20 permanent supportive housing units (5 Points).

It is recommended that the County conduct further investigation on these sites in partnership with a selected developer. The sites have been scored and ranked based on site characteristics. However, a key factor that will differentiate the sites will be local financial and political support.

The Site Feasibility Study completed for Plumas County includes a motel in Portola that may work as a site to rehabilitate for supportive housing, and would be appropriate to consider for a joint housing project between Sierra and Plumas counties that would serve both counties' residents.

Next Steps:

Staff will submit the approved Plan to Address Homelessness to the State Department of Housing & Community Development in order to complete our threshold documentation needed for a future NPLH Project Application.

Staff, working with our consultant Housing Tools, will issue a Request for Qualifications for a potential NPLH Development Sponsor. Selection of the Development Sponsor will be brought before this Board for discussion and approval prior to any action to enter into an agreement which would allow the selected entity to pursue a project in Sierra County, or to utilize our NPLH funds for a joint project located in Plumas County.

PLUMAS & SIERRA COUNTIES PLAN TO ADDRESS HOMELESSNESS

Final Draft: June 2020

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A. INTRODUCTION

The Plumas and Sierra County Behavioral Health Departments have commissioned this “Plan to Address Homelessness” (the “Plan”) for the purpose of laying out a focused and practical strategy for addressing the issue of homelessness in Plumas and Sierra Counties. This Plan builds upon the work of the Plumas-Sierra Counties Continuum of Care (CoC), which functions as the local housing and homelessness advisory board within the larger NorCal Continuum of Care. As contiguous counties within the northern Sierra Nevada mountain range which have a long history of service collaboration and the sharing of resources, this two-county Plan provides a joint response to homelessness, while at the same time describing the unique challenges and resources that each County brings to the issue.

The Plan is a threshold requirement of the State Housing and Community Development Department’s (HCD) “No Place Like Home” Program (NPLH). This is a new statewide funding program that will allocate funds to counties and housing developers for the development of permanent supportive housing that assists those who are homeless and living with a mental illness or co-occurring diagnosis. HCD requires that any county that receives NPLH funding must adopt a 10-year homelessness plan, that the Plan incorporates some required data and topics, and that the county consults with proscribed groups to receive input. This Plan follows the HCD requirements in order to position both Plumas and Sierra Counties for receiving NPLH funds. The Plumas and Sierra Counties Behavioral Health Departments are responsible for applying for and administering the NPLH funds.

Most importantly, the Plan addresses the unique challenges and needs of those who are homeless in Plumas and Sierra Counties, which are geographically large, rural, frontier counties with limited resources. The Plan is therefore grounded in the reality of what consumers, family caregivers, concerned citizens, governmental and nonprofit stakeholders have identified as the most critical needs and feasible solutions to move individuals and families from being unhoused to becoming stably housed in Plumas and Sierra Counties, and to prevent homelessness whenever possible, including situations where those with serious mental illness must leave their family home.

As noted in *“Home, Together, the Federal Strategic Plan to Prevent and End Homelessness”*, the causes of homelessness are complex and therefore require solutions across the spectrum of community supports, where everyone works together, contributing their part. “Thriving communities need enough housing that is affordable and equitably available to people across a full range of incomes—from young adults just starting out to seniors who want to spend their remaining years feeling secure. Quality educational and career opportunities, child care, health care, substance abuse and mental health services, and aging services can help individuals and families build strong social networks, pursue economic mobility, and strengthen their overall well-being. These services, and other federal, state, and local programs must be well-



coordinated among themselves and with the business, philanthropic and faith communities that can supplement and enhance them.”¹

In alignment with this statement, key findings and themes which emerged during the community engagement and conversations as part of the development of this Plan can be summarized as follows:

- There is a tremendous need for safe, healthy rental housing for all income levels, with those households who are low-income (80% of Area Median Income), seniors and the disabled especially affected by the shortage.
- In order to address people’s immediate safety needs, working to open winter shelter options is a necessity.
- The community must pursue strong and sustainable funding sources in order to provide services to those most in need. Funding is especially needed for staff and operations for local non-profits.
- There are limited options for vitally needed transportation services. Those without cars or the money to fuel them are hampered in accessing the medical, social and financial services they need to support and improve their lives.
- Community partners must work together to identify the key indicators which put families and individuals at risk of homelessness and strengthen collaboration and systems to help avoid homelessness to the greatest extent possible.
- The greater community must be engaged to understand the economic and social factors contributing to homelessness, the current gaps in housing supply and how affordable and supportive housing plays a key role in the greater health of the community.

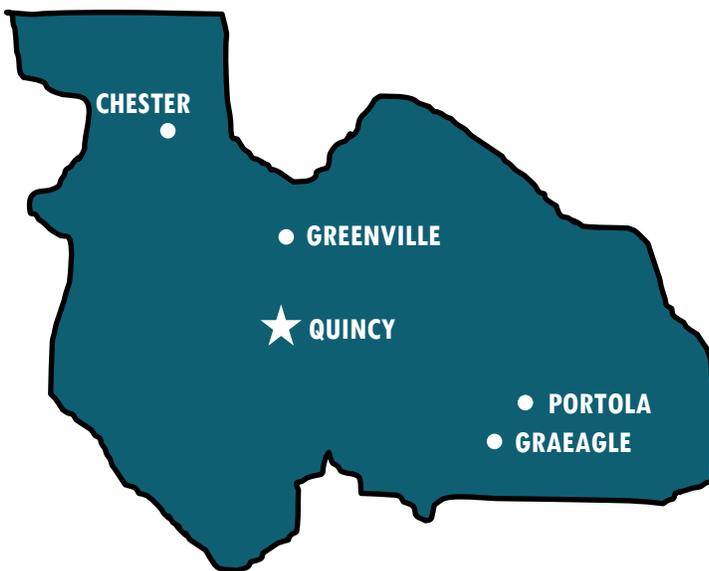
¹ United States Interagency Council on Homelessness, 2018 “Home, Together”, p. 3

A.1 Geographic, Health, and Socio-Economic Conditions that Affect Homelessness in Plumas County

Plumas County is a small, rural county that lies in the far northern end of the Sierra Nevada mountain range. The region's rugged terrain marks the transition point between the northern Sierra Nevada Mountains and the southern end of the Cascade Range. More than 75% of the county's 2,553 square miles is National Forest. The Feather River, with its several forks, flows through the county. Quincy, the unincorporated county seat, is about 80 miles northeast from Oroville, California, and about 85 miles from Lake Tahoe and Reno, Nevada. State highways 70 and 89 traverse the county. Neighboring counties are Lassen, Yuba, Shasta, Tehama, Butte and Sierra. The county's communities are nestled in different geographic areas, such as Chester in the Almanor basin, the communities of Greenville and Taylorsville in Indian Valley, the town of Quincy in American Valley, Blairsden, Graeagle, and Clio in Mohawk Valley, and the town of Portola, which lies west of Sierra Valley on Highway 70. The majority of human support services are centered in Quincy, with limited satellite services provided in other communities. Transit services for those living in outlying communities are infrequent, and travel conditions during the winter can be challenging with snow and icy road conditions.



According to the U.S. Census 2017 American Community Survey, the county's population is approximately 18,724. The City of Portola is home to approximately 2,033 residents. The town of Quincy has an estimated population of 1,936, with the greater Quincy area population at approximately 6,391 people. Chester, which sits at the northern end of Lake Almanor, has a population of approximately 2,274. Greenville has a population of approximately 1,129; three miles east of Greenville, the Greenville Rancheria is a federally-recognized rancheria representing members of the Northern Maidu Tribe, the native inhabitants of the area.



Racially, the County’s population is comprised of 89.6% Caucasian or White – of that number, approximately 8.5% identify as Hispanic or Latino. Those who identify as two or more races are 4.3% of the population, 2.1% of the county’s population is Native American and Alaska Native only, and the balance are from other racial/ethnic groups.

Like many remote rural counties, Plumas County consistently ranks in the bottom tier of California counties for a variety of health and socio-economic indicators. Among some of the notable statistics:

- With 3,020 food insecure individuals in the county, Plumas’ food insecurity rate is 16.1%, higher than the California state average of 11.7%²
- Plumas County ranks 50 out of all 58 counties in California for a suicide rate of 22.6 people per 100,000, which is more than double the state average rate of 10.4 per 100,000.³
- Plumas County ranks 56 out of all 58 counties in California for prenatal care utilization with only 56% of those eligible for care who access it.⁴
- Plumas County’s disabled population represents 20.1% of the total population, almost double the California state average of 10.62%.⁵
- Plumas County ranks in the top 5 counties in California with the highest number of youth in foster care, 11.7 youth per 1,000 students.⁶

An overview of countywide household income and rent data provides a foundation for understanding housing affordability. The principal data source for this information is the U.S. Census 2013-2017 American Community Survey, and 2018 U.S Census estimates. Market and affordable rent information is sourced from HUD.

The median household income in Plumas County is \$50,266. In terms of household income, 26% of all Plumas County households (or an estimated 2,183 households) earn less than \$25,000 annually. These households are generally classified as “Very Low Income” by HUD and typically face challenges affording market housing costs. According to HUD, a Very Low-Income Household earns 50% of Area Median Income, which was \$25,133 for a three-person household in 2018. The Federal Poverty Threshold is a measure of incomes lower than HUD’s Very Low-Income definition, and is \$20,780 for a three-person household in 2018.

An estimated 26% of all households in the county have income below the Federal Poverty Threshold. These households are considered to be at a high risk of becoming homeless. Persons with disabilities often have special housing needs, and also often have fixed, limited incomes. Housing that meets these needs, and housing affordability, are critical issues for this population. An estimated 20.1% of the Plumas County population (or 3,725 individuals), have a disability of some type, whether physical, mental or developmental. By comparison, there are

² Feeding America, Mind The Meal Gap 2018

³ U.S. Census Bureau, American Community Survey 2017

⁴ U.S. Census Bureau, American Community Survey 2017

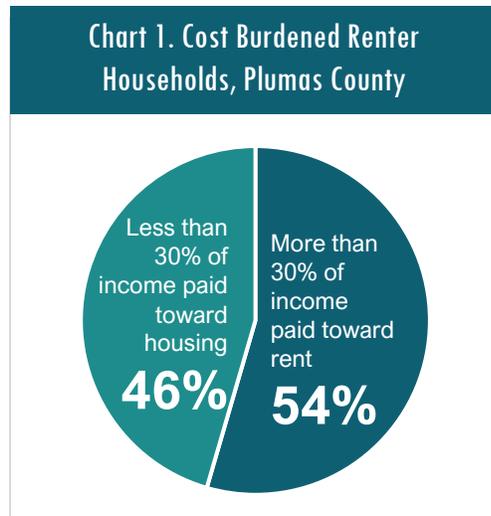
⁵ U.S. Census Bureau, American Community Survey 2017

⁶ Kidsdata.org, Children in Foster Care 2018



fewer than 20 single-occupancy transitional housing units with features and services specifically for disabled persons in the County.

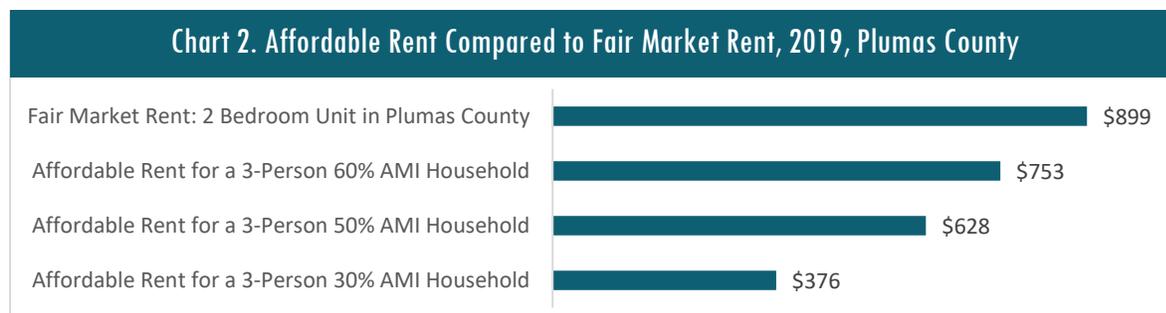
According to the U.S Census, 54% of Plumas County households pay more than 30% of their income toward rent. The housing affordability standard used by HUD for setting Section 8 rents is 30% of income paid toward rent. The housing affordability standard used by the mortgage industry is generally 35% of income paid toward housing costs. Households that pay more than 1/3 of their income toward rent are considered to be housing cost burdened, resulting in a lack of income for other necessities.



Source: Department of Housing and Urban Development

Fair Market Rent is set by HUD for each county or Metropolitan Statistical Area to determine typical market rent. The Fair Market Rent for a two-bedroom unit in Plumas County was \$899 in 2019. Affordable rent is determined by taking 30% of monthly household income. Affordable rent for a three-person household earning 50% of Area Median Income is \$628, or \$271 less than Fair Market Rent. Chart 2 below shows Fair Market Rent in comparison to what is affordable to households at various percentages of Area Median Income. As another indicator of housing affordability, one can calculate the number of minimum wage hours per week that would be required to afford a two-bedroom Fair Market Rent unit. At the State of California minimum wage of \$13 per hour, an individual would need to work 53 hours per week, in comparison to the full time equivalent of 40 hours per week, to afford Fair Market Rent. A household would

need to make \$35,960 a year to afford fair market rent.

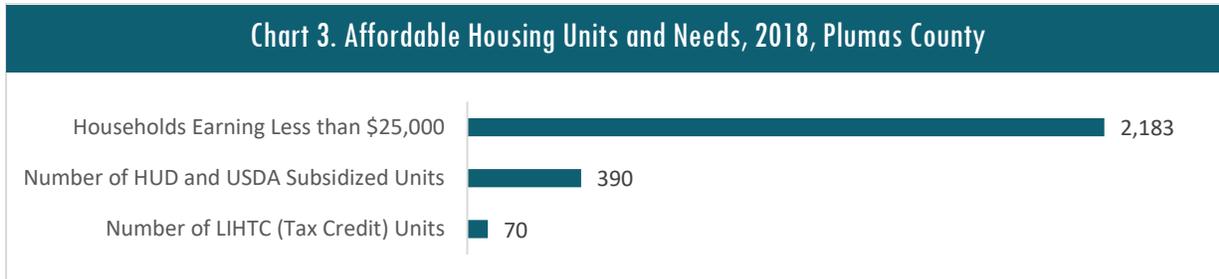


Source: Department of Housing and Urban Development

Publicly subsidized, affordable rental units are typically affordable to Very Low-Income Households, or households earning less than 30% of Area Median Income. As shown in Chart 2, these households typically cannot afford market rents. Very Low-Income households generally earn less than about \$25,000 annually. Chart 3 compares the number of households earning less than \$25,000 to the number of publicly subsidized affordable rental units in the county. The HUD and USDA Subsidized Units category includes public housing, other federally subsidized units, and Section 8 Housing Choice Vouchers. The LIHTC (Tax Credit) Units



category includes tax credit financed projects that are generally rent restricted for a shorter period than HUD and USDA subsidized units, and typically with higher, yet still affordable rents. As Chart 3 shows, the number of publicly subsidized, affordable units in the county falls far short of the need.



Sources: U.S Census, Department of Housing & Urban Development, LIHTC Database

A.2 Geographic, Health, and Socio-Economic Conditions that Affect Homelessness in Sierra County

Sierra County is the second least populated county in the State of California. In the summer months, Sierra Valley supports more cattle than the total number of Sierra County residents. Considered a “Frontier County”, because of remoteness and population density, Sierra County has no stoplights, fast food restaurants, movie theaters, traditional public transportation systems, hospitals, or shopping centers. Most communities are geographically isolated from services and other communities. The county is bisected by the Sierra Nevada Mountain range, one pass (Yuba Pass, elevation 6,701 ft.) provides access between the east and west side communities. Harsh weather and mountain driving conditions make travel during the winter months treacherous and dangerous. Sierra County shares a border with the State of Nevada. Neighboring counties are Plumas, Lassen, Nevada and Yuba. Sierra County’s population of 2,987 people (US Census Bureau 2018 estimate) is spread over 962 square miles (of which approximately 70% is National Forest). The only incorporated city is Loyalton, with 769 persons residing within the city proper. Another 858 residents live within Loyalton’s zip code, associating approximately 50% of Sierra County’s population with the City of Loyalton. While the county seat is located in Downieville, population 282 people, Sierra County Board of Supervisors’ meetings alternate between the locations of Downieville and Loyalton.



Racially, the County’s population is comprised of 93.2%% Caucasian or White. Those who identify as Hispanic or Latino make up 12.1% of the population. Those who identify as two or more races are 2.8% of the population, 2.5% of the county’s population is Native American & Alaska Native only, and the balance are from other racial/ethnic groups.

Like most remote and rural counties in California, Sierra County consistently ranks in the bottom tier for a variety of health and socio-economic indicators. Among some of the notable statistics:

- With 400 food insecure individuals in the county, Sierra’s food insecurity rate is 16.1%, higher than the California state average of 11.7%⁷
- Sierra County ranks 58 out of all 58 counties in California for a suicide rate of 25.1 people per 100,000, which is more than double the state average rate of 10.4 per 100,000.⁸
- Sierra County ranks 58 out of all 58 counties for firearm related deaths, with a rate of 15.8 people per 100,000, compared with the state average rate of 7.9 deaths per 100,000.⁹
- Sierra County ranks 46 out of 58 counties for first trimester prenatal care rates, with a rate of 68.6% compared to the California rate of 83.5%.¹⁰

An overview of countywide household income and rent data provides a foundation for understanding housing affordability. The principal data source for this information is the U.S. Census 2013-2017 American Community Survey, and 2018 U.S Census estimates. Market and affordable rent information is sourced from HUD.

The median household income in Sierra County is \$44,190. In terms of household income, 28.1% of all Sierra County households (or an estimated 339 households) earn less than \$25,000 annually. These households are generally classified as “Very Low Income” by HUD and typically face challenges affording market housing costs. According to HUD, a Very Low Income Household earns 50% of Area Median Income, which was \$22,095 for a three-person household in 2018. The Federal Poverty Threshold is a measure of incomes lower than HUD’s Very Low Income definition, and is \$20,780 for a three-person household in 2018.

At least 16.9% of all households in the county have income below the Federal Poverty Threshold. These households are considered to be at a high risk of becoming homeless. Persons with disabilities often have special housing needs, and also often have fixed, limited incomes. Housing that meets these needs, and housing affordability, are critical issues for this population. An estimated 13.8% of the Sierra County population (or 393 individuals), have a

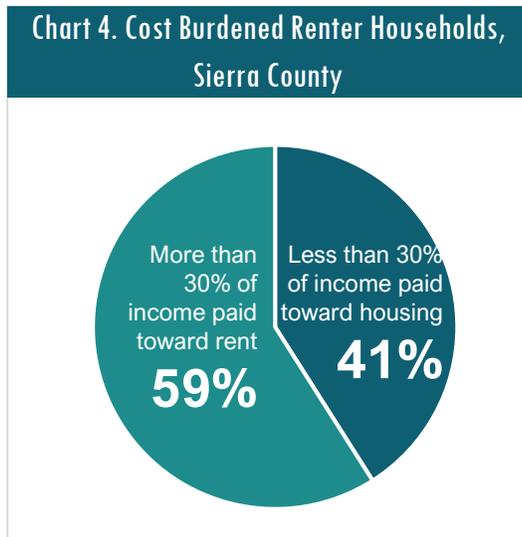
⁷ Feeding America, Mind The Meal Gap 2018

⁸ U.S. Census Bureau, American Community Survey 2017

⁹ U.S. Census Bureau, American Community Survey 2017

¹⁰ U.S. Census Bureau, American Community Survey 2017

disability. By comparison, there are no beds in housing with features and services specifically for disabled persons in the County.



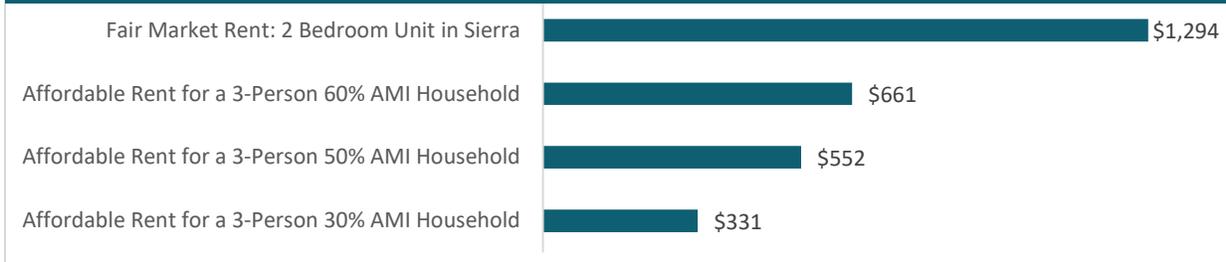
Source: U.S Census

According to the U.S Census, 59% of Sierra County households pay more than 30% of their income toward rent, as shown in Chart 4. The housing affordability standard used by HUD for setting Section 8 rents is 30% of income paid toward rent. The housing affordability standard used by the mortgage industry is generally 35% of income paid toward housing costs. Households who pay more than approximately 1/3 of their income towards housing costs are considered to be housing cost burdened, resulting in a lack of income for other necessities.

Fair Market Rent is set by HUD for each county or Metropolitan Statistical Area to determine typical market rent. The Fair Market Rent for a two-bedroom unit in Sierra County was \$1,294 in 2019. This rate has been especially driven up by those who live in the County but commute to Reno for work. Affordable rent is

determined by taking 30% of monthly household income. Affordable rent for a three-person household earning 50% of Area Median Income is \$552, or \$742 less than Fair Market Rent. Chart 5 below shows Fair Market Rent in comparison to what is affordable to households at various percentages of Area Median Income. As another indicator of housing affordability, one can calculate the number of minimum wage hours per week that would be required to afford a two-bedroom Fair Market Rent unit. At the State of California minimum wage of \$13 per hour, an individual would need to work 76 hours per week, in comparison to the full time equivalent of 40 hours per week, to afford Fair Market Rent. A household would need to make \$51,760 a year to afford Fair Market Rent.

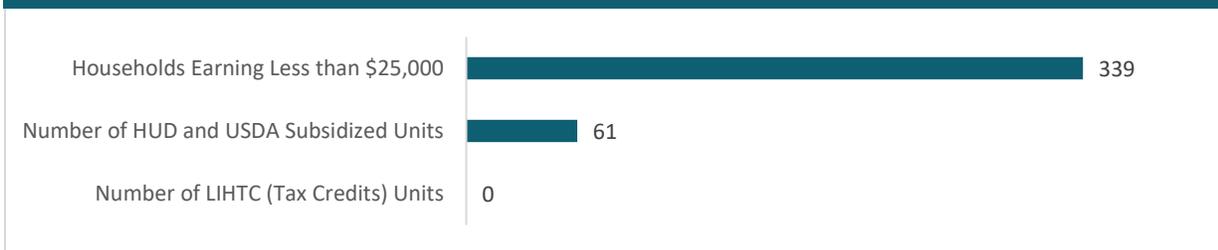
Chart 5. Affordable Rent Compared to Fair Market Rent, 2019, Sierra County



Source: Department of Housing and Urban Development

Publicly subsidized, affordable rental units are typically affordable to Very Low-Income Households, or households earning less than 50% of Area Median Income. As shown in Chart 2, these households typically cannot afford market rents. Very Low-Income households generally earn less than about \$25,000 annually. Chart 3 compares the number of households earning less than \$25,000 to the number of publicly subsidized affordable rental units in the county. The HUD and USDA Subsidized Units category includes public housing, other federally subsidized units, and Section 8 Housing Choice Vouchers. The LIHTC (Tax Credit) Units category includes tax credit financed projects that are generally rent restricted for a shorter period than HUD and USDA subsidized units, and typically with higher, yet still affordable rents. As Chart 6 shows, the number of publicly subsidized, affordable units in the county falls far short of the need.

Chart 6. Affordable Housing Units and Needs, 2018, Sierra County



Sources: U.S. Census, Department of Housing & Urban Development, LIHTC Database

B. SUMMARY OF PLANNING

B.1 Initial Homelessness Planning Efforts

Plumas-Sierra Counties Continuum of Care: The Plumas-Sierra Counties Continuum of Care is made up of staff and elected officials from both Plumas and Sierra Counties, including Behavioral Health, Public Health, Social Services, Probation, Planning and District Attorney, the NorCal Continuum of Care Coordinator, the Plumas CDC (regional Housing Authority), nonprofit homeless and other community service providers, Feather River Community College, the County Office of Education, concerned community members, and citizens who are members of the respective Behavioral Health Advisory Boards and Behavioral Health Commission. The Continuum of Care meets on a monthly basis, typically in Quincy. The Coalition functions as an Advisory Board to the NorCal Continuum of Care for issues relating to homelessness in Plumas and Sierra Counties. The Plumas-Sierra Counties Continuum of Care first met in August 2017, and then began meeting on a monthly basis beginning in the summer of 2018. The Plumas-Sierra Counties Continuum of Care has a representative who sits on the NorCal CoC Executive Board.

NorCal Continuum of Care: Plumas and Sierra Counties are members of the NorCal Continuum of Care (NorCal CoC). The NorCal CoC is a consortium of the seven rural northern California counties of Shasta, Lassen, Plumas, Sierra, Siskiyou, Del Norte and Modoc, which are working together to plan a system of housing and services for those experiencing homelessness in the region. The NorCal CoC is staffed by a designated Lead Agency who works for the Shasta County Community Action Agency (SCCAA). The NorCal CoC plays an important role as a key partner in addressing homelessness in Plumas and Sierra Counties. As an entity charged by the federal government with prioritizing and administering homeless funding, the CoC reviews and recommends applications for Emergency Solutions Grants (ESG), Homeless Housing Assistance and Prevention Grants (HHAP), and CoC grants, and submits an annual Consolidated CoC Funding Application to HUD. More recently, the NorCal CoC has also been involved in collecting, reviewing and recommending applications for the State's Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing (CESH) program. The NorCal CoC also maintains the consortium's Homeless Management Information (HMIS), Coordinated Entry System (CES), and ensures the execution of the Point-in-Time (PIT) Census and Survey and Housing Inventory Counts (HIC).

B.2 Plumas and Sierra Counties Strategies and Outcomes in Support of NorCal Continuum of Care Strategic Plan

The NorCal CoC has adopted an overarching Strategic Plan which is focused on a set of Foundational Priorities and Goals to develop the systems and infrastructure necessary to support project implementation and long-term success across the NorCal CoC. These Foundational Priorities include:

- Increase knowledge and understanding of housing needs and options through the development of Plans to Address Homelessness;
- Increase capacity and availability of housing and homeless services;
- Develop leadership and coordination of effort to reduce homelessness;
- Implement data tracking through HMIS and prioritization of housing services through Coordinated Entry Systems (CES).

Goals that were identified as specific areas of focus across the CoC include:

- Develop low-barrier shelter models, including the use of short-term flexible sheltering options (safe parking, roommate agreements, hostels, seasonal camping);
- Expand landlord recruitment and engagement to provide access to additional housing options;
- Ensure that local Housing Elements identify and include flexible and increased housing options to combat homelessness;
- Seek rural housing funding sources to increase housing inventory;
- Increase the affordable, supportive and transitional units available across the CoC;
- Strengthen and build the capacity of community leadership around homelessness;
- Ensure housing stability through intensive case management and supportive services.

In 2019, both Plumas and Sierra County each identified a set of goals, strategies and outcomes in support of these CoC Foundational Priorities and Goals, through the adoption of their own Strategic Plans. The integration of these goals, strategies and outcomes with the solutions identified through this Plan's process are noted in the Proposed Solutions charts which begin on page 35.

B.4 No Place Like Home Planning

Building on the momentum gained through the regular meetings of the Plumas-Sierra Counties Continuum of Care, and identification of a set of strategies to be implemented in coordination with the NorCal CoC as described above, the two counties identified the need to develop a two-county Plan to Address Homelessness. Engaging in this effort was further supported by the availability of MHSA Technical Assistance funds, and both non-competitive and competitive funding to support the development of Permanent Supportive Housing through the No Place Like Home (NPLH) program, which requires the submittal of an NPLH-compliant Plan to End Homelessness.

Community Outreach and Stakeholder Engagement

Community outreach for the development of this Plan was coordinated with the Plumas and Sierra County Behavioral Health Departments, and the Plumas-Sierra Counties Continuum of Care.

Three meetings of the Plumas-Sierra Counties Continuum of Care were dedicated to developing the Plan over the past six months—an introduction and overview of the planning process and needs/gaps brainstorming on August 29, 2019, a goal setting workshop on October 24, 2019, and a draft Plan Overview for public comment on December 12, 2019.

In addition to the Continuum of Care meetings, the Plan authors conducted focus groups, interviews, and written questionnaires as follows:

- MHSA Consumer and Caregiver Focus Groups:
 - Sierra County: Loyalton, August 15, 2019 and Downieville, August 22, 2019
 - Plumas County: Portola, September 24, 2019 and Quincy, October 3, 2019
- Interviews and/or written questionnaires with: Plumas County Community Development Corporation (Housing Authority for both Plumas and Sierra Counties), Plumas County Rural Services, Plumas County Public Health, EA Family Services (Transitional Housing Provider), and Feather River College.

Below is a summary list of those who participated in these community discussions, with participants from both Plumas and Sierra counties:

- County Behavioral Health, including Wellness Center staff and clients
- County Public Health
- County Social Services
- County Planning
- County Probation
- County Board of Supervisors
- Transitional Housing Provider: EA Family Services
- Service Providers: Plumas Rural Services, Plumas Crisis Intervention and Resource Center
- NorCal Continuum of Care



- Plumas County Community Development Commission (administering regional Housing Authority for Plumas, Sierra, Lassen and Tehama counties)
- Feather River College and County Office of Education
- Individuals currently experiencing homelessness and those who were formerly homeless, including those with serious mental illness
- Family members of those currently or previously experiencing homelessness, including those with serious mental illness

Through these meetings, focus groups, interviews and surveys, participants provided history and background, described existing programs and resources, identified challenges and needs, and made recommendations for solutions to address current gaps and challenges.

C. HOMELESSNESS IN PLUMAS AND SIERRA COUNTIES

C.1 CoC Point in Time Survey

The primary quantitative data source on homelessness is the most recent CoC Point-in-Time (PIT) survey. This is a one-week event organized by the CoC and local communities in which volunteers reach out to homeless individuals on the street, and in parks, camping areas, libraries, and shelters to capture the status of homelessness on one specific night. The PIT is an effort to learn more about the current extent and conditions of homelessness through the use of a uniform survey instrument with those willing to participate. The survey includes questions about demographics, sleeping location, residency, length of time homeless and certain disabling conditions. It is recognized nationally that PIT efforts and the resulting data generally undercounts the number of individuals experiencing homelessness, simply due to the challenges of having enough community volunteers, finding those who are unsheltered on any given day, and their willingness to participate. In addition, not every question is necessarily answered by those who are counted. Sometimes, volunteers only complete a “tally” sheet when they observe someone who appears to be homeless, but do not engage the individual in the completion of a survey. Also, not all individuals necessarily feel comfortable answering all of the questions, or the volunteer may be unable to finish a survey for a variety of reasons. Where such data gaps exist, in some cases, the preponderance of responses provide a fair picture of homelessness, given the community’s demographics. Where such data gaps could affect the conclusions, it is so noted.

HUD mandates that PIT counts occur in each community the last week of January. Winter conditions in Plumas and Sierra Counties are very harsh, making a PIT count of unsheltered individuals very challenging. While Plumas County does not have any type of congregate emergency shelter or soup kitchens, they are able to provide motel vouchers, and there is a 9-bed transitional housing program in Quincy and there are multiple transitional housing units in Quincy and other communities which are contracted for through PCBH for their FSP clients. Sierra County has no emergency shelters or soup kitchens whatsoever. There are also no motels to provide shelter vouchers for the winter. This means that individuals experiencing homelessness must either find a way to survive the brutal winters outdoors, or find some form of temporary shelter and housing with community members. Survival is a day-to-day ordeal if you are not securely housed in the winter. Historically, due to these unique conditions, Sierra County has been largely unable to provide a PIT count. However, beginning in 2019, the County was able to enlist the help of a community member who had experienced homelessness, who knew where people could be found, and was trusted by those experiencing homelessness in order to complete the survey.

Plumas County: The most recent PIT completed by the County happened on January 27, 2020. The data from the 2020 PIT count is preliminary, and has not been verified by HUD.



However, these preliminary figures for 2020 are included here to provide a reference point, as compared to 2018 and 2019 data, which is more thoroughly described below.

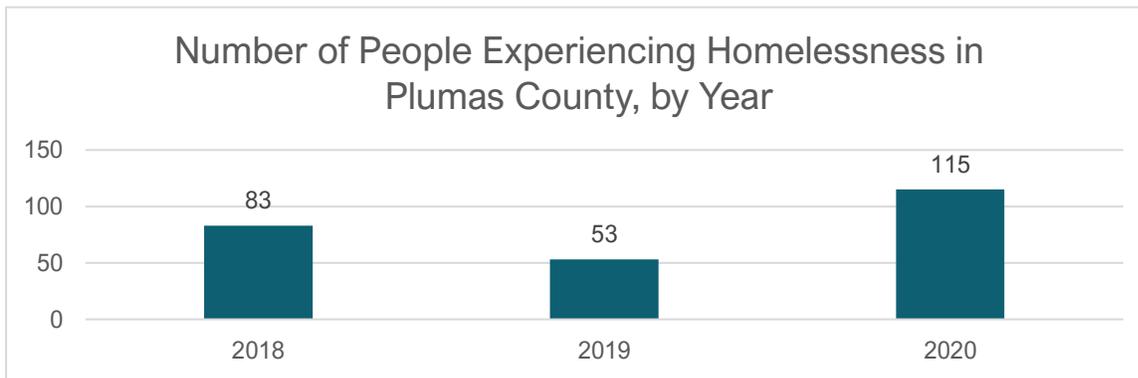
The 2020 Point-in-Time Survey counted a total of 115 homeless individuals on the night of the count. Of these, 38 individuals were sheltered and 77 were unsheltered. All of the sheltered individuals were in Quincy, and more than half of the unsheltered individuals were also in Quincy.

The 2019 Point-in-Time Survey counted a total of 53 individuals experiencing homelessness in Plumas County. Of these individuals:

- 35 were sheltered, 18 unsheltered
- 29 were male, 24 were female
- 1 person reported being pregnant
- Most individuals (42%) were ages 25-34; there were 10 children under the age of 17
- 13 individuals reported they have lived in the county all or the majority of their lives
- 2 individuals were veterans
- 61% of individuals self-reported a mental health condition
- 16% of respondents had been in foster care

Chart 7. Homelessness and Chronic Homelessness by Household Type, 2019				
	Total # Reported in 2019 PIT	Single Adult	Families	Unaccompanied Youth
Homeless	46	39 persons	3 households 12 persons	2 persons
Chronically Homeless	11	11 persons	0 households 0 persons	0 persons

Chart 8. Total Number of Homeless Individuals with Some Form of Serious Mental Illness and Co-Occurring Disabilities, 2019			
	Serious Mental Illness	Co-Occurring Disabilities or Disorders	Children with a Serious Emotional Disturbance
Number of Homeless Individuals With:	23 of the 53 individuals reported have a mental illness during the 2019 PIT.	9 of the 53 individuals reported co-occurring disabilities or disorders	Data on children with such disorders who are homeless is not available.



The 2018 count in Plumas County showed 83 people, which is a number service providers feel was quite accurate, as there were many people living in sober living environments, and were therefore sheltered. The drop to 53 people in 2019 was reflective of the influx of ESG and other funding which directed more people into permanent housing. Despite this funding, in 2020, the number has increased to 115, most of which has been attributed to an increase of single men who are chronically homeless, and transitioning offenders from jail, probation and parole. It has also been noted that in 2020, families experiencing homelessness have also increased, and there is a lack of appropriate housing for them.

Sierra County: The 2020 Point-in-Time Survey counted a total of 9 individuals experiencing homelessness in Sierra County. All 9 individuals were unsheltered, as Sierra County does not have any emergency shelter options.

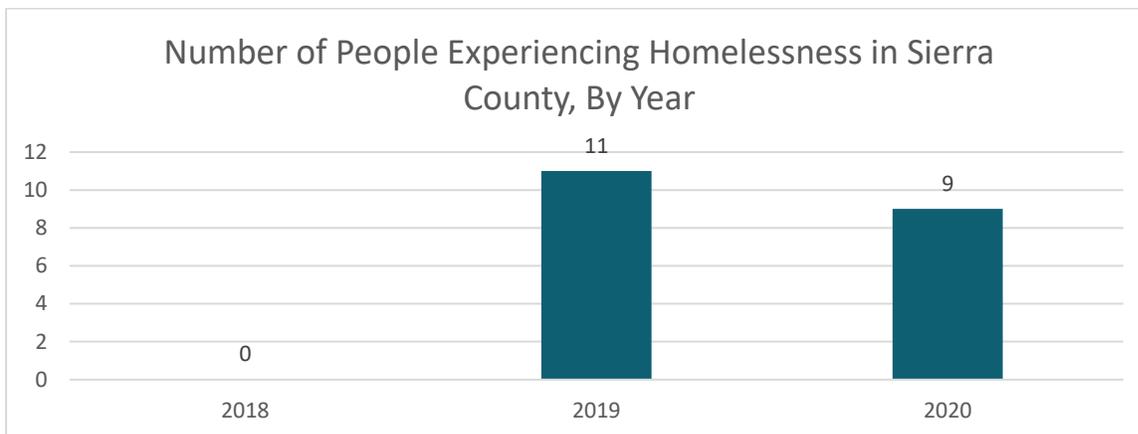
The 2019 Point-in-Time Survey counted a total of 11 individuals experiencing homelessness in Sierra County. Of these individuals:

- All were unsheltered
- All were white, non-Hispanic or Latino
- 7 were male, 4 female
- 2 people had lived their entire life in the County, 5 people from from 5-10 years
- There was one child, ages 5-12 and one person reported being a veteran
- Based on the number of times homeless in the past 3 years and number of months homeless, 8 of the 11 were chronically homeless, a rate of nearly 73%.

	Total # Reported in 2019 PIT	Single Adult	Families	Unaccompanied Youth
Homeless	11	9 persons	1 households 2 persons	0 persons
Chronically Homeless	8	8 persons	0 households 0 persons	0 persons

Chart 10. Total Number of Homeless Individuals with Some Form of Serious Mental Illness and Co-Occurring Disabilities, 2019

	Serious Mental Illness	Co-Occurring Disabilities or Disorders	Children with a Serious Emotional Disturbance
Number of Homeless Individuals With:	This number is difficult to estimate. Only 2 of the PIT respondents self-reported having a mental illness	This number is difficult to estimate. Only 1 of the PIT respondents self-reported both a mental illness and substance use disorder.	Data on children with such disorders who are homeless is not available.



As noted earlier, Sierra County, prior to 2019, had not been able to carry out a Point-in-Time survey, so the chart above for 2018 shows a baseline of zero. This should not be construed to mean that in 2018 and the years prior, there were not individuals experiencing homelessness in Sierra County. The drop from 11 persons in 2019 to 9 persons in 2020 has been noted to be a result of County staff’s efforts to find people housing.

C.2 Department of Education Data

Plumas County: According to the Plumas County Office of Education, there were between 120-150 homeless children throughout the County in 2018, utilizing the McKinney-Vento definition of homelessness, which includes those who are doubled up or couch-surfing with friends or family. The data from 2019, which showed 50-70 homeless students, is not deemed to be reliable or accurate due to a change in staffing and the method used to collect the data.

Sierra County: According to the Sierra County Office of Education, there were a total of 12 homeless children throughout the County in 2019, utilizing the McKinney-Vento definition of homelessness, which includes those who are doubled up or couch-surfing with friends or family.

C.3 Concluding Thoughts About the Scope of Homelessness in Plumas and Sierra Counties

Both the PIT and Office of Education data each contribute important information in understanding the varying conditions of homelessness in Plumas and Sierra Counties. While the CoC's PIT count uses HUD's more restricted definition of homelessness, statistics from the schools use broader definitions. This range of data points is helpful in painting a more complete picture of homelessness that includes those that lack housing stability, and those that are at-risk of becoming homeless by the HUD definition. HUD considers households at risk of homelessness if they are extremely low-income without sufficient resources to prevent them from needing emergency shelter and:

- They are living in the home of another due to economic hardship;
- They have moved 2 or more times in the last 60 days due to economic reasons;
- They live in a hotel or motel;
- They have been given a tenancy termination notice which takes effect in the next 21 days;
- They are living in overcrowded conditions in an efficiency apartment or Single Room Occupancy (SRO) unit.

Consideration of these individuals and households is important in devising strategies to address the range of their housing and service needs, and prevent chronic homelessness from occurring.

D. PERSPECTIVE OF THOSE WITH LIVED EXPERIENCE

MHSA Consumer Focus Groups: Plumas and Sierra Counties conduct focus groups throughout the county on an annual basis with consumers, family caregivers, and service providers involved in Behavioral Health programs funded through the Mental Health Services Act (MHSA).

In order to successfully implement programs for people experiencing homelessness or mental illness, it is important that people with lived experience have meaningful involvement in planning, implementation and evaluation of programs designed to serve them. Directly consulting with people with lived experience is vital to enrich the systems we are building and drive our strategies. In-person focus groups and interviews

of people with lived experience or their caretakers were conducted in September and October of 2019. Approximately 20 people were engaged through this process. The goal of the focus groups and interviews was to learn more about the primary causes of their homelessness, the specific resources and services they believe will be helpful for them, and what they feel decision-makers should know about the unique challenges of living un-housed in their region.

The quote bubbles contain the personal sharing of those who have experienced homelessness and/or mental illness in Plumas or Sierra County. They provide an insight into the complexity of the causes and challenges that those experiencing homelessness face as they attempt to stabilize their lives.

It's hard in the winter. Most people try to find a place to squat or couch surf because you can't stay warm in a tent.

- In Sierra County, access to laundry services and showers are not reliable.
- Low income housing options, like trailer parks or studio apartments, have been closed down or there isn't enough to meet the need. People would like their own space, even if it's small.

There isn't anywhere to wash my clothes or take a shower consistently.

Some of the trends noted in interviews:

- Many cite the lack of affordable housing and jobs as a contributing factor to their homelessness.
- There are significant challenges in finding housing. Most landlords only rent out by word of mouth. Much of affordable housing stock is being used as vacation homes.
- Community is important. Many expressed that they would prefer to be homeless than leave their community. While there is not a formal shelter, community members sometimes take people in when the weather is harsh.

- The typical transportation challenges for rural areas are exacerbated by lack of public transit in Sierra and very limited routes in Plumas.
- Specialty care for those with serious mental illness is often housed outside of the county, removing people from their community and family connections.
- Many experiencing homelessness are also experiencing tremendous food insecurity.
- Many express the need for supportive housing where services don't back off when people become more stable. People need ongoing engagement in services to remain as stable as possible. Even then, for those with a serious mental illness, there will be ups and downs, and phases where they may need to leave the community for a period of time to receive intensive psychiatric support services elsewhere, and then return. They want to ensure that housing is waiting for them in these situations.
- Families lose income from SSI or IHSS when their family members go to jail or must be hospitalized, putting them at risk of homelessness.

E. SERVICE AND OUTREACH CHALLENGES

Many of the challenges in serving and conducting outreach with those who are homeless, including those who are homeless or chronically homeless with a mental illness, stem from both counties' limited staff and financial resources as “small” counties (in terms of population), compounded by the fact that the counties are “large” in terms of geography and the distribution of population centers. Very small, rural ‘Frontier’ counties often lack the infrastructure and capacity that is needed to be able to offer every client living with SMI, SUD, or both, every acuity level of service in-county. That is why the County Behavioral Health Department must place some clients, based on need, in out-of-county treatment facilities, when appropriate. Due to the rural nature of both counties, geographic isolation is a constant challenge and/or barrier in receiving services. Transportation options are very limited. Right now, for someone who is experiencing homelessness, their access to services largely depends upon them walking into a location where services are offered to the entire community, such as one of the Plumas County Behavioral Health Wellness Centers (located in Greenville, Chester and Portola), Plumas Crisis Intervention and Resource Center (located in Quincy, Portola, and Loyaltown), Plumas Rural Services (located in Quincy), or County Behavioral Health Services (located in Quincy). The establishment of the Plumas County Behavioral Health Wellness Centers was a huge step in the efforts to address the needs of community members who would otherwise not be able to access services. However, for homeless individuals who are dealing with a mental illness, who are not close enough to a population center to walk to such services, or who may have a distrust of government services, they may not be engaged at all or are only engaged at the time of crisis.

Stigma and discrimination associated with mental health are still barriers to overcome. Couple this with the small population in both counties and a perceived or real lack of anonymity (due to the close social and family connections which exist in these communities), and individuals may choose not to seek help. Housing availability is very limited. This creates a barrier when trying to achieve independent living goals for community members receiving services who know their housing options are limited. Intensive crisis stabilization services and board and care providers are not available in either Plumas or Sierra County. Thus, costly out-of-county services must be sought that remove people from their community.

F. PARTNERSHIPS AND RESOURCES DEVOTED TO ADDRESSING AND ENDING HOMELESSNESS

The Plumas-Sierra Counties Continuum of Care provides a collaborative community forum for government, service providers and other interested stakeholders to engage in the development of programs and partnerships to address homelessness in both Plumas and Sierra counties. As an Advisory Body to, and supported by the NorCal CoC, the Continuum of Care and its members will be the key driving force behind the execution of the efforts needed to achieve the goals and objectives of this Plan. What follows is a description of the existing community resources (offered by both non-profits and the Counties) which are devoted to addressing and ending homelessness in both counties. Most of the agencies noted offer a wide variety of resources, and thus cross over into multiple service categories. All agencies, for example, offer some form of information and referral to needed community resources that they themselves do not provide.

F.1 Safety Net Support

Plumas County Community Development Commission and Housing Authority: Serves both Sierra and Plumas Counties. The agency’s programs include: Section 8 Housing Choice Voucher rental assistance, public housing, weatherization, utility payments, water and sewer assistance, economic development, and community and historic site restoration.

Plumas Crisis Intervention & Resource Center (PCIRC): PCIRC operates two family resource center/homeless day shelter sites located in Quincy & Portola. Sierra County programs are located in Loyalton, called Sierra SAFE, and only provides rape crisis/domestic violence services/supports. PCIRC in Quincy is the point of Coordinate Entry for all homeless in Plumas County and offers an array of emergency and permanent housing options along with intensive case management, access of food supplies-hygiene supplies-diapers/wipes-clothing-and other household items. PCIRC provides homeless prevention services to assure households are stable. The agency operates Ohana House Emergency & Transitional Shelter and three Sober Living Homes.

Behavioral Health Plumas County Wellness Centers: With locations in Greenville, Chester, and Portola, each center offers services that can lead to greater self-sufficiency and stability. These service programs can include emergency lodging and food assistance, utilities assistance, Medi-Cal, CalFresh, and HEAP applications support and more, depending upon the local needs and available resources.

Plumas Rural Services: Provides the Women, Infants and Children (WIC) nutrition program and childcare subsidies for disadvantaged households in addition to domestic violence and emergency sheltering program available to residents in both Plumas and Sierra Counties.

California Tribal Temporary Assistance for Needy Families (TANF) Partnership: Provides assistance in the form of monthly financial grants to all eligible families referred from the State TANF Program and all eligible families who apply for assistance that reside within the designated service delivery areas.

Regional Food Pantries and Commodities:

- Quincy Food Bank (Community Assistance Network) Located at St. John’s Catholic Church, Monday through Friday. Perishables the 3rd Friday of every month and Commodities on the 3rd Tuesday of every month.
- PCIRC Quincy Resource Center: Limited satellite Food Bank available Monday through Friday.
- Quincy Community Supper: Every Wednesday at the United Methodist Church
- Portola Food Bank (Eastern Plumas Community Assistance Network) Every Monday, Tuesday, Wednesday at 120 Nevada Street, Portola
- PCIRC Portola Family Resource Center: Limited satellite Food Bank available Monday through Friday.
- Salvation Army, Portola: Monday through Friday emergency food and vouchers
- Indian Valley Wellness and Family Resource Center Open first four Fridays
- Chester Wellness Center: Limited satellite Food Bank available Monday through Friday.
- High Sierras Family Services: distribution at Catholic Church in Loyalton on 1st and 3rd Fridays
- Western Sierra Food Bank: Food available for Sierra County residents by request
- North State Food Bank: Distribution tailgate events held quarterly with monthly emergency food assistance program distribution in Greenville, Quincy, Portola, Chester, Arbuckle, Grimes, Loyalton, Downieville, Sierra City, Sattley, Calpine, and Allegahany.

F.2 Crisis Intervention

Plumas-Sierra Crisis Line and Emergency Services: Plumas Crisis Intervention & Resource Center (PCIRC) utilizes community volunteers and staff to maintain the Crisis Line who are available 24/7. Crisis Line services are provided to residents seeking program support, peer counseling, resource and referral information and guidance to help solve their individual or family emergencies. Residents may call the Plumas-Sierra Crisis Line at: 530-283-4333 or 1-877-332-2754.

Sierra Crisis Stabilization Unit (CSU): Sierra County Behavioral Health has contracted with Nevada County Behavioral Health so that Sierra County community members have access to a Crisis Stabilization Unit provided by the Sierra Mental Wellness Group. The four (4) bed CSU is located in Grass Valley, California, adjacent to the entrance of the Emergency Department of



Sierra Nevada Memorial Hospital (SNMH). The CSU is part of a crisis continuum of care for residents of Sierra County. Individuals receive psychotherapy, medication services, and psychiatry for up to 23 hours per client event.

Domestic Violence Services, Plumas Rural Services: Plumas Rural Services' Domestic Violence services include safe, confidential assistance for anyone who is a victim of domestic violence. A confidential 'Safe House' is available for short-term housing. PRS also provides assistance with restraining orders and referrals to appropriate support services.

Sierra SAFE, Plumas Crisis Intervention & Resource Center: Services for victims of sexual assault and domestic violence in Plumas and Sierra Counties. The crisis line offers a 24-hour, seven day a week response to callers in Sierra and Plumas Counties and is operated by PCIRC through the use of trained volunteers. Other services include counseling, advocacy, accompaniment, and access to the domestic violence shelter, as well as restraining orders. Sierra SAFE also serves as the Rape Crisis Center for Sierra County. Staff members and volunteers are on call to support victims of rape (through a forensic exam or counseling), accompany clients to appointments or court, advocate for the survivor, and provide peer counseling. Presentations to schools, businesses, organizations and other agencies are made on topics such as rape prevention, sexual harassment, and self-defense. A lending library of books and videos is available on a wide variety of subjects.

F.3 Emergency Shelter and Transitional Housing

Ohana House, Plumas Crisis Intervention & Resource Center: Ohana House is a 12-bed emergency and transitional housing program for young adults age 18 and over, and is open to Plumas and Sierra County residents. Ohana House, located in Quincy, provides an on-site 24/7 house manager and mentor and utilizes a comprehensive case management plan with wraparound services to assist youth in achieving their educational goals to graduate high school, navigate college and career plans, and achieve permanent and independent housing. Each participant receives assistance in accessing needed health, mental health and wellness services and assistance with program eligibility and needed paperwork to access social service and financial benefit programs. All program participants are required to take part in weekly life skills classes, budgeting workshops and community service activities to further increase their knowledge and abilities for successful transition. Ohana House residents have the opportunity to participate in a plethora of experiential learning opportunities to help support their journey.

Plumas Commons, Environmental Alternatives Family Services: Plumas Commons consists of two transitional housing sites in Quincy which provide housing for up to 12 Full-Service Partner clients in a Housing First model. All clients are living with a severe mental illness and all are enrolled in the MHSA Full-Service Partnership Program. Clients are provided with intensive case management and access clinical therapy from either Behavioral Health or EA Family Services. Intensive Case management and therapeutic services are offered to all EA clients during and after their transition to independent, permanent housing. Plumas County Behavioral Health contracts with Plumas Rural Services to offer a lower intensity transitional housing program to Full-Service Partner clients who are homeless or at risk of chronic

homelessness. PCBH provides case management and therapeutic services while they stabilize in this TH program for up to two years prior to transitioning to permanent housing and receiving continued mental health, recovery, and case management services while living independently. There are no specific time limits on tenancy, this is dictated by the clients' readiness and ability to access permanent housing in the community.

Pathways Home, Plumas Crisis Intervention & Resource Center: Uses a Housing First model for transitioning offenders.

Plumas House, Plumas Crisis Intervention & Resource Center: Transitional sober living environment for men.

Motel Vouchers: Motel vouchers for homeless individuals and families are currently provided by the Plumas Crisis Intervention and Resource Center (PCIRC) and Plumas County Health and Human Services Agency. Plumas County Behavioral Health provides emergency lodging services in motel sheltering throughout the county to homeless clients through its MHSA Community Services and Supports Outreach and Engagement program. New and ongoing clients who are homeless may be housed up to 30 days during the period of treatment plan development and housing stabilization planning. Many clients who seek emergency lodging are recently discharged from psychiatric hospitals and the county jail.

F4. Rental Assistance

Plumas County Community Development Commission and Housing Authority: This is a four-county regional housing authority which provides the Housing Choice Voucher (Section 8) program for Plumas, Sierra, Lassen and Tehama counties. Vouchers are not allocated by county, there is one open waiting list for all 4 counties, with a total allocation of 632 Housing Choice Vouchers, as well as 5 Veteran's Affairs Supportive Housing (VASH) and 25 Family Unification Program (FUP) vouchers. As of this writing of this Plan, there were 175 active vouchers in Plumas County and 12 active vouchers in Sierra County. The waiting list is continually open, with applications ranked by which preferences they meet and date of application. The Plumas CDC has not historically provided Project-Based Section 8 rental assistance, but is interested in working with developers to provide such assistance.

Plumas County Behavioral Health: Plumas County Behavioral Health supports individuals living with SMI and families of children receiving services for SED with move-in deposit and utilities assistance or rental assistance through Full-Service Partnership (FSP) enrollment and, in a limited manner, rental and utility assistance to non-FSP clients.

Plumas County Public Health, Housing Opportunities for Persons with AIDS (HOPWA) and Ryan White Part B Funds: These funds are administered by Plumas County for a 5-county region (Plumas, Sierra, Siskiyou, Modoc and Lassen). Funds are used for rental assistance, mortgages or utilities for a limited time. In Fiscal Year 2018-19, 5 Plumas County residents were



assisted through HOPWA and 4 Plumas County residents were assisted with Part B funds. No Sierra County residents were served.

F.5 Mental Health Counseling and Support

Plumas County Behavioral Health Department: Adult and Children Outpatient Centers provide assessment, diagnosis, and treatment to individuals requiring mental health or dual diagnosis treatment. The outpatient treatment team consists of trained professionals including psychiatrists, licensed therapists, psychiatric technicians, case management specialists, peer advocates, substance use counselors, and support staff. Focus areas include mental health and substance abuse assessment, psychiatric assessment and evaluation for medication, medication monitoring, limited individual counseling, group counseling, telepsychiatry, bilingual counseling services, interpreter services, benefits services, MHSA Outreach and Engagement, Client Support, and FSP programs and community services referral.

Plumas County Behavioral Health Drop-In Center: The Drop-In Center in Quincy is a place for clients to meet in a warm and supportive environment. The purpose is to provide a place for self-improvement, peer-support, education, socialization, engaging and sober activities. The center has ongoing, no cost activities including: weekly groups, finding support from others with similar life issues, opportunities for becoming a working member and socialization and recreation. In addition, the Drop-In Center offers nutrition and cooking classes and support in learning daily living skills such as household management and budgeting.

Plumas County Behavioral Health Wellness Centers: Plumas County Wellness Centers are located in Greenville, Chester and Portola. While each site may offer a unique menu of services, in general, all of the Wellness Centers provide a wide array of services such as emergency lodging and food assistance, utility assistance, Medi-Cal, CalFresh, and HEAP applications support, assistance with Section 8 applications, laundry and shower facilities, access to public computers, clinical assessments and case management, as well as monthly wellness classes and groups.

Sierra County Behavioral Health Department: The Behavioral Health Department offers a broad range of mental health, alcohol, and other drug (AOD) services to all residents of Sierra County. Their goal is to offer services in a supportive environment that focuses on recovery. Regardless of ability to pay, the Behavioral Health Department provides emergency crisis assessments and other services. Services include: priority perinatal drug and alcohol treatment, alcohol and other drug assessments, case management services and referrals, individual and group alcohol and other drug counseling, medication management and services, mental health assessments, mental health individual and family counseling, nursing support, peer support services, psychiatric consultation, residential rehabilitation and/or detoxification services and veteran's peer support.

Sierra County Behavioral Health Wellness Centers: Sierra County Wellness Centers, located in Loyalton and Downieville, are wellness-focused and provide integrated services that are



supportive, alternative and unique to support community members on their recovery path. The Wellness Center strives to be culturally competent, member-driven, and wellness-focused. Peer Support Specialist staff is made up of peers with lived, personal experience. Peer Support Specialists are available to provide support, education, advocacy and hope to individuals during their unique wellness and recovery path. The Veterans' Peer Support Specialist is also housed at this site. Peer support staff provide services via the phone, home visits, and on-site. In general, the Wellness Center provides opportunities to find ways to increase the persons' served ability to live life at its fullest. Services focus on: Wellness & Recovery Action Plans (WRAP®), supportive conversation, independent living skills, veterans peer support, connection with Workforce Alliance, art and meaningful activities, social activities, living with challenges of mental illness, and collaboration with other entities to provide identified individualized services not offered through the Wellness Center.

F.6 Wrap Around Services

Plumas Crisis Intervention & Resource Center: PCIRC operates two family resource center/homeless day shelter sites located in Quincy & Portola. Sierra County programs are located in Loyalton, called Sierra SAFE, and only provides rape crisis/domestic violence services/supports. PCIRC in Quincy is the point of Coordinate Entry for all homeless in Plumas County and offers an array of emergency and permanent housing options along with intensive case management, access of food supplies-hygiene supplies-diapers/wipes-clothing-and other household items. PCIRC provides homeless prevention services to assure households are stable. The agency operates Ohana House Emergency & Transitional Shelter and three Sober Living Homes.

Plumas and Sierra County Behavioral Health Departments: The Full Service Partnership (FSP) program is best defined as a collaborative relationship between the county and community members of all ages who live with severe mental illness (SMI) for adults or live with a severe emotional disturbance (SED) for children, and when appropriate the community member's family, by expanding mental health services and supports and providing the full MHSA spectrum of community services so that the community member can achieve their individualized identified goals. Behavioral Health staff serve as active partners to FSP partners increasing the coordination of care within the community or need-based, appropriate services which are not offered in Sierra County. The team composed of County Behavioral Health staff and individuals identified by the FSP partner offers strength-based, client/family-directed, individualized mental health and wrap-around services and supportive funding.

Plumas County Veterans Service: The Plumas County Veterans Service Office assists veterans and dependents of living and deceased veterans in filing claims for benefits with the Veterans Administration and the California Department of Veterans Affairs. These benefits include: pensions for veterans or widows of veterans; compensation for service connected disabilities; Medical care at V.A. facilities; rehabilitation programs; respite services; counseling; referrals; educational benefits for veterans and qualified dependents; burial benefits and death

pensions for veterans' widow(er)s and children. Veteran's Service Office offers many miscellaneous services such as assisting veterans in upgrading of military discharges, obtaining necessary documents to process claims, obtain copies of lost reports of separation, referral to other agencies and assist in any other possible way. Cal-Vet Loan packages are also available in this office.

F.7 Substance Use Treatment

Plumas County Behavioral Health Department: Adult and Children Outpatient Centers provide assessment, diagnosis, and treatment to individuals requiring mental health or dual diagnosis treatment. The outpatient treatment team consists of trained professionals including psychiatrists, licensed therapists, psychiatric technicians, SUD counselors, and support staff. Focus areas include mental health and substance abuse assessment, psychiatric assessment and evaluation for medication, medication monitoring, limited individual counseling, group counseling SUD intensive outpatient services, bilingual counseling services, interpreter services, benefits services, and community services referral.

Plumas County Public Health Department: Medication assisted treatment is the use of medications in combinations with counseling and behavioral therapies for the treatment of opioid dependence or substance use disorders.

Sierra County Behavioral Health Department: The Behavioral Health Department offers a broad range of mental health, alcohol, and other drug (AOD) services to all residents of Sierra County. Services include: priority perinatal drug and alcohol treatment, alcohol and other drug assessments, case management services and referrals, Individual and group alcohol and other drug counseling, medication management and services, residential rehabilitation and/or detoxification services.

Alcoholics Anonymous and Narcotics Anonymous: Alcoholics Anonymous and Narcotics Anonymous are international fellowships of people who struggle with managing their substance use. It is nonprofessional, self-supporting, multiracial, apolitical, and available almost everywhere. There are no age or education requirements. Membership is open to anyone. Led and hosted by Orchard Housing and the Methodist Church.

F.8 Health Care Services

There are a number of community-based health care providers in the County who care for the medical needs of those experiencing homelessness:

Hospitals:

- ***Plumas District Hospital:*** Hospital located in the community of Quincy and clinics in Greenville and Quincy in Plumas County. Available services include: 24/7 Emergency Department and general surgery services, Care Flight ambulance services, laboratory, x-ray, CT scanning, mammography, physical therapy, respiratory therapy, ultra sound, endoscopy, and dietitian & nutritional consultation. Lamaze training, a rural health clinic located in the medical office building, acute in-patient care and swing bed skilled nursing care, ambulances, obstetrics.
- ***Seneca Healthcare District:*** Located in the community of Chester in Plumas County. Available services include: 24/7 Emergency services; acute care services (medical/surgical/swing); respiratory care services; laboratory services; radiology services (CT, DEXA, ultrasound, limited MRF); hospice; skilled nursing facility; dietary/nutritional counseling; 5 F.P.; Primary care; OMT; specialty care; general surgery; Telemedicine services; and physical therapy.
- ***Eastern Plumas Health Care:*** EPHC has a small, 9-bed acute care hospital located in Portola in Plumas County. Patients who will benefit from hospital care close to home and family are admitted here, while many patients who need a higher level of specialty care are evaluated, stabilized, and transported by ambulance or CareFlight to a larger hospital in Reno, NV or beyond. Available services include: 24 hour ambulance service, 24 hour, physician staffed stand by emergency room, 9-bed acute care hospital, Outpatient procedures, Comprehensive imaging department, Respiratory therapy, Pulmonary function testing, Smoking cessation program, 12 lead EKG and Arterial Blood Gas (ABG), Telemedicine program, Rehabilitation services, skilled nursing facilities.

Clinics:

- ***Eastern Plumas Health Care:*** EPHC has clinics in Portola, Loyalton, and Graeagle that provide primary care and referrals to specialists when necessary.
- ***Western Sierra Medical Clinic:*** Located in the community of Downieville in Sierra County, WSMC offers Monday-Thursday same-day health care to patients without a primary health provider — or patients whose primary health provider is not immediately available. Dental services are only offered on Thursdays.
- ***Seneca Healthcare District:*** Clinical services include the Rural Health Clinic, Lake Almanor Clinic, hosts four private physician offices, a walk-in clinic, a specialty clinic and Telehealth services.
- ***Plumas County Public Health Clinic:*** The Public Health Clinic provides a variety of services including immunizations (child and adult), blood pressure checks, family

planning, AIDS/HIV testing and counseling, Hepatitis C testing, pregnancy testing, WIC evaluations, and more.

- ***Sierra County Public Health Clinic:*** The public health clinic offers family planning and immunization services.
- ***Greenville Rancheria Tribal Health Program:*** Health services provided include: immunization, physical exams, sports physicals, dental services, vision & hearing screening, blood pressure screening, pregnancy testing, TB testing, family planning, health education, marriage and family counseling.
- ***Plumas Health District Rural Health Center:*** Clinical services include outpatient primary and specialty services in Quincy and at the Indian Valley Clinic located in Greenville.

G. COUNTY EFFORTS TO PREVENT CRIMINALIZATION OF HOMELESSNESS

G.1 Plumas County Efforts

The Behavioral Health Department is working closely with the Sheriff's Office, Probation Department, and the Alternative Sentencing Program in the community to collaborate in situations where a person in crisis needs mental health services and not necessarily to be engaged with the criminal justice system, including those experiencing homelessness. Wherever possible, the goal is to provide the necessary services and interventions to avoid arrest and incarceration. This will be an on-going area of development and growth in partnership across multiple county agencies and non-profit organizations. Additionally, their Drug Court provides opportunities to collaborate in situations where a person with drug related offences participate in a comprehensive treatment and supervision. Drug Court offers individuals facing criminal charges for drug use and possession an opportunity to enter a substance abuse recovery program in lieu of straight jail time.

G.2 Sierra County Efforts

The County currently offers a Drug Court Diversion program, which provides a restorative justice alternative to traditional sentencing. Efforts are made to ensure that individuals experiencing homelessness who are also dealing with substance use addiction are directed through this program.

Due to the extremely rural and geographically dispersed nature of the county, unhoused individuals are generally allowed to camp without being subject to citation.

H. PROPOSED SOLUTIONS TO HOMELESSNESS

Two meetings of the Plumas-Sierra Counties Continuum of Care were devoted to brainstorming the current Needs/Gaps and Challenges, as well as identifying Goals and Objectives to address those Needs/Gaps. These were grouped by Priority Areas of focus. The Priority Areas are described below, with sub-sections for:

- Identified needs and gaps;
- Community challenges;
- Resources to address the needs;
- Potential solutions; and
- A set of goals with targeted objectives to implement or achieve over the next one, three, five and ten years.

The objectives are intended to:

- Move those currently experiencing homelessness to being housed;
- Over time, to reduce the number of individuals and families becoming homeless for the first time; and to
- Shorten the length of time any person or household experiences homelessness.

These Priority Areas are not ranked by level of importance. Where a Priority Area, Goal or Objective aligns with and is supportive of each county's portion of the NorCal CoC Strategic Plan, it is so noted.

Priority Area 1: Homeless Management Information System (HMIS) and Coordinated Entry

Needs and Gaps:

- More formally establish and embed the use of HMIS into agencies serving the homeless. The only current provider using HMIS is Plumas Crisis Intervention and Resource Center.

Resources:

- California Emergency Solutions and Housing Program (CESH)
- Homeless Emergency Assistance Program (HEAP)
- Use of free Technical Assistance from State HCD to improve the delivery of homeless services
- On-line resources from HUD: <https://www.hudexchange.info/programs/coc/toolkit/responsibilities-and-duties/#coordinated-entry>

Goal 1-A, Implementation and Use of HMIS

Goal 1-A: Plumas and Sierra Counties will implement the use of the NorCal Continuum of Care’s HMIS System.

Objectives by Timeframe:

Years 1-2:

- Coordinate with the NorCal Continuum of Care to provide training on the use of the HMIS system to the counties and homeless service provider staff—Plumas BH has 10 licenses, PRS and EA will gain access. Sierra—2 licenses at Wellness Center and Family Resource Center.
- Identify other community partners to gain access and work toward implementation.

Goal 1-B, Coordinated Entry System (CES)

Goal 1-B: Plumas and Sierra Counties will develop an infrastructure and train service providers in the use of a Coordinated Entry System (CES).

Objectives by Timeframe:

Years 1-2:

- Continue to work with PCIRC and NorCal CoC to develop standardized procedures for implementation.

Alignment and Support of Strategic Plans:

NorCal Continuum of Care Strategic Plan: Implement data-tracking through HMIS and prioritization of housing services through Coordinated Entry Systems (CES).

Plumas County Strategic Plan: Implement and expand a CoC-wide Homeless Management Information System (HMIS) for data collection and system performance measures; Implement a Coordinated Entry Process (CEP) for prioritizing and accessing available housing and supportive services.

Sierra County Strategic Plan: Implement a CoC-wide Homeless Management Information System (HMIS) for data collection and system performance measurement; Implement the Coordinated Entry Process as a means of prioritizing PSH and other housing services for chronically homeless persons with the highest need.



Priority Area 2: *Continuum of Housing Solutions*

Needs and Gaps:

- All types of affordable rental housing
- Supportive Housing for individuals with special needs, including homeless individuals living with a serious mental illness
- Senior Housing/Assisted Living
- Sustainable funding sources to provide services for supportive housing residents
- Alternative housing other than returning to home of origin for those who are criminal justice involved with co-occurring disorders

Challenges:

- Housing units in both counties increasingly being turned into vacation rentals
- Feather River College students from out of the area move here for school and impact existing housing shortages
- Exits from Transitional Housing are delayed due to poor tenant rental history and lack of available housing
- Potential capacity issues for water and sewer
- Restrictiveness of Housing Choice Eligibility based on criminal background. Local guidelines stipulate that any drug-related or violent charges on client record within the last three years make applicant ineligible for voucher. This precludes much of our homeless population from eligibility

Resources:

- No Place Like Home Program (NPLH)
- Permanent Local Housing Allocation (PLHA)
- Homeless Housing and Assistance Program (HHAP)
- Multi-Family Housing Program (MHP)
- Low Income Housing Tax Credit Program (LIHTC)
- Partnership with Plumas CDC (Housing Vouchers and Project-Based Section 8)
- Continuum of Care (CoC) Funds
- Partnerships with affordable housing developers
- Mental Health Services Act Full Service Partnership (MHSA FSP)

Goal 2-A, Support Services to Maintain Housing

Goal 2-A: Access on-going and sustainable funding to provide the necessary support services.

Objectives by Timeframe:

Years 1-5:

- Work with county Planning Departments to consider how on-going SB 2 Permanent Local Housing Allocation (PLHA) funds might be used to capitalize support services reserve accounts.
- Explore the need for more dedicated staffing for housing.
- Continue efforts within professional organizations to advocate for rural needs.
- Collaborate with Housing Authority and the NorCal CoC.

Goal 2-B, Community Support for Housing Development

Goal 2-B: Community members and local jurisdictions understand the complex causes of homelessness and dynamics of development process, and support new housing development for those needing affordable and supportive housing.

Objectives by Timeframe:

Years 1-5:

- Work with NPLH consultant to deliver community education materials and sessions regarding the need for affordable and supportive housing.
- Invite county and cities' Planning Department staff to participate in Continuum of Care meetings to share information about the need for affordable and supportive housing.
- Continuum of Care members participate in public meetings where local jurisdictions' Housing Elements are being discussed to support policies and implementation measures that incentivize the development of housing.

Goal 2-C, Expand Supply of Housing Units

Goal 2-C: Expand the supply of and access to, affordable housing as well as supportive housing for populations with specialized needs.

Objectives by Timeframe:

Years 1-2:

- Identify and select a Development Sponsor(s) to partner with the counties on a selected supportive housing model(s).
- Explore implementing a housing market study to help with development process.

Years 3-5:

- Develop Supportive Housing units utilizing NPLH and other funding sources.
- Partnering with the Plumas CDC, develop an Affordable Housing Strategy which lays out a vision and an action plan for the future development of affordable rental housing in both counties.

Goal 2-D, Landlord Engagement

Goal 2-D: Develop a comprehensive landlord engagement and education program.

Objectives by Timeframe:

Years 1-2:

- Work with the Plumas CDC to design a proactive landlord outreach program regarding the Section 8 HCV program.
- Implement training and education on compliance with Health and Safety Standards in rental units.
- Investigate a non-profit community-based property management program.
- Investigate grants and funding sources for a Lease Guarantee program to assist clients with poor rental



histories or those who don't meet eligibility criteria for Section 8 HCV program.

Years 3-5:

- Implement a non-profit community-based property management program.
- Implement a Lease Guarantee Program.

Goal 2-E, Eviction Prevention

Goal 2-E: There is a client and community understanding of tenancy rights and responsibilities, and training and mediation services to help avoid evictions.

Objectives by Timeframe:

Years 1-2:

- Develop a program which addresses the tenancy skills and understanding needed to prevent eviction. The program should involve multiple agencies.
- Work with Legal Services of Northern California to provide Tenant/Landlord education workshops.

Goal 2-F, Transitional Housing

Goal 2-F: Transitional housing beds are available for individuals and families in both counties.

Objectives by Timeframe:

Years 1-2:

- County Planning Departments to implement zoning code changes to recongize "by right" transitional housing in all zones that permit residential uses and inventory vacant and under-used sites appropriate for transitional housing.
- Initiate conversations with potential service providers of transitional housing.

Years 3-5:

- Implement projects to provide 50 beds of transitional housing in Plumas County and 10 beds in Sierra County.

Alignment and Support of Strategic Plans:

NorCal Continuum of Care Strategic Plan: Increase the affordable, supportive and transitional units available across the CoC; ensure that local Housing Elements identify and include flexible and increased housing options to combat homelessness; expand landlord recruitment and engagement to provide access to additional housing options; seek rural housing funding sources to increase housing inventory.

Plumas County Strategic Plan: Increase the transitional housing, senior supportive, Permanent Supportive Housing (PSH), transitional sober living environment (TSLE), and affordable housing inventory available across Plumas County

Sierra County Strategic Plan: Increase the Permanent Supportive Housing (PSH) and affordable housing units available across the CoC

Priority Area 3: Outreach and Crisis Intervention

Needs and Gaps:

- No psychiatrists in either county, so must rely on tele-psych services. Consumers find this challenging to use and to connect with professionals in a meaningful way.
- Limited beds (no dedicated beds) in emergency room for individuals with a psychiatric crisis.

Challenges:

- Due to the very rural nature of the counties, people often live a great distance from crisis services. Counties must expend tremendous time and effort to get people in crisis the resources they need.
- In Plumas County, the Sheriff's Department has adopted a policy of not responding to welfare checks for a suicidal individual who is believed to be alone.

Resources:

- Intra-County Partnerships
- Homeless Mentally Ill Outreach and Treatment Initiative Grant Funds

Goal 3-A, Coordination and Collaboration

Goal 3-A: Develop coordinated outreach programs that address critical needs for those who are homeless with a proactive approach.

Objectives by Timeframe:

Years 1-5:

- Continue to strengthen and expand existing collaboration efforts and explore new models as funding and resources allow.

Goal 3-B, Peer Support

Goal 3-B: Crisis intervention includes peers with lived experience, whenever possible and appropriate.

Objectives by Timeframe:

Years 1-5:

- Support the creation of recovery communities.
- Continue the use of peers in 5150 calls with the Sheriff's Department.
- Establish a peer-run program to provide crisis care in a home after discharge from the hospital or to prevent admission to the hospital.

Alignment and Support of Strategic Plans:

NorCal Continuum of Care Strategic Plan: Ensure housing stability through intensive case management and supportive services.

Plumas County Strategic Plan: Develop a specific county Homeless Multidisciplinary Team and schedule monthly meetings to review case plans and coordinate care while addressing gaps in service.

Priority Area 4: Emergency Shelter and Day Services

Needs and Gaps:

- No existing emergency shelters, not even during the winter months

Challenges:

- Churches are stretched to capacity and overwhelmed by the needs
- Motels are not dependable—will not secure a block of rooms, available rooms are prioritized for emergency services or utility company workers and contractors from out of the area. Motels tend to stigmatize those who are experiencing homelessness, and put people on a “do not serve” list which is shared with other motel operators.

Resources:

- Emergency Solutions Grant (ESG)
- Homeless Emergency Assistance Program (HEAP)
- California Emergency Solutions Housing Program (CESH)
- Homeless Housing, Assistance and Prevention Program (HHAP)
- Permanent Local Housing Allocation (PLHA)
- Continuum of Care funds
- Local churches and civic groups
- MHSA Outreach and Engagement Program funds

Goal 4-A, Address Emergency Shelter Needs

Goal 4-A: Augment shelter options to include congregate winter shelters, and ultimately year-round shelters.

Objectives by Timeframe:

Years 1-2:

- Develop a program to provide congregate winter shelter options in Plumas and Sierra Counties.
- Work with County Planning Department to identify zoning code amendments and potential sites to consider for emergency shelters, as discussed in each County’s Housing Element.
- Work with local RV Parks to explore putting emergency housing trailers in some of their spaces.

Years 3-5:

- Investigate funding options for year-round shelter operations and potential non-profit partners.

Alignment and Support of Strategic Plans:

NorCal Continuum of Care Strategic Plan: Develop low-barrier shelter models, including the use of short-term flexible sheltering options.

Plumas County Strategic Plan: Develop low-barrier emergency shelter models for individuals, transition-age youth and families in Plumas County to reduce the number of unsheltered homeless.

Sierra County Strategic Plan: Although Sierra County has no emergency shelter, the County will utilize the PIT data and the homeless plan to determine needs for low-barrier shelter.

Priority Area 5: *Health, Mental Health and Substance Use Disorder Services*

Needs and Gaps:

- Substance Use Disorder-only population does not have access to the same resources as those with co-occurring disorders
- Drug Medi-Cal Treatment Program is being pursued with the State Department of Health Care Services, but is taking time to implement.
- Lack of qualified Behavioral Health service providers
- Private insurance will not pay for services provided by County Behavioral Health Departments

Challenges:

- Distance to care due to rural nature of counties
- Difficulty for clients with both chronic physical health needs and serious mental illness to get their chronic illness addressed by primary care providers
- Stigma within community about mental illness and substance use disorders
- Very difficult to retain qualified Behavioral Health service providers
- Integrated systems of care—primary care and behavioral health
- Criminalization of serious mental illness and substance use disorders
- Difficulty implementing Medication Assisted Treatment (MAT) in rural areas

Resources:

- Behavioral Health Advisory Boards
- Sierra Health Foundation grants
- Community partnerships
- MHSA Community Services and Supports funding

Goal 5-A, Access to Mental Health Services

Goal 5-A: Conduct outreach to underserved populations to identify and prevent crisis.

Objectives by Timeframe:

Years 1-3:

- Develop Early Psychosis Care (First Episode of Psychosis) program in Plumas, similar to the successful Sierra County model.
- Work closely with hospital and school partners to identify those at risk and in need of services.

Priority Area 6: Other Community Supports: Transportation, Legal Services, Education

Needs and Gaps:

- Medical gas vouchers for adults
- Transportation services to Susanville (Social Security Office), Chico and Reno (both medical and non-medical appointments)
- No options for last minute transportation needs (existing resources require reservations well in advance)
- Budgeting and financial literacy classes
- Computer literacy
- Local walk-in legal clinics

Challenges:

- Limited transit services days and times
- Transportation arranged through Medi-Cal requires significant advanced planning
- Uber no longer willing to provide contracted services due to geographic distances being too difficult to accommodate
- Training and classes not offered at times when people can access or when transit can accommodate them

Resources:

- Legal Services of Northern California
- Plumas County Behavioral Health client transportation services, gas assistance, and bus passes

Goal 6-A, Transportation Services

Goal 6-A: Encourage the development of a strategic transportation plan for the greater Plumas-Sierra area.

Objectives by Timeframe:

Years 1-2:

- Initiate contact with Plumas Transit to foster communication and collaboration around transit needs in both Plumas and Sierra counties.

Goal 6-B, Legal Services

Goal 6-B: Provide the necessary legal support services to help those with credit, public benefit or tenancy issues which impact their ability to get or maintain housing.

Objectives by Timeframe:

Years 1-2:

- Form a relationship with Legal Services of Northern California in order to provide workshops on issues relevant to those at risk of or experiencing homelessness.

Priority Area 7: Funding

Needs and Gaps:

- Sustainable funding for staffing and operations for service providers
- Project Based Section 8 assistance for affordable housing projects

Challenges:

- Plumas County has previously had negative experience with Community Development Block Grant (CDBG), leaving Board of Supervisors hesitant to access this funding source.

Goal 7-A,

Goal 7-A: The counties will work with the Plumas CDC and selected housing developers to provide Project Based Section 8 assistance to affordable housing projects.

Objectives by Timeframe:

Years 1-3:

- The counties will meet with Plumas CDC staff to develop an understanding of the PB Section 8 process.
- Selected developer(s) will meet with the Plumas CDC early in the pre-development process to discuss project financial assistance needs.

Goal 7-B

Goal 7-B: The counties will access new forms of funding for housing from the State, such as the Permanent Local Housing Allocation and Homeless Housing, Assistance and Prevention Program, and consider applications for CDBG under new State guidelines.

Objectives by Timeframe:

Years 1-5:

- A standing item on funding opportunities will be added to each CoC agenda.
- The CoC will designate staff to sign up for NOFA notices from HCD.
- Expand agency staffing capacity and explore funding to increase systems' building within agencies providing services.

Goal 7-C

Goal 7-C: The counties will apply for appropriate funding opportunities through the NorCal Continuum of Care to support the development of emergency shelters, transitional housing, and permanent housing.

Objectives by Timeframe:

Years 1-5:

- The two-county CoC representative will report out on funding opportunities as they arise through NOFAs and other announcements from the NorCal CoC.

Goal 7-D,

Goal 7-D: The counties will have funding to support a position for grant research and grant writing

Objectives by Timeframe:

Years 1-2:

- Explore funding options through the Sierra Health Foundation.



I. SYSTEMS IN PLACE OR BEING DEVELOPED TO COLLECT NPLH DATA

I.1 Plumas County and Sierra County Efforts

The Plumas and Sierra County Behavioral Health Departments have a number of systems in place to provide regular reports to their various federal and state funders, as required by regulations and contractual relationships. For each County, it will be the Behavioral Health Departments Intensive Case Management Program, part of the Full Service Partnership (FSP) offerings for those who are homeless, which will be responsible for completing annual compliance reports similar to reports required in 25 CCR Section 7300, et. seq. The Intensive Case Management Team will coordinate with the housing provider, lead service providers, property managers, and the NorCal CoC's HMIS to ensure that all reporting requirements are being met. The roles and responsibilities for the collection, tracking and reporting of data will be included in an operational Memorandum of Understanding (MOU) between the partners.

The HMIS system used is Service Point, a certified HUD HMIS vendor. Service Point collects all HUD required data, and will be set up on all of the data points listed in Section 214 (e) of the NPLH Guidelines. The NorCal CoC is currently analyzing the system for NPLH compliance and will make modifications as needed. This analysis is anticipated to be completed by the end of 2019.

The Counties will also make all efforts to work with managed Medi-Cal Providers (currently Anthem Blue Cross and California Health and Wellness) and their local law enforcement partners to track data on health care outcomes and utilization, and incarceration outcomes and utilization, per Section 214 (g) of the NPLH Guidelines. This will also support the County's efforts to reduce incarceration and calls for service for homeless individuals. Additionally, county staff are engaged in an interagency effort at criminal justice partnership as part of an MHSA multi-county Innovation Project entitled, "the Data-Driven Recovery Project." Sequential Intercept Mapping.

The data will also be an evaluation tool for improving shelter and services. Collection of the data will require close collaboration with these partners, and strong relationships are already in place to help achieve this. However, there will be inherent challenges in collecting and reporting the data which include:

- Differing systems for data collection among health care providers, the criminal justice system, and the CoC, including definitions, methodology, terminology and software;
- HIPAA privacy rules.

J. COORDINATED ENTRY SYSTEM AND REFERRAL TO NPLH

The NorCal CoC has begun development of a Coordinated Entry System in adherence to HUD guidelines for the purpose of efficiently matching homeless individuals to appropriate housing and services, and prioritizing care for individuals with the greatest needs. A draft set of CES Policies and Procedures were developed in June 2018, with continued work and refinement in process. This on-going work includes amendments needed to ensure data is captured for referrals to NPLH units, as well as tracking those who are at risk of chronic homelessness. The Service Point HMIS system is adequately flexible to include these required data points for collection and reporting. The NorCal CoC hopes to complete this work in 2020.

J.1 Plumas County Efforts

At the time of the drafting of this Plan, Plumas Crisis Intervention and Resource Center (PCIRC) is the intake point and lead agency for the Coordinated Entry system. Plumas County Behavioral Health has been allocated up to 10 HMIS licenses to use throughout the County, and is working to provide access to its staff and other contracted providers, including Plumas Rural Services and EA Family Services. The goal is to continue expanding the use of HMIS, and thus Coordinated Entry, to increasing numbers of locations where homeless individuals may seek or connect with services. As described above, Plumas County will implement a formalized Coordinated Entry System in conjunction with the NorCal CoC.

All referrals to NPLH-funded units will be made on a non-discriminatory basis for all federal and state protected classes, consistent with NorCal CoC referrals to all shelter, housing and services. The NorCal CoC has established non-discrimination organizational policies that govern all of its work, which includes its policies and procedures for operating Coordinated Entry.

J.2 Sierra County Efforts

At the time of the drafting of this Plan, Sierra County Behavioral Health has 2 HMIS licenses, with intake conducted at the Wellness Center in Loyalton and Family Resource Center in Loyalton. As described above, Sierra County will implement a formalized Coordinated Entry System in conjunction with the NorCal CoC.

All referrals to NPLH-funded units will be made on a non-discriminatory basis for all federal and state protected classes, consistent with NorCal CoC referrals to all shelter, housing and services. The NorCal CoC has established non-discrimination organizational policies that govern all of its work, which includes its policies and procedures for operating Coordinated Entry.



K. CONCLUSION

This Plan to Address Homelessness provides a framework which will inform the workplan, schedule, funding and budgeting for activities and initiatives for Plumas and Sierra Counties and their Continuum of Care in the efforts to end homelessness. The Plan is intended to be a focal point for discussions to initiate partnerships and new strategies over time, so that the Plan remains vibrant and relevant. The counties have made a good start in their efforts to address homelessness with the development of the Plumas and Sierra Counties Continuum of Care and their active participation in the NorCal Continuum of Care. These efforts have demonstrated and enhanced both community's capacity to collaborate around a shared vision. The next steps are, over time, to build a solid foundation of local resources upon these planning efforts. This Plan is a starting point for Plumas and Sierra Counties to capitalize on their efforts to attract new resources that will help them realize their goals.

APPENDIX 1. TERMS & DEFINITIONS

California Emergency Solution and Housing (CESH) provides funds that may be used for five primary activities: housing relocation and stabilization services (including rental assistance), operating subsidies for permanent housing, flexible housing subsidy funds, operating support for emergency housing interventions, and systems support for homelessness services and housing delivery systems. In addition, some administrative entities may use CESH funds to develop or update a Coordinated Entry System (CES), Homeless Management Information System (HMIS), or Homelessness Plan.

Chronically Homeless Individual refers to an individual with a disability who has been continuously homeless for one year or more or has experienced at least four episodes of homelessness in the last three years where the combined length of time homeless in those occasions is at least 12 months.

Chronically Homeless People in Families refers to people in families in which the head of household has a disability and has either been continuously homeless for one year or more or has experienced at least four episodes of homelessness in the last three years where the combined length of time homeless in those occasions is at least 12 months.

Community Development Block Grant (CDBG) is a source of funding available to local governments through the State Department of Housing and Community Development. It is designed to meet the community development and housing needs of low-income populations and neighborhoods.

Continuums of Care (CoC) are local planning bodies responsible for coordinating the full range of homelessness services in a geographic area, which may cover a city, county, metropolitan area, or an entire state.

Coordinated Entry System (CES) means a centralized or coordinated process developed designed to coordinate program participant intake, assessment, and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.

Emergency Shelter is a facility with the primary purpose of providing temporary shelter for people experiencing homelessness.

Emergency Solutions Grant The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly rehouse homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

Federally Qualified Health Centers (FQHC) are community-based health care providers that receive funds from the HRSA Health Center Program to provide primary care services in



underserved areas. They must meet a stringent set of requirements, including providing care on a sliding fee scale based on ability to pay and operating under a governing board that includes patients.

Home Investment Partnership Program (HOME) assist cities, counties, developers, including Native American Entities, and nonprofit Community Housing Development Organizations to create and retain affordable housing by providing grants to cities and counties in addition to low-interest loans to developers

Homeless describes a person who lacks a fixed, regular, and adequate nighttime residence.

Homeless Emergency Aid Program (HEAP) was established by California statute to provide localities with flexible block grant funds to address their immediate homelessness challenges.

Homeless Housing, Assistance and Prevention Program (HHAP) is a one-time block grant provided to local jurisdictions to support regional coordination and expand or develop local capacity to address immediate homelessness challenges. Both counties and the NorCal Continuum of Care are eligible to receive grants.

Homeless Management Information System (HMIS) is a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Each Continuum of Care is responsible for selecting an HMIS software solution that complies with HUD's data collection, management, and reporting standards.

Housing Inventory Count (HIC) is produced by each CoC and provides an

annual inventory of beds that assist people in the CoC who are experiencing homelessness or leaving homelessness.

Homeless Individual refers to a person who is not part of a family with children during an episode of homelessness. Individuals may be homeless as single adults, unaccompanied youth, or in multiple-adult or multiple-child households.

Low-Income Housing Tax Credit (LIHTC) program, created in 1986 and made permanent in 1993, is an indirect federal subsidy used to finance the construction and rehabilitation of low-income affordable rental housing.

Multifamily Housing Program (MHP) assists with the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households.

No Place Like Home (NPLH) On July 1, 2016, Governor Brown signed landmark legislation enacting the No Place Like Home program to dedicate up to \$2 billion in bond proceeds to invest in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. The bonds are repaid by funding from the Mental Health Services Act (MHSA).

Other Permanent Housing is housing with or without services that is specifically for formerly homeless people but that does not require people to have a disability.

Parenting Youth are people under age 25 who are the parents or legal guardians of one or more children (under age 18) who are present with or sleeping in the same place as that youth parent, where there is no person over age 24 in the household.



Parenting Youth Household is a household with at least one parenting youth and the child or children for whom the parenting youth is the parent or legal guardian.

People in Families with Children are people who are homeless as part of a household that has at least one adult (age 18 and older) and one child (under age 18).

Permanent Local Housing Allocation (PLHA) was part of a 15-bill housing package aimed at addressing the state's housing shortage and high housing costs. Specifically, it establishes a permanent source of funding intended to increase the affordable housing stock in California. The revenue from SB 2 will vary from year to year, as revenue is dependent on real estate transactions with fluctuating activity.

Point-in-Time Counts are unduplicated one-night estimates of both sheltered and unsheltered homeless populations. The one-night counts are conducted by CoCs nationwide and occur during the last week in January of each year.

Permanent Supportive Housing (PSH) is a housing model designed to provide housing assistance (project- and tenant-based) and supportive services on a long-term basis to formerly homeless individuals and families.

Rapid Rehousing is a housing model designed to provide temporary housing assistance to people experiencing homelessness, moving them quickly out of homelessness and into permanent housing.

Scattered Site Housing means a Rental Housing Development that includes noncontiguous parcels.

Safe Havens provide temporary shelter and services to hard-to-serve individuals.

Shared Housing means a 1- to 4-Unit structure providing housing shared by two or more households, where each household is in a separate bedroom in each Unit. Single-family homes, condominiums, half-plexes, duplexes, triplexes and fourplexes qualify as a Shared Housing provided that they have a minimum of two bedrooms per Unit.

Sheltered Homelessness refers to people who are staying in emergency shelters, transitional housing programs, or safe havens.

Supportive Housing means housing with no limit on length of stay, that is occupied by a special needs population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing his or her ability to live and, when possible, work in the community.

California Tax Credit Allocation Committee (CTCAC) administers the federal and state Low-Income Housing Tax Credit Programs. Both programs were created to promote private investment in affordable rental housing for low-income Californians.

Temporary Assistance for Needy Families (TANF) is a time limited program, assisting families with children when the parents or other responsible relatives cannot provide for the family's basic needs. The Federal government provides grants to States to run the TANF program.

Transitional Age Youth (TAY) are young people between the ages of sixteen and twenty-four who are in transition from state custody or foster care and are at-risk. Once they turn 18 they can no longer receive



assistance from the systems of care that previously provided for many of their needs.

Transitional Housing Programs provide people experiencing homelessness a place to stay combined with supportive services for up to 24 months.

Unaccompanied Homeless Youth (under 18) are people in households with only children who are not part of a family with children or accompanied by their parent or guardian during their episode of homelessness, and who are under the age of 18.

Unaccompanied Homeless Youth (18-24) are people in households without children who are not part of a family with children or accompanied by their parent or guardian during their episode of

homelessness, and who are between the ages of 18 and 24.

Unsheltered Homelessness refers to people whose primary nighttime location is a public or private place not designated for, or ordinarily used as, a regular sleeping accommodation for people (for example, the streets, vehicles, or parks).

Veteran refers to any person who served on active duty in the armed forces of the United States. This includes Reserves and National Guard members who were called up to active duty.

Please note: Definitions of these terms may differ in some ways from the definitions and in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act and in HUD regulations.

SIERRA COUNTY HOUSING STUDY

May 2020



Prepared for Sierra County by:

 **HousingTools**

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INTRODUCTION

The purpose of this study is to describe general housing market conditions and identify development opportunities in Sierra County. The description of the housing market begins with an overview of base market conditions, including geography and proximity to job centers, demographics, local economic indicators, and household characteristics. Local housing trends and issues are then analyzed, including housing characteristics, residential construction trends, for-sale market statistics, and rental market statistics. Based on an assessment of these data points, the report identifies housing needs and opportunities within the County.

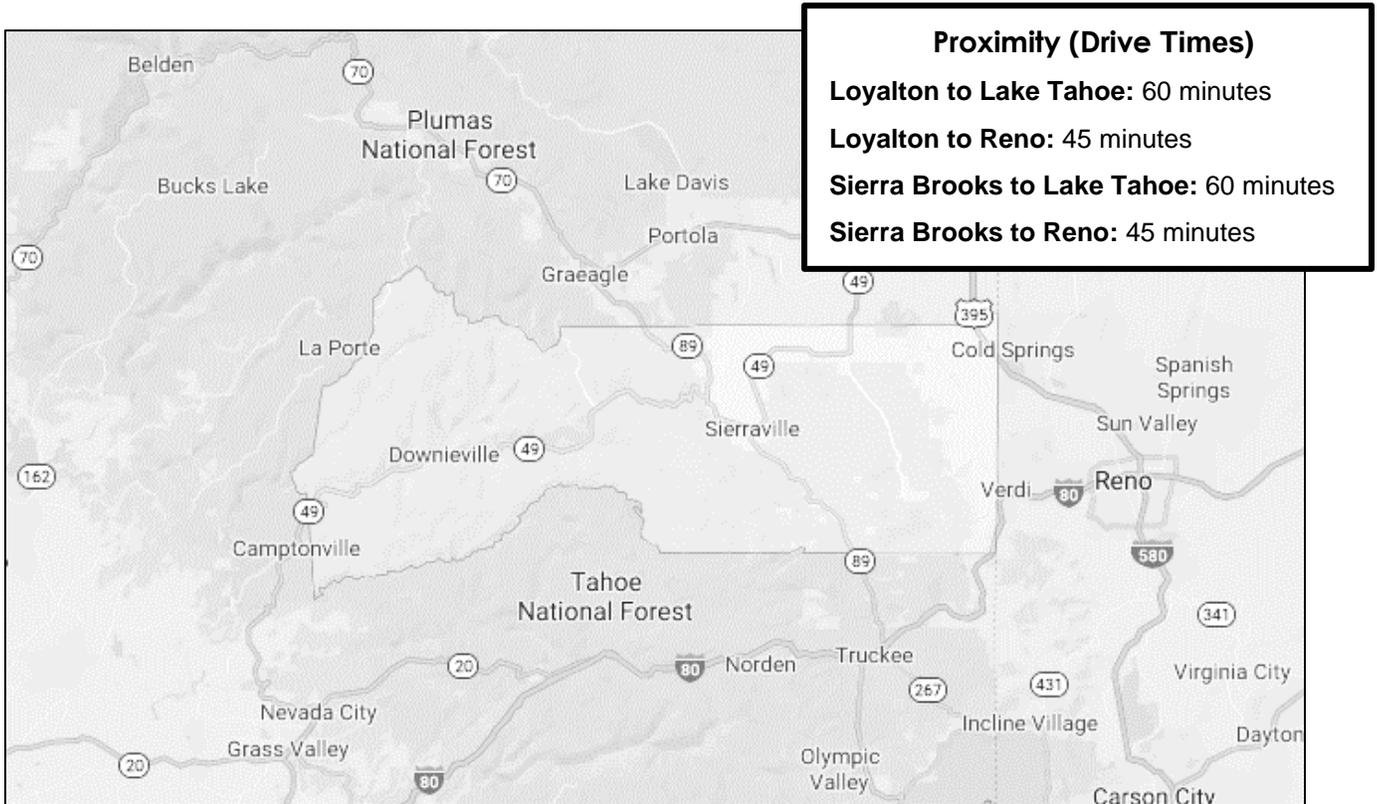
Key findings of the study are highlighted in bold type throughout the document, and are also summarized below.

- Neighboring Washoe County has a population of 457,333, most of which lives in Reno, which has a population of 250,998. Reno has become a major technology hub and also is home to the University of Nevada, Reno. There are potential development opportunities to develop housing for people that live and/or work in the Reno area.
- Sierra County's largest age cohort is 65 years old or older, with 853 residents in this category (28% of the total population).
- After a steady decline in population from 2010 to 2015, the County's population increased slightly from 2015 to 2019.
- Sierra County's industry with the most employment is State Government, with 2,470 jobs, which also had the most job growth from March 2019 to March 2020.
- 83% of households earning less than \$35,000 pay 30% or more of income on housing, and 28% of renter households in the County pay more than 50% of income to rent.
- The two income categories with the most households are \$100,000-\$149,999 with 263 and \$35,000-\$49,999 with 196. About a quarter of homeowner households earn \$100,000-\$149,000 (259), while half earn less than \$50,000 (477).
- There is a clear shortage of smaller units for small households, and an oversupply of larger units.
- About two-thirds of residential units in the County were built in 1979 or earlier, and about one-third of these were built in 1949 or earlier. This likely indicates a high need for rehabilitation of older houses.
- Sierra County has experienced a net loss of six residential units from 2015-2020. A major contributor was the demolition of 30-plus mobile homes at Loyaltan Mobile Estates that are no longer available to households with limited incomes.

- The Zillow Home Value Index for Sierra County increased at a rate just under half that of the state as a whole between January 2016 and March 2020.
- There are three for-sale home submarkets across the County, with Loyalton, Sierra City, and Downieville each demonstrating distinct price points, based on a survey of current listings. The average asking price for homes in Downieville are 52% higher than the average asking price for homes in Loyalton.
- Most likely due to COVID-19 impacts, a review of recent vacation home postings show that many of these homes are transitioning from weekly leases to lower priced, longer-term leases. This presents a potential opportunity to open up the rental market to more middle and lower income households by increasing the overall rental stock available to local residents.
- The significant share of homeowner households earning less than \$35,000 and paying more than 35% of income on housing costs indicates that many households have limited income for home maintenance and repairs.
- The County has four distinct rental markets, which include market rate, rent-restricted affordable, short-term vacation rentals, and mobile home and special occupancy parks.
- A three-person household earning 60% of Area Median Income (AMI) can afford \$182 less than the Fair Market Rent of \$1,270 in the County. The Fair Market Rent is much lower than the Countywide Zillow Rental Index for January 2020, which was \$1,681.
- There is a significant shortfall of at least 427 units that are affordable to Low Income households in the County.

GEOGRAPHY

Sierra County has a total of 962 square miles, of which 953 square miles is land and 9.0 square miles is water. Adjacent counties are Nevada County on the south, Yuba County on the west, Plumas County to the north, Lassen County on the northeast, and Washoe County on the East.¹



Neighboring counties with populations greater than 100,000 include Washoe County which has a population of 465,735 and Butte County which has a population of 231,256. Most of the Washoe County population lives in Reno, Nevada which has a population of 250,998.² Due to large-scale investments from Seattle and Bay Area companies including Amazon, Tesla and Microsoft, Reno has become a major technology hub in the United States³. Anchored by University of Nevada, Reno also serves as a hub for education. Most of the Butte County population lives in the Chico Urban Area which has a population of 106,720.⁴ Chico is a regional hub for education and healthcare services throughout the region and is also home to Butte College.

¹ California Department of Finance, Employment Development Department, 2019

² U.S. Census, 2018 American Community Survey

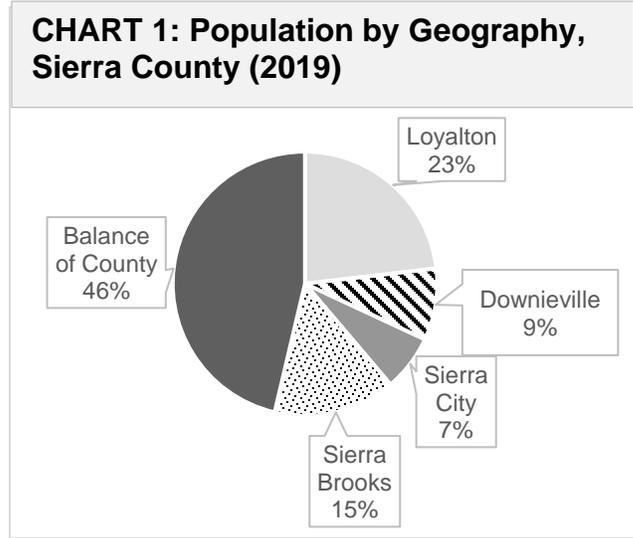
³ Bloomberg, 2017

⁴ U.S. Census, 2018 American Community Survey

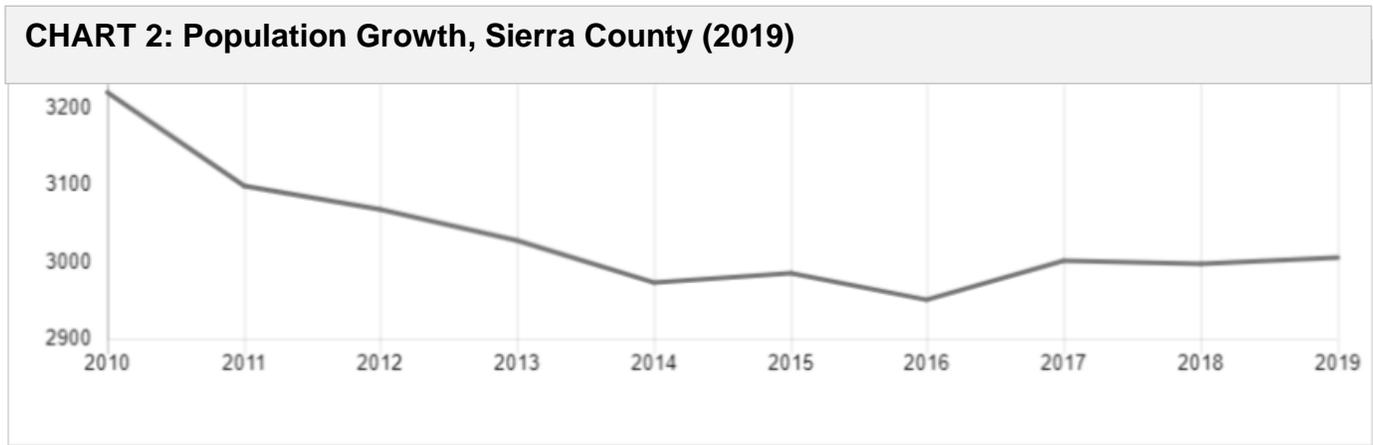
DEMOGRAPHICS

Sierra County is mostly rural, with a population of 3,005, making it California’s second least-populous county.⁵ Chart 1 shows how the population is distributed geographically. Most of the county’s population lives in Loyalton, Sierra Brooks, Downieville, and Sierra City. Loyalton is Sierra County’s only incorporated city.

Sierra County’s population declined between 2010 and 2016 by 269 people, before rebounding slightly with an increase of 54 people between 2016 to 2019. Overall, Sierra County’s population has seen a decrease of 6% over the past nine years, from 3,220 in 2010 to 3,005 in 2019, an average annual decrease of 0.75%. By comparison, the State of California has experienced an average annual increase over the same period of 0.72%.⁶



Source: State of California, Department of Finance, 2019

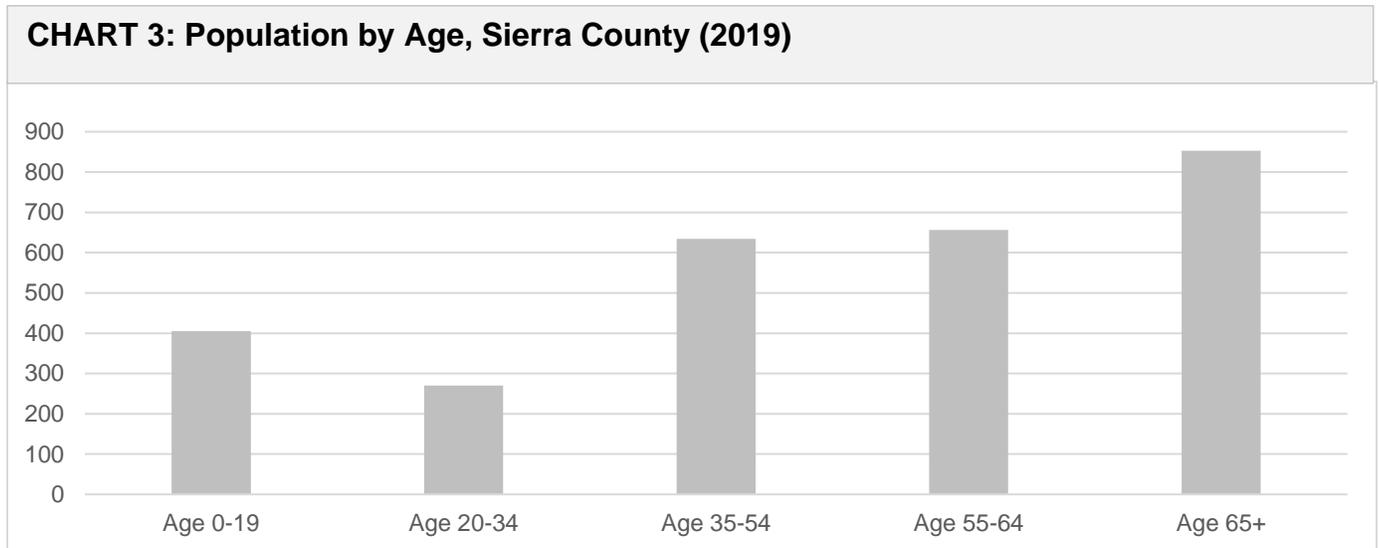


Source: State of California, Department of Finance, 2019

⁵ California Department of Finance, 2019

⁶ California Department of Finance, 2019

Sierra County's largest age population cohort is 65+ with 853 people.



U.S. Census, 2014-2018 American Community Survey

In terms of ethnic makeup, within Sierra County, 96.9% of the population identifies as white, while about 1% identify as American Indian (Cherokee), and 1.9% as two or more races. Sierra County has a much larger proportion of the population that is white than the State of California overall, which is 60% white.⁷

⁷ *U.S. Census, 2014-2018 American Community Survey*

ECONOMY

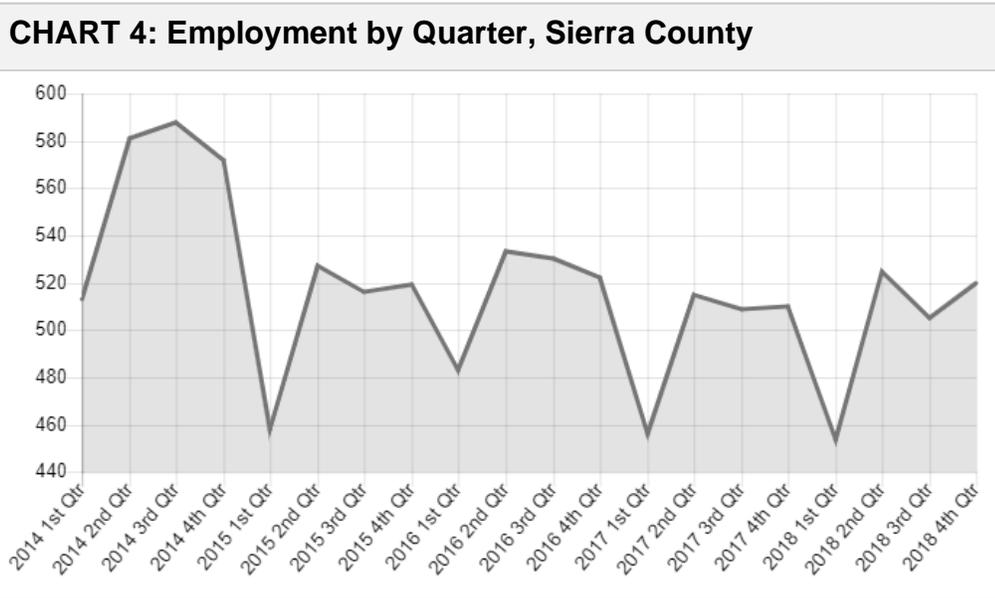
The foundation of Sierra County’s economy is Healthcare, Local Government and Education. The largest employer is Eastern Plumas Health Care (EPHC). It is currently unknown how much of an impact COVID-19 will have on the economy going forward, but a decline in sales taxes could potentially reduce Local Government employment.

Table 1: Largest Employers, Sierra County

Employer Name	Employees	Location	Industry
Eastern Plumas Health Care	100-249	Loyalton	Hospitals
County of Sierra	75-120	Downieville	Government Offices-County
Haypress Power Project	20-49	Sierra City	Electric Companies
Sierra Plumas Joint Unified School District	20-49	Loyalton	Schools
Tahoe National Forest	20-49	Sierraville	Government Offices-US
Golden West Dinning	10-19	Loyalton	Restaurants
Herrington's Sierra Pines	10-19	Sierra City	Resorts
Leonards-Loyalton	10-19	Loyalton	Grocers-Retail
Sardine Lake Resort	10-19	Sierra City	Resorts
Western Sierra Medical Clinic	10-19	Downieville	Physicians & Surgeons

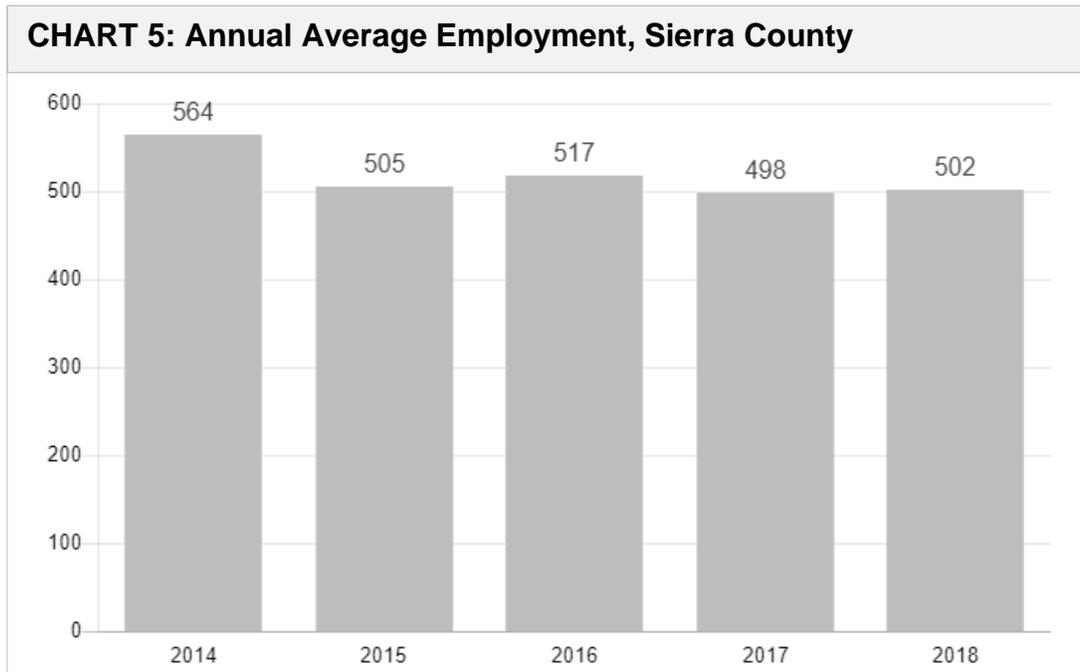
Source: California Employment Development Department, 2018

Total employment in Plumas County cycles through annual peaks and valleys due to the significant proportion of seasonal jobs, as reflected in quarterly employment numbers.



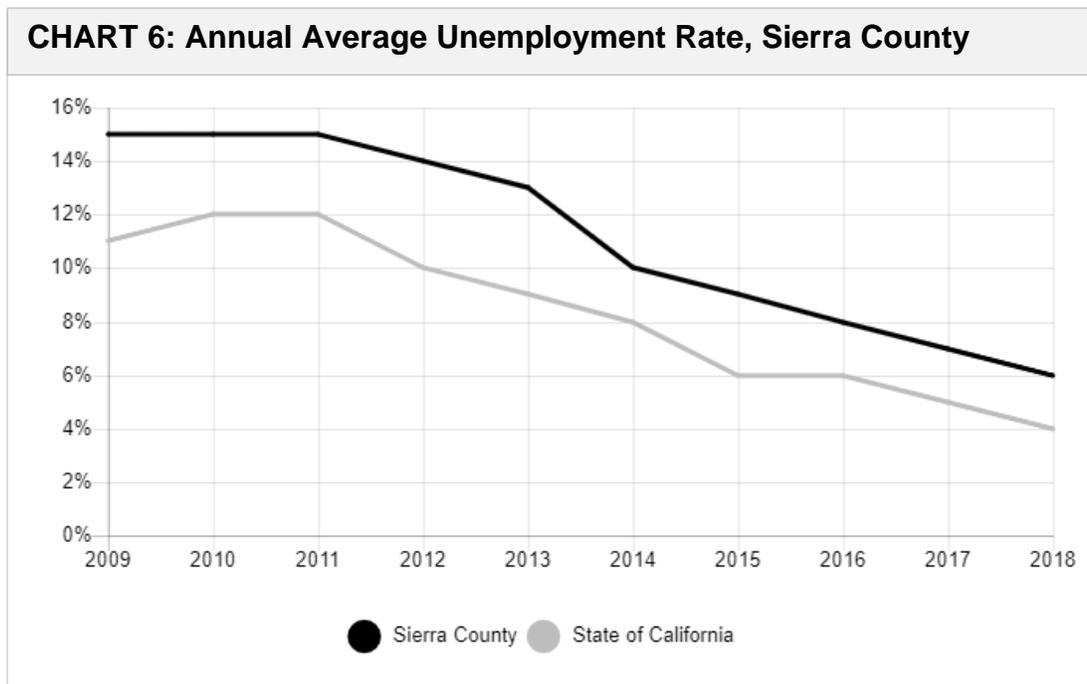
Source: U.S. Bureau of Labor Statistics, 2019

Annual average employment has slightly decreased by 62 jobs since 2014, as shown in Chart 5.



Source: California Employment Development Department, 2014-2018

Overall, the Sierra County unemployment rate has decreased from 15% in 2009 to 6% in 2018.



Source: California Employment Development Department, 2019

Table 2 shows changes in employment by industry from October 2018 to October 2019. State Government and Service Providing industries each gained 50 jobs over this period. The Goods

Producing industry gained 30 jobs. Local Government lost 20 jobs. Overall, Civilian Employment increased by 0.8%.

Table 2: Employment by Industry, Sierra County

Industry	Mar-19	Mar-20	Percent Change
Federal Government	30	40	33%
Goods Producing	220	250	13.6%
Government	630	640	1.6%
Local Government	270	250	-7.4%
Private Service Providing	150	150	0%
Service Providing	730	780	6.8%
State Government	2,420	2,470	2.1%
Farm	60	60	0%
Civilian Labor Force	1,290	1,310	1.5%
Civilian Employment	1,190	1,200	0.8%
Civilian Unemployment	100	110	10%

Source: California Employment Development Department, 2019 Notes: (1) Civilian labor force data are by place of residence and includes: self-employed individuals, unpaid family workers, domestic workers, and workers on strike. (2) Industry employment is by place of work and excludes: self-employed individuals, unpaid family workers, domestic workers, and workers on strike. Data may not add due to rounding.

Table 3 shows wages by occupation for the North Valley Region as of 2018, which includes Colusa, Glenn, Lassen, Modoc, Nevada, Plumas, Sierra, Siskiyou, Tehama, and Trinity Counties. The occupations with the most workers can be categorized into the following wage categories:

High Wage (Average Annual Wage: \$93,609 - \$110,287)

Management (4,740 Jobs)

Healthcare Practitioners and Technical Occupations (4,430 Jobs)

Middle Wage (Average Annual Wage: \$52,091 - \$77,954)

Education, Training and Library (8,660 Jobs)

Construction and Extraction (4,650 Jobs)

Protective Service (4,070 Jobs)

Business and Financial Operations (3,220 Jobs)

Lower Wage (Average Annual Wage: \$30,147 - \$50,057)

Office and Administrative Support (13,100 Jobs)

Sales and Related (9,180 Jobs)

Food Preparation and Serving-Related (9,140 Jobs)

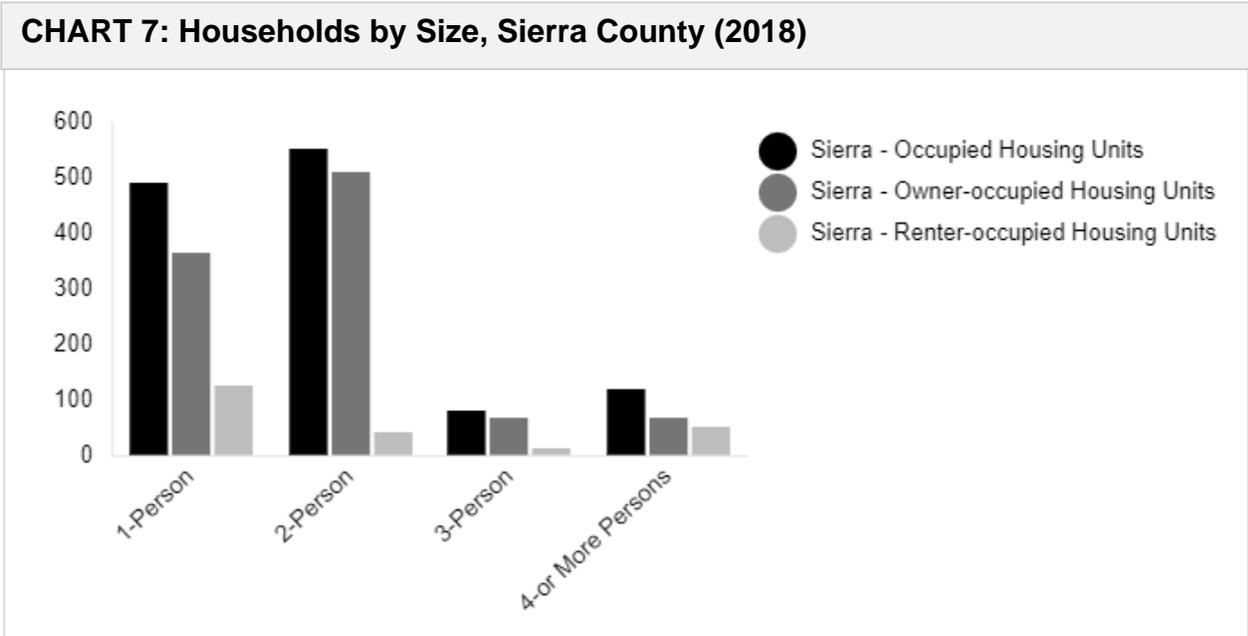
Transportation and Material Moving (7,210 Jobs)

Table 3: Wages by Occupation, North Valley Region (incl. Plumas and Sierra Counties)

Occupation	May 2018 Employment Estimates	Average Hourly Wage	Average Annual Wage	25 th Percentile Hourly Wage	50 th Percentile Hourly Wage	75 th Percentile Hourly Wage
Legal Occupations	3	\$53.03	\$110,287	\$32.07	\$40.40	\$64.35
Healthcare Practitioners and Technical	4,430	\$46.36	\$96,430	\$26.70	\$42.08	\$56.95
Management	4,740	\$45.01	\$93,609	\$27.79	\$39.59	\$56.57
Computer and Mathematical	730	\$37.48	\$77,954	\$23.55	\$33.86	\$46.83
Architecture and Engineering	650	\$37.20	\$77,364	\$27.04	\$34.64	\$45.46
Protective Service	4,070	\$33.26	\$69,191	\$21.36	\$31.29	\$43.72
Business and Financial Operations	3,220	\$32.07	\$66,708	\$22.88	\$29.75	\$38.35
Education, Training, and Library	8,660	\$29.78	\$61,950	\$16.89	\$27.89	\$39.76
Construction and Extraction	4,650	\$25.84	\$53,748	\$19.90	\$25.07	\$29.94
Community and Social Services	2,270	\$25.53	\$53,099	\$17.41	\$23.03	\$31.44
Life, Physical, and Social Science	2,550	\$25.33	\$52,692	\$16.27	\$22.26	\$30.94
Arts, Design, Entertainment, Sports	570	\$25.04	\$52,091	\$15.80	\$19.99	\$31.10
Installation, Maintenance, and Repair	4,000	\$24.07	\$50,057	\$16.98	\$22.74	\$28.90
Production	5,650	\$19.83	\$41,241	\$13.84	\$17.52	\$23.41
Transportation and Material Moving	7,210	\$19.75	\$41,084	\$13.68	\$18.53	\$23.50
Office and Administrative Support	13,100	\$19.72	\$41,012	\$14.71	\$18.44	\$23.48
Healthcare Support	1,860	\$18.40	\$38,270	\$14.52	\$17.20	\$20.66
Sales and Related	9,180	\$17.49	\$36,382	\$11.93	\$14.21	\$19.77
Cleaning and Maintenance	3,440	\$16.31	\$33,914	\$12.41	\$14.77	\$19.09
Farming, Fishing, and Forestry	3,340	\$14.94	\$31,061	\$11.49	\$12.43	\$15.16
Food Preparation and Serving-Related	9,140	\$14.49	\$30,147	\$11.66	\$12.53	\$15.15
Personal Care and Service	5,110	\$13.90	\$28,909	\$11.51	\$12.26	\$14.65

HOUSEHOLD CHARACTERISTICS

About 84% of Sierra County households consist of one or two persons, with 1,041 households between those two categories. Households that own their homes are most likely to have two persons. Renter households are most likely to have one person.



Source: U.S. Census, 2014-2018 American Community Survey

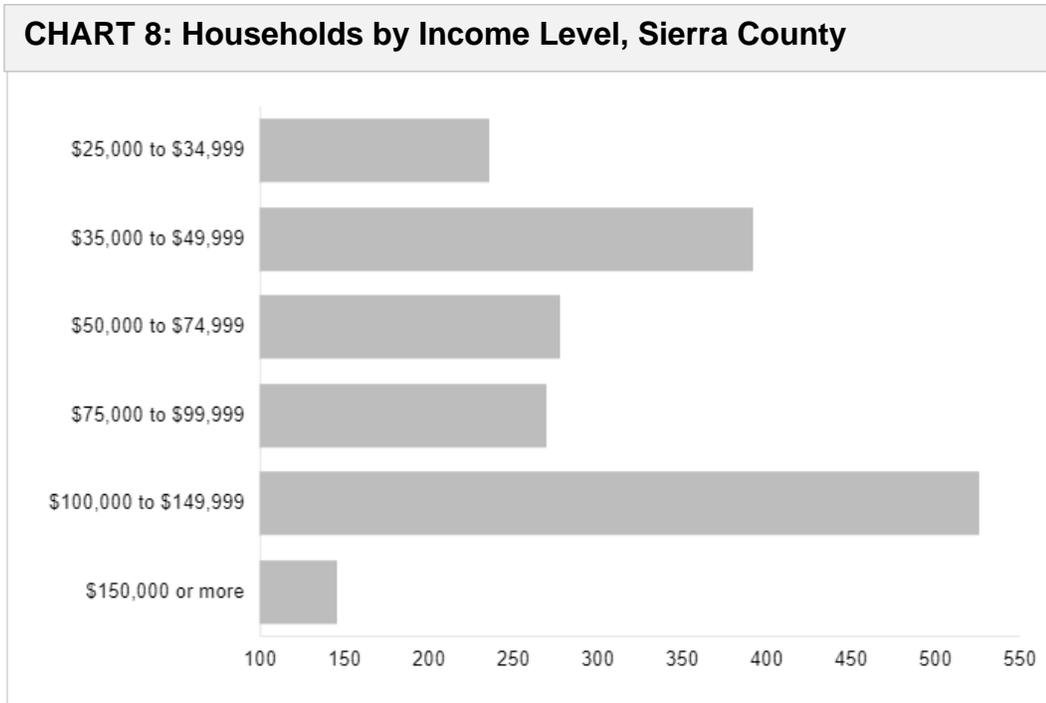
Table 4 shows that Sierra County has a low median income compared to the State of California and the nation.

Table 4: Median Household Income, Sierra County (2018)

Sierra County	\$48,125
State of California	\$71,228
United States	\$60,293

Source: U.S. Census, 2014-2018 American Community Survey

Chart 8 shows the number of Sierra County households by income level. **The two largest income categories for number of households shown in Chart 8 and Table 5 are \$100,000-\$149,999 with 263 households, and \$35,000-\$49,999 with 196 households.**



Source: U.S. Census, 2014-2018 American Community Survey

Table 5 shows the number of households by number of occupants per room. More than one occupant per room indicates moderate overcrowding. More than 1.5 occupants per room indicates severe overcrowding. As shown, there are minimal overcrowding issues in the County.

Also shown in Table 5 are income categories broken out between homeowner and renter households. **About a quarter of homeowner households earn \$100,000-\$149,999, while half earn less than \$50,000 (477 households,).** Of these 477 households, 289 earn less than \$35,000.

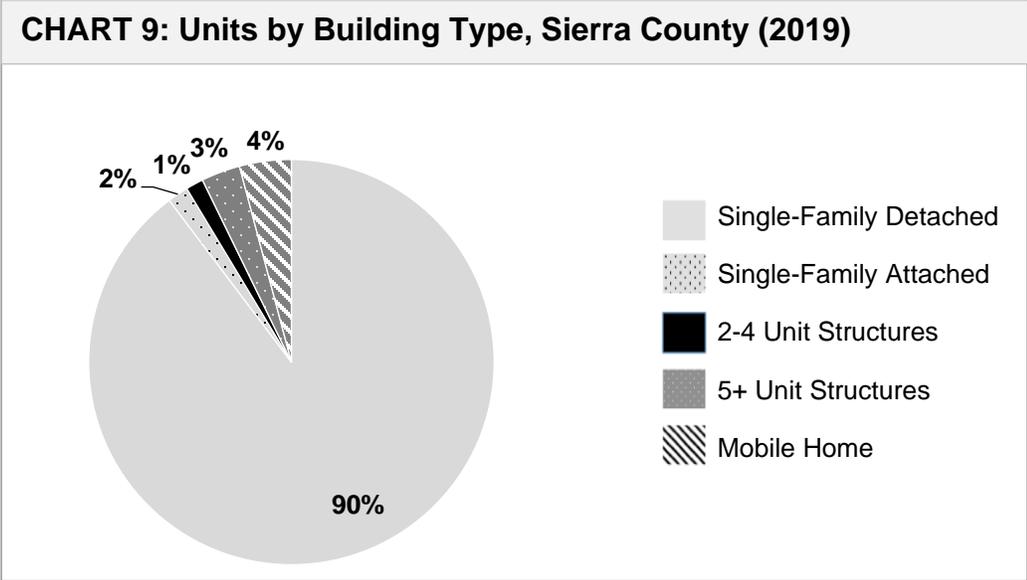
Table 5: Household Characteristics by Tenancy, Sierra County (2018)

	Occupied Housing Units		Owner-Occupied Housing		Renter-Occupied Housing	
	Number	Percent	Number	Percent	Number	Percent
Occupied Housing Units	1208	-	963	79.8%	245	20.2%
1-Person Household	443	36.7%	324	33.6%	119	48.6%
2-Person Household	585	48.4%	538	55.9%	47	19.2%
3-Person Household	63	5.2%	31	3.2%	32	13.1%
4-or More Person Household	117	9.7%	70	7.3%	47	19.2%
1.00 or Less Occupants Per Room	1,206	99.8%	961	99.8%	245	100.0%
1.01 to 1.50 Occupants Per Room	2	0.2%	2	0.2%	0	0.0%
1.51 or More Occupants Per Room	0	0.0%	0	0.0%	0	0.0%
Household Income						
Less than \$5,000	45	3.6%	45	4.5%	0	0.0%
\$5,000 to \$9,999	0	0.0%	0	0.0%	0	0.0%
\$10,000 to \$14,999	127	10.2%	82	8.1%	45	19.5%
\$15,000 to \$19,999	88	7.1%	48	4.8%	40	17.3%
\$20,000 to \$24,999	57	4.6%	43	4.3%	14	6.1%
\$25,000 to \$34,999	118	9.5%	71	7.0%	47	20.3%
\$35,000 to \$49,999	196	15.8%	188	18.6%	8	3.5%
\$50,000 to \$74,999	139	11.2%	113	11.2%	26	11.3%
\$75,000 to \$99,999	135	10.9%	88	8.7%	47	20.3%
\$100,000 to \$149,999	263	21.2%	259	25.6%	4	1.7%
\$150,000 or more	73	5.9%	73	7.2%	0	0.0%
Median Household Income	\$48,125		\$51,628		\$31,354	

Source: U.S. Census, 2014-2018 American Community Survey

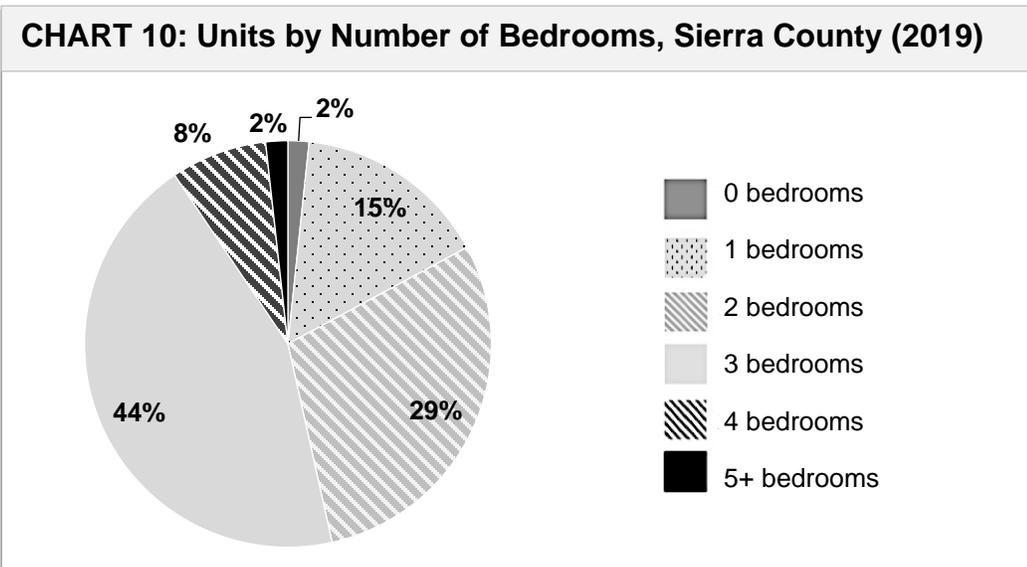
HOUSING CHARACTERISTICS

The majority of residential units in Sierra County are detached single-family homes, with over 2,110 homes or 90% of total housing stock. Attached single-family homes are townhomes that share walls with adjacent homes.



Building Type - Source: California Department of Finance, 2019

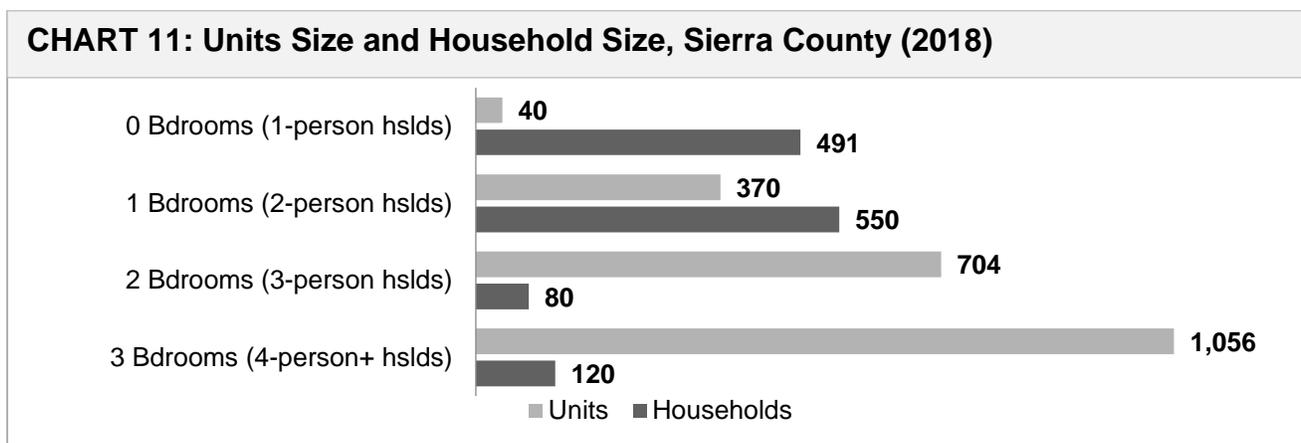
Almost half of all residential units have three bedrooms, making it by far the largest unit category by number of bedrooms. The next largest category is two-bedrooms at 29%. Together, two-bedroom and three-bedroom units make up 73% of the housing stock in Sierra County.



Bedrooms in Units - Source: U.S. Census, 2014-2018 American Community Survey

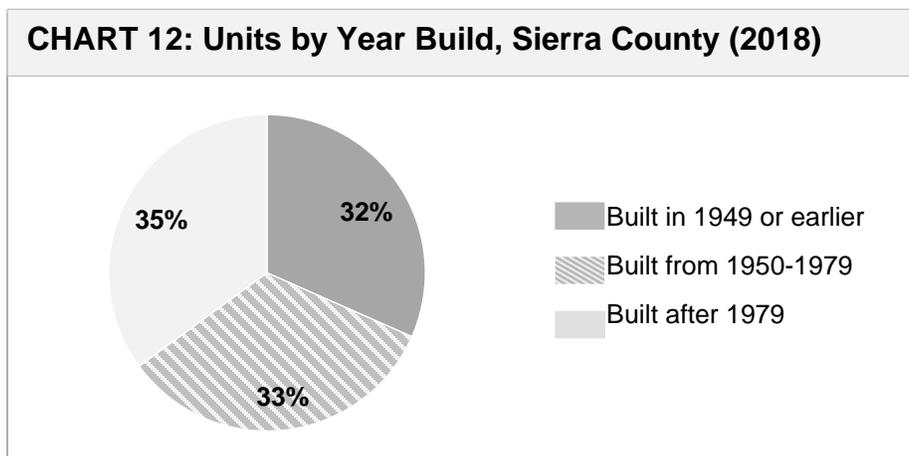
Chart 11 compares unit sizes (shown in dark grey) with household sizes (shown in light grey) to determine the match of supply to demand by unit size. As shown in the first grouping on Chart 11, there are 40 0-bedroom, or studio, units compared to 491 one-person households. In the second grouping, there are 370 one-bedroom units in comparison to 550 two-person households. In the third grouping, there are 704 two-bedroom units compared to 80 three-person households. In the fourth grouping, the number of three-bedroom units (1,056) is almost nine times the number of four-person or more households (120).

The Chart 11 illustrates a mismatch between household size and units size. This demonstrates the need for Sierra County to fund and incentivize the production of studio and one-bedroom units.



Source: U.S. Census, 2014-2018 American Community Survey

Chart 12 shows that there is about the same number of units built in each time period: 1949 or earlier, 1950-1979, and after 1979. **The share of units built before 1949 is unusually high for a California county. The fact that about two-thirds of units in Sierra County were built before 1980 indicates that there is most likely a high need for rehabilitation of residential structures.**



Source: U.S. Census, 2014-2018 American Community Survey

RESIDENTIAL CONSTRUCTION TRENDS

Table 6: Residential New Construction and Demolition Permits, Sierra County (2015-2020)

	2015	2016	2017	2018	2019	2020	Subtotals (2015-2019)
New Construction Permits	0	10	10	6	7	3	33
Demolition Permits	2	1	2	34	0	0	39
Net	0	9	8	-28	7	3	-6

RECENT CONSTRUCTION

Sierra County has experienced a net loss of residential units from 2015-2020. A major contributor to this was the loss of the Loyalton Mobilehome Estates with its 30-plus units that are no longer available to those with limited income. From 2015 to 2020, a total of 33 New Construction residential new construction building permits were issued, and during this same period a total of 39 demolition permits were issued.

None of the residential new construction permits are for multi-family homes, which are rare in Sierra County. Most of the permits issued are for single-family homes, while a handful of building permits are for manufactured homes on permanent foundations.

CURRENT AND FUTURE CONSTRUCTION

By year-end of 2020, it is projected that there will be 13 new construction residential permits, including 3 permits issued before April 2020 and another 10 in progress that have been reviewed by the Planning Department.

WATER & SEWER INFRASTRUCTURE

There are no public sewer systems anywhere in unincorporated Sierra County. The City of Loyalton, the only incorporated jurisdiction, has public sewer and water—and they have made it available to a few sites/projects that immediately border the city (or are partially inside city limits)—including the Loyalton Mobilehome Park, the Loyalton Senior Apartments, and the SPI Business Park.

Several communities have small community water systems available to some residents, provided by public or private water purveyors. Public water systems include: Downieville, Calpine, Sierraville, Alleghany, and Sierra Brooks (south of Loyalton). Private community water systems are available in Goodyears Bar, Coyoteville, Sierra City, and Verdi. Most residential units in the County utilize private wells.

FOR-SALE MARKET

Due to the low volume of sales in Sierra County, limited data is available from the California Regional Multiple Listing Service regarding the for-sale market, including number of sales and median sale price. Therefore, the Zillow Home Value Index and a survey of homes currently listed for sale on Zillow were the data sources used to understand trends in the Sierra County for-sale market.

The Zillow Home Value Index is a seasonally adjusted measure of the typical home value and market changes across a region. Whereas the California Regional Multiple Listing Service tracks home sales, the Zillow Home Value Index tracks all homes, including those that are not listed for sale or have not been sold in many years. Table 7: Zillow Home Value Index, Sierra County, 2016-2020 shows the annual average Zillow Home Value Index. Increases in the index have slowed from 4% between 2016 and 2017, to 2.2% between 2018 and 2019. Current trends indicate that change in the index will slow further in 2020.

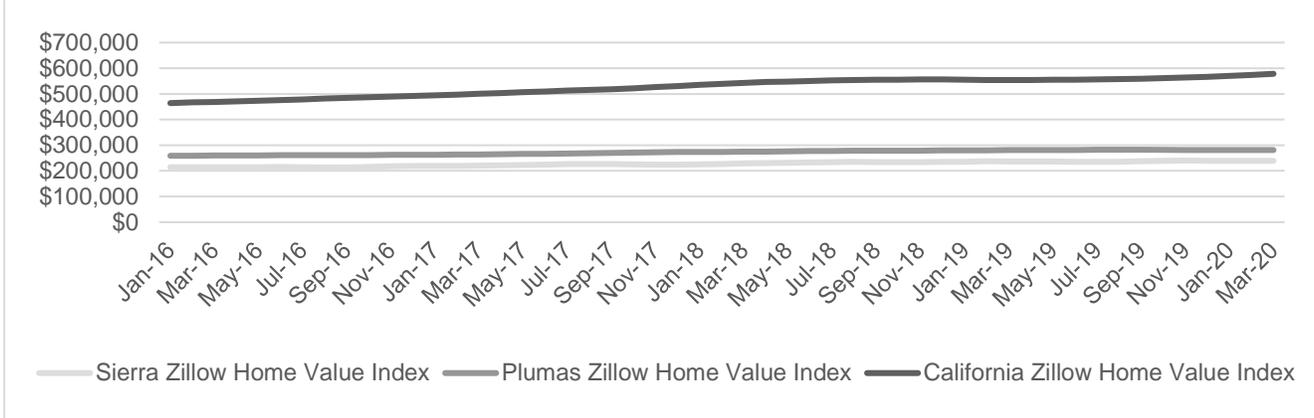
Table 7: Zillow Home Value Index, Sierra County Annual Average, 2016-2020

	Home Value Index	Percent Change
2016	\$214,934	
2017	\$223,430	4.0%
2018	\$231,982	3.8%
2019	\$237,057	2.2%
2020	\$238,843	0.8%

Source: Zillow, April 2020

Chart 13: Zillow Home Value Index, Sierra-Plumas-State shows the monthly Home Value Index from January, 2016 through March, 2020. This chart illustrates that the Zillow Home Value Index for both Sierra and Plumas Counties has increased very slowly over the past four years, especially compared to the statewide index. **The Zillow Home Value Index for the State of California was \$464,023 in January 2016 and rose to \$578,267 in March 2020, an increase of 25% over four years and three months. By comparison, the Zillow Home Value Index for Sierra County increased by 12% over the same period.**

CHART 13: Zillow Home Value Index, Sierra, Plumas, California



Source: Zillow, April 2020

Table 8: Home Listing Snapshot, Sierra County, April 2020 provides a summary of homes listed for sale on Zillow April 28-29, 2020. County Total Average Days on Market are much higher than California metropolitan areas, but are lower than Plumas County. County Total Average Square Feet and Average Asking Price are also lower than Plumas County. **Table 8 shows clear differences in the market between Loyalton, Sierra City, and Downieville in terms of average asking price. Loyalton, the largest town in Sierra County, is the most affordable. The average asking price for homes in Downieville is 52% higher than the average asking price for homes in Loyalton.**

Table 8: Home Listing Snapshot, Sierra County, April 2020

Area	Number of Listings	Average Square Feet	Average Days on Market	Average Asking Price	Pop
Loyalton	10	1,552	121	\$242,807	769
Sierra City	9	1,982	115	\$300,000	221
Downieville	7	1,661	225	\$369,000	282
County Total	26	1,730	147	\$275,000	

Source: Zillow, April 2020

MARKET RATE FOR-SALE OPPORTUNITIES

Market rate for-sale opportunities are limited in Sierra County due to the small and dispersed population, and absence of a major city. Historic sale activity as described in the previous chapter confirms that the market is rather weak relative to other California counties and metro areas. A review of household incomes as shown in Chart 8 illustrates that the two largest household income categories are below median income (\$35,000-\$49,999), and upper income (\$100,000-\$149,999). Households in these income categories are not ideal targets for new home development and sales, which would typically cater to incomes in the \$60,000-\$70,000 range as first-time homebuyers, and move-up buyers in the \$70,000 to \$100,000 range. Even though the \$100,000-\$149,000 household income category is the largest in the County, it is still a small number at under 550 households.

While the vacation home market is not as strong in Sierra County as neighboring Plumas County, it is a significant part of the for-sale market. **Similar to trends in Plumas County in response to changes in tourism affected by COVID-19, Sierra County vacation homes are showing signs that they are transitioning from weekly vacation rentals to longer term leases for local residents.** This may provide an opportunity to open up the rental market more to middle and lower income households by increasing the overall rental stock available for long-term leases. Indications of this are seen through discounts for monthly rates, with the highest noted being 65% off the typical daily rates.

Due to the proximity of some parts of Sierra County to Reno, there may be opportunities to draw some of the Reno market as that metropolitan area grows. As of 2012, the Reno-Sparks Metropolitan Area had a population of 433,612, (U.S. Census, 2012 American Community Survey). Loyalton is only a 45-minute drive from Reno. Lower land costs and a more rural, laid-back lifestyle may be a market advantage to lure some homebuyers that work in Reno.

AFFORDABLE FOR-SALE NEED

There are very few renters in Sierra County in terms of total numbers and share of total households, as illustrated in Table 5. There are an estimated 245 renter-occupied units in the County, which is just 20% of all occupied housing units. Of renter households, there are only an estimated 26 households earning \$50,000-\$74,999, which is generally the low to moderate income range that would be able to afford to purchase a home. This data indicates that there is a limited market for new affordable for-sale homes in the County.

The County is unique in that there are slightly more homeowner households that do not have a mortgage than those that have a mortgage. This indicates that there are a large number of senior homeowners that have owned their home for a long period, or households that have inherited their homes. It appears that a significant portion of these homeowners have very low incomes. Among homeowners in the County, Table 5 shows that there are 435 households earning less than \$35,000, which is 36% of all homeowners in the County. There are 199 homeowner households paying more than 35% of income to housing costs, including 84 households that do not have a mortgage.⁸

The significant share of homeowner households earning less than \$35,000 and paying more than 35% of income on housing costs indicates that many households have limited income for home maintenance and repairs. In addition, about two-thirds of the housing stock was built before 1980. This points to a need for rehabilitation assistance to help these households remain in their homes and maintain economic self-sufficiency.

The State offers some rehabilitation programs that may assist the County in stabilizing low income homeowners and upgrading the housing stock. The State Housing and Community Development Department (HCD) administers the HOME and CDBG Programs, which makes funding available each year. One of the eligible uses of HOME and CDBG funds is rehabilitation assistance. The State CalHome program funds homeownership for low income households, and includes set-asides for rehabilitation. The State also offers assistance for mobile home rehabilitation and purchase.

⁸ U.S. Census, 2014-2018 American Community Survey

RENTAL MARKET

Because Sierra County is not within a larger Metropolitan Statistical Area, industry-standard rental market reports from services such as Reis or Costar are not available. Therefore, the authors conducted a direct and indirect survey of rental listings, which included three market-rate properties, one affordable rent-restricted property, and four short term rentals. Of note, data collection was completed while the state of California was enforcing shelter-in-place orders in response to the COVID-19 pandemic and may have provided a better picture of vacancy rates for that moment in time rather than an illustration of typical rental market trends.

Overall, the survey included 49 units with one bedroom and one bathroom, 7 units with two bedrooms and one bathroom, 1 unit with two bedrooms and two bathrooms, and 1 unit with three-bedrooms and two bathrooms, 1 unit with 4 bedrooms and 2 bathrooms, for a total of 58 units. Mobile home rentals and RV community trailer parking spaces were not included in rental market survey results in the tables below.

MARKET RENTAL RATE

Of the three market-rate properties surveyed, one was located in Downieville, one was located in Loyalton, and one was located in Sierra City. This represents the market-rate rental listings in the County listed between February and May 2020 and is the result of a thorough survey and research of market-rate rentals in the area. No market-rate multi-family complexes were present in the County and single-family homes were the only rental listings available.

Table 9 shows the results of the rental market-rate survey. Average rent ranged from \$850 for the one-bedrooms to \$2050 for the two-bedrooms. There was a significant difference in the average rent between the two-bedroom/one-bath units (\$875) and the two-bedroom/2-bath units (\$2,050). The properties with two bedroom units differ greatly in cost due to an additional bathroom in the higher priced property, and due to its riverfront location and 300 more square feet of living space overall.

The Zillow Rent Index is a smoothed measure of the typical estimated market rate rent across a given region and housing type. ZRI is the mean of rent estimates that fall into the 40th to 60th percentile range for all homes and apartments in a given region, including those not currently listed for rent. As of January 2020, Sierra County’s ZRI is \$1,681 per month.

Table 9: Sierra County Rental Market Survey, Market Rate Units (3 Properties Surveyed)

	Type of Unit	Available 30 days after listing	Average Unit Size (SF)	Average Rent	Amenities
1 bed / 1 bath	House	No	N/A	\$850	In-Unit Washer and dryer, Heating, backyard
2 bed / 1 bath	House	No	988	\$875	In-Unit Washer and dryer, Heating, backyard

2 bed / 2 bath	House	No	1248	\$2,050	In-Unit Washer and dryer, Heating, backyard, river access
Total Units	3	No	1,118	\$1,258	

Source: Survey conducted by Housing Tools, 2020

AFFORDABLE RENTAL RATE

The only multi-family complex within the County is also the only affordable rent-restricted housing available in the County—a 50-unit garden apartment complex reserved to house moderate income seniors. The complex has 44 one-bedrooms with one bathroom and 6 two-bedrooms with one bathroom for a total of 50 units, with 1 unit reserved for an onsite manager. It should be noted that these units were not included in the average rent calculations because the rent for these units is set at 30% of tenant income, and therefore varies based on income.

Table 10 shows the results of the affordable, rent-restricted survey. Of the 50 units surveyed, there was an undetermined number of vacant units as the complex responded to the needs of their residents during the COVID-19 pandemic.

Table 10: Sierra County Rental Market Survey, Affordable Rent Restricted Units (1 Project Surveyed)

	Total Units	Average Rent
1 bed / 1 bath	44	Income Based
2 bed / 1 bath	6	Income Based
Total Units	50	

Sources: Survey conducted by Housing Tools, 2020

SHORT TERM RENTAL RATE

With tourism playing a significant role in the local economy and limited hotel room options, short term rental properties listed on platforms like AirBnB provide a place for tourists to stay in, while also providing income for hosts who rent out their ADUs or second-income properties. . In the past, these units have typically served non-residents of Sierra County, but in recent months have started offering month-to-month rates that are discounted up to 65% below previous rates for short-term rentals. Five short term rental listings have been included in this survey as they offer another housing market to locals who are unable to find housing in traditional methods or markets.

Table 11: Sierra County Rental Market Survey, Short Term Units (5 Units Surveyed)

	Total Units	Average Unit Size (SF)	Location(s)	Average Monthly Rent
1 bed / 1 bath	3	600	Calpine, Mohawk Valley, Sierra City	\$1,442
3 bed /2 bath	1	N/A	Sierra City	\$3,150
4 bed / 2 bath	1	N/A	Downieville	\$2,652
Total Units	5			

Sources: Survey conducted by Housing Tools

RV AND MOBILE HOME COMMUNITY RENTAL RATE

RV and Mobile Home Communities serve both as a place for people who own their own trailers or mobile homes to rent parking spaces, or to rent trailers or mobile homes, much like renting an apartment or home for those of moderate-income or below.

In the past, Loyaltan Mobile Estates served this population in the community of Loyaltan, but received code violations from the State Department of Housing & Community Development, indicating it was not safe for habitation. This led to the revocation of its mobile home park license on December 31st, 2015, leaving many without permanent homes after the November 13, 2017 demolition of all remaining homes. The park contained 52 approved spaces, including a laundry building and a former restaurant.

MARKET RATE RENTAL OPPORTUNITIES

As described in the Rental Market section, there are very few renters in Sierra County. There are not any multi-family rental complexes and most rentals are homes, rooms or mobilehomes. There is a bi-furcated rental market with small affordable rentals on the low end, and larger home vacation rentals on the high end.

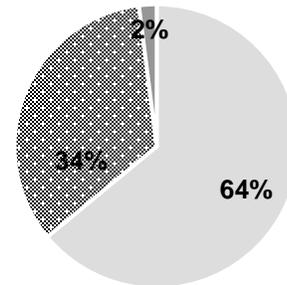
There may be opportunities for more affordable mobilehome or manufactured home rentals in Sierra County. This could be a low-cost, low-overhead form of market rate, but affordable, housing for small families, workers, and seniors. Parts of the County have lower land costs relative to surrounding areas, mostly in the eastern area around Loyalton. According to the Home Listing Snapshot summarized in Table 8, Loyalton has the lowest average asking price for home sales of the three largest towns in the area. It is also the closest town in the County to the Reno Metropolitan Area, offering an opportunity to capture some of that demand.

AFFORDABLE RENTAL HOUSING NEED

A key indicator of affordable rental housing need is housing cost burden. This is a measure of the percent of household income that is spent on housing. **Chart 14 shows that 34% of renter households pay more than 35% of income to rent, which is a total of 78 households. Chart 15 shows that 28% of households pay more than 50% of income to rent, which is a total of 64 households.**

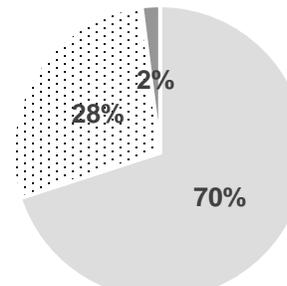
Affordable housing programs subsidize the production of units based on the incomes served, expressed in terms of percent of Area Median Income. Area Median Income is the “middle” income in the range of incomes of all households in a defined area, and reflects gross incomes. Table 12 shows income levels for various percentages of Area Median Income by household size (including adults and children), as set by the U.S. Department of Housing and Urban Development (HUD) for 2020.

CHART 14: Renter Households Paying >35% of Income to Rent, Sierra County



- Renter Households Paying < 35% of Income to Rent
- ▨ Renter Households Paying >35% of Income to Rent
- Not Computed

CHART 15: Renter Households Paying >50% of Income to Rent, Sierra County



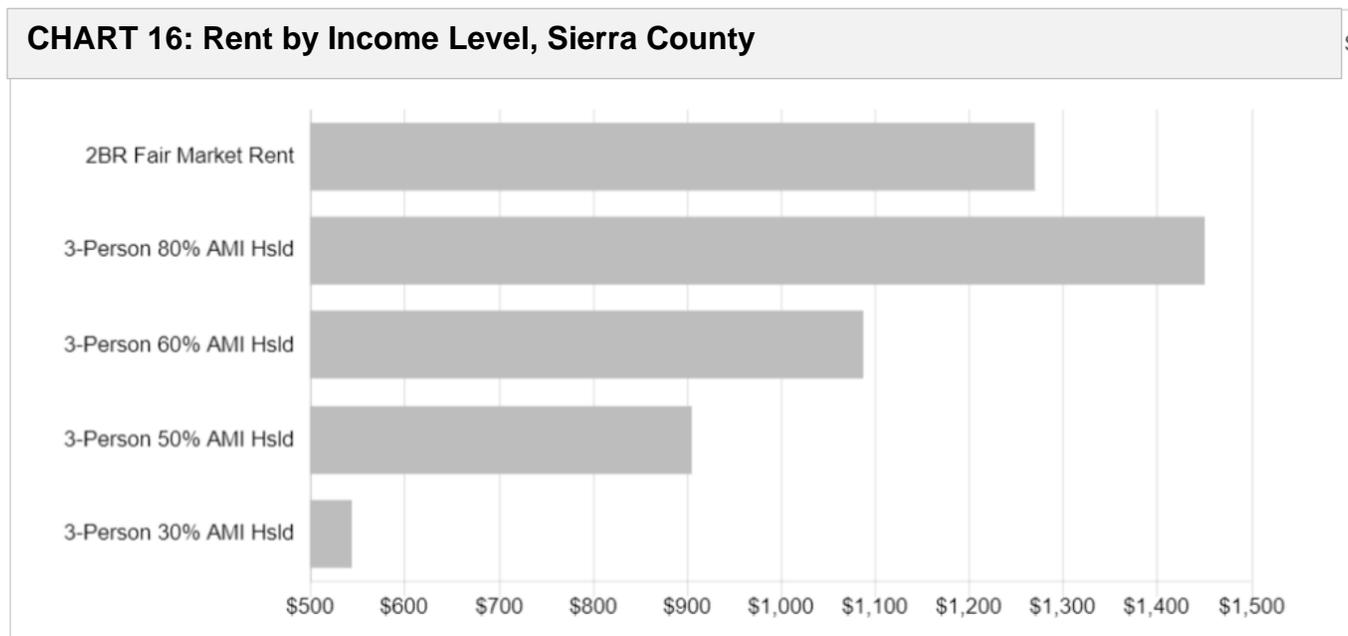
- Renter Households Paying <50% of Income to Rent
- ▨ Renter Households Paying >50% of Income to Rent
- Not Computed

Table 12: Incomes by Percent of Area Median Income, Sierra County (2020)

Percent of Area Median Income (AMI)	Household Size			
	One Person	Two Person	Three Person	Four Person
80%	\$45,120	\$51,520	\$58,000	\$64,400
60%	\$33,840	\$38,640	\$43,500	\$48,300
50%	\$28,200	\$32,200	\$36,250	\$40,250
30%	\$16,920	\$19,320	\$21,750	\$24,150

Source: U.S. Department of Housing and Urban Development, 2020

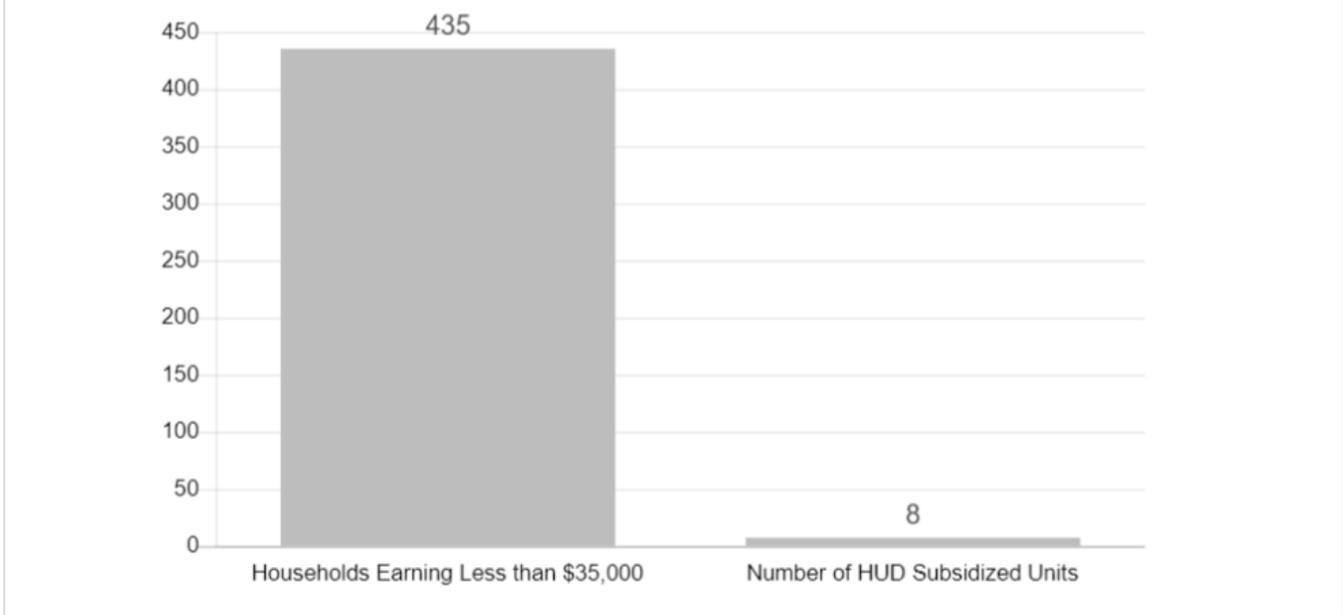
Chart 16: Affordable Rent by Income Level shows housing affordability for various three-person household income levels that correspond with Table 12 above. The two-bedroom Fair Market Rent is a measure of market rent as determined by the Department of Housing and Urban Development (HUD). The first bar in Chart 16 below shows the Fair Market Rent for a two-bedroom unit in Sierra County, as determined by HUD. It is notable that the Sierra County Fair Market Rent is \$354 higher than neighboring Plumas County. The other bars show how much rent households at various household income levels could afford to pay in comparison to Fair Market Rent. **A three-person household earning 60% of Area Median Income can afford \$182 less than the Sierra County Fair Market Rent of \$1,270. By comparison, the Zillow Rent Index is \$1,681. When income falls to 50% of Area Median Income and below, it becomes even more difficult to afford market rent.**



Source: U.S. Department of Housing and Urban Development, 2020

Chart 17: Affordable Units Compared to Need below shows the number of affordable housing units in the County compared to need. Affordable, rent-restricted housing is generally restricted to, and priced affordably for, households with incomes less than 50% of Area Median Income. Table 12 shows that 50% of Area Median Income is just above \$35,000 for a three-person household. Chart 17 shows an estimated 435 households in the County with incomes less than \$35,000. By comparison, there are 8 HUD-subsidized, rent-restricted units in the County. **As illustrated, there is a significant shortfall of at least 427 units that are affordable to Low Income households.**

CHART 17: Affordable Units Compared to Need, Sierra County



Sources: U.S. Department of Housing and Urban Development, 2020 and U.S. Census, 2014-2018 American Community Survey

The State Housing and Community Development Department establishes a Regional Housing Needs Allocation (RHNA) every five years for Sierra County. The RHNA provides a target for housing production that will meet the projected need of County residents. The target is subdivided into affordability levels, including Very Low (50% AMI), Low (80% AMI), Moderate (120% AMI), and Above-Moderate (>120% AMI). For the period of 2014-2019, the RHNA goals for Sierra County are 1 Moderate Income unit, 2 Low Income units, and 2 Very Low Income units. No units in these categories have been produced during this time period.

HOMELESSNESS IN SIERRA COUNTY

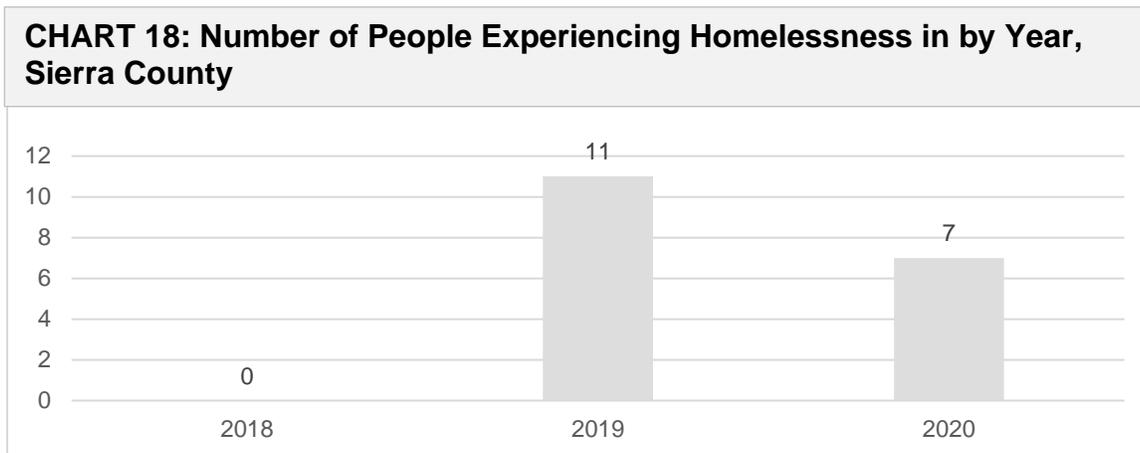
Similar to every other community in California, Sierra County has a portion of its population experiencing homelessness. The County acts as the representative entity for Sierra County in the NorCal Continuum of Care (CoC), which applies for and oversees funding from the federal Department of Housing & Urban Development (HUD) to provide permanent supportive housing opportunities for individuals and families experiencing homelessness. Every two years, each CoC conducts a Point in Time count (PIT) of those who are homeless on a selected day in January. The counts derived from this effort not only establish funding thresholds for federal and state funds, but they also provide a snapshot of who is experiencing homelessness in each community.

The 2020 Point-in-Time Survey counted a total of 7 individuals experiencing homelessness in Sierra County. All 7 individuals were unsheltered, as Sierra County does not have any emergency shelter options.

The 2019 Point-in-Time Survey counted a total of 11 individuals experiencing homelessness in Sierra County. Of these individuals:

- All were unsheltered
- All were white, non-Hispanic or Latino
- 7 were male, 4 female
- 2 people had lived their entire life in the County, 5 people from from 5-10 years
- There was one child, ages 5-12 and one person reported being a veteran
- Based on the number of times homeless in the past 3 years and number of months homeless, 8 of the 11 were chronically homeless, a rate of nearly 73%.

CHART 18: Number of People Experiencing Homelessness in by Year, Sierra County



Sierra County, prior to 2019, had not been able to carry out a Point-in-Time survey, so the chart above for 2018 shows a baseline of zero. This should not be construed to mean that in 2018 and the years prior, there were not individuals experiencing homelessness in Sierra County. The drop from 11 persons in 2019 to 7 persons in 2020 has been noted to be a result of County staff's efforts to find people housing.

Traditionally, the PIT is considered to likely undercount the number of people who are homeless, since it relies on volunteers canvassing communities to find individuals who are willing to participate in the survey on that one day. Therefore, the number of people experiencing homelessness in Sierra County may be somewhat higher than shown. The PIT definition of homeless is more restrictive than other definitions and does not include households doubling up or living temporarily in motels. While homelessness is a complex and multi-faceted problem, addressing the county's need for additional affordable housing units for very-low and extremely-low income households, in particular, the need for one-bedroom affordable units for single individuals, will contribute significantly to long-term solutions. New funding from the State, designed to specifically address homelessness, is discussed in more detail below. These funds can be used to develop critical infrastructure and support the wraparound services needed to help move individuals and families out of homelessness.

AFFORDABLE RENTAL FUNDING ENVIRONMENT

As demonstrated above, **there is a clear need for affordable housing in Sierra County**. Beyond meeting an immediate need for residents, affordable housing creates the potential for positive spillover benefits to the broader community. In areas with soft housing markets, new affordable rental housing often increases surrounding property values and stimulates reinvestment and revitalization. In addition, housing construction creates jobs and economic activity. Jobs are created through contracts for the construction in the short-term, and through operations and maintenance activities post-construction in the long-term. Furthermore, lower rents free up more discretionary household income that can be spent within the local community.

Affordable housing requires public subsidies to compensate for restricted, below-market rents. Traditionally, subsidies for rural counties have been provided through the HOME and Community Development Block Grant (CDBG) programs administered by the State Housing and Community Development Department (HCD). Funding from these programs is made available to rural counties throughout the State annually through a competitive application process, as described below.

HOME INVESTMENT PARTNERSHIP ACT (HOME)

A total of \$42 million was made available in the Notice of Funding Availability (NOFA) released in October 2019 with applications due in late January 2020. Generally, the State issues one HOME NOFA per year. Funding is available for new rental construction (up to \$5 million per loan, or up to \$6 million for projects with deep affordability targeting, serving special needs populations and/or those experiencing homelessness), rental rehabilitation (up to \$5 million), homebuyer projects (up to \$80,000 per unit), activity delivery and administrative costs.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

The most recent CDBG NOFA released in January 2020 made available \$60 million. Round 1 applications for Housing and Community Development Competitive program and Economic Development Competitive Program funds are due June 1st, 2020. Round 2 applications for additional Economic Development Competitive Program funds are due July 15th, 2020. Economic Development Over-the-Counter Project Allocation application closing September 15th, 2020. Multifamily Housing, Housing Infrastructure, and Community Development OTC Project application period closes on September 30th, 2020. The State has been working to revamp the CDBG program and now plans to issue an annual NOFA every January with streamlined processes for awards. The two most significant redesign related changes to this NOFA cycle include the addition of an Over-the-Counter application process for all capital construction projects and the implementation of the new eCivis Grants Managements System that will allow applicants to apply online and track the status of their application. At least 70% of all CDBG funds must be used for activities that benefit low- and moderate-income individuals, families, and households.

NEW STATE FUNDING SOURCES

The State legislature has recently passed a number of pieces of legislation over the past two years that fund affordable housing and related homeless services. A description of these programs is provided below.

NO PLACE LIKE HOME (NPLH)

The purpose of this program is to provide permanent supportive housing for homeless persons with serious mental health conditions. There are two funding streams: a Non-Competitive Program and a Competitive Program. Both funding streams may be combined for one project. It is expected that counties will partner with a Development Sponsor (an experienced supportive housing developer) who will actually own and manage the project. Counties are required to commit to provide and facilitate tenant supportive services, including mental health services, for a minimum of 20 years. Sierra County is eligible to receive \$500,000 through the Non-Competitive Program, with any project application intending to use these funds due no later than February 15, 2021. The County and a partner Development Sponsor can also propose to utilize Competitive funds from the Small County Set Aside in a project application that is responsive to one of the State's annual NOFAs. The third round of Competitive funding is scheduled for the Fall of 2020 and the fourth round is scheduled for the Fall of 2021. Any project proposing to use both streams of funding will submit one combined project application in response to one of the NOFAs, with a maximum project loan of \$20 million.

PERMANENT LOCAL HOUSING ALLOCATION (PLHA)

The PLHA was established through the Building Homes and Jobs Act (SB2) of 2017. The PLHA will be a broad, ongoing affordable housing program funded by fees collected from real estate transaction recordings. HCD estimates that annual revenue will be \$250 million statewide. Sierra County can access PLHA funds through two mechanisms:

- Non-competitive annual allocation: These funds will be provided to the County on an annual basis, subject to the submittal of an HCD-approved 5-Year Expenditure Plan. The Year 1 (2020) estimate of funding for the County is \$67,624. Annual funding amounts are subject to the amount of revenue collected by the State.
- Competitive allocation: Counties that do not receive CDBG entitlement funds can also apply for competitive funds which will be made available via a NOFA process on an annual basis. Priority points will be given for jurisdictions proposing to use competitive funds for provide assistance to those experiencing homelessness and who have an unincorporated population of less than 200,000.

For 2020, the State issued a NOFA in March for the non-competitive allocation, with Expenditure Plans/Applications due no later than July 27, 2020. A NOFA for the competitive funds is anticipated for release in August 2020 with applications due in October 2020. Eligibility threshold is having a currently compliant Housing Element and up-to-date submittal of the Housing Element Annual Progress Report (APR). As noted above, once a jurisdiction's 5-Year Expenditure Plan is approved, they will receive their non-competitive allocation each year, and can apply for competitive funds each year pursuant to an annual NOFA process.

PLHA funds are designed to be flexible in order to address each jurisdiction's greatest housing needs, especially for those households who earn 60% of Area Median Income or less.

Eligible uses of the non-competitive funds are:

1. Predevelopment, development, acquisition, rehabilitation and preservation of multifamily, residential live-work, rental housing that is affordable to extremely-low, very-low, low- and moderate-income households, including necessary operating subsidies. Accessory Dwelling Units (ADUs) are eligible for assistance.
2. Affordable rental and ownership housing that meets the needs of a growing workforce earning up to 120% of Area Median Income or 150% of AMI in high-cost areas.
3. Matching portions of funds placed into local or regional housing trust funds.
4. Matching portions of funds available through the Low and Moderate Income Housing Asset fund pursuant to subdivision(d) of the Section 34176 of the Health and Safety Code.
5. Capitalized reserves for services connected to the creation of new permanent supportive housing, including, but not limited to, developments funded through the Veteran's Housing and Homelessness Prevention Bond Act of 2014.
6. Assisting persons who are experiencing or at risk of homelessness, including providing rapid rehousing, rental assistance, navigation centers, emergency shelters, and new construction, rehabilitation and preservation of permanent and transitional housing. This activity may include using PLHA funds for continued assistance to households assisted with California Emergency Solutions and Housing (CESH) Program funds.
7. Accessibility modifications.
8. Efforts to acquire and rehabilitate foreclosed or vacant homes.
9. Homeownership opportunities, including down payment assistance.
10. Fiscal incentives or matching funds to local agencies that approve new housing for extremely-low, very-low, low- and moderate-income households.

Eligible uses of the competitive funds are:

1. Development of new multifamily rental housing that is affordable to households at or below 60-percent of AMI or substantial rehabilitation of multifamily rental housing that will be affordable to households at or below 60-percent of AMI, but which is not currently restricted as affordable housing; or
2. Assistance to persons who are experiencing or at risk of homelessness, including, but not limited to, through rapid rehousing, or rental assistance, supportive services and case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers, or new construction, rehabilitation, or preservation of permanent or transitional rental housing.

CONCLUSION

In Sierra County, the severe economic recession from 2009-2014 slowed and stabilized somewhat from 2105-2019. Employment dipped slightly by 62 jobs between 2014 and 2018 while the unemployment rate fell from 10% to 6% over that period. After County population fell from 3,220 in 2010 to 2,951 in 2016, it stabilized a level of 3,005 in 2019. Despite the recent economic recovery, the County must now deal with the economic fallout of COVID-19, which is likely to negatively impact the primary employment sectors in services and state government as tourism and sales tax receipts decline.

Despite these challenges, this report has identified opportunities for the rehabilitation of existing housing and development of market rate and affordable housing, which are outlined below. These activities will require public/private partnership and strategic investment from outside the County. These investments can help strengthen the overall economy by reducing the cost of living for local workers and attracting workers and residents from outside the County.

- Incentivize and fund the development of affordable and market rate studio and one-bedroom units to meet the needs of smaller households. Utilize the HOME and CDBG programs to rehabilitate motels and duplexes, tri-plexes, and four-plexes for use as permanent, small unit, low cost housing. Development incentives could include lower impact funds that better reflect lower infrastructure demands of smaller households and/or reduced parking requirements for smaller units.
- Implement a more expansive housing rehabilitation program for low income homeowners utilizing State CalHome, HOME and/or CDBG funds.
- Work with the State Housing and Community Development Department (HCD) Mobilehome Assistance Center and Rural Communities Assistance Corporation (RCAC) to fund mobile home rehabilitation and/or the provision of new mobile homes, particularly in Loyalton.
- Prepare to access new State funding sources such as the No Place Like Home program (NPLH) to provide Permanent Supportive Housing for individuals and families experiencing homelessness. Identify opportunities to acquire a motel or other property in the Loyalton area that could be converted or rehabilitated to house 5-20 individuals. Explore opportunities to fund a joint project with Plumas County.

MAY 2020

NPLH HOUSING SITE FEASIBILITY STUDY

SIERRA COUNTY

 HousingTools

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INTRODUCTION

Sierra County has requested that Housing Tools complete this Site Feasibility Study as part of its contract for No Place Like Home (NPLH) services. Through this contract, Housing Tools will help Sierra County access NPLH funds, which will be used to develop Permanent Supportive Housing (PSH) for individuals who are chronically homeless, homeless, or at-risk of being chronically homeless. The purpose of the Site Feasibility Study is to research the potential of sites for the development of NPLH-assisted Permanent Supportive Housing, and identify the most attractive sites in terms of development feasibility, financial feasibility, community benefit, and neighborhood integration.

This Site Feasibility Study analyzes two sites: 1) an existing office building that could be converted to permanent supportive housing units; and 2) a vacant site that would accommodate new construction of 20 permanent supportive housing units. A development project type was modeled for each site. Both project types assume that all units, with exception of an on-site manager unit, will be NPLH-assisted studios targeted to homeless individuals. Both project types would include intensive case management supportive services for the NPLH tenants provided by Sierra County Behavioral Health, and general services coordination for all of the residents. Through the community outreach process to develop the Sierra County 10 Year Plan to End Homelessness, Housing Tools learned that these were the most feasible development types to address Sierra County's needs.

The property search focused on the town of Loyalton, which has adequate infrastructure and services to support permanent supportive housing and also has a strong need for such housing. Unfortunately, there are few sites available in Loyalton or nearby that are feasible for affordable housing development. However, it is intended that this study will help the County better understand issues and constraints that should be considered when selecting a site. This understanding can be applied to the sites reviewed in this report, or other sites that are identified in the future.

This study begins with a description of the methodology and process followed to conduct the analysis of sites. This is followed by an explanation of the financial model used to compare sites, and the funding sources used in the financial model. The concluding section consists of the scoring criteria description, ranking rationale, and site descriptions with key metrics and scores. This is followed by a Sites List Table with summary information for each site (Appendix A), and a one-page description with aerial photo of each site (Appendix B).

METHODOLOGY

Housing Tools undertook the following process to identify and analyze potential sites for Permanent Supportive Housing Development.

1. Identified potential sites from the following sources:
 - a. 2014-2019 Sierra County Housing Element Update, Appendix A: Inventory of Vacant Land Designated for Affordable Housing;
 - b. Searched internet listings on LoopNet and Zillow;
 - c. Researched properties on the County Assessor Portal; and
 - d. Followed up on availability of sites identified in the Housing Elements.
2. Researched site characteristics to build a Potential Sites List, including:
 - a. Size;
 - b. Price;
 - c. Zoning restrictions;
 - d. Availability of water and sewer utilities;
 - e. Site characteristics with Google Maps and the County Assessor Portal; and
 - f. Surrounding neighborhood and neighboring land uses with Google Maps.
3. Consulted with Officials and Planners at Sierra County and City of Loyalton about potential development sites, affordable housing development plans, land use and zoning plans, and current zoning.
4. Updated the Potential Sites List with information gathered from consultation with government officials and planners.
5. Developed a financial model in order to:
 - a. Determine site development capacity in terms of number of units based on size and zoning constraints;
 - b. Determine feasibility of financing development with public funding sources;
 - c. Determine Total Development Costs, by unit and by square foot;
 - d. Determine Funding Gap required to be filled with Local and Developer Funds, defined as the difference between: a) the amount of a permanent commercial loan, 9% tax credit equity, noncompetitive and competitive NPLH funds; and b) the Total Development Costs; and
 - e. Compare Required Local and Developer Equity Funding between the potential sites on a projected per unit and per square foot basis.
6. Listed potential sites with site characteristics and key metrics pulled from the financial model, as summarized on the Site Feasibility List in Appendix A.
7. Scored each potential site by the criteria described on page 9 and ranked them by score, as shown on the Sites List in Appendix A.

DESCRIPTION OF FUNDING SOURCES

Below is a description of potential funding sources that were considered for each site and incorporated into the financial model.

Tax Credit Equity

Equity invested into the project by banks and corporations in exchange for tax credits. This is the primary source of funding in the financial model. The model assumes use of the 9% tax credit program, which allocates tax credits to projects through a competitive application process administered by the California Tax Credit Allocation Committee (TCAC). An alternative model is to apply for tax-exempt bonds, 4% tax credits and State Multifamily Housing Program funds.

Noncompetitive No Place Like Home (NPLH) Funds

Allocated by the State Department of Housing and Community Development (HCD) to counties to develop Permanent Supportive Housing (PSH) for individuals who are chronically homeless, homeless, or at-risk of being chronically homeless. The noncompetitive allocation to Sierra County is \$500,000. These funds are provided to a PSH project developer as a deferred payment, residual receipts loan. This means that interest payments on the loan will only be payable to the extent that there is adequate cash flow from year to year, and the total principal and interest will only be payable by the developer at the end of the 55-year loan term.

Competitive No Place Like Home (NPLH) Funds

Require a competitive application submitted by a county, or jointly by a county and developer. Evaluation criteria include:

- Percentage of total project units restricted to target population
- Leverage of other funding
- Leverage of rental or operating subsidies
- Readiness to proceed
- Extent of supportive services
- Past history of evidence-based practices that have led to a reduction in homelessness

The loan has a 3% interest rate and an annual 0.42% loan monitoring fee. Interest, other than the monitoring fee, is only payable annually to the extent cash flow is available, and repayment of principal and interest is deferred until the end of the 55-year loan term.

Developer Equity

Developer Equity can be contributed to a project in two forms: Deferred Developer Fee and General Partner Capital. Deferred Developer Fee is fee that would otherwise be paid to the developer at construction completion, that is deferred to be paid through operations cash flow over the first 15 years of operations, to the extent cash flow is available. TCAC places limits on the amount of Developer Fee, paid at construction completion and deferred, that a developer can receive. General Partner Capital is paid to a project as permanent equity that is not repaid through operations cash flow. The amount of Developer Equity contributed varies by project, and the amount that must be contributed figures into the developer's cost/benefit analysis of project feasibility.

Local Funds

Local funds could include any of the following:

- *State Permanent Local Housing Allocation (PLHA)*— Funded by Senate Bill 2, the Building Jobs and Homes Act. Allocations will include an annual community formula allocation and a competitive grant program. The combined formula allocation for Sierra County, is estimated to be \$129,005 in the program's first year. If agreed to by jurisdictions, allocations may be combined to fund a development project. Also, funds may be rolled over and combined for up to three years to contribute toward a development project. Applications to accept the first year of PLHA funds are due July 27, 2020, with NOFAs issued each year thereafter. For the financial model used in this study, it was assumed that three years of Sierra County PLHA allocations would be contributed to an NPLH project, for a total of \$387,016. It is also anticipated that a \$13 million competitive allocation NOFA will be released in August 2020.
- *Homeless Housing, Assistance and Prevention Program (HHAP)*— The HHAP is a one-time block grant administered by the State of California that provides local jurisdictions with funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges. Funds were allocated to each of the 58 counties and to the local Continuums of Care that counties are members of. Eligible activities for HHAP funding include permanent housing.
- *State HOME Funds*— Funds allocated competitively by State HCD for the development of permanent affordable housing.

- *State Community Development Block Grant (CDBG) Funds*— Funds allocated competitively by State HCD. CDBG can fund predevelopment and site costs, but not the capital costs of building permanent housing.
- *Project-Based Section 8 Vouchers*— Rental assistance dedicated to units within an affordable housing property that pays the difference between 30% of tenant income and market rents. The market rents can support more debt than would otherwise be supported without rental assistance, and can also cover other operating costs. The Plumas County Community Development Commission administers Section 8 vouchers for Sierra County, a portion of which could be project-based. Project-Based Section 8 Vouchers are critical to financial feasibility for an NPLH project due to the low rents collected from NPLH tenants.
- *County and City General Funds*

FINANCIAL MODEL ASSUMPTIONS

The purpose of developing a financial model is to compare potential sites for financial feasibility and efficiency. While in reality each project would have a unique cost and financing structure, the financial model is a tool to compare the financial feasibility of developing on different sites. To conduct this comparison evenly across sites, the model included consistent assumptions and model inputs. Below is a summary of the unit mix, size of improvements, building envelope, development costs, financing sources, and cash flow inputs to the model.

- **Number of Units**— The methodology described above was used to determine the minimum and maximum possible units that could fit within a site as determined by site size, characteristics and zoning. The Site Feasibility Study analyzed a 10-unit acquisition/rehab project type and a 20-unit new construction project type, as feasible scales for project financing, market absorption, and neighborhood integration.
- **Unit Mix**— The unit mix was structured to be most advantageous to apply for public funding. For both project types, all units are studios, and all units except the manager’s unit are NPLH-assisted and targeted to homeless individuals. The NPLH program allows all units to be NPLH-assisted if the project has 20 or fewer units. Otherwise, NPLH-assisted units are limited to less than half of the units in the project.
- **Size of Improvements**— The square footage of improvements was estimated by making the following assumptions:
 - Studios— 200 square feet each
 - Circulation— 10% of total unit square footage
 - Common Space— 1,000 square feet
- **Building Envelope**— The Building Envelope was estimated to ensure that the size of improvements calculated as described above could fit within it. This was done by taking the site size multiplied by the zoning code allowable lot coverage ratio for a one-story building. The estimated area of zoning-required parking was also estimated, and if this area exceeded the unbuildable space per the lot coverage ratio, it was used in place of the lot coverage ratio and subtracted from the site size to estimate the building envelope.
- **Development Costs**—
 - Property values were estimated using comparable sales and list prices, and costs cited in Housing Elements, factoring in location, zoning, availability of sewer and water infrastructure, property size, and appreciation. Because property tax assessments are significantly undervalued if a property has not been sold in recent years, closed and listed comparables were used to estimate property prices. If the property

tax assessed value was higher than the estimated per acre price, the property tax assessed value was used. For properties listed for sale, the asking price was used.

- Demolition costs by a rough estimate were included if necessary
 - Construction costs were estimated at \$280 per square foot, which is a typical current rate for affordable multifamily structures in rural Northern California
 - Rehabilitation costs were estimated at \$220 per square foot, which assumes a comprehensive rehabilitation and conversion of office spaces to residential units
 - Construction interest was estimated at a 5% interest rate over a 12-month construction period and a 5-month lease-up/conversion period for new construction; or a 6-month construction period and 3-month lease-up/conversion period for rehab
 - Planning, building permit and impact fees were estimated using current Sierra County Fee Schedules
 - Capitalized Reserves were estimated based on lender requirements, including a Capitalized Services Reserve with annual draws to help fund case management supportive services to NPLH tenants
 - Developer Fee was estimated at the TCAC maximum for the 20-unit new construction project type, and at \$30,000 per unit for the acquisition/rehab project type
 - Other soft costs were estimated at current typical rates, with total soft costs at 14% to 16% of Construction Costs, which is typical for this development type
- Financing Sources—
 - Commercial Permanent Loan— Due to the sizes of the project types and limited revenue from extremely low rents, commercial permanent loans with monthly debt payments were not included as financing sources
 - 9% Tax Credit Equity— was considered but determined to be infeasible for the two sites assessed due to project size constraints and site location
 - Non-Competitive NPLH— \$500,000 as allocated to Sierra County
 - Competitive NPLH— loan amount based on current NPLH loan limits per NPLH-assisted unit
 - Local Funds— \$100,000 of PLHA funds for the 10-unit rehab project type (three years of annual allocations to Sierra County); \$387,016 PLHA funds for the 20-unit new construction project type
 - Developer Funds— in an amount to fill any remaining gap between Financing Sources and Uses; includes Deferred Developer Fee and General Partner capital
 - Cash Flow Inputs—
 - Income was estimated at the current TCAC AMI limits for the Unit Mix; Project-based Section 8 vouchers were assumed for the NPLH-assisted units with contract rents set at HUD's Fair Market Rent for the area

- 5% vacancy rate
- Operating costs at the TCAC minimum threshold of \$4,800 per unit per year
- Replacement reserve deposits at the TCAC minimum of \$500 per unit per year
- Support Services costs at \$4,000 per NPLH-assisted unit for case management, a resident services coordinator, and other supports

SCORING CRITERIA

Each property was evaluated and scored from 1-3 (1 being worst and 3 being best) by the following criteria. The properties were then ranked by score as shown on the Sites List in Appendix A.

Development Feasibility

- How do the property's physical characteristics (topography, vegetation, access from the street, wetlands, slope) impact the prospects for housing development?
- Is the property listed for sale? If not listed, is it known if the owner is interested in selling?
- Would development require the assembly and merger of multiple parcels, and if so, do the parcels have one owner, or multiple owners?
- Is there known or potential environmental contamination?
- Does the zoning permit multifamily housing by right, or does it require a use permit or re-zone?

Financial Feasibility

- Is the site eligible for public subsidies?
- Does the location allow the site to score well for competitive funding applications?
- Would development on the site be financially stable over long term operations?
- How efficient would development on the site be in terms of Local Funds required?

Community Benefit

- How many affordable units could feasibly be built on the site?
- How many NPLH units for homeless individuals could feasibly be built on the site?
- How much room is available for on-site common spaces and supportive services?
- How well does the site support a project that can sustainably provide supportive services to project residents over the course of operations?

Neighborhood Integration

- What is the site's proximity to public transportation and services (grocery stores, parks, schools, libraries, hospitals and clinics, pharmacies)?
- How walkable is the neighborhood?
- Are adjacent land uses compatible with affordable housing?
- How likely is it that the development would receive neighborhood opposition?

RANKING

The two sites analyzed were ranked as follows:

1. 701 Main Street, Loyalton (9 Points)
2. 130-132 Smithneck Rd., Loyalton (5 Points)

It is recommended that the County conduct further investigation on these sites in partnership with a selected developer. The sites have been scored and ranked based on site characteristics. However, a key factor that will differentiate the sites will be local financial and political support.

Descriptions of each property and rationale for its ranking position follow.

1. 701 Main Street, Loyalton (9 points)

This 10,018 square-foot property is improved with a one-story office building and is located in the center of town at East Main and 1st Street. It is zoned R1/Commercial, but will allow residential use at 12 units per acre. It is currently listed on the market for sale. The building was constructed in 1981 and is 2,000 square feet. It was formerly leased to a pharmacy, professional office, and services spaces. There are 10 off-street parking spaces on the side of the building along 1st Street. The lot is rectangular in shape. It is adjacent to businesses, churches and single-family homes.

- Development Feasibility (3 Points)
 - Pros: The site has a structure in good condition that can be converted to housing. All necessary utilities serve the site. It is listed for sale.
 - Cons: None.
- Financial Feasibility (2 Point)
 - Pros: Will not require tax credit equity for development, which shortens the timeframe and increases the predictability for securing funds. The project can be developed with fewer overall funds and within a shorter timeframe than a new construction project.
 - Cons: The Local & Developer Funds required per unit, and Property Price Per Projected Unit, is much higher than the other site analyzed. Rehabilitation of an existing structure carries unknowns related to the current condition of the structure.
- Community Benefit (1 Point)
 - Pros: The zoning will allow 12 units on the site. It is projected that the existing structure would be converted to house 10 studios, with 9 NPLH-assisted units for homeless individuals.
 - Cons: Does not provide as many affordable units as the vacant sites analyzed in Sierra and Plumas Counties with new construction
- Neighborhood Integration (3 points)
 - Pros: Within 600 feet of Sierra County Human Services and a grocery store; within 1 mile of a medical clinic, park, and library.
 - Cons: None.

2. 130-132 Smithneck Rd., Loyalton (5 Points)

This site consists of two parcels adjacent to one another, located south of Loyalton in the Sierra Brooks Community. The two parcels combined are 4.21 acres and zoned for residential development. This site was identified in the Plumas County Housing Element as part of the vacant land inventory, and it is also listed for sale. It is vacant with desert terrain and little vegetation. Smithneck Road runs along the south frontage and provides adequate street access. Water, sewer and natural gas infrastructure are not available to the site, and therefore it would require well, septic and propane service.

- Development Feasibility (2 Points)
 - Pros: The site a good size, and is vacant with little vegetation. It is zoned for residential uses and is listed for sale.
 - Cons: Water, sewer and gas infrastructure are not available to the site.
- Financial Feasibility (1 Point)
 - Pros: If a project developed on this site were to receive tax credits, it would not require any local or developer funds. However, it appears unlikely that the project would receive tax credits because it would not receive any points for nearby site amenities.
 - Cons: In addition to challenges with competing for tax credits, the site location makes it difficult to find a tax credit investor to participate in a development at the projected size of 20 units, especially because it is located in a very rural area. Local funds would need to fill the gap.
- Community Benefit (1 Point)
 - Pros: Residential zoning will allow 50 units on the site. However, lack of water and sewer infrastructure limits the project size to 20 units, which would include 19 NPLH-assisted units for homeless individuals. There is adequate space for management and services offices, and on-site amenities such as a community room, as well as on-site parking.
 - Cons: Lack of infrastructure limits development capacity.
- Neighborhood Integration (1 point)
 - Pros: None.
 - Cons: Not within 2 miles of any amenities.

SITE COMPARISON

Below is a more detailed analysis of the two sites considered and a comparison between the two. This includes an assessment of advantages and disadvantages for each site. The comparison is intended to assist the County in prioritizing a site and planning next steps to move forward with its development.

1. 701 Main Street, Loyalton

The commercial building at 701 Main Street is listed for sale and offers an opportunity to save on total development costs by rehabilitating and converting an existing structure to permanent supportive housing. A capital needs assessment would need to be conducted, but it appears that it is in good condition and has been well-maintained. It has leased spaces arranged with entrances on either side of an unconditioned central corridor, with security gates on both ends. About 10 spaces of off-street parking is provided on the west side, or 1st Street side, of the building, with stalls arranged at perpendicular 90-degree angles to the street. The main entrance and on-street parking is on the south side, or Main Street side, of the building. Surrounding land uses include a single-family house to the north, the Golden West Restaurant to the east, the Blue Moon Bakery to the south, and a vacant lot to the west. A small grocery store and Plumas Bank are across the street on the southeast corner of Main Street and 1st Street. The Sierra County Human Services office is only a three-minute walk away to the south, on Front Street. The surrounding neighborhood is a mix of older homes, historic buildings, stores, and churches.





Advantages

- Using existing building lowers overall cost and shortens development timeline.
- Could potentially be developed without a commercial loan or competitive tax credits.
- Water, sewer, electricity infrastructure are already in place.
- Located within walking distance of a variety of amenities, including Sierra County Human Services, a grocery store, bank, and post office.

Disadvantages

- 0.24-acre lot cannot accommodate more than 10 units.

Development Type

The commercial building is about 2,000 square feet, which can be converted to residential uses in a number of different ways. For the financial analysis, it was assumed that the building would include 10 200-foot SRO/Studio type units with in-room kitchenette and private bathroom. One of the units would be set aside for an on-site manager and the rest of the units would house homeless individuals. All units would be assisted by NPLH funds. Below is a breakout of this design scenario as well as other alternatives, which could include: larger units, an off-site manager, a services and office space, or a retail space.

Scenario 1	Type	No. of Units	Square Feet
NPLH-assisted Units	Studio	9	200
Manager's Unit	Studio	1	200

Scenario 2	Type	No. of Units	Square Feet
NPLH-assisted Units	Studio	8	250

Scenario 3	Type	No. of Units	Square Feet
NPLH-assisted Units	Studio	8	200
Community Room, Office, and/or Retail Space		1	400

Scenario 3 would require more local funds to pay for the common areas and/or retail space, as they would not be assisted by NPLH funds. However, these spaces would provide areas for residents to socialize and build a support network. Retail space would provide opportunity to engage and integrate with the community. The retail space could potentially be used as a resident owned enterprise, which offers a means for tenants to develop skills and business experience, and earn money. An example of this type of business located within a permanent supportive housing project is Sensible Cyclery, operated out of Avenida Apartments in Chico. This is a bicycle repair and resale shop. Chico residents donate bikes that are then refurbished and resold to the public. The Avenida Apartments residents can participate in various facets of the business, including bike repair. The project is a rehabilitation of a former motel on the Esplanade and is owned and operated by Caminar, Inc., with funding assistance provided by the City of Chico and Butte CoC.

It is projected that this project could be developed with an estimated \$1 million in shared Noncompetitive NPLH funds between Plumas and Sierra Counties, \$1.7 million in Competitive NPLH funds, and about \$100,000 in PLHA funds. The combining of the Plumas and Sierra Noncompetitive NPLH funds would provide the flexibility to increase the amount of PLHA funding in the project to improve scoring in the Competitive NPLH application for leverage of local resources. If Plumas and Sierra Counties did not combine their Noncompetitive NPLH, the remaining \$500,000 could come from a combination of PLHA, HUD CoC, and/or other local funds. The small project size and limited rental income would not support commercial debt or a tax credit investment. The funding structure would require Section 8 Project Based Vouchers for all of the NPLH-assisted units.

2. 130-132 Smithneck Rd., Loyalton

This 4.21-acre property located south of Loyalton in Brooks-Sierra is listed for sale at \$65,000. At \$15,439 per acre and \$0.35 per square foot, this is an affordable price when compared to other vacant properties reviewed for affordable housing in nearby Plumas County. However, the site does not have access to water, sewer and natural gas infrastructure, and would require on-site well, septic and propane. This limits the number of units that could be constructed on the site. Otherwise, the site has advantageous features for development, as it is vacant with little vegetation, and mostly flat with good street access from Smithneck Road. Adjacent surrounding uses are open space and single-family residential on large lots. There are no amenities within two miles of the site, which makes it difficult for a project on the site to compete

for tax credits. Local funds would need to fill the gap necessary to complete project financing.

Advantages

- Affordable price.
- Vacant and flat with good street access.

Disadvantages

- No water, sewer or gas infrastructure service available to the site.
- No amenities within two miles.
- Difficult to secure tax credits because of the site location.

Development Type

The site's zoning and size would accommodate 51 units on the site. However, the lack of water and sewer infrastructure available to the site restricts the number of units that could be built. Since it is unlikely that a project on the site could secure tax credits, a significant portion of funding would need to come from local sources. This financial constraint also limits the project scale. It is projected that 20 affordable units would be built on the site, with 19 NPLH-assisted units for homeless individuals. There is adequate space for management and services offices, and on-site amenities such as community room, laundry rooms, and on-site parking.

The financial model for the 20-unit project type on this site would require that an estimated \$1 million would be loaned to the project in shared Noncompetitive NPLH between Plumas and Sierra Counties, \$3.7 million from Competitive NPLH, \$387,016 in PLHA, and \$100,000 in deferred developer fee. It will be very challenging to finance the project without the combined Plumas and Sierra County Noncompetitive NPLH loan. The small project size and restricted rents would not support debt for a commercial loan. The site location would likely not make a project developed on it competitive for tax credits.

Analysis

The 701 Main Street site is superior to the 130-132 Smithneck Road site for a number of reasons, as described above. To summarize, the following are the major advantages of the 701 Main Street site:

- Lower development costs;
- Stronger application to Competitive NPLH due to lower development costs and better leverage of local sources;
- Shorter development timeframe;
- Provision of utility infrastructure; and
- More advantageous location that is much closer to amenities, including services.

Recommended next steps to pursue acquisition of the 701 Main Street site include:

1. Issue an RFQ to potential NPLH Development Sponsors.
2. Select a Development Sponsor.
3. Work with Development Sponsor to assess the site, including a financial analysis.
4. If County and Development Sponsor agree to move forward with the site, enter into a purchase contract with seller.
5. Utilize purchase contract contingency period to conduct a capital needs assessment, title review, and further financial analysis.

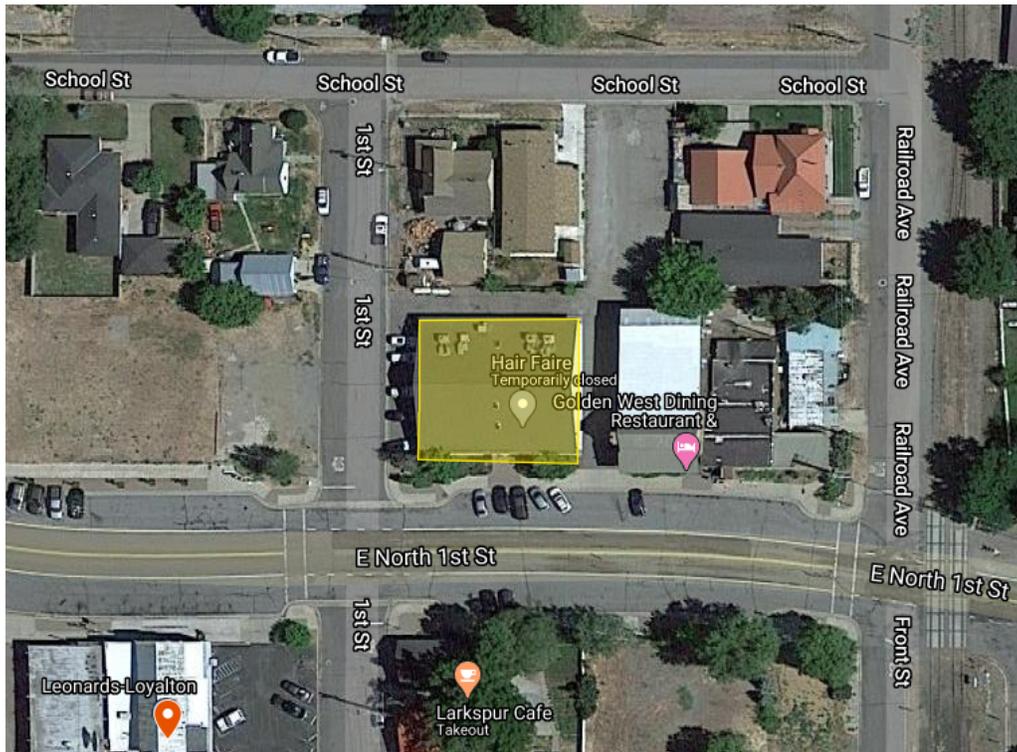
Appendix A: Sites List

Ranking	APN	Address	Acres	Property Price	Property Price/Acre	Property Price/SF	Zoning	Zoning Density (DU/AC)	Zoning Max Capacity	Projected Total Units	Projected Homeless NPLH Units	Property Price Per Projected Unit	Local & Developer Funds Required	Local & Developer Funds Required Per Unit	Total Score
1	017-085-009	701 Main Street, Loyalton	0.24	\$399,000	\$1,662,500	\$38.17	R-1/Commercial Building	12	3	10	9	\$39,900	\$100,000	\$10,000	9
2	016-190-003, 016-190-004	130-132 Smithneck Rd., Loyalton	4.21	\$65,000	\$15,439	\$0.35	Residential	12	51	20	19	\$3,250	\$487,016	\$24,351	5
Average of All Sites			2.23	\$232,000	\$838,970	\$19.26		12	27	15	14	\$21,575	\$293,508	\$17,175	7

#1 – 701 MAIN ST, LOYALTON

APN	017-085-009
Jurisdiction	Loyalton
Size (Acres)	0.24
Zoning	R-1/Commercial
Property Price	\$399,000
Price/Acre	\$1,662,500
Price/SF	\$38.17
Price Per Projected Unit	\$39,900
Zoning Max Capacity	2.88
Projected Total Units	10
Projected NPLH Units	9
Local & Developer Funds Required	\$100,000
Local & Developer Funds Per Unit	\$10,000

Development Feasibility	3
Financial Feasibility	2
Community Benefit	1
Neighborhood Integration	3
Total Score	9

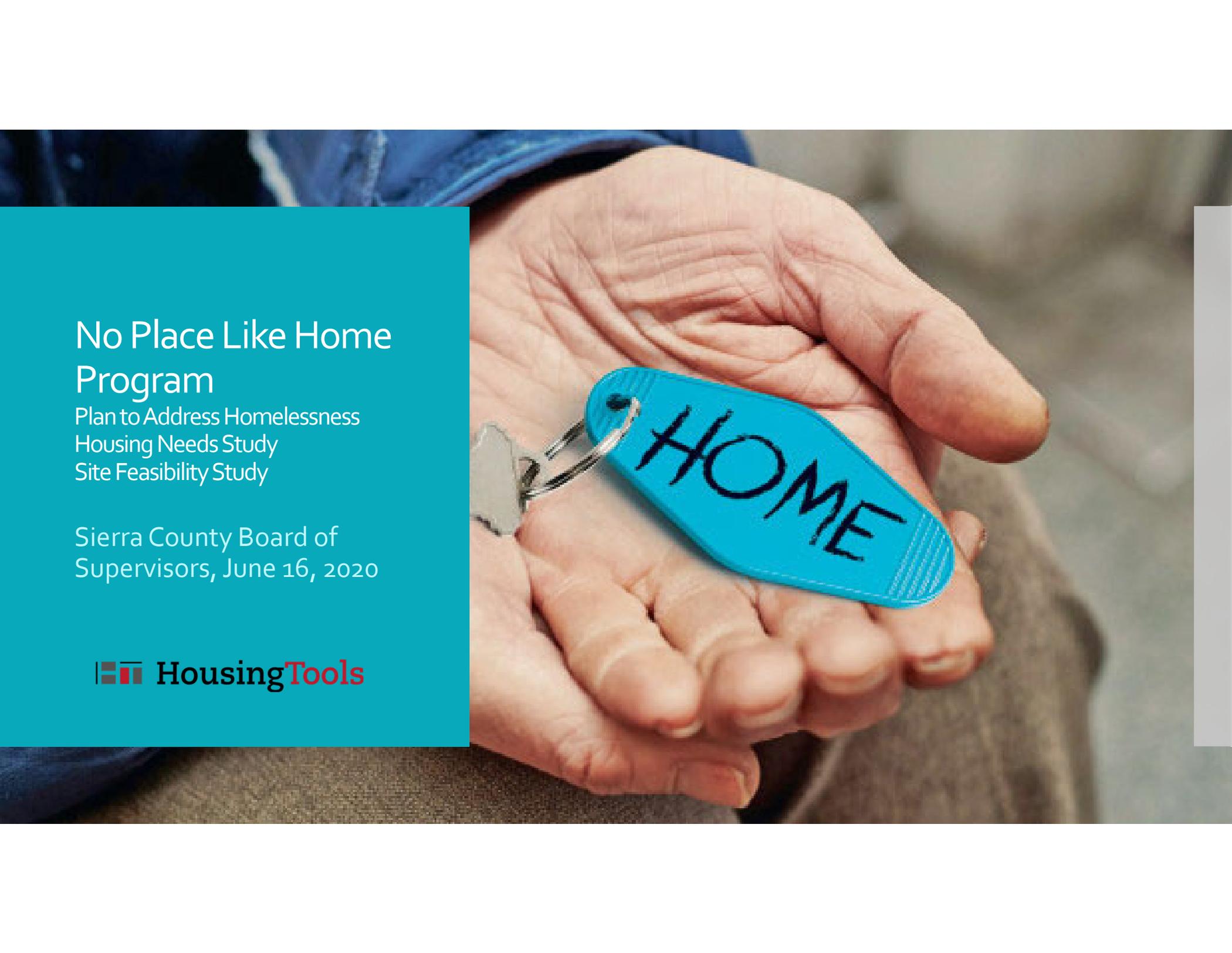


#2 130-132 SMITHNECK RD, LOYALTON

APN	016-190-003 016-190-004
Jurisdiction	Loyalton
Size (Acres)	4.21
Zoning	Residential
Property Price	\$65,000
Property Price/Acre	\$15,439
Property Price/SF	\$0.35
Property Price Per Projected Unit	\$3,250
Zoning Max Capacity	50.52
Projected Total Units	20
Projected NPLH Units	19
Local & Developer Funds Required	\$487,016
Local & Developer Funds Required Per Unit	\$24,351

Development Feasibility	2
Financial Feasibility	1
Community Benefit	1
Neighborhood Integration	1
Total Score	5





No Place Like Home Program

Plan to Address Homelessness
Housing Needs Study
Site Feasibility Study

Sierra County Board of
Supervisors, June 16, 2020

 **HousingTools**

No Place Like Home Program (NPLH)



State funding through Housing and Community Development enacted in 2016

Funding to be used to create supportive housing units for those who are homeless with a serious mental illness in each county



Two types of allocations:

Noncompetitive: Sierra County can receive \$500,000 in Noncompetitive Allocation Funds

There is also a Competitive Allocation process where counties compete within a category of like-size counties with \$20 million maximum per project (competitive and noncompetitive)



Target Population:

Individuals in the community experiencing homelessness with severe mental illness

County and Development Sponsor Roles

- Counties will partner with a Development Sponsor, who will co-apply for the funds, then develop, own and manage the housing units.
- The Development Sponsor is responsible for all aspects of the project development, and secure sustainable financing.
- The Development Sponsor, as the owner of the project, will be the party that executes a loan agreement with the State, not the County.
- The Development Sponsor will partner with County's Behavioral Health to provide support services, as well as facilitating their access to other community support services.

NPLH Status

This Board adopted a resolution in 2019 to accept the County's Non-Competitive allocation

The next part of the threshold requirements, which is the Plan to Address Homelessness, will be considered today

An RFQ to solicit a Development Sponsor has been drafted, and a Site Feasibility Study has been completed

The Plumas and Sierra Counties Plan to Address Homelessness

- The NPLH application guidelines require that each county has a Plan to Address Homelessness, that certain key elements are included in the Plan and that it is developed through a collaborative community process with identified stakeholders.
- The Plan to Address Homelessness before you today was developed and written to comply with application guideline requirements.
- Sierra and Plumas Counties decided to develop a two-county Plan, as the counties work closely together and share many commonalities.
- The Plan includes a snapshot of homelessness, current services provided, and solutions to homelessness that were identified by Plumas-Sierra Counties Continuum of Care and engaged stakeholders.

Homeless Plan Key Findings

- The number of individuals experiencing homelessness has averaged 10 people each year, based upon the 2019 and 2020 PIT counts. Most of these individuals are chronically homeless and all have been unsheltered.
- The County Office of Education reported 12 children experiencing homelessness in 2019, which includes those doubling up with family or friends.
- There are no emergency shelters or motels where vouchers could be used to shelter individuals in Sierra County. This means that unsheltered homeless individuals camp in the warmer months and must find someone to temporarily take them in during the winter. Having some type of winter shelter option was identified as a key goal, as well as working with RV parks to explore emergency housing trailers.

Homeless Plan Key Findings

- The closure of the mobile home park in Loyalton had a significant impact on homelessness. Mobile homes are an important source of affordable housing.
- Many people cite the lack of affordable housing and jobs as a contributing factor for their homelessness.
- There is no transitional or supportive housing for individuals with special needs. One of the goals identified is to develop these types of housing, utilizing funding available through the State and the Continuum of Care.
- Efforts will be made to work with the Plumas Community Development Commission to better understand how landlords could be engaged to accept Housing Choice Vouchers.

Board of
Supervisors
Action on the
Plan to
Address
Homelessness

Because the Plan is a threshold requirement to apply for the NPLH funds, it is requested that the Board approve the Plan and direct staff to submit the Plan to the State Department of Housing & Community Development.

The Housing Needs Study

- The Housing Needs Study is not a requirement of No Place Like Home. The County commissioned this study to provide additional in-depth information on housing conditions in the County.
- It describes general housing market conditions and needs and identifies development opportunities.

Key Findings from the Housing Needs Study

- There is a clear shortage of smaller units for small households and an oversupply of larger units.
- About 2/3 of residential units were built in 1979 or earlier and about 1/3 of those were built in 1949 or earlier. This likely indicates a high need for rehabilitation of older houses.
- The County experienced a net loss of 6 residential units from 2015-2020; a major contributor was the demolition of the mobile homes at Loyalton Mobile Estates.

Key Findings from the Housing Needs Study

- There is a significant shortfall of at least 427 units that are affordable to low income households in the County.
- A review of recent vacation home postings show that many are transitioning from weekly leases to lower priced, longer term leases, likely due to COVID 19. This provides an opportunity to provide more housing for middle and lower income households by increasing the overall rental stock available to local residents.

NPLH Housing Site Feasibility Study

- The purpose of this Study is to research the potential of sites for the development of NPLH-assisted Permanent Supportive Housing and identify the most attractive sites in terms of development feasibility, financial feasibility, community benefit and neighborhood integration.
- The property search focused on the town of Loyaltown, which has adequate infrastructure and services to support Permanent Supportive Housing and also has a strong need for such housing.
- The Study includes a description of the methodology and process to conduct the analysis, an explanation of the financial model used to compare sites and the funding sources used in the financial model. The concluding section consists of the scoring criteria description, ranking rationale and site descriptions with key metrics and scores.
- The appendices include detailed information on each site.

NPLH Housing Site Feasibility Study

- Two sites were analyzed in Loyalton:
- Existing office building that could be converted to supportive housing units at 701 Main Street
- A vacant site that would accommodate new construction of 20 supportive housing units at 130-132 Smithneck Road

701 Main Street

- Of the two sites, this ranks the highest
- It is listed for sale
- Could save on development costs since it would be a rehabilitation of an existing building with infrastructure in place
- Services for residents are within walking distance
- Includes the potential for common areas for the tenants and retail space for a resident-owned business enterprise
- Would be limited in size, no more than 10 units

130-132 Smithneck Road

- Is listed for sale
- Does not have access to water, sewer and natural gas; would require on-site well, septic and propane.
- No amenities within two miles of the site.
- Would be difficult to secure tax credit financing due to site location.

Recommended Next Steps

- 1. Issue an RFQ to potential NPLH Development Sponsors
- 2. Select a Development Sponsor
- 3. Work with Development Sponsor to assess the site, including a financial analysis
- 4. If County and Development Sponsor agree to move forward with the site, enter into a purchase contract with the seller.
- 5. Utilize purchase contract contingency period to conduct a capital needs assessment, title review and further financial analysis.

Questions?