

**PLUMAS COUNTY BEHAVIORAL HEALTH SERVICES**

270 County Hospital Road, #109 Quincy, CA 95971

PHONE (530) 283-6307 FAX (530) 283-6045

---



**Tony Hobson, Ph.D., Director**

**Date:** June 5, 2020

**To:** Honorable Board of Supervisors

**From:** Tony Hobson, Director 

**Agenda:** Agenda Item for June 16, 2020 Meeting

**Item Description:** Requesting the Board to approve the Plumas and Sierra Counties Plan to Address Homelessness, to accept the Plumas County Housing Study, and to authorize County staff to issue a Request for Qualifications (RFQ) to solicit information from potential Development Sponsors to pursue a NPLH project in Plumas County.

---

**Recommendation:** It is respectfully recommended that the Board:

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

**Background and Discussion:** 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 illness. 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 Plumas, 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 July 2019. In addition, counties can also choose to apply for Competitive funds and will compete within a category of like-size counties. Plumas 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 (PLHA), 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.

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 Sierra 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 Report are attached as Exhibits A and B. 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 Advisory Board and was facilitated through multiple 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 experience homelessness.

#### Key findings:

- An estimated 20.1% of the County's population (or 3,725 individuals) have a disability of some type, whether physical, mental or developmental. By comparison, there are fewer than 20 single-occupancy transitional housing units with features and services specifically for people with disabilities in the County. One of the Plan's objectives is to develop 50 more beds of transitional housing in the County over the next five years.
- The 2020 Point-in-Time (PIT) Survey counted a total of 115 homeless individuals on the day of the count. Of these, 38 individuals were sheltered and 77 were unsheltered. This is an increase from the 53 people counted in 2019 and the 83 people counted in 2018.
- The County has experienced an increase of families experiencing homelessness, single men who are chronically homeless, and those transitioning from jail, probation, or parole. Approximately 18% of individuals counted in the 2020 PIT were children or youth under age 24, 19% were chronically homeless, and 24% had a felony conviction.
- The Plumas County Office of Education counted 120-150 homeless children in the County in 2018 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.

### **Plumas 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

- Making homes available to lower income households and first-time homebuyers will help Plumas County retain workers and strengthen the economy.
- Two out of every three households earning less than \$35,000 pay 30% or more of income on housing.
- The large majority of Plumas County households earn less than \$75,000 (66%).
- The Plumas County median sale price of homes decreased by 8.7% from \$263,000 in 2016 to \$240,000 in 2019.
- There is a bifurcated housing market in Plumas County between vacation homes and investment properties on one hand, and homes for people that work and live in Plumas County on the other.

#### Housing Availability & Type

- There is a significant shortfall of at least 2,199 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. This demonstrates the need for Plumas County to fund and incentivize the production of studio and one-bedroom units.
- There are 2,388 homeowners in the County without a mortgage (39% of all homeowners). This statistic, as well as the high proportion of households that are smaller and over age 64, indicate that there may be a significant proportion of homeowners that prefer to sell their home to realize its equity and live in a low-maintenance apartment.
- Mobile homes are the second largest housing type in the County after single-family detached structures, at 14% of all residential structures. This is much higher than the statewide rate of 4% mobile homes.

- There may be potential to provide retirement homes or communities. Housing tailored to seniors is a growing market as Baby Boomers age and the County offers the natural beauty and rural lifestyle that many retirees find attractive. Areas that may offer advantages for this type of development include Chester and the area around Lake Almanor, Greenville, and Quincy.

Next Steps:

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

Once finalized, staff will submit to the Board for acceptance the No Place Like Home Housing Site Feasibility Study for Plumas County (forthcoming).

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 entering into an agreement, which would allow the selected entity to pursue a project in Plumas County.

These projects were completed with funds awarded by the California Department of Housing and Community Development from a No Place Like Home Technical Assistance Grant.

Thank you.