



COUNTY OF NEVADA HEALTH & HUMAN SERVICES AGENCY

950 Maidu Ave.
Nevada City, California
95959

HHSA Agency Director
Ryan Gruver

Telephone (530) 265-1627
Fax (530) 265-2295

Department Directors
Phebe Bell, Behavioral Health
Jill Blake, MPA, Public Health
Mike Dent, MPA, Child Support Services/Collections and
Housing & Community Services
Tex Ritter, JD, Social Services

NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: February 25, 2020

TO: Board of Supervisors

FROM: **Mike Dent – Housing & Community Services**

SUBJECT: Resolution authorizing commitment of Health and Human Services Agency funds in the amount of \$150,000 to the Regional Housing Authority in furtherance of the proposed funding and development of the Brunswick Commons affordable housing project on County-owned property located at 936 Old Tunnel Rd., Grass Valley, CA (APN No. 035-400-054).

RECOMMENDATION: Approve the resolution.

FUNDING: The \$150,000 of county funding will come from HHSA sources available for Housing and Homelessness, including Behavioral Health SB-90 funds (\$70,000) and Inter-Governmental Transfer Revenues from HHSA Administration (\$80,000). There is no impact on the General Fund and a budget amendment is not needed at this time.

BACKGROUND: The County owns a 5.0+/- acre parcel of real property located at 936 Old Tunnel Road, Grass Valley, CA 95945, (APN No. 035-400-054), hereafter “Property.” It is the intent to retain ownership of the Property and utilize a portion of the parcel in furtherance of the development of a proposed affordable housing project, a 41-unit affordable apartment complex providing supportive housing to the homeless and the mentally ill, referred to as “Brunswick Commons” (“Project”). This proposed Project supports the Nevada County Board of Supervisors’ Priority to continue efforts to prevent homelessness, provide emergency shelter, expand supportive services, secure housing, and enhance coordination to address the needs of the homeless population and to mitigate impacts on the community.

In September 2018, Nevada County Health and Human Services and the County Procurement Officer solicited proposals for a Development Sponsor to apply for competitive No Place Like Home (NPLH) funds to develop a NPLH housing project, resulting in the submittal of one proposal, Hospitality House. On October 24, 2018, a review panel selected Hospitality House, and on December 11, 2018, the Nevada County Board of Supervisors approved a contract with Hospitality House for completion of eligible NPLH development activities, and declared Hospitality House a Development Sponsor in furtherance of NPLH eligible development activities related to the Project.

On January 8, 2019, per Resolution 19-203, the Nevada County Board of Supervisors approved a Memorandum of Understanding (“MOU”) between the County of Nevada, Hospitality House, and the Regional Housing Authority, (Resolution 19-023) which memorialized the intent of the Parties to collaborate and work cooperatively on pre-development activities related to the construction of affordable housing, transitional housing, and a navigation center on the Property. Pursuant to the MOU, Regional Housing Authority was designated the Developer.

On January 22, 2019, per Resolution 19-044, the Nevada County Board of Supervisors approved Amendment No. 1 to the MOU (Resolution 19-044) to clarify site control over the Property for purposes of applying for NPLH funding, and providing the exclusive right to negotiate with the Regional Housing Authority, as Developer, for the acquisition of the Property for purposes of constructing the NPLH affordable housing project.

The Regional Housing Authority (RHA) has contracted with Pacific West Communities, Inc. (“PWC”), to be a co-Developer, operator, and manager of the Project. RHA & PWC intend to develop the Property utilizing 9% Low Income Housing Tax Credits and other funding sources in addition to NPLH, and have entered into an exclusive Option to Ground Lease Agreement (the “Option”) the Property with the County in order to apply for said funding and perform pre-development activities related to the Project.

In furtherance of the development of the proposed Project, the County is willing to grant RHA & PWC \$150,000 in additional funding to close any construction funding gaps that caused the TCAC application submitted in July of 2019 to be disqualified by the TCAC allocation committee and to enhance construction funding.

Item Initiated and Approved by: Mike Dent, Director – Housing and Community Services