



NEVADA COUNTY

CALIFORNIA

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DEPARTMENT OF HOUSING & COMMUNITY SERVICES

NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: January 13, 2026

TO: Board of Supervisors

FROM: **Tyler Barrington, Director of Housing and Community Services**

SUBJECT: Resolution extending the Exclusive Right and Option to Purchase Agreement for property located at 405 South Auburn Street, Grass Valley, CA 95945 (APN:008-510-042) to June 30, 2026, and authorizing the Chair of the Board of Supervisors to execute and exercise the Exclusive Right and Option to Purchase Agreement in furtherance of development of permanent supportive housing upon successful application of the Homekey+ grant award.

RECOMMENDATION: Approve the attached Resolutions.

FUNDING: Purchases of properties are contingent upon a successful award of Homekey+ grant funding. There is no impact on the General Fund and a budget amendment is not needed at this time.

BACKGROUND: Proposition 1, passed by California voters in March, 2024, authorized the California Department of Housing and Community Development to provide availability of approximately \$2.145 billion of Homekey+ grant funding through the Notice of Funding Availability (NOFA) issued November 26, 2024. Building on the success of Project Homekey Round 2, Homekey+ is a statewide effort to rapidly sustain and expand housing for persons at risk or experiencing homelessness with a focus on veterans and other individuals with mental health and/or experiencing substance use disorder challenges by utilizing State and Federal money to purchase real property housing options within the community.

On May 13, 2025, the Board approved a resolution to apply for Homekey+ funds for this project. The Health and Human Services Agency is proposing an Exclusive Right and Option to Purchase Agreement for the Stagecoach Motel, located at 405 South Auburn Street, Grass Valley, CA 95945. The purchase is contingent on a successful award of the Homekey+ grant funding. If awarded, this funding will be used to purchase and renovate the Stagecoach Motel with the plan to create a total of 17 permanent housing units with a portion of these units focused on and reserved for Veterans.

On June 3, 2025, the Board approved Resolution 25-241, which through mutual agreement with the seller, established and approved an Exclusive Right and Option to Purchase Agreement for the Stagecoach Motel property located at 405 South Auburn Street, Grass Valley, CA 95945. The agreement terms included an expiration date of November 30, 2025. As the result of the County's due diligence as well as the State review process for the County's Homekey+ application that has taken longer than originally anticipated, it is necessary to extend the agreement to allow for further assessment of the property prior to deciding on moving forward with the purchase of the property. It is requested that this Board approve the Resolution pertaining to the Exclusive Right and Option to Purchase Agreement, extending the term of the agreement to June, 2026. A formal purchase agreement will be brought before the Board of Supervisors at a later date, if deemed appropriate.

Item Initiated and Approved by: Tyler Barrington, Director of Housing and Community Services