



Health and Human Services Agency

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BEHAVIORAL HEALTH DEPARTMENT

NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: December 16, 2025

TO: Board of Supervisors

FROM: **Phebe Bell, Director of Behavioral Health**

SUBJECT: Resolution ratifying a purchase agreement for real property located at 135 East Empire Street, Grass Valley, California, 95945 (APN: 029-290-015) for use as permanent supportive housing pursuant to the California Department of Housing and Community Development's Homekey+ Single-Family Scattered Sites Program; authorizing and directing the Auditor Controller to release \$595,000 from Fund 1589, and amending the Behavioral Health Department Homelessness budget for Fiscal Year 2025/26; and authorizing the Director of Information and General Services, or their designee to execute all escrow documents related to the purchase on behalf of the County (4/5 affirmative vote required).

RECOMMENDATION: Approve the attached Resolution.

FUNDING: The purchase of the residential property will temporarily be funded utilizing Behavioral Health fund balance. Homekey+ funds as authorized by Proposition 1, passed by voters in March 2024 will be utilized to reimburse the Behavioral Health Department Budget upon execution of the Standard Agreement with the State Department of Housing and Community Development. Another budget amendment will be brought to recognize the grant revenue as well as a contract for construction and rehabilitation.

BACKGROUND: Proposition 1, passed by California voters in March 2024, authorized the California Department of Housing and Community Development (HCD) to provide availability of approximately \$2.145 billion in funds to expand on the success of the Homekey Program through Homekey+. The Notice of Funding Availability (NOFA) issued November 26, 2024, 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.

The Board of Supervisors on February 11, 2025, approved Resolution No. 25-060 to submit a Homekey + application not to exceed \$7,200,000 to purchase and renovate up to four residential homes for use as permanent supportive housing. Further, on October 14, 2025, the Board of Supervisors adopted an amended Homekey + Resolution (Resolution No. 25-475) for the Program at the direction of HCD to name AMI Housing as the County's co-applicant for the grant.

On August 12, 2025, the Board of Supervisors authorized the Director of the Health and Human Services Agency in closed session to negotiate the purchase price, terms of payment and property interest on behalf of the County for purposes of creating permanent supportive housing units funded through the Homekey + Single-Family Scattered Sites Program. The County has completed its grant required and residential due diligence for the property. Further, the purchase of the property will ultimately utilize State funds as reflected in the May 20, 2025, HCD Homekey+ Conditional Award for Single-Family Scattered Site Housing Program which conditionally awarded the County up to \$5,351,453 with the goal of expanding Nevada County Permanent Supportive Housing by up to 24-beds. On November 18, 2025, the Board of Supervisors approved a Resolution ratifying the purchase agreements for three additional properties specific to this Program. This property is the fourth and final site for this project. The execution of a Standard Agreement with HCD for the 2025 Homekey+ grant is pending and will be brought forward to the Board at a future date.

Pursuant to Government Code Section 25350, the County has provided public notice of the County's intent to purchase 135 East Empire Street, Grass Valley in the Union newspaper for three consecutive weeks prior to the Board's consideration of the attached Resolution. This notice outlines the following details regarding the proposed purchase:

135 East Empire Street, Grass Valley, California (APN: 029-250-015) consisting of 0.27-acres of real property containing an approximately 1,855 square foot single family home from David and Emily Rivenes, Trustees for the purchase price of \$585,000.

Subsequently, it is requested that the Board adopt the attached Resolution ratifying a purchase agreement for the real property located at 135 East Empire Street, Grass Vally, CA as outlined above, and authorize and direct the Auditor Controller to release up to \$595,000 (purchase price plus estimated closing costs) from Fund 1589 and amend the Behavioral Health Department Homelessness budget for Fiscal Year 2025/26. It is further requested that this Board authorize the Nevada County Director of Information and General Services, or designee, to execute all escrow documents related to the proposed purchase on behalf of the County.

Item Initiated by:
Item Approved by:

Tyler Barrington, Director of Housing and Community Services
Phebe Bell, Director of Behavioral Health and Homelessness