

**Investing in Housing for
People Experiencing Homelessness
in Nevada County**

2018-2019 Nevada County Grand Jury

Investing in Housing for People Experiencing Homelessness in Nevada County

Summary

Homelessness is a significant national, state and local issue. The 2018-2019 Nevada County Grand Jury (Jury) responded to a complaint relating to homelessness, prompting the Jury to investigate the subject and report its findings.

The number of people experiencing homelessness in Nevada County (County) is much higher than any count would suggest. The preliminary 2019 Point-In-Time (PIT) count is 404 but stakeholders agree this number should be at least doubled to represent the true number of individuals who are currently considered homeless. The majority of the people counted are long-term residents of the County and are not a transient population from out of the area.

The *Housing First* model of providing people experiencing homelessness with permanent housing has been endorsed by both the Federal Government and the State of California. *Housing First* is an evidence-based approach with proven outcomes that has become the best practice. Counties, municipalities, and community groups must endorse the *Housing First* model to be eligible for significant new federal and state funding that is being allocated to address homelessness.

In December 2018 the Nevada County Board of Supervisors (BoS) approved and adopted the *Ten Year Strategic Plan to Address Homelessness – 2018* (2018 Ten Year Plan). There was broad agreement by the participants in the development of the plan that the primary cause of homelessness in the County is the lack of affordable housing and the solution to ending homelessness is to have more affordable housing units.

The *Housing First* approach will present challenges to the County since the current availability of low-income housing is virtually non-existent. The strategies offered in the 2018 Ten Year Plan must be developed into a specific implementation plan with goals, priorities, planned outcomes, timelines, responsibilities, accountabilities, and key measurements to meet the very real challenge of insufficient low-income housing units.

The BoS and elected officials from throughout the County should form a collaborative entity, perhaps a Joint Powers Authority, with the mandate to establish county-wide rules and programs to facilitate the development of low-income housing. In the absence of a collaborative entity, the County should take the lead to determine how to provide low-income housing and invite developers and builders to participate. The County should coordinate with Grass Valley, Nevada City, and Truckee (the Municipalities) to develop a list of incentives for developers to construct low-income housing.

Homelessness is a community issue that financially impacts every resident of the County. For example, there are real costs associated with law enforcement activities including incarcerations,

medical/emergency room visits, clean-up of trash and human waste, damage to the environment, as well as increased risk of fires. Numerous studies across the country have shown that the public cost per person is cut in half when housing is provided. Every citizen in the County should be motivated to contact their elected officials and encourage them to fund low-income housing for those experiencing homelessness as a method to reduce overall County costs.

Federal, state, and local funds for social services primarily flow into the County as opposed to the Municipalities. The County is the only entity that can take the primary leadership position in addressing the homelessness issue. The BoS and Nevada County Chief Executive Officer (CEO) should embrace this role. Homelessness should be a regular agenda item for BoS meetings. Frequent updates on strategies and projects in a public forum will raise awareness and possibly garner support from a portion of the population that is not informed about the issue. Continued partnership with community service providers for outreach and education to the general public is vital.

The housing crisis, both nationally and state-wide, has resulted in substantial funding being allocated to address homelessness and more is on the horizon. Monitoring existing and new sources of funding and preparing the required applications are time-consuming activities, as is the management and oversight of existing and new programs. All require a high level of expertise and close collaboration with multiple parties to be successful. The CEO should conduct an assessment of the personnel required to capitalize on the opportunities being presented and submit an incremental staffing plan to the BoS. The bolstering of resources and the outsourcing of specific functions should be evaluated to place the County in the best position to be competitive and successful in securing additional federal and state funding.

Providing citizens experiencing homelessness with permanent housing is a best practice that has been proven to reduce the overall cost of caring for these vulnerable citizens. Development of adequate numbers of such housing units in the County will be a long-term project and there will be a continuing need for traditional emergency shelters, winter warming shelters, and other overnight options.

The Jury acknowledges that significant progress has been made in addressing homelessness in the County and specific highlights are provided in this report. The Jury was encouraged to see action taken by the BoS in January 2019 to purchase a five-acre parcel on Old Tunnel Road in Grass Valley for \$233,900. This parcel is slated for an estimated 10,000+ square-foot Day/Navigation Center and 40 housing units. Two significant state funding applications for this project have been submitted and results are pending.

Emergency shelters (Hospitality House is the largest in the County) offer a place for people to sleep but they must vacate the facility during the day. This creates the lack of a daytime destination for people experiencing homelessness which often leaves them back on the streets. The Jury fully endorses aggressive movement on development of the Day/Navigation Center on Old Tunnel Road as a first step toward giving citizens experiencing homelessness a destination during the day and access to critical services. The County should continue to partner with relevant stakeholders to secure funding for and commence construction of the Day/Navigation

Center as a top priority. The Nevada County Building Department should streamline construction requirements to open the Day/Navigation Center in the shortest time possible.

A warming shelter is a short-term emergency shelter that operates when weather conditions become dangerously inclement. Their primary purpose is the prevention of death and injury from exposure to the elements. The Jury was gratified to see the County, Nevada City, the Nevada City Police Department, Sierra Roots, the Salvation Army, the Veteran's Hall, and neighborhood constituents come together, pool their expertise and resources, and finalize a plan to open shelter options for the winter of 2018-19.

Current agreements were only in place for the 2018-2019 winter with no long-term plan. The BoS should allocate ongoing funding in its annual budget to support the operation of winter warming shelters. Existing agreements should be renewed by October 1, 2019 and should include more flexibility on the part of operators as to when weather conditions, both forecasted and actual, warrant opening.

Arresting people for sleeping outdoors was deemed illegal in 2018 by the United States Ninth Circuit Court of Appeals. In *Martin vs. City of Boise*, the court found "the Cruel and Unusual Punishments clause of the Eighth Amendment precludes the enforcement of a statute prohibiting sleeping outside against homeless individuals with no access to alternative shelter." Law enforcement is required to adhere to this decision. The County should explore the risks and benefits of designating and maintaining an approved camping location for overnight options. The analysis, findings, and conclusions should be shared with the public.

There are citizens in the County who are actively working to facilitate and expand programs and services for citizens experiencing homelessness. Their dedication and commitment are commendable. There are vocal citizens on the other end of the spectrum who are opposed to any projects or programs related to the homeless occurring near their residences or businesses. There are many citizens in the middle who lack awareness of the magnitude of the issue, have never been personally affected by homelessness, and do not recognize the cost and risk to the County of failing to house people. Regardless of where an individual citizen lands on the spectrum, investment now in permanent housing solutions will not only alleviate human suffering but will save the County money. Every citizen should support these objectives.

Glossary

2009 Ten Year Plan – *The Ten Year Plan to End Homeless in Nevada County 2009-2019**

2018 Ten Year Plan – *Ten Year Strategic Plan to Address Homelessness – 2018**

BoS – Nevada County Board of Supervisors*

CEO – Nevada County Chief Executive Officer

CoC – Continuum of Care*

County – Nevada County

HEAP – Homeless Emergency Aid Program*

HEARTH – Homeless Emergency Assistance & Rapid Transition to Housing*

HHSA – Nevada County Health & Human Services Agency*

HMIS – Homeless Management Information System*

HRCS – Homeless Resource Council of the Sierras*

HUD – United States Department of Housing and Urban Development*

Jury – 2018-2019 Nevada County Grand Jury

MHSA – Mental Health Services Act*

Municipalities – Grass Valley, Nevada City, and Truckee

NCCC – Nevada County Coordinating Council*

NPLH – No Place Like Home*

PIT – Point-in-Time*

warming shelter – emergency cold weather shelter*

* See Appendix A for descriptions

Background

When the temperatures drop and rainfall persists, our attention and compassion are drawn to the plight of our residents without homes. What are citizens of the County doing about community members who are experiencing homelessness? What steps are elected officials taking? How can the community provide support for them? The Jury responded to a complaint relating to this issue of homelessness which prompted the Jury to investigate the subject and report its findings.

Homelessness is a significant national, state, and local issue. One barrier to the public's understanding of homelessness is a misconception regarding people experiencing homelessness. It is important for our citizens to recognize that the majority of people experiencing homelessness in the County grew up here, went to high school here, or had a job here prior to losing their housing. They are not a transient population from out of the area. Demographic information regarding people experiencing homelessness in the County is gathered during an annual PIT count. In the 2019 PIT count, 59% of those who responded to the survey stated they were originally from the County or reside here to be close to family. Furthermore, 59% of survey respondents had lived in the County for five or more years prior to becoming homeless and 21% had lived here between one and five years.

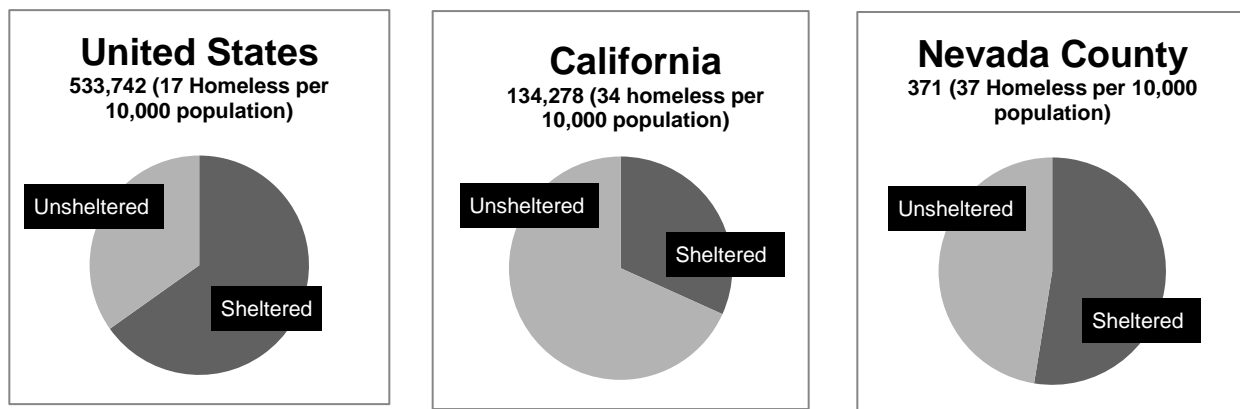
There are many reasons for a person to experience homelessness: job loss, low-paying jobs, insufficient employment hours, permanent disability, medical issues, mental illness, substance

abuse, alcoholism, being disowned for being gay or transgender, institutionalized racism, domestic violence, child abuse, debt due to fraud, disparity in our criminal justice system, divorce, or aging out of the foster care system. The major contributor is the shortage of low-income housing. The challenges facing our nation and the County are how to help people avoid becoming homeless and how to address the issues of people who are currently experiencing homelessness.

County officials, dedicated non-profit organizations, and committed citizens have worked hard to address homelessness in the County despite continually shifting strategies and requirements. In September 2008 these groups created the Nevada County Continuum of Care Collaborative to “collaboratively work together to prevent homelessness and to assist homeless individuals and families to move to self-sufficiency and permanent housing.” The PIT count was 345 people in January of 2009. They created *The Ten Year Plan to End Homelessness in Nevada County 2009-2019* (2009 Ten Year Plan) with a primary goal “to end homelessness in Nevada County by 2019.”

In 2017 the County PIT count was 371; by 2018 the issue of homelessness reached a high priority level in the nation and our state. Comparative data for the United States and California is not yet available for the 2019 count. The data below compares the 2017 results and shows the dramatically higher incidence per capita of homelessness in California and the County vs. the United States. Twenty-four percent of the nation’s homeless population resides in California and the incidence per capita of homelessness is higher in the County.

2017 PIT Count



In December of 2018 the BoS approved and adopted the 2018 Ten Year Plan. New major sources of funding became available and competing for this funding requires collaborative compliance with new requirements.

The preliminary 2019 PIT count of people experiencing homelessness in the County was 404 individuals. It is generally acknowledged by stakeholders that this number should be at least doubled. The PIT count does not include people temporarily living with family or friends, people living in temporary housing, and those in institutions such as jails, foster care, or

hospitals. The Superintendent of Schools has reported that 300+ youth are living in another household due to economic hardship and these students were not counted.

Individuals and families were counted based on where they slept the night of January 24, 2019. The PIT count looked at both Sheltered Homeless (people living in emergency shelters, motels paid for by an agency, and transitional housing for people experiencing homelessness) and Unsheltered Homeless (people living in cars and other places not designed as regular sleeping accommodations for people).

Preliminary key statistics in 2019 include the following:

- Sheltered – 160 (40%), Unsheltered – 244 (60%) – Total 404
- Adults – 358 (89%), Children – 43 (11%)
- Chronically Homeless Individuals and Families – 202 (50%)
- Veterans – 33 (8%)
- Unaccompanied Youth – 27 (7%)
- Individuals with a Substance Abuse Problem – 144 (36%)
- Individuals with a Serious Mental Illness – 131 (32%)

The Jury embarked on this project with multiple goals:

- Educate the community on the magnitude of the problem.
- Understand the role being played by various stakeholders: the County, the Municipalities, law enforcement, the Homeless Resource Council of the Sierras (HRCS), the new organization overseeing each Continuum of Care (CoC), non-profit groups, faith-based groups, homeless advocates, and people experiencing homelessness themselves.
- Understand the current status of programs and services being offered to citizens experiencing homelessness.
- Identify significant gaps in programs and services.
- Identify current best practices for addressing homelessness.
- Assess opportunities for future sources of new funding and significant challenges that may be barriers to the receipt of funding.
- Ensure that the public understands it can influence the BoS to fund solutions for community members who are experiencing homelessness.

The Jury acknowledges that the issue of homelessness is complex and multi-layered. Appendix B reflects the number of entities and organizations involved in addressing or serving people experiencing homelessness. The Jury recognizes the progress that has been made and encourages acceleration of that progress through increased communication, cooperation, and collaboration among stakeholders. The public must engage if they are interested in saving the County money or they desire to protect and improve the quality of life for these vulnerable community members.

Approach

The Jury interviewed a cross-section of individuals including those within the following categories:

- County government,
- City of Grass Valley government,
- Nevada City government,
- participants in HRCS and the Nevada County Coordinating Council (NCCC),
- law enforcement,
- non-profit groups,
- faith-based organizations, and
- homeless advocates.

The Jury conducted an extensive review of documents, including:

- homelessness statistics across the country and state,
- articles on homelessness issues and solutions across the country and state,
- websites of various non-profit groups working on homelessness issues,
- law enforcement best practices addressing people experiencing homelessness,
- BoS meetings and presentations,
- the 2009 Ten Year Plan,
- the 2018 Ten Year Plan,
- *Identified Service and Process Gaps Summary Brief 2017* (Homeless Process Improvement Group, an ad hoc group convened by a County Supervisor),
- *Building Bridges to Housing – A Multi-Year Plan to Address Homelessness in Nevada County 2018* (Nevada County Health & Human Services Agency [HNSA]),
- HRCS guidelines, policies, and procedures,
- the *10th Decile Project*,
- *Assessing the Faith-based Response to Homelessness in America* (Baylor Institute for Studies of Religion; 2017), and
- overviews on funding sources with a focus on:
 - 1) Mental Health Services Act (MHSA),
 - 2) Homeless Emergency Aid Program (HEAP), and
 - 3) No Place Like Home (NPLH).

Discussion

The Housing First Model

In the past, strategies and funding for addressing homelessness have focused on emergency shelters and social services (food assistance, mental health programs, substance abuse programs, etc.). In more recent years, the *Housing First* model has become the best practice. This model has been endorsed by both the Federal Government and California and is the vehicle used to

move money to County and municipal agencies, as well as community organizations, for the purpose of providing housing and services to individuals experiencing homelessness.

The *Housing First* model quickly moves individuals and families into permanent housing without preconditions and barriers to entry such as demonstration of sobriety, completion of alcohol or drug treatment, or agreeing to comply with a treatment regimen upon entry into the program. *Housing First* is an alternative to the system of moving people from the streets to public shelters, from public shelters to transitional housing, and from transitional housing to permanent housing. The approach is based on the concept that an individual or household's primary need is to obtain stable housing and that other issues that may affect the household should be addressed once housing is secured.

The 2018 Ten Year Plan characterizes *Housing First* as “the official strategy of the Federal Department of Housing and Urban Development (HUD) and the [California] State Department of Housing and Community Development for formatting homeless services.” The 2018 Ten Year Plan was developed through meetings with stakeholders across the spectrum including County and Municipal elected officials, the business community, law enforcement, shelter and service providers, faith-based groups, homeless advocates, and community members. There was broad agreement that the primary cause of homelessness in the County is the lack of affordable housing and the solution to ending homelessness is having more affordable housing units.

The *Housing First* approach will present challenges in the County as the current availability of low-income housing is virtually non-existent. County personnel recently referred to the state-mandated Housing Element Report that concluded 300 low or very low income housing units are needed in 2019. Between 2009 and 2015, only 56 such units were constructed in the County. The County has already failed to meet its 2014-2019 Housing Element goals which could lead to loss of accreditation and ineligibility for future block grant funds. Governor Newsom appears to be raising the stakes as he recently directed the Attorney General's Office to file suit against the city of Huntington Beach for failing to have a housing plan that adequately addresses the needs of all of its residents. The Governor's action was the first of its kind under a new law that allows the state to sue a local jurisdiction found to be out of compliance with its housing goals.

The BoS commissioned the 2018 Ten Year Plan as a prerequisite requirement for applying for California's NPLH program through the Department of Housing and Community Development. The global strategies offered in the plan met this requirement nicely. The framework can be utilized to develop a specific implementation plan with goals, priorities, planned outcomes, timelines, responsibilities, accountabilities, and key measurements to meet the challenge of insufficient low-income housing units.

One of the key strategies in the 2018 Ten Year Plan supported by the Jury calls for the formation of a Joint Powers Authority between jurisdictions within the County. The plan concluded that “a unified effort in relation to housing ordinances and allocation of service resources would be a highly effective approach.” This new organization would consist of local elected officials, County administrators, and other key stakeholders. The entity would have the authority to create an implementation plan and provide oversight over execution of that plan. It would be tasked

with creating memorandums of understanding to integrate collaboration and resource utilization across the County, the Municipalities, non-profits, faith-based organizations, and business entities.

Many individuals interviewed by the Jury lauded the Mountain Housing Council of Tahoe-Truckee. The Council is a coalition of 29 partner agencies including local government, non-profits, and business groups. The Council assists with formulating local housing policy including workforce housing, short-term rental policy, and housing development concepts. The inclusion of the business community makes this group uniquely different from any organization in western Nevada County and could serve as a model worthy of replicating. While much work remains to be done in eastern Nevada County to facilitate the availability of low-income housing, the Mountain Housing Council has a structure to facilitate solutions and positive momentum.

The Housing Challenge

There are many obstacles to building low-income housing in the County. These include but are not limited to zoning, building codes, development fees, permit fees, permit procedures, and site improvement requirements. The Jury learned there are various ways to address the critical housing shortage through innovative solutions such as re-purposing existing buildings. The County should take the lead to determine how to provide low-income housing and invite developers and builders to participate. The County and Municipalities should identify building requirements that can be modified and made more flexible in order to construct a variety of units including modular homes, prefabricated homes, tiny homes, multi-unit apartment complexes, and secondary dwelling units. The BoS should explore reinstating an inclusionary housing policy. Such a policy provides residential developers with incentives to reserve a certain percentage of homes or units in a development at prices affordable to low-and moderate-income households. Alternatively, they can be required to make such housing available at an alternative site or pay a fee in lieu of development. The County and Municipalities should develop a list of incentives for developers to construct low-income housing including adjustments to impact fees and the use of general funds to assist in building housing.

Costs

Homelessness is a community issue, impacting many visible and invisible aspects of local life. The most obvious impact is the suffering and disruption to the lives of those without homes but there is also a financial cost that ultimately affects every resident of the County. There are real costs associated with law enforcement activities including incarcerations, medical/emergency room visits, clean-up of trash and human waste, and damage to the environment as well as an increased risk of fires.

In 2012, HUD Secretary Shaun Donovan said each person experiencing homelessness costs taxpayers about \$40,000 a year. In Los Angeles County, the Corporation for Supportive Housing conducted a study in 2015 that focused on the top 10% highest-cost, highest-need individuals experiencing homelessness (*10th Decile Project*). The study showed that such an individual costs public systems over \$70,000 annually when they are experiencing homelessness, and only \$20,300 annually when they move into housing paired with support services. Another study done by the Central Florida Commission on Homelessness showed that the region spent

\$31,000 a year per person experiencing homelessness. In contrast, individuals who received permanent shelter cost \$10,000 a year.

The cost of providing permanent housing for people experiencing homelessness is significantly less expensive than the costs incurred by leaving them on the streets. Every citizen in the County should be motivated to contact their elected officials and encourage them to fund housing for people experiencing homelessness as a method to reduce overall County costs.

Funding and Leadership

County Government

In January 2018, the BoS adopted Resolution No. 18-062: Adopting the 2018 Board Objectives and Legislative Priorities. Two of the six “A” priorities directly related to the homelessness issue are:

- “Implement the Homeless Services Plan utilizing Coordinated Entry, a 24/7 service pilot program and a housing first model to identify and offer services to the most vulnerable homeless population in Nevada County through partnerships with other jurisdictions, law enforcement, and community providers.”
- “Leverage County resources to expand opportunities to address housing affordability issues for all target populations in Nevada County through partnerships with other jurisdictions, potential developers, and the housing authority.”

The Jury applauds the BoS for formalizing the commitment they made in early 2017 to make homelessness a priority. Federal, state, and local funds for social services primarily flow into the County as opposed to the Municipalities. This funding fuels the Health & Human Services Agency (HHS), which employs approximately 172 full-time employees in its Social Services, Public Health, and Behavioral Health departments. While these three departments serve many citizens who are not experiencing homelessness, the programs they manage (CalWORKs, CalFresh, Medi-Cal, mental health services, alcohol and drug treatment, HIV management, housing assistance, home rehabilitation, and others) provide support to many citizens who are without homes. There is funding that flows directly to service providers through the CoC program but those service providers are focused on their individual areas of expertise and cannot be expected to provide the global leadership and coordination that is needed to address a problem of this magnitude. The County is the only entity that can take the primary leadership position in addressing the homelessness issue. The BoS and the CEO should embrace this role.

Since designating homelessness as a priority in early 2017, a review of BoS meeting minutes confirms that only one significant progress review was given by HHS personnel before December 2018. The Jury believes this represents an unacceptable hands-off approach to an issue deemed a “priority.” As the prior report’s deadline “to end homelessness in Nevada County by 2019” approached, the County commissioned the 2018 Ten Year Plan. The plan urged the BoS to undertake responsibility for leading the efforts to address homelessness in the County. The 2018 Ten Year Plan was approved and adopted by the BoS at its December 11, 2018 meeting. Multiple Supervisors expressed desire for “traction” and “momentum,” which will only come through the previously mentioned development of an implementation plan that

links goals and resources to timelines and outcomes. Aggressive and visible monitoring of the plan will be vital. Homelessness should be a standing agenda item for every BoS meeting. Frequent updates on strategies and projects in a public forum will raise awareness and possibly garner support from a portion of the population who are not informed about the issue. The participation of the Nevada County Director of Housing in the January 2019 League of Women Voters forum *Strategies For Housing the Homeless* was an excellent example of the County engaging with the public on this topic. Continued partnership with community service providers to provide outreach and education to the general public is vital.

The Jury recognizes and acknowledges that significant progress has been made in addressing homelessness in the County, including some of the following highlights:

- Full-time Housing Resource Manager hired – July 2017
- Permanent Supportive Housing Programs renewed – September 2017
- Funding to Hospitality House (emergency shelter in Grass Valley) expanded – October 2017
- Funding of additional homeless outreach case managers in Tahoe Truckee secured – October 2017
- The Homeless Management Information System (HMIS) where individuals interacting with service providers are entered into a single database launched – December 2017
- Hospitality House expanded to include 11 beds for low-barrier clients (clients who suffer from mental illness or alcohol or drug addiction) and 4 respite beds for patients being discharged from Sierra Nevada Memorial Hospital – November 2018
- Joint efforts of the County, the cities of Grass Valley and Nevada City, and the nonprofits Sierra Roots, the Salvation Army, and Hospitality House solidified the need for warming shelters to accommodate people experiencing homelessness in western Nevada County for the winter of 2018-2019 – November 2018
- Robust PIT count effort conducted – January 2019
- Completed purchase of a five-acre parcel for *Housing First* units completed – January 2019
- Warming shelter nights increased – March 2019

The five-acre parcel purchased in January 2019 is slated for an estimated 10,000 square-foot Day Center and 40 housing units. The BoS also approved a memorandum of understanding between the County, Hospitality House, and the Regional Housing Authority to pursue grant applications that will provide funding for the Day Center and housing project.

The first significant funding source for the housing portion comes through the California Department of Housing and Community Development NPLH program that will dedicate up to \$2.0B 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. These housing units will be required to utilize tenant selection practices that prioritize vulnerable populations and offer flexible, voluntary, and individualized support services. County officials estimate that the County could be eligible for \$1-3M and these funds would support 12 of the 40 housing units. The Jury commends Hospitality House for having the vision to adopt the *Housing First* model which placed the entire region in a position to actively compete for this funding.

The second major source of funding is a Community Development Block Grant that would support construction of the Day Center. The maximum the County can request is \$3M. Applications have been submitted for both of these grants and decisions are pending. While not yet approved, Governor Gavin Newsom's "California for All" budget includes \$500M in a onetime General Fund to encourage local governments to build emergency shelters and Day/Navigation centers.

The bottom line is that the housing crisis both nationally and in California has resulted in substantial funding being allocated to address homelessness and more is on the horizon. Monitoring both existing and new sources of funding and preparing the required applications are time-consuming activities that require a high level of expertise and close collaboration with multiple parties to be successful. Management and oversight over existing and new programs are resource-intensive activities with a similar level of collaboration and cooperation required. The CEO should conduct an assessment of the personnel required to capitalize on the opportunities being presented and submit an incremental staffing plan to the BoS. Bolstering resources and outsourcing specific functions should be evaluated to place the County in the best position to be competitive and successful in securing additional federal and state funding.

Community

In addition to funding that flows through the County, other federal and state funding flows directly through the CoC program. This program was developed by HUD to promote community-wide commitment to the goal of ending homelessness. HRCS is fulfilling this role for Nevada and Placer Counties. It performs the administrative function of applying for federal and state grants and distributing funds, conducting the PIT count, managing the required HMIS and submitting required quarterly or annual evaluations of programs that have received funding. HRCS administered a joint Nevada and Placer County CoC. The NCCC was a HRCS sub-committee focused on the County.

A recent unanimous decision by the HRCS Board of Directors was made to have what was the NCCC and Placer County's sub-committee separately manage their CoCs while still retaining HRCS as the governing administrative body. The current HRCS Board has concluded that managing separate CoCs will provide each county with access to two Emergency Shelter grants where the current structure limits them to one each. It is acknowledged that HUD funding is fluid and there is risk that the overall pool of funds available may decline over time.

In the past, there has been an unequal distribution of voting members on the HRCS Board of Directors. In 2018, the 18 voting members consisted of nine members from Placer County, four members from Nevada County, and four providers who have a scope of service spanning both counties. Additionally, Placer County supported approximately 70% of the HRCS administrative costs while Nevada County provided the other 30%. The unequal representation contributed to an unequal allocation of funding as evidenced by the recent distribution of \$2.7M in California HEAP funding where \$1.6M went to Placer County and \$1.1M to Nevada County. The Jury is pleased to see that an aggressive effort has been made recently to add Nevada County representatives to the HRCS Board and the distribution is currently eight Placer, seven Nevada, and four who span both counties. While this may be less important as the separation renders HRCS less of a decision-making body and more of an administrative body, there is still value in

each county having an equal voice at the table. Nevada County should provide equal financial support for HRCS administrative expenses.

Nevada County members of the HRCS Board have stepped up to form the leadership team for the new organization overseeing the County's CoC. A chair and co-chair have been selected, a Governance Charter has been drafted and accepted by HUD, and a meeting schedule has been adopted. The Jury encourages a continued sense of urgency as the infrastructure for this new organization is solidified. A broad spectrum of community entities involved in homeless services (social services, emergency sheltering, law enforcement, HIV management, transitional age youth, veterans' services, mental health advocacy, housing, hospital services, and others) must be energized to consistently participate.

The Jury suggests the BoS adopt the United States Interagency Council on Homelessness recommendation that "a strategic plan implementation have an oversight body involving a broad spectrum of the community." The new organization overseeing the County's CoC could serve in this capacity overseeing the 2018 Ten Year Plan. A robust, healthy, and energetic organization meets the expectations of HUD and other funding entities and will lead to solid, community-wide prioritizing and decision-making.

Interim Solutions on the Way to *Housing First*

It is clear that providing citizens experiencing homelessness with permanent housing is a best practice that has proven successful and garnered support at both the federal and state levels. It is recognized that development of adequate numbers of such housing units in the County will be a long-term project and, as such, interim solutions are required.

Shelters

Most communities are familiar with the concept of a homeless shelter that provides a temporary place to sleep for people experiencing homelessness. As mentioned in the 2018 Ten Year Plan, Hospitality House (69 beds for people who meet the eligibility requirements) is such a homeless shelter. Others include the Salvation Army (36 beds for households with children) and Community Beyond Violence (16 beds for victims of domestic violence).

To be compliant with the *Housing First* model, Hospitality House recently expanded its capacity to include 11 beds for low-barrier clients, e.g. clients who suffer from alcohol or drug addiction, making them ineligible for the main Hospitality House beds. Under a partnership with Sierra Nevada Memorial Hospital and the County, an additional four respite beds were added for patients being discharged from the hospital who need a safe place to recover. Hospitality House offers a place for people to sleep but they must vacate the facility during the day (with the exception of the respite clients). This creates the lack of a daytime destination for people experiencing homelessness that often leaves them back on the streets.

Winter Warming Shelters

There are numerous dedicated and committed individuals and groups in the County working on addressing homelessness including representatives from government, law enforcement, non-profits, and faith-based organizations, as well as homeless advocates and community volunteers. While communication, collaboration, and a common agenda have sometimes

appeared absent in the past, many recently came together to address a potential crisis in warming shelter availability for the 2018-2019 winter.

A warming shelter is a short-term emergency shelter that operates when weather conditions become dangerously inclement. Its primary purpose is the prevention of death and injury from exposure to the elements. Typical criteria for opening a warming shelter has included temperatures below 30 degrees, temperatures below 34 degrees with one inch of rain in a 24-hour period, temperatures below 34 degrees with snow on the ground, or three or more consecutive days of rain.

Leading up to the winter of 2017-2018, the County and the City of Grass Valley each provided \$37,500 to Hospitality House to open 15 warming shelter beds. At the time, Hospitality House was not a low-barrier shelter so people experiencing homelessness with mental illness, alcohol addiction, or drug addiction were not eligible. Sierra Roots, a non-profit organization that serves the chronically homeless, ran a low-barrier warming shelter at the Nevada City-owned Veteran's Hall and Seaman's Lodge in Nevada City under a memorandum of understanding. No County funding was provided and staffing consisted entirely of volunteers. The limited availability of shelter capacity in Grass Valley led to an overwhelming demand in Nevada City on the 20 winter days the shelter was open. Sheltering over 50 individuals was not manageable resulting in damage to the facility, complaints from the neighborhood, and a significant spike in law enforcement activity.

Leading up to the winter of 2018-2019, it was clear that the permanent utilization of Hospitality House for additional low-barrier and respite beds would result in no warming shelter beds being available in Grass Valley. The County, Nevada City, the Nevada City Police Department, Sierra Roots, the Veteran's Hall, and neighborhood constituents came together to develop a new memorandum of understanding that addressed caps on capacity, minimum staffing, and security requirements. The County contracted to provide financial support so Sierra Roots could fund key positions including security. Separately, the County negotiated a contract with the Salvation Army to provide additional warming shelter beds for families in Grass Valley.

The Jury was gratified to see the various constituent groups come together, pool their expertise and resources, and finalize a plan. During the wet and cold 2018-2019 winter, the shelters were open many nights, capacity was not exceeded, and operations were smooth. Controversy remains over the criteria utilized to open the Nevada City shelter. Current agreements were only in place for the 2018-2019 winter with no long-term plan. Future agreements should be modified to allow more flexibility on when to open. The County should budget continued funding for the warming shelters and solidify agreements with the Municipalities and non-profit organizations until permanent housing options are available.

The Jury wishes to acknowledge the United for Action coalition in the Tahoe/Truckee region that was started four years ago. In addition to other projects, this faith-based group established a permanent cold weather warming shelter at the United Methodist Church in Truckee. Churches provide the majority of volunteers and all of the food. The need is much smaller with four to nine individuals served each night it is open.

Law Enforcement and Camping

Law enforcement personnel often interact with people experiencing homelessness. In the 2018 Ten Year Plan, officers reported 90% of the people experiencing homelessness they arrested were suffering from either mental illness, substance abuse, or both. Arrests were often for small infractions including public inebriation, disturbing the peace, and trespassing.

Arresting people for sleeping outdoors has been deemed illegal. In September 2018 the United States Ninth Circuit Court of Appeals stated in a 32-page opinion (*Martin vs. City of Boise*), that

“The Cruel and Unusual Punishments clause of the Eighth Amendment precludes the enforcement of a statute prohibiting sleeping outside against homeless individuals with no access to alternative shelter. As long as there is no option of sleeping indoors, the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice in the matter.”

Law enforcement is required to adhere to this decision. Establishment of an approved camping location for overnight options that is well managed and supervised with appropriate facilities and amenities should be explored. Fire danger and negative environmental impacts could be reduced and law enforcement could direct people experiencing homelessness to this option.

Day/Navigation Center

Opening a Day/Navigation Center would mitigate the problem of no daytime destination for individuals who must vacate overnight shelters. Such a facility would offer a centralized, safe location for people experiencing homelessness to gather with facilities for hygiene, clothing washing, warm meals, receiving mail, etc. Access to a Day/Navigation Center would also provide an opportunity to connect people with public assistance programs, physical and mental health services, permanent housing opportunities, and employment opportunities.

In January 2018, the HHS presented its *Building Bridges to Housing: A Multi-Year Plan to Address Homelessness in Nevada County* to the BoS. Included in the plan as one of the top three priorities was the establishment of a Homeless Services Day Center and \$250,000 of funding was allocated for this purpose. The 3-12 month short-term plan was to identify a location and establish a day services center with a longer-term 12-24 month plan to establish a fully integrated, multidisciplinary homeless services center that operated full time. During most of 2018, the project failed to gain any momentum. Existing facilities affiliated with potential operating partners required substantial capital investment to meet the requirements to obtain a conditional use permit. A year later the BoS unanimously approved the purchase of 936 Old Tunnel Road for \$223,900. A portion of this land is slated for development of a 10,000+ square-foot Day Center that will ultimately evolve into a full-time facility that includes transitional housing.

The Jury fully endorses aggressive movement on this plan as a first step towards giving citizens experiencing homelessness a destination during the day and access to critical services. Ideally, the County will receive the Community Development Block Grant it has applied for to support this project. It appears there are additional sources of funding available such as the Governor’s

\$500M General Fund and these should be pursued. The current estimate is that the Day Center will take 18 months to two years to build once construction begins. Efforts should be expended to streamline construction requirements to open the Day Center in the shortest time possible.

Public-at-Large

There are citizens in the County who are actively working to facilitate and expand programs and services for citizens experiencing homelessness. Their passion and commitment are admirable. They donate money, volunteer, advocate, develop relationships with people experiencing homelessness, encourage their workplaces and/or faith-based organization to get involved, attend meetings of the new organization overseeing the Nevada County CoC and BoS meetings, and work to elect people who prioritize addressing homelessness. There are vocal citizens on the other end of the spectrum who are opposed to any projects or programs related to addressing homelessness occurring near their residences or businesses, an attitude known as Not In My Backyard (NIMBY). There are many citizens in the middle who lack awareness of the magnitude of the issue, have never been personally affected by homelessness, and do not recognize the cost and risk to the County of failing to house people. Regardless of where an individual citizen lands on this spectrum, investment now in permanent housing solutions will not only alleviate human suffering but will save the County money. These are objectives every citizen should support.

Findings

- F1.** The number of people experiencing homelessness in the County is much higher than any count would suggest. The preliminary 2019 PIT count is 404 but stakeholders across the spectrum agree this number should be at least doubled to represent the true number of individuals who are currently considered homeless.
- F2.** The PIT count shows the majority of people experiencing homelessness locally are long-term residents of the County.
- F3.** There are numerous dedicated and committed individuals and groups in the County working on addressing the homelessness issue but no single entity has the resources to do it alone.
- F4.** Citizens in our community who are opposed to any projects or programs related to addressing homelessness occurring near their residences or businesses often slow or impede beneficial projects proven to save counties money.
- F5.** The *Housing First* model of providing people experiencing homelessness with permanent housing is an evidence-based approach with proven outcomes that is considered a best practice across the country. The County will benefit from supporting the *Housing First* model, making it eligible for federal and state funds.
- F6.** The majority of the funding to address homelessness comes from state and federal sources. The County and the new organization overseeing the Nevada County

CoC are the two major entities best suited, at this time, to diligently pursue such funding for the benefit of our community.

- F7.** The County's severe shortage of low-income housing contributes to homelessness and requires an aggressive approach to comply with Regional Housing Needs Allocation (RHNA) plan for funding. The County is best situated to address the many obstacles to building low-income housing locally.
- F8.** The BoS approved the 2018 Ten Year Plan on December 11, 2018. However, it lacks an implementation plan with accountable leadership.
- F9.** Homelessness financially impacts all County residents. The cost of homelessness includes significant expenses related to medical, law enforcement including incarceration, clean-up of trash and human waste, damage to the environment, and increased risk of fires. Numerous studies across the country have shown that the public cost per person is reduced to less than half when housing is provided.
- F10.** Two key functions that address homelessness within the County that would benefit from increased funding and personnel are the preparation of applications (e.g. grant writing) and the oversight of existing and new programs.
- F11.** The recent transition to an independent Nevada County CoC has increased stakeholder engagement and access to funding opportunities.
- F12.** Until the current shortage of low-income housing is remedied, there will be a continuing need for traditional emergency shelters, winter warming shelters, and other overnight options for people experiencing homelessness.
- F13.** The current contracts between the County and non-profit providers regarding winter warming shelters in western Nevada County do not extend beyond the winter of 2018-2019, leaving uncertainty about the availability of such shelters in the future.
- F14.** A Day/Navigation Center for people experiencing homelessness would benefit the community by offering a daytime destination to access social services and to complement the current overnight accommodations. The County has purchased land on which to build such a Center.

Recommendations

- R1.** The County should take the leadership role for addressing homelessness.
- R2.** The BoS should supplement the 2018 Ten Year Plan with an implementation plan that links goals and resources to outcomes and timelines.

- R3.** The BoS should adopt the United States Interagency Council on Homelessness recommendation that “a strategic plan implementation have an oversight body involving a broad spectrum of the community.” The new organization overseeing the Nevada County CoC could serve in this function/capacity.
- R4.** The BoS and Municipalities should form a collaborative entity, perhaps a Joint Powers Authority, with the mandate to establish county-wide rules and programs to facilitate the development of housing. As suggested in the 2018 Ten Year Plan, “A unified effort in relation to housing ordinances and allocation of service resources would be a highly effective approach.” This Joint Powers Authority should generate a list of incentives for developers to construct low income housing including adjustments to impact fees, adjustments to building requirements, and the use of general funds to assist in funding housing. In the absence of such a collaborative entity, the County should take the lead to determine how to provide low-income housing and invite developers and builders to collaborate.
- R5.** The BoS should explore reinstating an inclusionary housing policy.
- R6.** The CEO should conduct an assessment of County personnel requirements necessary to prepare homelessness funding applications and oversee existing and new programs. A plan should be submitted to the BoS on staffing requirements and alternatives.
- R7.** Homelessness should be a regular board/council meeting agenda item for the BoS and Municipalities.
- R8.** The County should continue to partner with relevant stakeholders to secure funding for and commence construction of the Day/Navigation Center as a top priority.
- R9.** The BoS should agree to equally share the administrative expenses of HRCS with Placer County.
- R10.** The new organization overseeing the Nevada County CoC should actively recruit membership and participation from all stakeholders serving people experiencing homelessness.
- R11.** The BoS should allocate ongoing funding in their annual budget to support the operation of winter warming shelters in western Nevada County.
- R12.** The County, Grass Valley, and Nevada City should renew existing winter warming shelter agreements with non-profits by October 1, 2019, including more flexibility on the part of the operators as to when weather conditions, both forecasted and actual, warrant opening.

- R13.** The County should explore the risks and benefits of designating and maintaining an approved camping area for people without homes. The analysis, findings, and conclusions should be shared with the public.
- R14.** HHSA should continue to partner with community service providers and the Municipalities to increase outreach to educate and inform the community about homelessness issues and solutions.
- R15.** Residents should contact their local elected officials to encourage them to fund housing for people experiencing homelessness in order to reduce the costs to the economy, environment, and healthcare and judicial systems.
- R16.** Interested community members should attend meetings of the new organization overseeing the Nevada County CoC and BoS.

Request for Responses

- The **Nevada County Board of Supervisors** for:
 - Findings F4, F5, F6, F7, F8, F9, F11, F12, and F13; and
 - Recommendations R1, R2, R3, R4, R5, R7, R8, R10, R12, R13, and R14.
 - Responses are due by 27 July 2019.
- The **Nevada County Executive Officer** for:
 - Finding F9 and
 - Recommendations R1 and R6.
 - Responses are due by 26 August 2019.
- The board of the new organization overseeing the Nevada County Continuum of Care for:
 - Findings F5 and F10, and
 - Recommendations R3 and R11.
 - Responses are due by 26 August 2019.
- The **Grass Valley City Council** for:
 - Findings F11 and F12; and
 - Recommendations R4, R7, and R13.
 - Responses are due by 27 July 2019.
- The **Nevada City Council** for:
 - Findings F11 and F12; and
 - Recommendations R4, R7, and R13.
 - Responses are due by 27 July 2019.

- **The Truckee Town Council** for:
 - Finding F11 and
 - Recommendations R4 and R7.
 - Responses are due by 27 July 2019.

- **Hospitality House** for:
 - Findings F11 and F13, and
 - Recommendation R8.
 - Responses are due by 26 August 2019.

- **The Regional Housing Authority** for:
 - Finding F13 and
 - Recommendation R8.
 - Responses are due by 26 August 2019.

- **The Nevada County Health & Human Services Agency** for
 - Recommendation R15.
 - The Responses is due by 26 August 2019.

Appendix A: Descriptions

BoS – Nevada County Board of Supervisors

The BoS is the legislative and executive body of County government. Among its listed responsibilities are the following that directly relate to the homelessness issue.

- Determines annual budget allocation.
- Exercises executive authority for the provision of local government services to County residents, including Health and Welfare programs.
- Provides policy direction to the County Executive Officer for the operation and administration of County departments.

CoC – Continuum of Care

According to the National Alliance to End Homelessness, a CoC is “a community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximize self-sufficiency. It includes action steps to end homelessness and prevent a return to homelessness.”

Organizationally, HUD has required the establishment of a CoC with four components:

- outreach, intake, and assessment in order to identify service and housing needs and provide a link to the appropriate level of both;
- emergency shelter to provide an immediate and safe alternative to sleeping on the streets, especially for homeless families with children;
- transitional housing with supportive services to allow for the development of skills that will be needed once permanently housed; and
- permanent and permanent-supportive housing to provide individuals and families with an affordable place to live with services if needed.

Day/Navigation Center – Day Center or Navigation Center

Homeless shelters focus on where people sleep at night but this leaves people without a daytime destination, leading to injury or run-ins with law enforcement personnel. A Day/Navigation Center for people experiencing homelessness would provide a location where people can get access to services and meals, have access to hygiene equipment, and have a daytime destination to complement Hospitality House, the Salvation Army, and the warming shelters’ evening offerings. The County has purchased land on which to build such a Center, but must secure additional funding. A Navigation Center is generally regarded as a Day Center coupled with housing but some organizations use the terms interchangeably.

HEAP – Homeless Emergency Aid Program

HEAP is a \$500 million block grant program designed to provide direct assistance to cities and counties to address the homelessness crisis throughout California. HEAP is controlled by the California Homeless Coordinating and Financing Council.

HEARTH – Homeless Emergency Assistance & Rapid Transmission to Housing

HEARTH was a Congressional Act (S. 896) signed into law on May 20, 2009. The HEARTH Act reauthorized the McKinney-Vento Homeless Assistance Act with amendments to consolidate HUD's competitive grant programs and update HUD's definitions of homelessness and chronic homelessness.

HHSA – Nevada County Health & Human Services Agency

The HHSA provides local emergency services, public assistance, health services, and housing resources.

HMIS – Homeless Management Information System

HMIS is the system used by the HHSA for coordinated intake and tracking of people experiencing homelessness. Individuals are assessed according to their vulnerability; the most vulnerable are connected first with housing.

HRCS – Homeless Resource Council of the Sierras

HRCS (pronounced ‘herks’) is a coalition of homeless housing providers, emergency shelter providers, advocates, and government representatives. Since 2014, HRCS has overseen Placer and Nevada County's CoC. HRCS is a private non-profit organization.

HUD – United States Department of Housing and Urban Development

HUD is the federal agency charged with addressing homelessness and housing shortages.

MHSA – Mental Health Services Act

The MHSA (previously Proposition 63) passed in November 2004. The MHSA allows the California Department of Mental Health to provide increased funding, personnel, and other resources to support county mental health programs and monitor progress toward statewide goals.

NCCC – Nevada County Coordinating Council

The NCCC was a sub-committee of HRCS that provided CoC oversight and organizational coordination for the County. The NCCC replaced the Nevada County Continuum of Care Collaborative in 2014 when it joined HRCS. The NCCC is the basis for a new organization that will oversee Nevada County's CoC and funding requests.

NPLH – No Place Like Home

No Place Like Home is a California program enacted in 2016 to dedicate up to \$2 billion in bond proceeds to invest in the development of permanent supportive housing for people needing mental health services and experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. The bonds are repaid by funding from the MHSA.

person experiencing homelessness

The federal government defines¹ a “homeless individual” as someone:

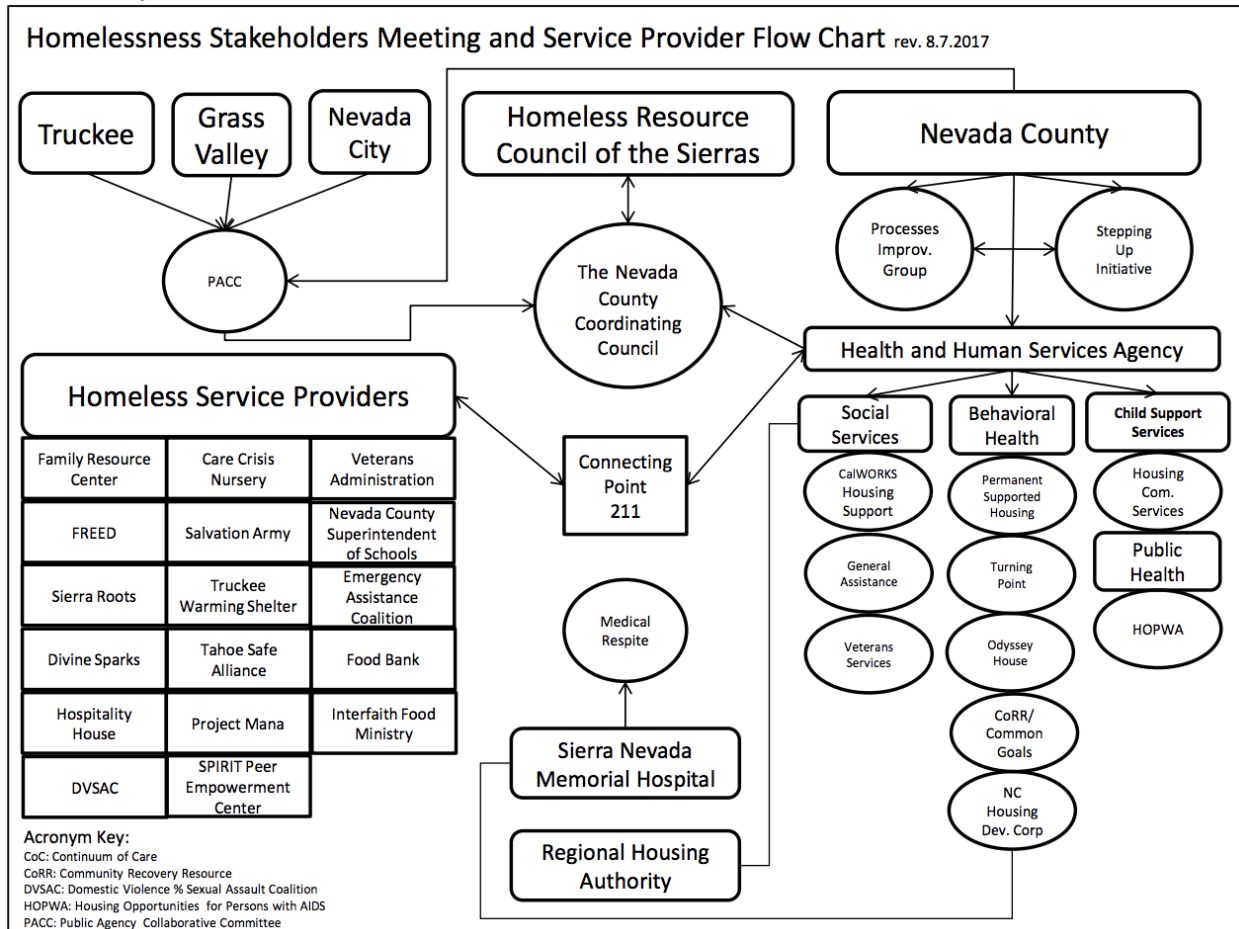
- who lacks a fixed, regular, and adequate nighttime residence;
- with a primary nighttime residence that is not designed as a regular sleeping accommodation for people (including a car, park, abandoned building, bus or train station, airport, or camping ground);
- living in a supervised shelter (including hotels and motels paid to shelter people experiencing homelessness);
- who will imminently lose their housing, has no subsequent residence identified, and lacks the resources or support networks needed to obtain other permanent housing; or who is an unaccompanied youth or a member of a family with children who has experienced a long-term period without living independently in permanent housing, has experienced persistent instability as measured by frequent moves, and can be expected to continue as such because of chronic disabilities, chronic physical or mental health conditions, substance addiction, a history of domestic violence or childhood abuse, the presence of a child with a disability, or barriers to employment.

PIT – Point-in-Time

The PIT count is a HUD-mandated census of people experiencing homelessness. HUD specifies the PIT count must be performed on a single day during the last ten days of January. The most recent PIT count in Nevada County was conducted January 24, 2019.

¹ As defined in the McKinney-Vento Homeless Assistance Act as amended by the HEARTH Act of 2009

Appendix B



Graphic from the publication *Building Bridges to Housing – A Multi-Year Plan to Address Homelessness in Nevada County 2018*