

PLUMAS COUNTY HOUSING STUDY

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Prepared for Plumas County by:

 **HousingTools**

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INTRODUCTION

The purpose of this study is to describe general housing market conditions and identify development opportunities in Plumas County. The description of the housing market begins with an overview of base market conditions, including geography and proximity to job centers, demographics, local economic indicators, and household characteristics. Local housing trends and issues are then analyzed, including housing characteristics, residential construction trends, for-sale market statistics, and rental market statistics. Uniquely, Plumas County has only one incorporated city, Portola, while the rest of the county is unincorporated. Based on an assessment of these data points, the study identifies housing needs and opportunities within the County.

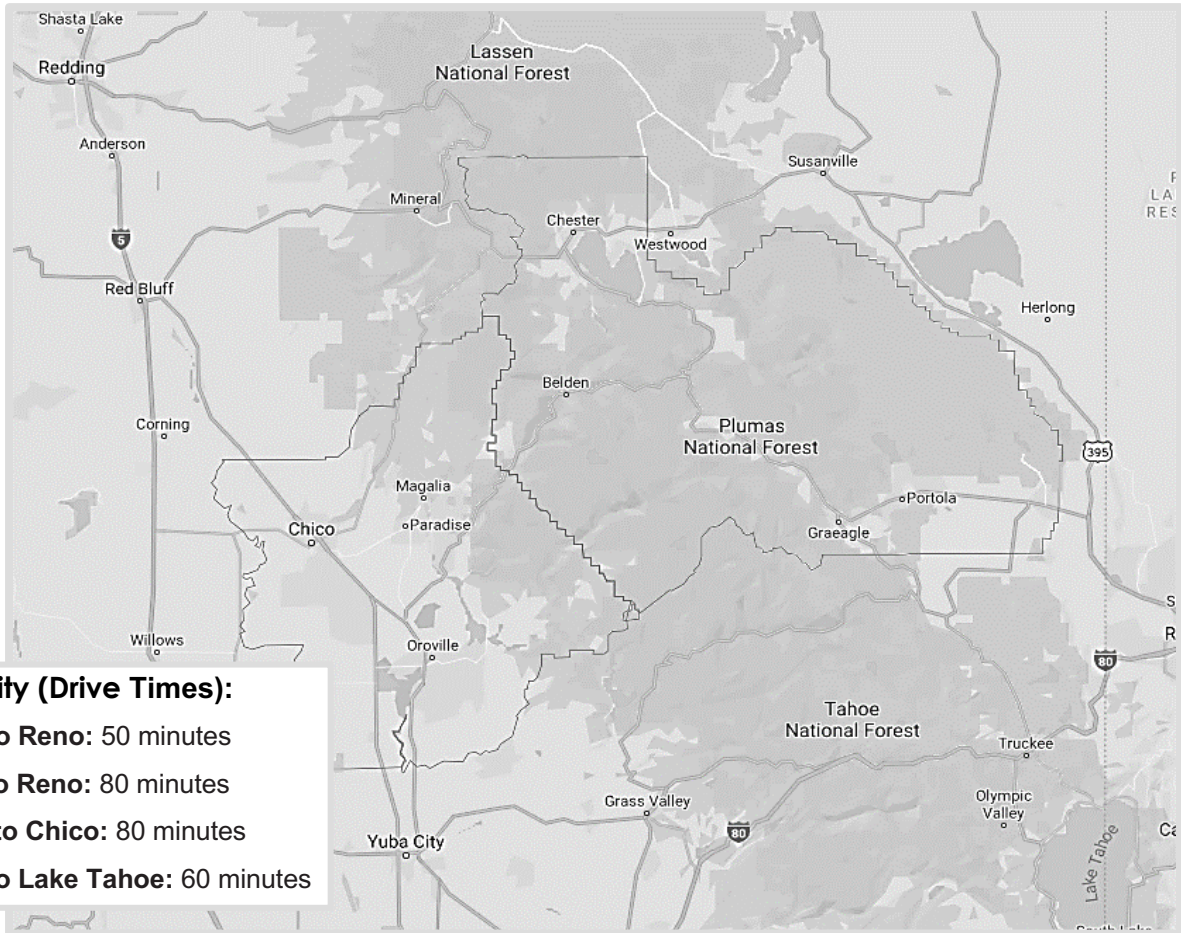
Key findings of the study are highlighted in bold type throughout the document, and are also summarized below.

- Plumas County's largest age cohort is 65 years old or older, with 4,988 residents in this category (27% of the total population).
- After a steady decline in population from 2010 to 2015, the County's population gradually increased between 2015 and 2019.
- The foundation of Plumas County's economy is Local Government and Service Providing Industries. These industries are vulnerable to a decline in employment due to impacts of COVID-19.
- Two out of every three households earning less than \$35,000 pay 30% or more of household income on housing.
- The large majority of Plumas County households earn less than \$75,000 (66%) annually.
- Mobile homes is 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 mobile home rate of 4%.
- There is a clear shortage of smaller units for small households, and an oversupply of larger units.
- The Plumas County median sale price of single-family detached homes decreased by 8.7% from \$263,000 in 2016 to \$240,000 in 2019.
- There are multiple for-sale home submarkets across the County, with Portola, Quincy, Chester, and Greenville each demonstrating distinct price points, based on a survey of current listings.
- Most likely due to COVID-19 impacts, a review of recent vacation home postings show that many of these homes are transitioning from weekly leases to lower priced and longer-term leases. This presents a potential opportunity to open up the rental market to more middle and lower income households by increasing the overall rental stock available to local residents.

- The County has four distinct rental markets, which include market rate, rent-restricted affordable, short-term vacation rentals, and mobile home and special occupancy parks.
- 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 have individuals over age 64, indicate that there is potential for a significant proportion of homeowners that prefer to sell their home to realize its equity and live in a low-maintenance apartment or small home.
- There is a significant shortfall of at least 2,199 units in the County that are affordable to Low Income households.
- The County has exceeded the Regional Housing Needs Assessment (RHNA) production target for Moderate Income units, but has a shortfall of 22 Low Income units and 29 Very Low Income units.

GEOGRAPHY

Plumas County is 2,613 square miles and located in northeastern California, in the far northern end of the Sierra Nevada range where it meets the Cascade mountain range. Out of the 2,613 square miles that make up the county, 2,553 square miles are land, and 60 square miles or 2% is water. Plumas County is generally bordered by Lassen Volcanic National Park and Shasta County on the north and U.S. Route 395 which runs north to south along the eastern border of Plumas. Neighboring counties are Lassen on the northeast, Sierra on the south, and Butte on the west.



The only bordering county with a population of greater than 100,000 is Butte County, which has a population of 231,256. A majority of the Butte County population lives in the Chico Urbanized Area with 106,720 people.¹ Anchored by California State University, Chico and Enloe Medical Center, Chico is a regional hub for education and health-care services throughout the region that is also home to Butte College, Oroville Hospital, and United Healthcare.² The county seat of Plumas is Quincy (East Quincy being the largest community in the area), and the only incorporated city is Portola. Quincy is home to Feather River College which is a top ranked college in northern California.

¹ U.S. Census, 2014-2018 American Community Survey

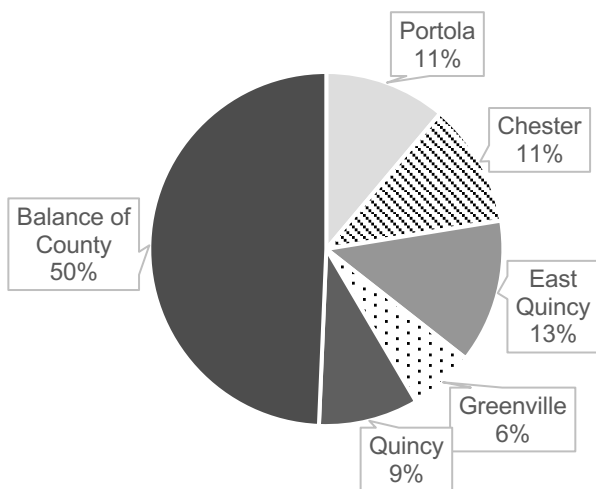
² California Employment Development Department, 2019

DEMOGRAPHICS

Plumas county is mostly rural, with a population of 18,807.³ Chart 1 shows how the population is distributed geographically. Half of the county's population lives in its five largest communities — East Quincy, Chester, Portola, Quincy, and Greenville. Notably, Portola is the only incorporated City in the county.

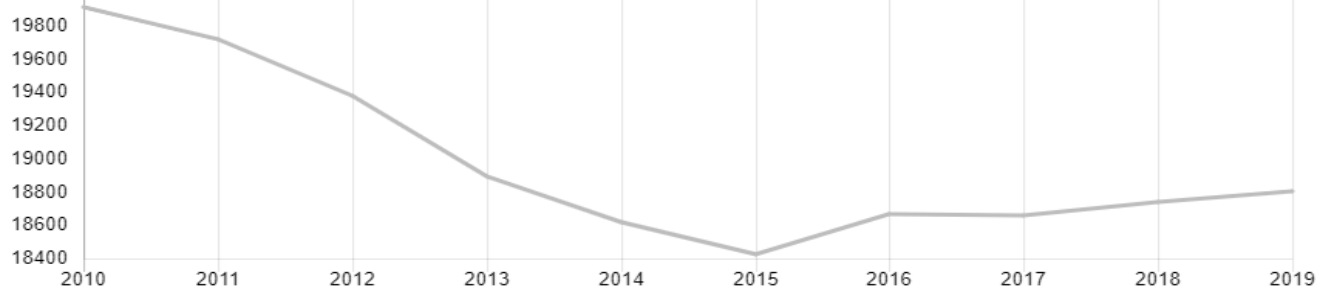
Plumas County's population declined by 1,487 people between 2010 and 2015, and then experienced a slight rebound between 2015 and 2019 with an increase of 380 people. Overall, the County has seen a decrease in population over the past nine years, from 19,914 in 2010 to 18,807 in 2019, for an average annual decrease of 0.62%. By comparison, the State of California has experienced an average annual increase in population over the same period of 0.72%.⁴ Chart 2 shows population trends between 2010 and 2019.

CHART 1: Population by Geography, Plumas County (2019)



Source: State of California, Department of Finance, 2019

CHART 2: Population Growth, Plumas County (2019)

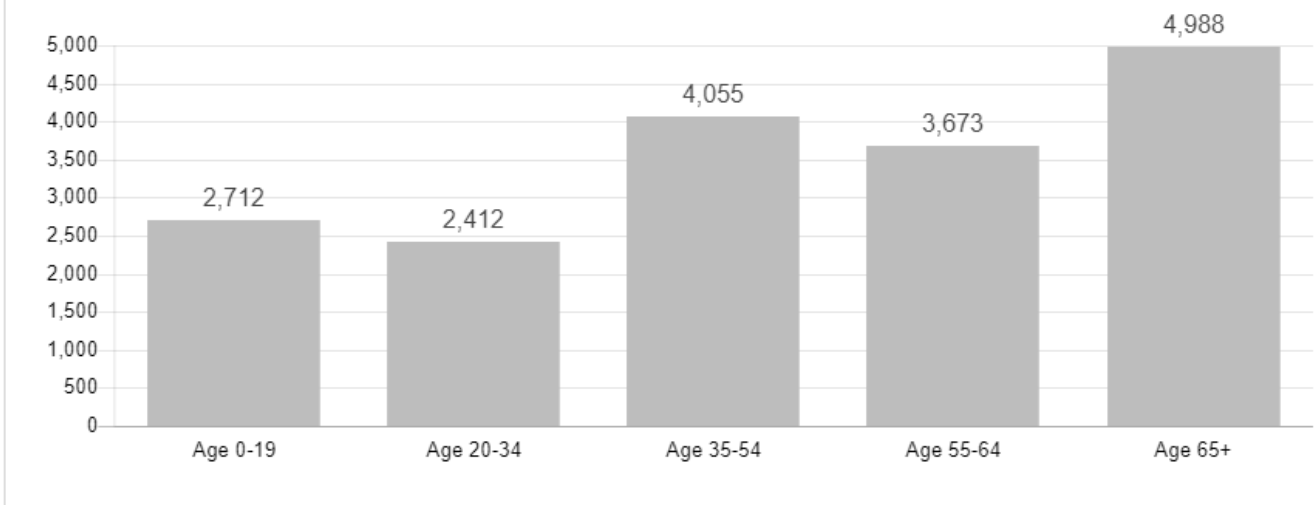


Source: State of California, Department of Finance, 2019

³ California Department of Finance, 2019

⁴ California Department of Finance, 2019

CHART 3: Population by Age, Plumas County (2018)



U.S. Census, 2014-2018 American Community Survey

Plumas County's largest age population cohort is 65+ years old with 4,988 people as shown in Chart 3.

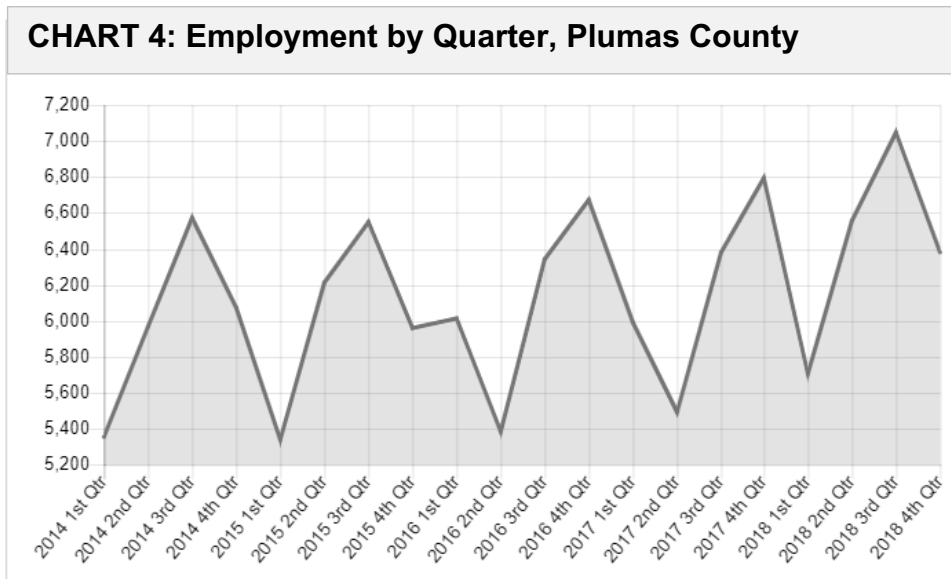
In terms of ethnic makeup, within Plumas County, 89% of the population identifies as white, while approximately 8% identify as Hispanic or Latino. Plumas County has a much larger proportion of the population that identify as white than the State of California overall, where 60% identify as white.⁵

⁵ *U.S. Census, 2014-2018 American Community Survey*

ECONOMY

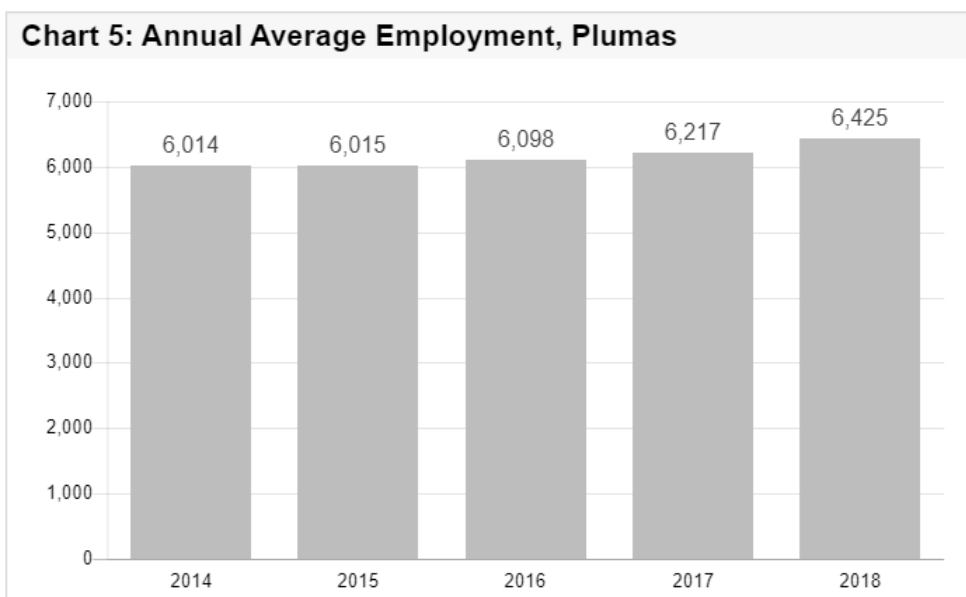
The foundation of Plumas County's economy is Local Government and Service Providing Industries including Healthcare, Education, Retail and Resorts. If not already affected, these are industries that are vulnerable to a decline in employment due to impacts of COVID-19. This would reverse a recent trend of moderate, but steady employment gains in the County over the past five years.

Total employment in Plumas County cycles through annual peaks and valleys due to the significant proportion of seasonal jobs in Retail and Construction, as reflected in quarterly employment numbers in Chart 4.



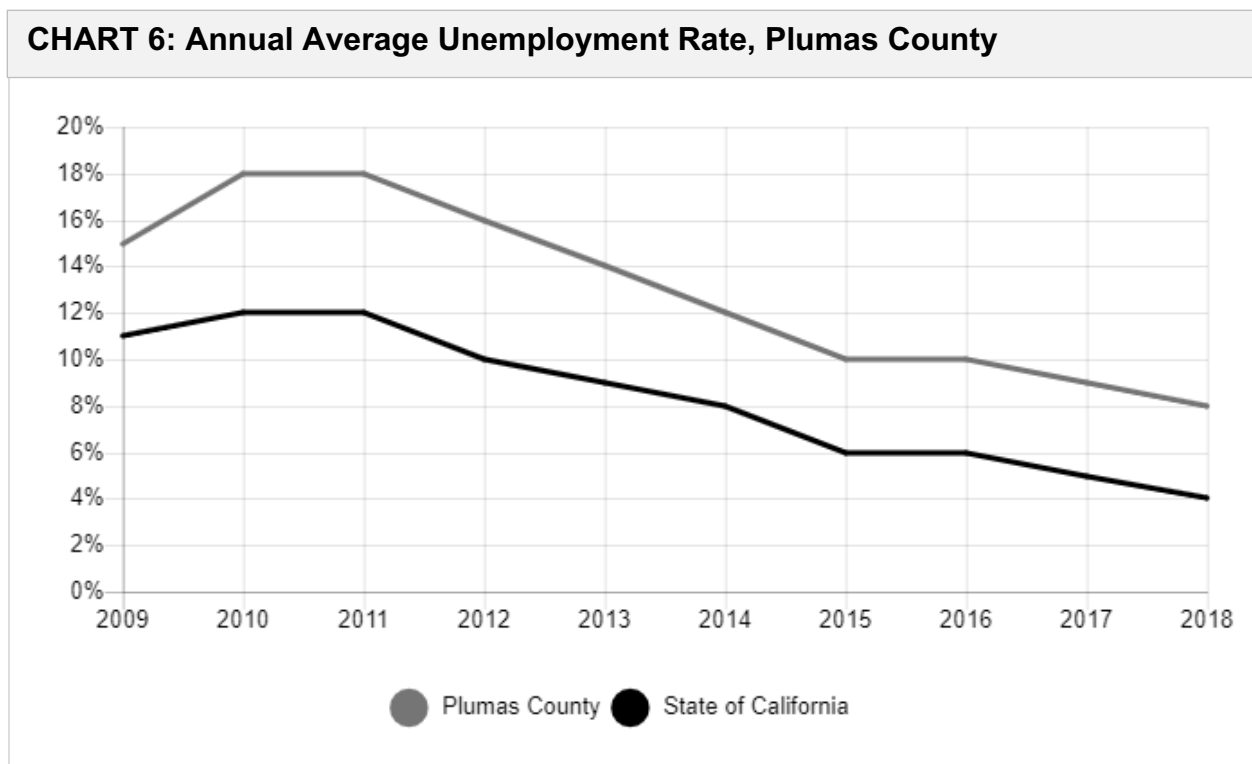
Source: U.S. Bureau of Labor Statistics, 2019

On an annual basis, employment increased slowly by an estimated 411 jobs between 2014 and 2018, as shown in Chart 5.



Source: California Employment Development Department, 2014-2018

The Plumas County unemployment rate decreased from 15% in 2009 to 8% in 2018, as shown in Chart 6.



Source: California Employment Development Department, 2019

Table 1 shows employment by industry in Plumas County as of March 2019 and March 2020. The largest industries in terms of employment are services (Service Providing and Private Service Providing) and government (State Government and Local Government). Local Government Industries include two tiers – counties and municipalities – which generally take responsibility for parks and recreation services, police and fire departments, housing services, emergency medical services, municipal courts, transportation services (public transportation), and public works.

Table 1: Employment by Industry, Plumas County

Industry	Mar-19	Mar-20	Percent Change
Mining and Logging	10	20	100%
Construction	220	250	13%
Educational and Health Services	630	640	1.5%
Federal Government	270	250	-7.4%
Financial Activities	150	150	0%
Goods Producing	730	780	6.8%
Government	2,420	2,470	2%
Information	60	60	0%
Leisure & Hospitality	640	700	9.3%
Manufacturing	500	510	2%
Natural Resources, Mining	230	280	21%
Other Services	200	220	10%
Private Service Providing	2,850	2,960	3.8%
Retail Trade	560	580	3.5%
Service Providing	5,270	5,430	3.0%
Local Government	2,160	2,220	2.7%
State Government	90	100	11.1%
Farm	30	40	33%
Trade, Transportation, Utilities	880	900	2.27%
Warehousing	270	270	0%
Wholesale Trade	50	50	0%

Source: California Employment Development Department, 2019

Notes: (1) Civilian labor force data are by place of residence and includes: self-employed individuals, unpaid family workers, domestic workers, and workers on strike. (2) Industry employment is by place of work and excludes: self-employed individuals, unpaid family workers, domestic workers, and workers on strike. Data may not add due to rounding.

The average annual wage in Plumas County has gradually increased from \$45,467 in 2014 to \$49,303 in 2018. Table 2 shows wages by occupation for the North Valley-Northern Mountains Region as of 2018, which includes Colusa, Glenn, Lassen, Modoc, Nevada, Plumas, Sierra, Siskiyou, Tehama, and Trinity counties. The occupations with the most workers can be categorized into the following wage categories:

High Wage (Average Annual Wage: \$93,609 - \$110,287)

Management (4,740 Jobs)

Healthcare Practitioners and Technical Occupations (4,430 Jobs)

Middle Wage (Average Annual Wage: \$52,091 - \$77,954)

Education, Training and Library (8,660 Jobs)

Construction and Extraction (4,650 Jobs)

Protective Service (4,070 Jobs)

Business and Financial Operations (3,220 Jobs)

Lower Wage (Average Annual Wage: \$30,147 - \$50,057)

Office and Administrative Support (13,100 Jobs)

Sales and Related (9,180 Jobs)

Food Preparation and Serving-Related (9,140 Jobs)

Transportation and Material Moving (7,210 Jobs)

Table 2: Wages by Occupation, North Valley Region

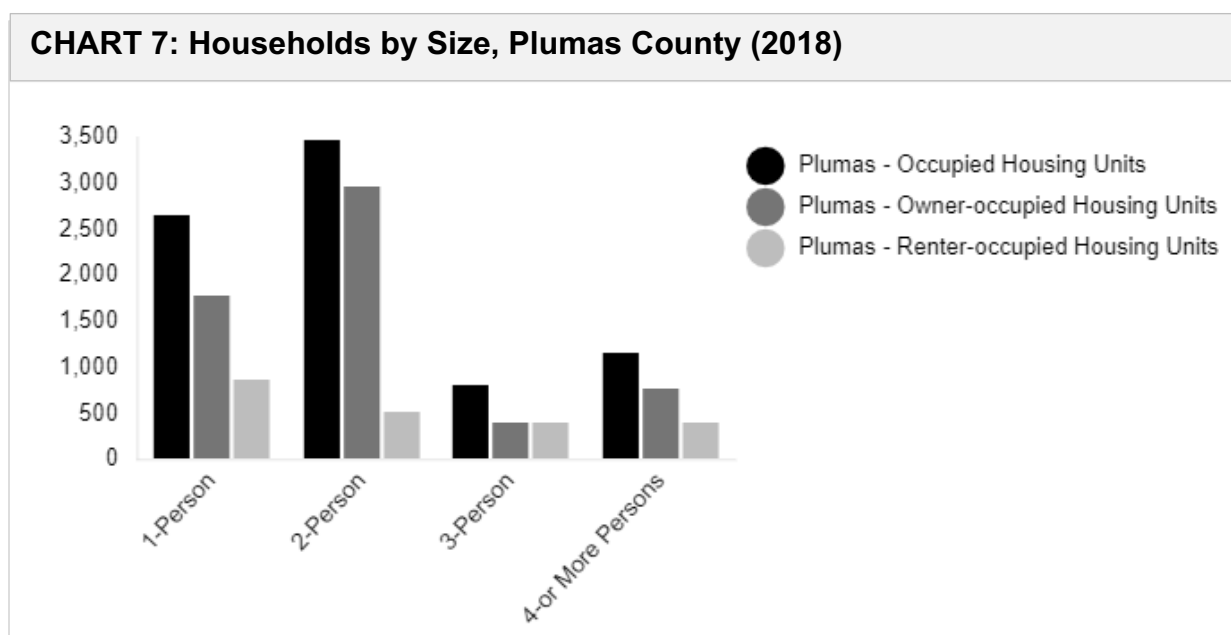
Occupation	May 2018 Employment Estimates	Average Hourly Wage	Average Annual Wage	25th Percentile Hourly Wage	50th Percentile Hourly Wage	75th Percentile Hourly Wage
Legal Occupations	3	\$53.03	\$110,287	\$32.07	\$40.40	\$64.35
Healthcare Practitioners and Technical	4,430	\$46.36	\$96,430	\$26.70	\$42.08	\$56.95
Management	4,740	\$45.01	\$93,609	\$27.79	\$39.59	\$56.57
Computer and Mathematical	730	\$37.48	\$77,954	\$23.55	\$33.86	\$46.83
Architecture and Engineering	650	\$37.20	\$77,364	\$27.04	\$34.64	\$45.46
Protective Service	4,070	\$33.26	\$69,191	\$21.36	\$31.29	\$43.72
Business and Financial Operations	3,220	\$32.07	\$66,708	\$22.88	\$29.75	\$38.35
Education, Training, and Library	8,660	\$29.78	\$61,950	\$16.89	\$27.89	\$39.76
Construction and Extraction	4,650	\$25.84	\$53,748	\$19.90	\$25.07	\$29.94
Community and Social Services	2,270	\$25.53	\$53,099	\$17.41	\$23.03	\$31.44
Life, Physical, and Social Science	2,550	\$25.33	\$52,692	\$16.27	\$22.26	\$30.94
Arts, Design, Entertainment, Sports	570	\$25.04	\$52,091	\$15.80	\$19.99	\$31.10
Installation, Maintenance, and Repair	4,000	\$24.07	\$50,057	\$16.98	\$22.74	\$28.90
Production	5,650	\$19.83	\$41,241	\$13.84	\$17.52	\$23.41
Transportation and Material Moving	7,210	\$19.75	\$41,084	\$13.68	\$18.53	\$23.50
Office and Administrative Support	13,100	\$19.72	\$41,012	\$14.71	\$18.44	\$23.48
Healthcare Support	1,860	\$18.40	\$38,270	\$14.52	\$17.20	\$20.66
Sales and Related	9,180	\$17.49	\$36,382	\$11.93	\$14.21	\$19.77
Cleaning and Maintenance	3,440	\$16.31	\$33,914	\$12.41	\$14.77	\$19.09
Farming, Fishing, and Forestry	3,340	\$14.94	\$31,061	\$11.49	\$12.43	\$15.16
Food Preparation and Serving-Related	9,140	\$14.49	\$30,147	\$11.66	\$12.53	\$15.15

Source: California Employment Development Dept., 2018 Occupational Employment Statistics Survey, North Valley Region (Plumas, Sierra, Lassen, and Siskiyou counties)

HOUSEHOLD CHARACTERISTICS

Approximately 75% of Plumas County households consist of one or two persons, with 6,098 households between those two categories. Households that own their homes are most likely to have two persons. Renter households are most likely to have one person.

Chart 7 illustrates the number of one-person renter households decreased from 2,758 in 2017 to 2,637 in 2018, while the number of 4 or more person households increased from 696 in 2017 to 757 in 2018. The number of renter households overall has decreased from 2,271 in 2017 to 2,179 in 2018. The number of owner household has also decreased overall from 6,016 in 2017 to 5,868 in 2018.



Source: U.S. Census, 2014-2018 American Community Survey

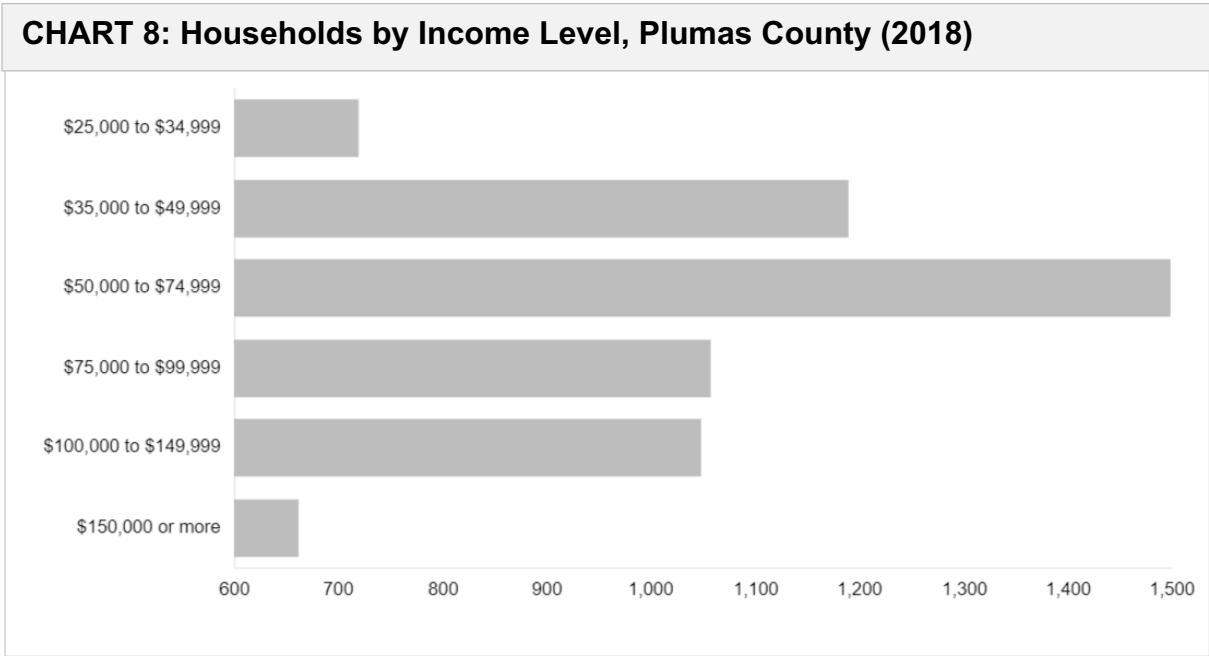
Table 3 shows Plumas County has a low median income compared to the State of California and the nation.

Table 3: Median Household Income, Plumas County (2018)

Plumas County	\$50,270
State of California	\$71,228
United States	\$60,293

Source: U.S. Census, 2014-2018 American Community Survey

Chart 8 shows the number of Plumas County households by income level. The large majority of Plumas County households earn less than \$75,000 annually (66% of all households).



Source: U.S. Census, 2014-2018 American Community Survey

Table 4 shows the number of households by number of occupants per room. More than one occupant per room indicates moderate overcrowding. More than 1.5 occupants per room indicates severe overcrowding. Cases of severe overcrowding are extremely rare. The overcrowding that does exist is more often moderate and occurs among renter households.

Also included in Table 4 are income categories broken out between homeowner and renter households. Approximately 18.6% of households in Plumas County have an income between \$50,000 and \$74,999, and represent 19% of the owner-occupied and 17% of the renter-occupied housing. The majority (65%) of those living in renter-occupied housing earn less than \$50,000 and majority (52.9%) of those living in owner-occupied housing earn more than \$50,000. These data illustrate a \$29,669 difference in the annual median household incomes of those who live in owner-occupied housing (\$64,309) compared to the yearly income of those who live in renter-occupied housing (\$34,640).

Table 4: Household Characteristics by Tenancy, Plumas County (2018)

	Occupied Housing Units		Owner-Occupied Housing		Renter-Occupied Housing	
	Number	Percent	Number	Percent	Number	Percent
Occupied Housing Units	8,047		5,868		2,179	
1-Person Household	2,637	32.8%	1,770	30.2%	867	39.8%
2-Person Household	3,461	43.0%	2,947	50.2%	514	23.6%
3-Person Household	792	9.8%	394	6.7%	398	18.3%
4-or More Persons Household	1,157	14.4%	757	12.9%	400	18.4%
1.00 or Less Occupants Per Room	7,973	99.1%	5,830	99.4%	2,143	98.3%
1.01 to 1.50 Occupants Per Room	74	0.9%	38	0.6%	36	1.7%
1.51 or More Occupants Per Room	0	0.0%	0	0.0%	0	0.0%
Household Income						
Less than \$5,000	217	2.7%	156	2.7%	61	2.8%
\$5,000 to \$9,999	185	2.3%	106	1.8%	79	3.6%
\$10,000 to \$14,999	610	7.6%	265	4.5%	345	15.8%
\$15,000 to \$19,999	381	4.7%	142	2.4%	239	11.0%
\$20,000 to \$24,999	480	6.0%	303	5.2%	177	8.1%
\$25,000 to \$34,999	720	8.9%	522	8.9%	198	9.1%
\$35,000 to \$49,999	1,189	14.8%	858	14.6%	331	15.2%
\$50,000 to \$74,999	1,498	18.6%	1,121	19.1%	377	17.3%
\$75,000 to \$99,999	1,057	13.1%	869	14.8%	188	8.6%
\$100,000 to \$149,999	1,048	13.0%	922	15.7%	126	5.8%
\$150,000 or more	662	8.2%	604	10.3%	58	2.7%
Median Household Income	\$53,270		\$64,309		\$34,640	

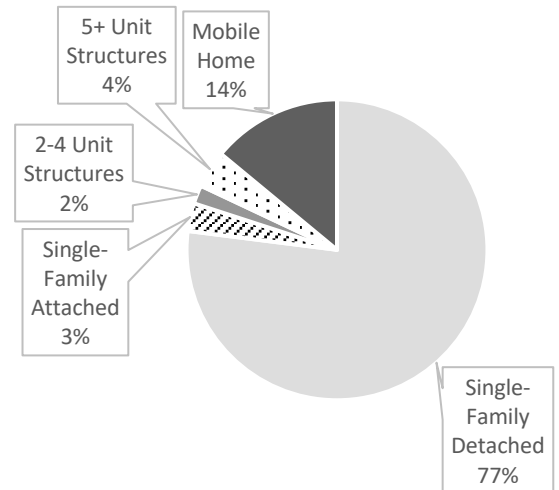
Source: U.S. Census, 2014-2018 American Community Survey

HOUSING CHARACTERISTICS

As depicted in Chart 9, the majority of residential units in Plumas County are detached single-family homes with 12,304 homes or 77% of total housing stock. **The next largest housing type is mobile homes at 14%, which is particularly high compared to most California counties. The County's share of mobile homes is much higher than the State's share of mobile homes at 4%.** Attached single-family homes are townhomes that share walls with adjacent homes.

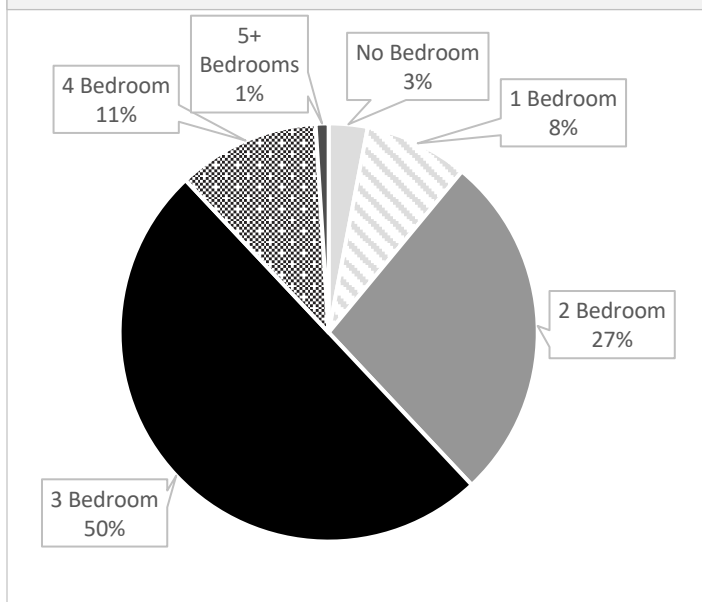
Almost half of all residential units have three bedrooms, making it by far the largest unit category by number of bedrooms. The next largest category is two-bedrooms. Together, two-bedroom and three-bedroom units make up 77% of the housing stock in Plumas County, as depicted in Chart 10.

CHART 9: Units by Building Type, Plumas County (2019)



Source: California Department of Finance, 2019

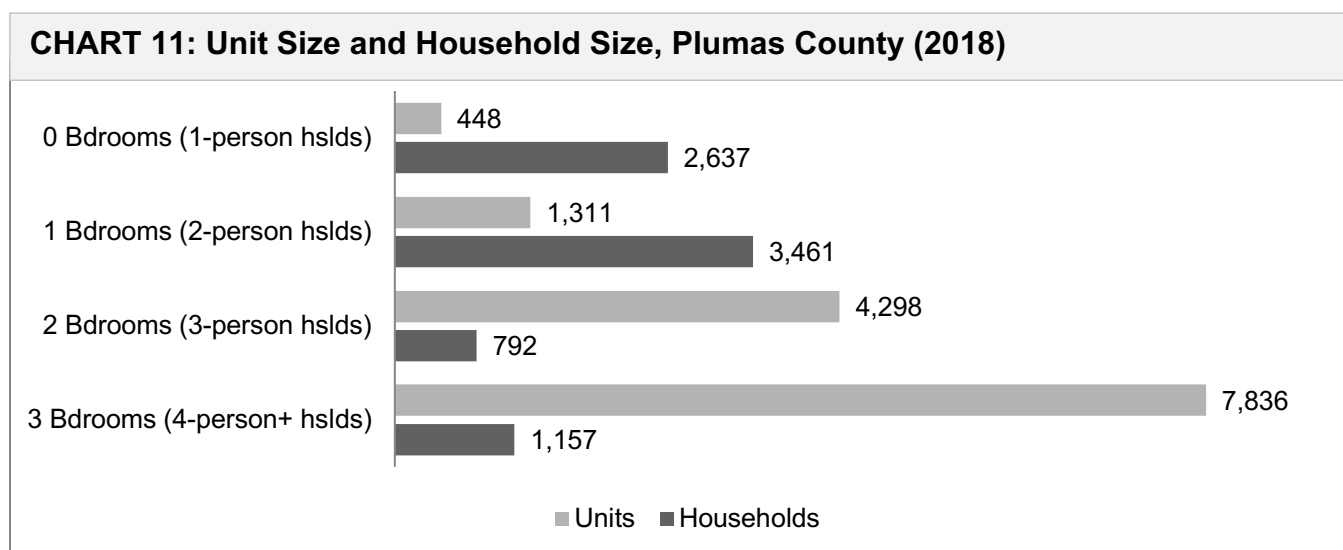
CHART 10: Units by Number of Bedrooms, Plumas County (2018)



Source: U.S. Census, 2014-2018 American Community Survey

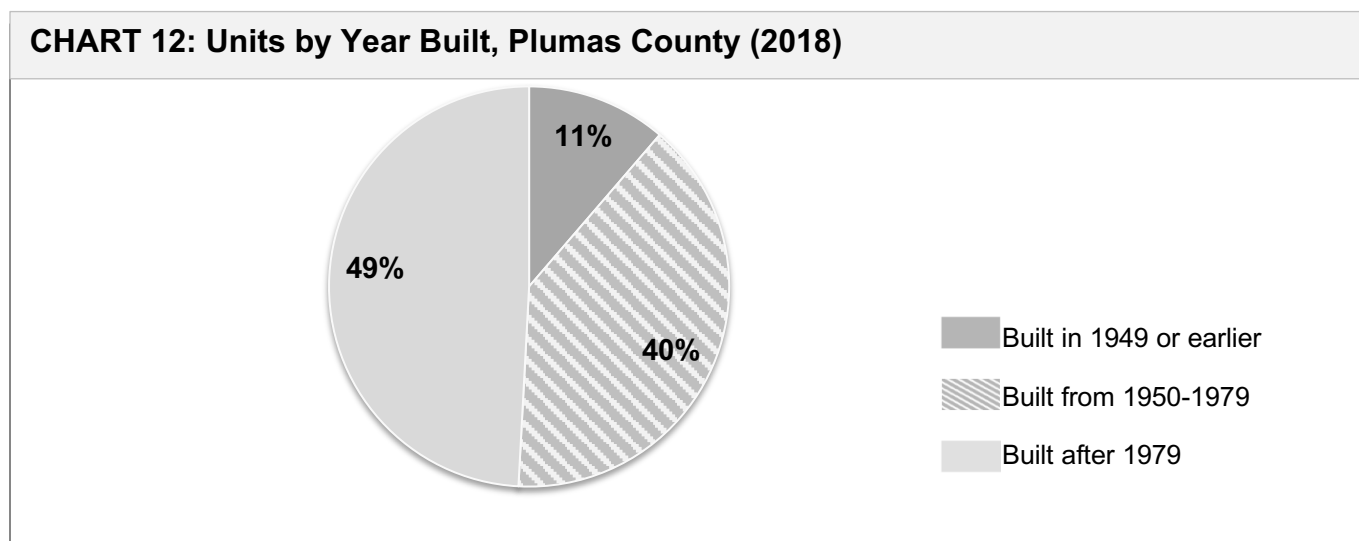
Chart 11 shows unit sizes (shown in light grey) next to household sizes (shown in dark grey) to compare supply to demand by unit size. As shown in the first grouping, there are 448 0-bedroom units or studios, compared to 2,637 one-person households. In the second grouping, there are 1,311 one-bedroom units compared to 3,461 two-person households. In the third grouping, there are 4,298 two-bedroom units compared to 792 three-person households. In the fourth grouping, the number of three-bedroom units (7,836) is greater than four-person or more households (1,157) by a factor of 6.

Chart 11 illustrates a mismatch between household size and unit size showing 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.**



Source: U.S. Census, 2014-2018 American Community Survey

In Chart 12, the percentage of housing units built from 1950-1979 (40%) is almost as great as the amount of units built after 1979. It is assumed that a significant share of the units built between 1950 and 1979 will have rehabilitation needs due to their age.



Source: U.S. Census, 2014-2018 American Community Survey

RESIDENTIAL CONSTRUCTION TRENDS

Plumas County is a rural county, with diverse small communities that has not experienced significant housing development since the economic recession of 2008-09. Due to the recession, development was slowed from pre-recession levels, which were over 200 residential housing permits per year from 2002 to 2006.

RECENT CONSTRUCTION

Since 2015, new residential construction in the unincorporated areas of Plumas County has been limited to single-family homes and manufactured homes. Between 2015 and 2019, a total of 30 Mobiles Homes were permitted, with the majority permitted in 2018 and 2019. During that same time, 179 single family houses were permitted, with the most applications in 2018, with 42.

Table 5: Residential New Construction Permits, Plumas County (Unincorporated)

	2015	2016	2017	2018	2019
Single Family	35	36	36	42	30
Multi Family	0	0	0	0	0
Mobile Homes	4	4	4	10	8

Source: Plumas County Building Department, 2020

CONSTRUCTION FORECAST

To-date, County Building does not have any applications for attached housing units (Multifamily, Townhouses), either market rate or affordable, for 2020.

Based on data in the past 5 years, Plumas County anticipates receiving an average of 36 single family applications in 2020. However, this number could be less due to the financial hardships of COVID-19. The Planning Department currently has one small single-family subdivision map application, consisting of 8 lots, in process near Hamilton Branch, currently is on the east shore of Lake Almanor.

INFRASTRUCTURE – WATER, SEWER, ELECTRICITY

The availability of public services, such as water, sewer and electricity, directly affects the feasibility of potential vacant sites for residential development, in terms of cost and time. The County does not directly provide water and sewer; these services are provided by independent special districts. As required by the General Plan, the Multiple-Family Residential (M-R) zoned property is, for the most part, located within areas where sufficient water, sewer, and electrical services are provided. Sufficient total water and sewer capacity is available to accommodate the regional housing need for all income groups, as identified by the Regional Housing Needs assessment described in the 2019-2024 Plumas County Housing Element, including M-R zoned sites in the American Valley Community Service District (CSD) and Grizzly Lake CSD. Additional new community sewer capacity is planned for the Graeagle Land and Water Company service area, including M-R zoned sites.

The following Table 6 includes the special districts that provide water and sewer services to residential properties, including M-R zoned properties, in the unincorporated area of Plumas County.

Table 6: Water and Sewer Service Districts, Plumas County (Unincorporated)

	Area Geography	Water Status	Sewer Status
Chester Public Utility District (PUD)	Chester/Lake Almanor Region	Water system has sufficient capacity	Sewer system may need upgrade
Walker Ranch CSD	Walker Ranch Community – North End of Lake Almanor Peninsula	Water system has more than sufficient capacity	Sewage disposal capacity unclear
Hamilton Branch CSD	Lake Almanor Region - North	Water system has sufficient capacity	No community sewage disposal system
Indian Valley CSD	Greenville, Taylorsville, Crescent Mills	Capacity Unknown	Capacity Unknown
American Valley CSD	Quincy	Water system has sufficient capacity	Sewage system has sufficient capacity
Graeagle Water Company	Graeagle	Water system has sufficient capacity	Plans to build new community sewage disposal system are underway
West Almanor CSD	West Almanor Community	Water system is a mutual water company	No community sewage disposal system
Grizzly Lake CSD	Grizzly Lake Community	Water system has sufficient capacity	Sewage system has sufficient capacity
Plumas Eureka CSD	Plumas-Eureka Estates and Eureka Springs Subdivision Communities	Water system has sufficient capacity	Sewage system has sufficient capacity
Clio PUD	Clio	Capacity Unknown	No community sewage disposal system

(Source: Plumas County Housing Element 2019-2024)

PORTOLA WATER AND SEWER

The City of Portola is the only incorporated city in Plumas County. The City of Portola supplies water and sewer services to all areas within the City limits. According to the Portola General Plan Land Use Element, the City of Portola has enough water and sewer existing capacity to accommodate the City's regional housing needs. In addition, the City will prioritize water and sewer allocation for any housing units affordable to lower income populations.

PORTOLA ENVIRONMENTAL CONSTRAINTS

There are no environmental constraints such as wetlands or contamination that may impede development on the sites identified in the vacant land survey in the 2019-2024 City of Portola Housing Element. The area immediately adjacent to the Middle Fork Feather River is within a designated Federal Emergency Management Agency (FEMA) 100-year floodplain and requires all occupiable development to be above the predicted flood elevation. None of the identifiable parcels in the vacant land survey are within this flood plain.

(Source: Portola Housing Element 2019-2024)

PLUMAS COUNTY ENVIRONMENTAL CONSTRAINTS

The majority of land identified in the vacant site inventory of the 2019-2024 Plumas County Housing Element are in existing communities, such as Greenville, Chester, Graeagle, Lake Almanor, Portola (unincorporated), and Quincy, where infrastructure is in place (e.g., water and sewer, roadways, drainage are available). Most environmental constraints on these vacant sites, such as topography, soils issues, and the presence of wetlands, are minimal. Although some sites in the unincorporated areas of the County fall within a Federal Emergency Management Agency (FEMA) floodplain, these issues will be mitigated with future development projects.

(Source: Plumas County Housing Element 2019-2024)

FOR-SALE MARKET

Table 7 shows key home sale indicators for the 2016-2019 period. At \$240,000, the 2019 median home sale price is just 42% of the statewide median home sale price of \$560,000. Due to the low volume of sales, annual statistics are presented below instead of monthly statistics.

Table 7: Home Sale Statistics, Plumas County

	2016	2017	2018	2019	Average Annual Percent Change
Median List Price	\$344,000	\$317,500	\$285,000	\$275,000	-6.7%
Median Sale Price	\$263,000	\$317,500	\$182,500	\$240,000	-2.9%
Median Sale Price Per Square Foot	\$210	\$179	\$162	\$168	-6.7%
Homes Sold	11	10	8	17	18.2%
Average Days on Market	26	127	139	72	59.0%
Average Monthly Active Listings	16	11	10	22	12.5%
Average Monthly New Listings	20	16	15	41	35.0%

Chart 13 shows the difference between Plumas County and the statewide median sale price has grown over the past couple years. **While the Plumas County median sale price has fluctuated from year to year, it has decreased by 8.7% from \$263,000 in 2016 to \$240,000 in 2019.**

CHART 13: Median Sale Price, Plumas County and California

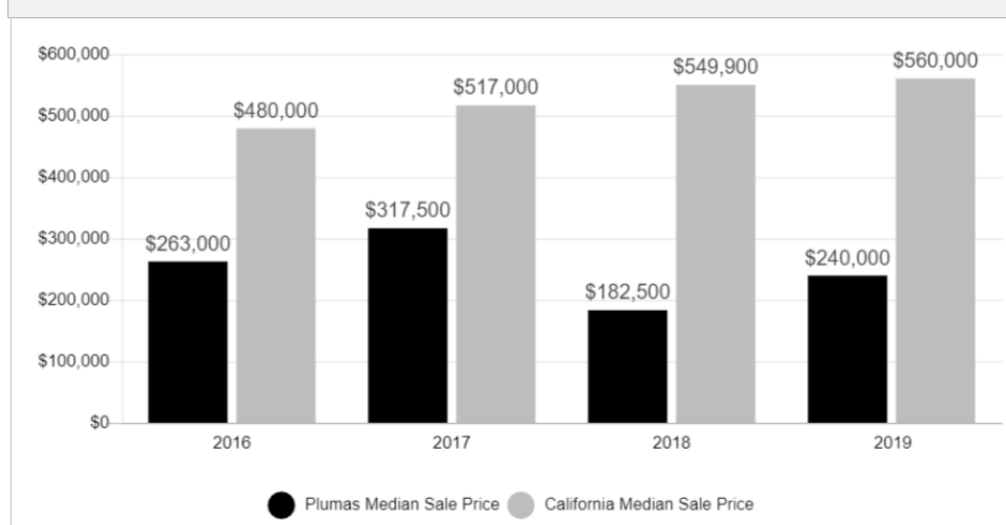


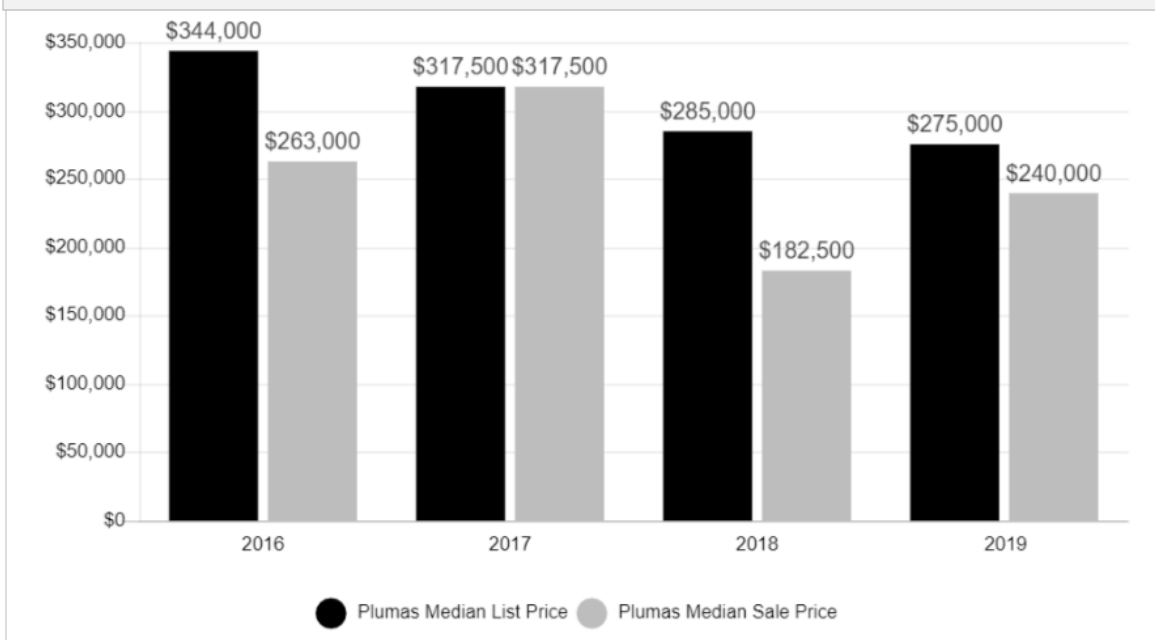
CHART 14: Median Sale Price Per Square Foot, Plumas County



Chart 14 also shows an overall decline in price per square foot over this period.

Chart 15 compares the median listing price to the median actual sale price from 2016 to 2019. When median sale price dipped to \$182,500 in 2018, there was a large \$102,500 gap between median sale price and list price. This gap was closed the following year to \$35,000. The price that a seller can expect to receive for a home has declined quite significantly since 2016.

CHART 15: Median Sale Price vs. Median List Price, Plumas County



Due to the small sample size, it is also helpful to look at annual average sale price, which declined more steadily than median sale price, as shown in Table 8. Average sale price is much higher than median sale price due to the price of larger vacation homes that pull the average upward.

Chart 16 shows the low overall number of sales each of the past four years, with a significant increase in new listings and number of sales in 2019. This shows that the market may have begun to recover from the decline of 2018. However, this recovery is expected to be curtailed by COVID-19 impacts in 2020.

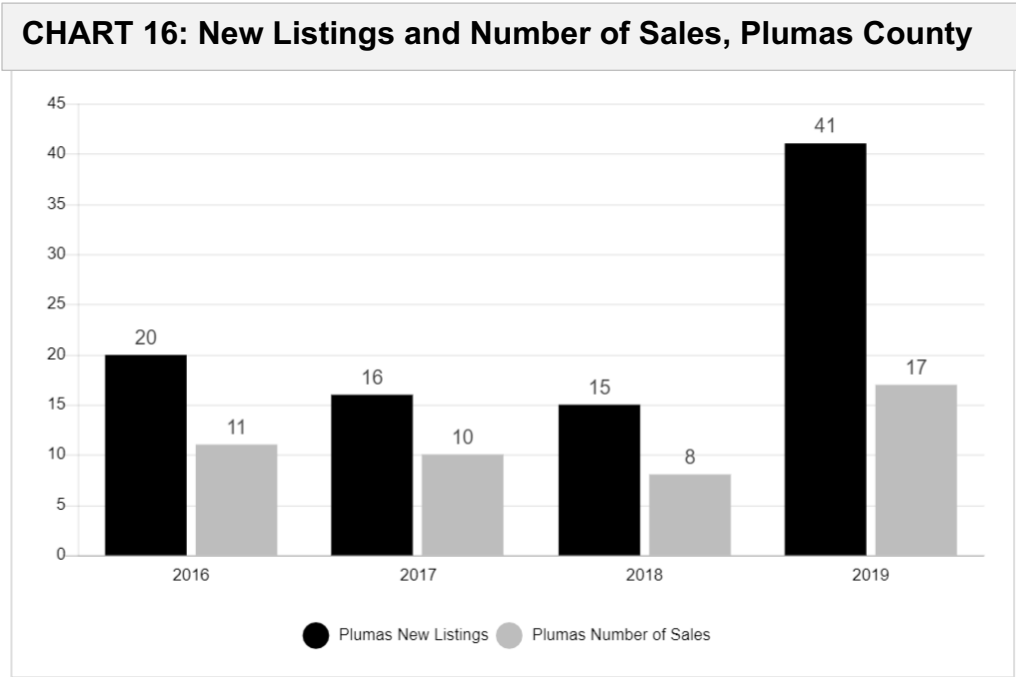


Chart 17 illustrates that the average days on the market for listings increased significantly in 2017 and 2018 as the market began slowing. This average fell again significantly in 2019, demonstrating a market recovery in that year.

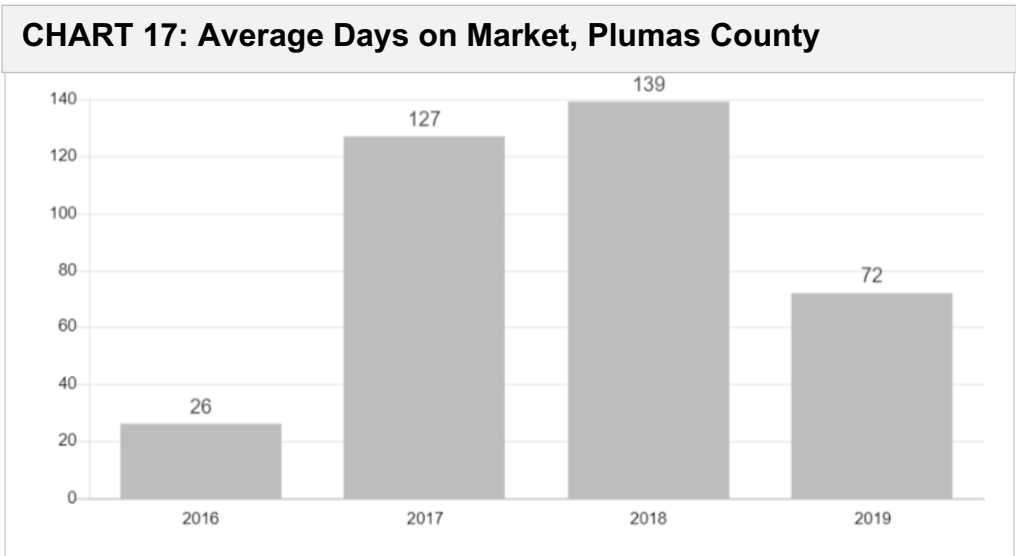


Table 8 shows statistics for homes listed for sale on Zillow April 28-29, 2020. While this time of year is

typically marked by an upswing in home buying, the COVID-19 pandemic is most likely a major factor in suppressing activity. Two very large homes, one listed for \$1,350,000 with 6,000 square feet in Chester and one listed for \$2,295,000 with 5,728 square feet in Taylorsville, were removed from these calculations as outliers. However, these outliers demonstrate that 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. This bifurcated market is also evident among rentals, as described in this study.

There is a noticeable gap between the Zillow countywide average asking price in Table 8 and the California Regional Multiple Listing Service average sale price from closed transactions shown in Table 7. This indicates a potential return to 2018 conditions that were marked by a wide gap between median list and sale prices (\$102,500), and the longest average of days on the market over the last four years (139 days). Also worth noting are the high numbers of average days on the market for currently listed homes (204 days), in comparison to home sales over the previous four years (26-139 days).

The Home Listing Snapshot in Table 8 also shows clear differences in average asking price and average square feet between communities, from an average asking price of \$280,000 and average square feet of 1,712 in Greenville at the low end, to an average asking price of \$427,269 and average square feet of 2,228 in Quincy on the high end. Two-thirds of the listings are in the City of Portola, even though it makes up approximately 20% of the County population.

Table 8: Home Listing Snapshot, Plumas County and the City of Portola (April 2020)

Area	Number of Listings	Average Square Feet	Average Days on Market	Average Asking Price
Portola	42	1,796	178	\$354,417
Taylorsville	9	1,913	153	\$369,167
Quincy	13	2,228	354	\$427,269
Greenville	2	1,712	55	\$280,000
County Total	66	1,837	204	\$368,523

Source: Zillow, April 28-29, 2020

MARKET RATE FOR-SALE OPPORTUNITIES

Chart 8 shows that there are more households earning \$50,000 to \$74,999 in Plumas County than any other income category. Of these 1,498 households, 1,121 are homeowners and 377 are renters. Some of the homeowners in this income category are potential “move-up” buyers to new homes. The 377 renters in this category, and the 372 renters earning more than \$75,000, are potential first-time or return homebuyers. In addition, some of the 2,767 owners earning more than \$75,000 may be looking to move into a new home in Plumas County.

In addition to serving Plumas County residents, the for-sale market in the County has traditionally had strong demand for vacation homes, many of which are rented on a weekly basis on VRBO or AirBnB. These homes are mostly located in the Lake Almanor Basin in and near the west shore of Lake Almanor, the Lake Almanor peninsula, and Chester. As the COVID-19 pandemic has altered tourism, a review of recent vacation home postings show that many vacation homes are transitioning from weekly rentals for visitors to longer term leases for local residents. This may provide an opportunity to further open up the rental market more to middle and lower income households by increasing the overall rental stock available for long-term leases.

In addition to for-sale opportunities for middle and upper income households living in Plumas County, there may also 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 areas around Lake Almanor, Greenville, and Quincy. While the areas around Lake Almanor are a more expensive destination, Greenville is more affordable while also being a short 15-minute drive from recreating opportunities at Lake Almanor. Quincy offers mountain living in a town with a variety of amenities while also being less than a two hour drive from Reno and Chico.

AFFORDABLE FOR-SALE NEED

Making homes available to lower income households and first-time homebuyers will help Plumas County retain workers and strengthen the economy. There are opportunities in Plumas County to offer homeownership at an affordable price to buyers that would not be able to afford a home elsewhere in the California market. This type of homeownership could take many different forms, including private market rate homes located on lower cost land, government down payment loan assistance, or self-help homes such as those built by Community Housing Improvement Program (CHIP) or Habitat for Humanity. Self-help programs make homes affordable to lower income households, provided they contribute “sweat equity” by helping to build the homes.

Chart 5 in the Economy Section shows the annual average employment steadily grew from 2014 to 2018. Affordable homeownership can help support that growth and retain workers. This will be increasingly important in the current unstable economy that has been impacted by COVID-19. While data is not yet available, it is projected that Plumas County will suffer job losses because of the large share of services and tourism employment in the County, as described in the Economy Section. To assist economic recovery, making homeownership more affordable can help the County differentiate from other rural counties in attracting and retaining workers and residents.

Affordable homeownership could be targeted to people in occupations at the Middle Wage tier of \$52,091-\$77,954 summarized in the Economy Section. There are over 25,000 jobs in this category in the North Valley Region, which includes Colusa, Glenn, Lassen, Modoc, Nevada, Plumas, Sierra, Siskiyou, Tehama and Trinity counties. Within Plumas County, Table 4 shows there are an estimated 1,498 households earning \$50,000-\$74,999. Of these households, 377 are renters, some of which may be ready to purchase a home if it is affordable. Many of these households, particularly at the lower end of the income range, may have stayed away from homeownership due to the cost. With some modest assistance, some of these renters may be able to purchase a home.

For the 331 renters earning between \$35,000 and \$50,000, a self-help program such as those offered by CHIP or Habitat for Humanity may help them obtain homeownership. Homeownership for households in these income ranges will incentivize them put down roots in the community. These efforts should be an integral part of an economic development strategy that seeks to attract and retain workers.

The State Housing and Community Development Department (HCD) administers the HOME Program, which makes funding available each year. One of the eligible uses of HOME funds is homeownership assistance. The State CalHome program funds homeownership for low income households, and includes set-asides for homebuyer purchase assistance, new home construction, and rehabilitation. **The State also offers assistance for mobile home rehabilitation and purchase, which may be worthwhile for the County to explore given the large share of mobile homes within its jurisdiction, as shown on Chart 9.** In addition, the County may also want to pursue opportunities for self-help home development.

RENTAL MARKET

Because Plumas County is not within a larger Metropolitan Statistical Area (MSA), industry-standard rental market reports from services such as Reis or Costar are not available. Therefore, the authors of this study conducted a direct and indirect survey of rental listings, which included 13 market-rate properties, 10 affordable rent-restricted properties, 16 short-term rentals, and 4 mobile home or RV communities. Of note, data collection was completed while the state of California was enforcing shelter-in-place orders in response to the COVID-19 pandemic and may have provided a better picture of vacancy rates for that moment in time rather than an illustration of typical rental market trends.

Overall, the survey included a total of 446 units, including: 252 studio and one-bedroom/one-bathroom units, 142 two-bedroom/one-bathroom units, 1 two-bedroom/1.5-bathroom units, 3 two-bedroom/two-bathroom units, 16 three-bedroom/one-bathroom units, 2 three-bedroom/1.5-bathroom units, 24 three-bedroom/two-bathroom units, 1 three-bedroom/three-bathroom unit, 1 three-bedroom/3.5-bathroom unit, 2 four-bedroom/two-bathroom units, 1 four-bedroom/2.5-bathroom unit, and 1 five-bedroom/two-bathroom unit. Mobile home rentals and RV park trailer parking spaces were not included in rental market survey results above but are described at the end of the subsection below.

MARKET RATE RENTAL

The 13 market-rate properties surveyed were spread across the County representing the City of Portola and communities of Quincy, Clio, Lake Almanor, Chester, and Canyon Dam. This represents the market-rate rental listings within the study timeline and is the result of a thorough survey and research of market-rate rentals in the area. There are few market-rate multi-family complexes in the County and most of the rental listings available were single-family homes.

Table 9 shows the results of the rental market-rate survey. Average rent ranged from \$475 for a studio to \$888 for the two-bedrooms. Notably, there were no 1 bedroom and 1 bathroom units available on the market during the data collection period. There was a significant difference in the average rent between the two-bedroom/one-bath units (\$888) and the 3-bedroom/1-bath units (\$2,750). The properties with three bedroom units differ greatly in cost due to an additional bedroom and property amenities like river access, acreage, and detached garages and workshops.

Typical vacancy rates could not be calculated due to the nature of the rental market in addition to the COVID-19 pandemic. While units were advertised by traditional methods, such as newspapers and online, informal interviews with community members indicate that many of the market rate rental units are only available by word of mouth.

Table 9: Plumas County Rental Market Survey, Market Rate Units (13 Properties Surveyed)

	Total Units	Average Unit Size (SF)	Average Rent
Studio	1	350	\$475
1 bed / 1 bath	0	N/A	N/A
2 bed / 1 bath	14	1,009	\$875
2 bed / 1.5 bath	1	1,300	\$1,400
3 bed / 2 bath	2	1,340	\$1,200
3 bed / 3 bath	1	1,871	\$2,000
3 bed / 3.5 bath	1	2,135	\$1,900
4 bed / 2 bath	1	2,110	\$1,795
4 bed / 2.5 bath	1	1,865	\$1,600
Total Units	22	1,497	\$1,405

Source: Survey conducted by Housing Tools, 2020

AFFORDABLE RENTAL

Plumas County is home to several affordable rental complexes that serve low- and very low-income residents and provide some of the only multi-family housing in the County. Notably, the majority of one-bed/one-bath units on the rental market are available in affordable rental complexes. These units were not included in the average rent calculations because the rent for these units is set at 30% of tenant income, and therefore varies based on income and other available subsidies, similar to housing vouchers.

Table 10 shows the results of the affordable, rent-restricted survey. Of the 10 projects surveyed, there were an undetermined number of vacant units as the complexes responded to the needs of their residents during the COVID-19 pandemic.

Table 10: Plumas County Rental Market Survey, Affordable Rent Restricted Units (10 Projects Surveyed)

	Total Units	Average Unit Size (SF)	Average Rent
1 bed / 1 bath	247	657	Income Based
2 bed / 1 bath	127	N/A	Income Based
3 bed / 1 bath	14	N/A	Income Based
3 bed / 1.5 bath	2	N/A	Income Based
3 bed / 2 bath	19	N/A	Income Based
Total Units	409		Income Based

Sources: Survey conducted by Housing Tools, 2020

SHORT-TERM VACATION RENTALS

With tourism playing a significant role in the local economy and limited hotel room options, short term rental properties listed on platforms like AirBnB provide a place for tourists to stay while also providing income for owners who rent out their accessory dwelling units or second income properties. In the past, these units have typically served non-residents of Plumas County, but in recent months have started offering month-to-month rates that are discounted up to 65% below previous rates. Monthly rates of seventeen short term rental listings have been included in Table 11. These units offer another housing market choice to locals who are unable to find housing in traditional methods or markets.

Table 11: Plumas County Rental Market Survey, Short Term Units (17 Units Surveyed)

	Total Units	Average Unit Size (SF)	Average Monthly Rent
Studio	1	N/A	\$2,670
1 bed / 1 bath	6	509	\$2,655
2 bed / 1 bath	1	N/A	\$3,750
2 bed / 2 bath	3	2,098	\$3,682
3 bed / 1 bath	1	N/A	\$3,915
3 bed / 2 bath	2	2,100	\$7,425
3 bed / 3 bath	1	2,000	\$10,050
4 bed / 2 bath	1	1,975	\$13,170
5 bed / 2 bath	1	2,400	\$11,340
Total Units	17	1,547	\$6,517

Sources: Survey conducted by Housing Tools, 2020

MOBILEHOME AND SPECIAL OCCUPANCY PARKS

RV and mobile home parks serve both as a place for people who own their own trailers or mobile homes to rent parking spaces, or to rent trailers or mobile homes much like renting an apartment or home for those of moderate-income or below. Notably, these parks can also offer Single Room Occupancy units (SROs) that cost much less than market rate options. Four RV and mobile home parks were surveyed, one offered single room occupancy units (SROs), two offered mobile home rentals, one offered cabins, and all offered RV and mobile home parking spaces with water and electricity and for some spaces sewer hookups. Pricing varied greatly, with three of the four parks offering spaces at the average price of \$333 a month, not including utilities, and one of the parks charging \$988 a month along with cabins for \$3,596 a month. This price difference is likely due to the size of the RV spaces and total park size with the less expensive parks averaging a total park size of 3.75 acres and the more expensive park with a 22 acre lot.

MARKET RATE RENTAL OPPORTUNITIES

Chart 11 shows that there are a large number of small households in Plumas County and a shortage of smaller units to house them. It is assumed that some of these small households prefer to live in two- and three-bedroom homes. However, a significant portion would also likely prefer a smaller unit that has easier upkeep and is more affordable. Table 4 shows that there are 6,098 1-2 person households in the County, which is about three-quarters of all households. In comparison, there are 1,031 studios and one-bedroom units in the County. **There are approximately six 1-2 person households in the County for every studio and one-bedroom unit.**

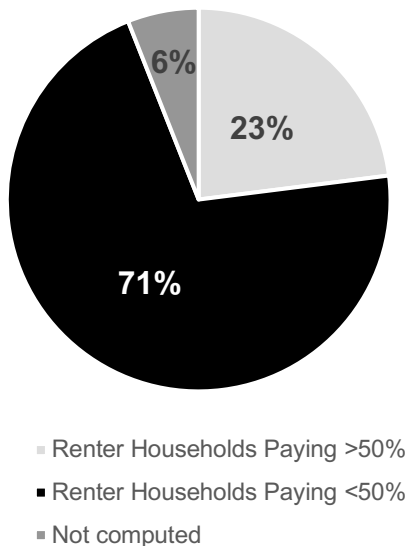
Many small households in Plumas County are seniors, as persons age 65 years and older make up the largest age group, as shown in Chart 3. There are 4,988 seniors, people over the age of 65, in this age category. **Many seniors likely own a home without a mortgage, as there are 2,388 homeowners in the County without a mortgage, which is 39% of all homeowners.**⁶ Some of these seniors likely own homes that are challenging to maintain. They may prefer to sell their home in order to realize its equity and live in a low-maintenance apartment with opportunities to socialize with other seniors. This presents an opportunity to develop market rate rental units for seniors. Parts of the County offer very attractive locations for retirees, particularly Chester, Greenville, and Quincy. Market rents that are lower than nearby Butte, Yuba, and Sutter Counties, as well as the Sacramento area, are also an advantage in attracting seniors looking for more affordability.

⁶ U.S. Census, 2014-2018 American Community Survey

AFFORDABLE RENTAL HOUSING NEED

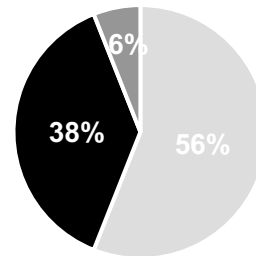
A key indicator of affordable rental housing need is housing cost burden. This is a measure of the percent of household income that is spent on housing. **Chart 18 shows 38% of renter households pay more than 35% of income to rent, which is a total of 835 households. Chart 19 shows that 23% of households pay more than 50% of income to rent, which is a total of 510 households.**

CHART 19: Renter Households Paying >50% of Income on Rent, Plumas County



Source: U.S. Census, 2014-2018 American Community Survey

CHART 18: Renter Households Paying >35% of Income on Rent, Plumas County



- Renter Households Paying < 35% of Income to Rent
- Renter Households Paying > 35% of Income to Rent
- Not Computed

Source: U.S. Census, 2014-2018 American Community Survey

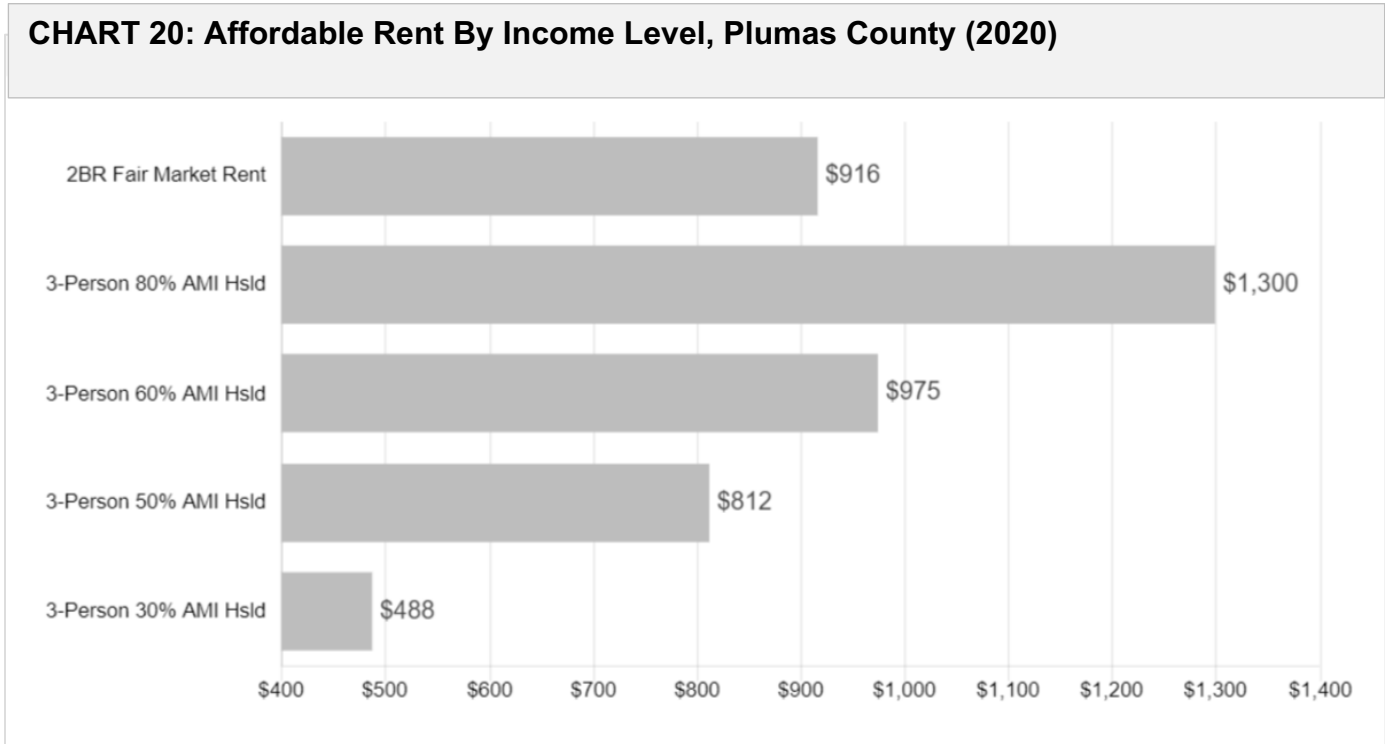
Affordable housing programs subsidize the production of units based on the incomes served, expressed in terms of percent of Area Median Income. Area Median Income is the “middle” income in the range of incomes of all households in a defined area, and reflects gross incomes. Table 12 shows income levels for various percentages of Area Median Income by household size (including adults and children), as set by the U.S. Department of Housing and Urban Development (HUD) definitions for 2020.

Table 12: Incomes by Percent of Area Median Income, Plumas County (2020)

Percent of Area Median Income (AMI)	Household Size			
	One-Person	Two-Person	Three-Person	Four-Person
80%	\$40,480	\$46,240	\$65,000	\$57,760
60%	\$30,360	\$34,680	\$39,000	\$43,320
50%	\$25,300	\$28,900	\$32,500	\$36,100
30%	\$15,180	\$17,340	\$19,500	\$21,660

Source: U.S. Department of Housing and Urban Development, 2020

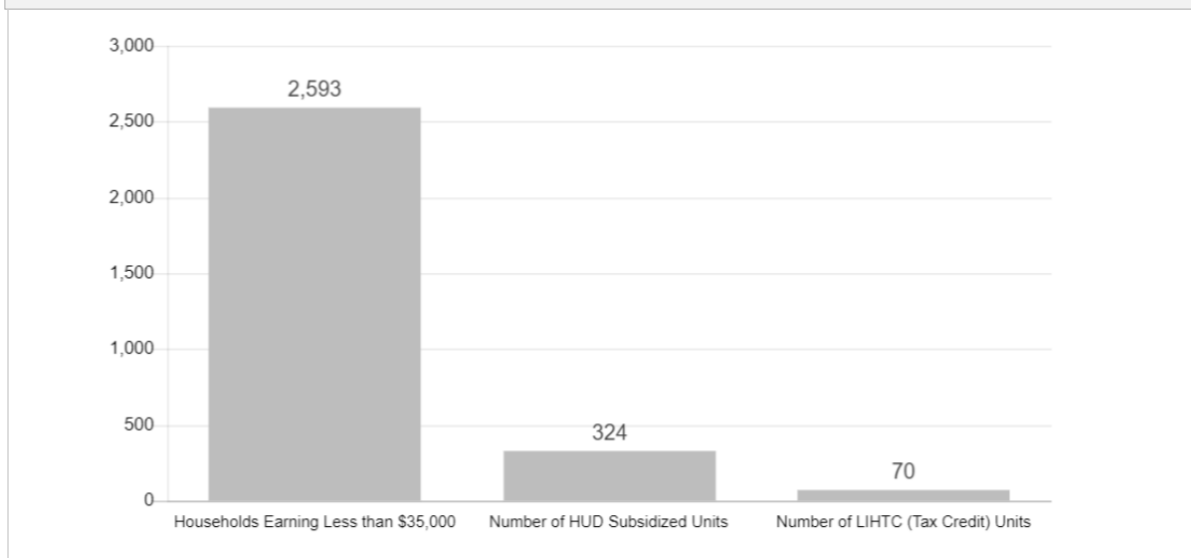
Chart 20 shows housing affordability for various three-person household income levels that correspond with Table 12 above. The two-bedroom Fair Market Rent is a measure of market rent as determined by HUD. The first bar in Chart 20 below shows the Fair Market Rent for a two-bedroom unit in Plumas County, as determined by HUD. The other bars show how much rent households at various household income levels could afford to pay in comparison to Fair Market Rent. A three-person household earning 60% of Area Median Income can afford rent at close to the Fair Market Rent level. When income falls to 50% of Area Median Income and below, it becomes much more difficult to afford market rent.



Source: U.S. Department of Housing and Urban Development, 2020

Chart 21 below shows the number of affordable housing units in the County compared to need. Affordable, rent-restricted housing is generally restricted to, and priced affordably for, households with incomes less than 50% of Area Median Income. Table 12 shows that 50% of Area Median Income is just below \$35,000 for a three-person household. Chart 20 shows an estimated 2,593 households in the County with incomes less than \$35,000. By comparison, there are 324 HUD-subsidized units, and 70 tax credit units, for a total of 394 affordable, rent-restricted units in the County. **As illustrated, there is a significant shortfall of at least 2,199 units that are affordable to Low Income households.**

CHART 21: Affordable Units Compared to Need, Plumas County (2018)

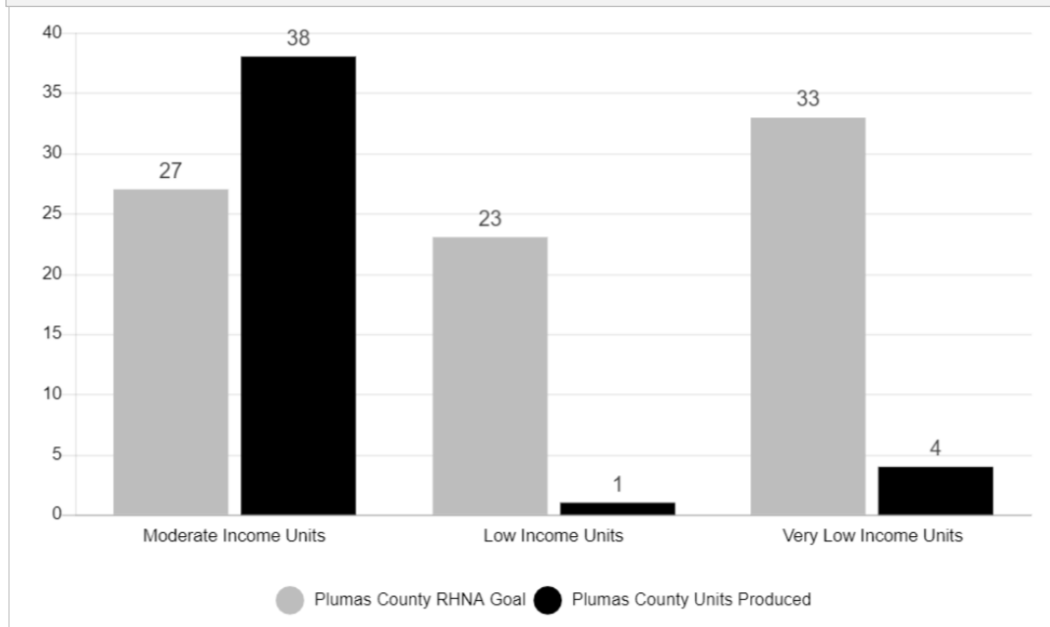


Sources: U.S. Department of Housing and Urban Development, 2019 and U.S. Census, 2014-2018 American Community Survey

HCD establishes a Regional Housing Needs Allocation (RHNA) every five years for Plumas County. The RHNA provides a target for housing production that will meet the projected need of County residents. The target is sub-divided into affordability levels, including Very Low (<50% AMI), Low (80% AMI), Moderate (120% AMI), and Above-Moderate (>120% AMI).

Chart 22 shows the Plumas County RHNA targets and production for Moderate Income, Low Income, and Very Low Income units for the period of 2014 to 2019. The County has exceeded the RHNA production target for Moderate Income units, but has a shortfall of 22 Low Income units and 29 Very Low Income units.

CHART 22: RHNA Progress, Plumas County (2014-2019)



Source: California Department of Housing and Community Development, 2019

HOMELESSNESS IN PLUMAS COUNTY

Similar to every other community in California, Plumas County has a portion of its population experiencing homelessness. The County acts as the representative entity for Plumas County in the NorCal Continuum of Care (CoC), which applies for and oversees funding from HUD to provide permanent supportive housing opportunities for individuals and families experiencing homelessness. Every two years, each CoC is required to conduct a Point in Time count (PIT) of those who are homeless on a selected day in January. The counts derived from this effort not only establishes funding thresholds for federal and state funds, but also provide a snapshot of who experiences homelessness in the County.

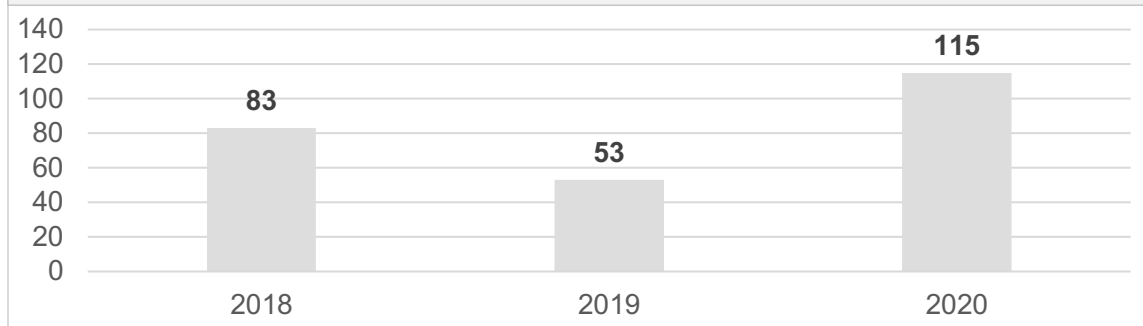
The most recent PIT completed by the County happened on January 27, 2020. The data from the 2020 PIT count is preliminary, and has not been verified by either the NorCal Continuum of Care or HUD. However, these preliminary figures for 2020 are included here to provide a reference point, as compared to 2018 and 2019 data, which is more thoroughly described below.

Chart 23 shows 2020 Point-in-Time Survey counted a total of 115 homeless individuals on the night of the count. Of these, 38 individuals were sheltered and 77 were unsheltered. All of the sheltered individuals were in Quincy, and more than half of the unsheltered individuals were also in Quincy.

The 2019 Point-in-Time Survey counted a total of 53 individuals experiencing homelessness in Plumas County. Of these individuals:

- 35 were sheltered, 18 unsheltered
- 29 were male, 24 were female
- 1 person reported being pregnant
- Most individuals (42%) were ages 25-34; there were 10 children under the age of 17
- 13 individuals reported they have lived in the county all or the majority of their lives
- 2 individuals were veterans
- 61% of individuals self-reported a mental health condition
- 16% of respondents had been in foster care

CHART 23: Number of People Experiencing Homelessness by Year, Plumas County



The 2018 count in Plumas County showed 83 people, which is a number service providers feel was quite accurate, as there were many people living in sober living environments, and were therefore sheltered. The drop to 53 people in 2019 was reflective of the influx of ESG and other funding which directed more people into permanent housing. Despite this funding, in 2020, the number has

increased to 115, most of which has been attributed to an increase of single men who are chronically homeless, and transitioning offenders from jail, probation and parole. It has also been noted that in 2020, families experiencing homelessness have increased and there is a lack of appropriate housing for them.

The 2020 PIT was able to count 115 persons in total. Traditionally, the PIT is considered to likely undercount the number of people who are homeless, since it relies on volunteers canvassing communities to find individuals who are willing to participate in the survey on that one day. Lack for a formal emergency shelter also makes locating individuals experiencing homelessness difficult. Therefore, the number of people experiencing homelessness in Plumas County may be somewhat higher than shown. The PIT definition of homeless is more restrictive than other definitions and does not include households doubling up or living temporarily in motels. While homelessness is a complex and multi-faceted problem, addressing the county's need for additional affordable housing units for very-low and extremely-low income households, in particular, the need for one-bedroom affordable units for single individuals, will contribute significantly to long-term solutions. New funding from the State, designed to specifically address homelessness, is discussed in more detail below. These funds can be used to develop critical infrastructure and support the wraparound services needed to help move individuals and families out of homelessness.

AFFORDABLE RENTAL FUNDING ENVIRONMENT

As demonstrated above, **there is a clear need for affordable housing in Plumas County.** Beyond meeting an immediate need for residents, affordable housing creates the potential for positive spillover benefits to the broader community. In areas with soft housing markets, new affordable rental housing often increases surrounding property values and stimulates reinvestment and revitalization. In addition, housing construction creates jobs and economic activity. Jobs are created through contracts for the construction in the short-term, and through operations and maintenance activities post-construction in the long-term. Furthermore, lower rents free up more discretionary household income that can be spent within the local community.

Affordable housing requires public subsidies to compensate for restricted, below-market rents. Traditionally, subsidies for rural counties have been provided through the HOME and Community Development Block Grant (CDBG) programs administered by HCD. Funding from these programs is made available to rural counties throughout the State annually through a competitive application process, as described below.

HOME INVESTMENT PARTNERSHIP ACT (HOME)

A total of \$42 million was made available in the Notice of Funding Availability (NOFA) released in October 2019 with applications due in late January 2020. Generally, the State issues one HOME NOFA per year. Funding is available for new rental construction (up to \$5 million per loan, or up to \$6 million for projects with deep affordability targeting, serving special needs populations and/or those experiencing homelessness), rental rehabilitation (up to \$5 million), homebuyer projects (up to \$80,000 per unit), activity delivery and administrative costs.

Community Development Block Grant (CDBG)

The most recent CDBG NOFA released in January 2020 made available \$60 million. Round 1 applications for Housing and Community Development Competitive program and Economic Development Competitive Program funds are due June 1st, 2020. Round 2 applications for additional Economic Development Competitive Program funds are due July 15th, 2020. Economic Development Over-the-Counter Project Allocation application will close September 15th, 2020. Multifamily Housing, Housing Infrastructure, and Community Development Over the Counter (OTC) Project application period closes on September 30th, 2020. The State has been working to revamp the CDBG program and now plans to issue an annual NOFA every January with streamlined processes for awards. The two most significant redesign related changes to this NOFA cycle include the addition of an Over-the-Counter application process for all capital construction projects and the implementation of the new eCivis Grants Managements System that will allow applicants to apply online and track the status of their application. At least 70% of all CDBG funds must be used for activities that benefit low- and moderate-income individuals, families, and households.

NEW STATE FUNDING SOURCES

The State legislature has recently passed a number of pieces of legislation over the past two years that fund affordable housing and related homeless services. A description of these programs is provided below.

NO PLACE LIKE HOME (NPLH)

The purpose of this program is to provide permanent supportive housing for homeless persons living with a serious mental illness, and families with a child living with serious emotional disturbance. There are two funding streams: a Non-Competitive Program and a Competitive Program. Both funding streams may be combined for one project. It is expected that counties will partner with a Development Sponsor (an experienced supportive housing developer) who will actually own and manage the project. Counties are required to commit to provide and facilitate tenant supportive services, including mental health services, for a minimum of 20 years. Plumas County is eligible to receive \$500,000 through the Non-Competitive Program, with any project application intending to use these funds due no later than February 15, 2021. The County and a partner Development Sponsor can also propose to utilize Competitive funds from the Small County Set Aside in a project application that is responsive to one of the State's annual NOFAs. The third round of Competitive funding is scheduled for the Fall of 2020 and the fourth round is scheduled for the Fall of 2021. Any project proposing to use both streams of funding will submit one combined project application in response to one of the NOFAs, with a maximum project loan of \$20 million.

PERMANENT LOCAL HOUSING ALLOCATION (PLHA)

The PLHA was established through the Building Homes and Jobs Act (SB2) of 2017. The PLHA will be a broad, ongoing affordable housing program funded by fees collected from real estate transaction recordings. HCD estimates that annual revenue will be \$250 million statewide. Plumas County can access PLHA funds through two mechanisms:

- Non-competitive annual allocation: These funds will be provided to the County on an annual basis, subject to the submittal of an HCD-approved 5-Year Expenditure Plan. The Year 1 (2020) estimate of funding for the County is \$121,182, and the 5-Year estimate of funding for the County is \$727,093. Annual funding amounts are subject to the amount of revenue collected by the State. The incorporated City of Portola will also receive an annual allocation, estimated at approximately \$75,338 in the first year. The State will allow local jurisdictions to combine and pool their funds for common projects, and can designate one local jurisdiction to administer the funds on their behalf.
- Competitive allocation: Counties that do not receive CDBG entitlement funds can also apply for competitive funds which will be made available via a NOFA process on an annual basis. Priority points will be given for jurisdictions proposing to use competitive funds to provide assistance to those experiencing homelessness and who have an unincorporated population of less than 200,000.

For 2020, the State issued a NOFA in March for the non-competitive allocation, with Expenditure Plans/Applications due no later than July 27, 2020. A NOFA for the competitive funds is anticipated for release in August 2020 with applications due in October 2020. Eligibility threshold is having a currently compliant Housing Element and up-to-date submittal of the Housing Element Annual Progress Report (APR). As noted above, once a jurisdiction's 5-Year Expenditure Plan is approved, they will receive their non-competitive allocation each year, and can apply for competitive funds each year pursuant to an annual NOFA process.

PLHA funds are designed to be flexible in order to address each jurisdiction's greatest housing needs, especially for those households who earn 60% of Area Median Income or less.

Eligible uses of the non-competitive funds are:

1. Predevelopment, development, acquisition, rehabilitation and preservation of multifamily, residential live-work, rental housing that is affordable to extremely-low, very-low, low- and moderate-income households, including necessary operating subsidies. Accessory Dwelling Units (ADUs) are eligible for assistance.
2. Affordable rental and ownership housing that meets the needs of a growing workforce earning up to 120% of Area Median Income or 150% of AMI in high-cost areas.
3. Matching portions of funds placed into local or regional housing trust funds.
4. Matching portions of funds available through the Low and Moderate Income Housing Asset fund pursuant to subdivision(d) of the Section 34176 of the Health and Safety Code.
5. Capitalized reserves for services connected to the creation of new permanent supportive housing, including, but not limited to, developments funded through the Veteran's Housing and Homelessness Prevention Bond Act of 2014.
6. Assisting persons who are experiencing or at risk of homelessness, including providing rapid rehousing, rental assistance, navigation centers, emergency shelters, and new construction, rehabilitation and preservation of permanent and transitional housing. This activity may include using PLHA funds for continued assistance to households assisted with California Emergency Solutions and Housing (CESH) Program funds.
7. Accessibility modifications.
8. Efforts to acquire and rehabilitate foreclosed or vacant homes.
9. Homeownership opportunities, including down payment assistance.
10. Fiscal incentives or matching funds to local agencies that approve new housing for extremely-low, very-low, low- and moderate-income households.

Eligible uses of the competitive funds are:

1. Development of new multifamily rental housing that is affordable to households at or below 60-percent of AMI or substantial rehabilitation of multifamily rental housing that will be affordable to households at or below 60-percent of AMI, but which is not currently restricted as affordable housing; or
2. Assistance to persons who are experiencing or at risk of homelessness, including, but not limited to, through rapid rehousing, or rental assistance, supportive services and case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers, or new construction, rehabilitation, or preservation of permanent or transitional rental housing.

CONCLUSION

After suffering a severe economic recession from 2009-2014, Plumas County rebounded over the last five years. Employment increased by 411 jobs between 2014 and 2018 while the unemployment rate fell from 12% to 8% over that period. After the County population fell from 19,914 in 2010 to 18,427 in 2015, it began growing again and rose to 18,807 by 2019. Despite the recent economic recovery, the County must now deal with the economic fallout of COVID-19, which is likely to negatively impact the primary employment sectors in services and local government as tourism and sales tax receipts decline.

Despite these challenges, this study has identified opportunities for the development of market rate and affordable housing, which are outlined below. Development of this housing will require public/private partnership and strategic investment from outside the County. These investments can help strengthen the overall economy by reducing the cost of living for local workers and attracting workers and residents from outside the County.

- Facilitate the development of affordable and market rate studio and one-bedroom units to meet the needs of smaller households. Utilize the HOME and CDBG programs to rehabilitate motels and duplexes, tri-plexes, and four-plexes for use as permanent, small unit, low cost housing. Development incentives could include reduced parking requirements for smaller units.
- Facilitate and promote the development of retirement communities for seniors. Explore lower cost opportunities in Greenville and Quincy, in addition to Chester. Provide incentives for developers as described above.
- Work with the State Housing and Community Development Department (HCD) Mobilehome Assistance Center and Rural Communities Assistance Corporation (RCAC) to fund mobile home rehabilitation.
- Work with developers to provide rental housing options for senior residents who do not want to deal with the hassle and/or expense of maintaining their homes.
- Identify and pursue opportunities to fund affordable housing that meets the needs of lower income Plumas County residents, including service workers. Utilize local funds, and zoning incentives, to leverage State funding and tax credits for the development of this type of housing.
- Prepare to access new State funding sources in order to build Permanent Supportive Housing for individuals and families experiencing homelessness.