

Regional Early Action Planning Grants (REAP)

Annual Report Template



[REAP Program Webpage](#)

March 2021

REAP Grant Annual Report - 2025

County of Modoc

Overall Context:

Organized into three sections according to activity:

1. Update of the City of Alturas SOI and MSR Plan

The Sphere of Influence and Municipal Services Review for City of Alturas includes an inventory of vacant land inventory and a residential absorption analysis to determine the amount of land that can be developed for future residential development based on County resource availability. This study also included evaluation of the unincorporated community of Daphnedale, which is an adjoining disadvantaged community to Alturas which is served public sewer by the City. The Plan demonstrates the City's capacity to provide public services throughout the City and Sphere of Influence, including water and sewer, to the Community of Daphnedale. The Plan indicates that the City currently has sufficient sewer capacity to serve 250 connections, currently 42. This Plan demonstrates that, in accordance with the grant objectives for this project that over 25 dwellings could be constructed in Daphnedale. 4. Several several residential growth constraints identified as follows:

- a. Daphnedale lacks a public a water system which in turn limits residential development opportunities.
- b. There is a City water system storage limitation.
- c. The City's sewer system is experiencing significant infiltration and inflow which needs to be repaired enable to increase capacity to serve growth.
- d. There is a lack of housing development opportunity in the area with declining population.

Several actions are identified to improve residential growth opportunities in Alturas and Daphnedale as follows:

- a. City water should be extended to Daphnedale to improve growth opportunities.
- b. The City should improve water storage capacity.

- e. The City's should improve the sewer system to reduce infiltration and inflow which in turn will increase capacity.
- f. The City, the County, regional, state, and federal partners should further develop economic employment opportunities for professionals to increase the demand for housing.

2. Water Service Master Plan for the Community of Canby

A water service plan for the community of Canby to address public water service in a community where many of its community wells have dried up or are having water quality issues. The plan provides comprehensive public water system to serve the community to assure potable water is made available to all residents and increase the potential of to improve water availability to the community and increase residential development capacity. The Water Service Master Plan (WSMP) provides detailed design, costs, and financing options for development of a public water. The study identifies the opportunity to facilitate development of over 50 more dwellings in Modoc County. The Plan provides an opportunity to increase water availability to existing residents and future housing development. It is the first step in creating actions for reducing constraints to residential development.

3. Pre-Approved Accessory Dwelling Unit Plans

The General Plan Housing Element indicates the need to provide more affordable housing in Modoc County and targets the need to produce more Accessory Dwelling Units (ADU)s as a major source of housing that can support very low- and low-income families. Using detailed building plans that have been pre-approved for building permits the County now offers two versions of Accessory Dwelling Unit (ADU) Plans to applicants/property owners for free. Normal cost of producing these plans can range in price from \$8,000 to \$20,000 depending on level of sophistication and designer costs. These cost savings will reduce overall costs of an ADU by as much as 10 percent. In addition, having the plans pre-approved allows for over the county building permit issuance avoiding the time it takes to process and plan check an unfamiliar set of plans. This program of producing affordable housing has been successful in encouraging this type of development throughout California and will increase the production of ADUs in Modoc County.

Project Highlights, Best Practices and Recent and Anticipated Achievements:

Update of the City of Alturas SOI and MSR Plan

Recommendations in the Plan include:

- a. Continue economic development efforts and to balance job and population growth.
- b. Establish requirements so that developers will pay their fair share of infrastructure development costs.
- c. Prepare water and wastewater master plans and investigate grants or grants and loans to improve infrastructure, eliminate capacity constraints, and identify infrastructure needs for additional growth.
- d. Develop a financing plan to accommodate growth by establishing a sustainable funding mechanism for capital improvements and day-to-day operations for Fire and EMS services.
- e. Prepare a Capital Improvement Plan to be prepared for future capital expenditures.
- f. Consider Community Facilities Districts as a means for new development to pay infrastructure and operational costs.
- g. Conduct a comprehensive update of General Plan and ordinances for consistency.

Much of the information in the plan consists of data to support the need to develop programs to increase housing production, such as vacant land inventories, capacity analysis, and infrastructure improvement needs. The General Plan Housing Elements for both Alturas and Modoc County include programs to expand housing development opportunities through programs to incentivize housing development and reduce constraints to housing production. The Plan provides policy recommendations to address these objectives. There were very few challenges encountered in preparing the report. Many recommendations align with state and federal laws, such as the need to update the City of Alturas General Plan.

The plan was recently updated so there have been no quantified housing production outcomes from this activity.

2. Water Service Master Plan for the Community of Canby

Design and recommendations in the plan that will have the greatest impact on housing production, of the Plan are as follows:

- a. The water system should be designed for significant storage to address fire mitigation, emergency backup, and reduced fire insurance rates.
- b. Water quality of groundwater will need to be further evaluated.
- c. Hydraulic modeling will be needed to determine appropriate water distribution.
- d. The estimated construction cost for near-term improvements is \$9.6 million. An additional \$6.3 million should be planned for construction contingency, indirect and engineering, and inflationary increases.
- e. Various funding sources are available. Costs will vary depending on terms of grants/loans.

Based on the current County regulations for residential development Canby is limited to a residential development density of 1.5 units per acre (realistic capacity). However, with public water provided, the realistic development capacity increases to over 6 units per acre and if sewer is provided up to 13 units per acre. The Plan indicates over 50 new housing units could be developed in Canby with public water service available. The water service plan would be used to obtain grants from State and Federal agencies to construct a new water system for Canby. The final product would be a water service plan approved by the County.

Although there seemed to be a unified consensus among Canby community members during the workshop to develop the water system, there was significant disappointment with understanding the cost to construct and maintain the system and how that might best be funded. Much discussion centered on the cost of water rates and the impact these rates would have on living in Canby. Solutions of developing a water system included evaluating what different water sources could be used, how the system design would work, and what resources it would take to maintain the system. It was also noted that water quality, and the potential costs of water treatment for the system could be a challenge. The Canby Community Service District and the County acknowledged that any water system that was to be funded by state and federal funding would need to comply with health and safety regulations.

The plan was recently adopted and without plans being implemented it is impossible to determine future housing production outcomes from this activity.

3. Pre-Approved Accessory Dwelling Unit Plans

As a result of HCD REAP Reimbursement Department's encouragement to fully use the County's REAP Grant allocation, the County was able to apply a similar program for ADU production used by the City of Alturas. This will result in a program that all residents in the County and the City can use seamlessly. The County appreciates HCD's offer to use these funds to create more lower income housing production in the County. This partnership between cities and counties could be used as a model for other agencies.

The activity was recently developed and is now active but to date there has been no ADUs produced.

Status of Activities:

Activity Category	General Description	Amount Allocated	Amount Expended	Timing	Status	Regional Impact on Housing
1	<i>Update of the City of Alturas SOI and MSR Plan</i>	\$13,535.00	\$13,535.00	June 13, 2023, to February 13, 1024	Complete	10 dwellings by 2029
2	<i>Water Service Master Plan for the Community of Canby</i>	\$94,282.28	\$94,282.28	June 16, 2024 to August 27, 2024	Complete	50 dwellings by 2029, if built
3	<i>Pre-Approved Accessory Dwelling Unit Plans</i>	\$13,699.72	\$13,699.72	October 11, 2024 to December 31, 2024	Complete	Two ADUs/year

Summary of Indicators of Housing Production:

HCD post-submission corrections

Housing Production Indicator	Baseline Year (2019)	Current Year (2024)	Cumulative Change	Notes
Building Permits	4 houses 6	4 houses 4	34 -2	
Certificates of Occupancy	1	0	-1	
Completed Entitlements	1	0	-1	

Additional Information:

Grant was closed-out was submitted to HCD in December 2024. Please see close out report for grant for more details or request a copy of report from our office.