

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 9/11/2012	(3) CONTACT/PHONE Morgan Torell, Planner III/781-5113 Tony Navarro, Planner III/781-5787	
(4) SUBJECT Request to approve a resolution amending the 2010, 2011, and 2012 Action Plans of the Urban County of San Luis Obispo to reallocate Home Investment Partnerships Program (HOME) funds and allocate Emergency Solutions Grant (ESG) funds. Supervisorial District: All			
(5) RECOMMENDED ACTION Staff recommends that your Board: <ol style="list-style-type: none"> 1. Amend the 2010 Action Plan to reallocate \$139,500 in HOME funds from "Purchase of 3150 Park Street by the Paso Robles Housing Authority" to "Development of Affordable Housing for Phase I of the Oak Park Affordable Housing Project" by the Paso Robles Housing Authority. 2. Amend the 2011 Action Plan to allocate Emergency Solutions Grant funds in the amount of \$4,541 to the Women's Shelter Program of San Luis Obispo County, \$45,031 to the LINK, and \$2,000 to the County of San Luis Obispo 3. Amend the 2012 Action Plan to allocate Emergency Solutions Grant funds in the amount of \$6,407 to the Women's Shelter Program of San Luis Obispo County, \$61,495 to the LINK, and \$3,835 to the County of San Luis Obispo 4. Adopt the attached resolution approving and authorizing submittal of the Urban County of San Luis Obispo Program Year 2010, 2011, and 2012 Action Plans to the U.S. Department of Housing and Urban Development (HUD) and instruct the Chairperson to sign. 			
(6) FUNDING SOURCE(S) HOME and ESG	(7) CURRENT YEAR FINANCIAL IMPACT \$262,809.00 (HOME and ESG)	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { x } Hearing (Time Est. __30 min____) { } Board Business (Time Est.____)			
(11) EXECUTED DOCUMENTS { x } Resolutions { } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5th's Vote Required { x } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date <u>May 8, 2012</u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Morgan Torell, Planner III
Tony Navarro, Planner III

VIA: Chuck Stevenson, AICP, Division Manager

DATE: 9/11/2012

SUBJECT: Request to approve a resolution amending the 2010, 2011, and 2012 Action Plans of the Urban County of San Luis Obispo to reallocate Home Investment Partnerships Program (HOME) funds and allocate Emergency Solutions Grant (ESG) funds.

RECOMMENDATION

Staff recommends that your Board:

1. Amend the 2010 Action Plan to reallocate \$139,500 in HOME funds from "Purchase of 3150 Park Street by the Paso Robles Housing Authority" to "Development of Affordable Housing for Phase I of the Oak Park Affordable Housing Project" by the Paso Robles Housing Authority.
2. Amend the 2011 Action Plan to allocate Emergency Solutions Grant funds in the amount of \$4,541 to the Women's Shelter Program of San Luis Obispo County, \$45,031 to the LINK, and \$2,000 to the County of San Luis Obispo
3. Amend the 2012 Action Plan to allocate Emergency Solutions Grant funds in the amount of \$6,407 to the Women's Shelter Program of San Luis Obispo County, \$61,495 to the LINK, and \$3,835 to the County of San Luis Obispo
4. Adopt the attached resolution approving and authorizing submittal of the Urban County of San Luis Obispo Program Year 2010, 2011, and 2012 Action Plans to the U.S. Department of Housing and Urban Development (HUD) and instruct the Chairperson to sign.

DISCUSSION

Introduction

This request includes the reallocation of \$139,500 of HOME Investment Partnership Act (HOME) program funds and the allocation of \$123,309 of Emergency Solutions Grant (ESG) program funds. The HOME grant provides funding to create affordable housing for low-income households. The ESG program provides funding for emergency shelter for the homeless, street outreach for the homeless, homelessness prevention, and rapid re-housing assistance. The reallocation and allocation of grant funds is necessary to address changing project needs and requirements.

HOME Reallocation

On July 19, 2011, the Board reallocated \$397,049 and \$139,500 in 2009 and 2010 HOME funds, respectively, to the Paso Robles Housing Authority (PRHA) for the "Purchase of 3150 Park Street by the Paso Robles Housing Authority," for a total of \$536,549, as part of the Oak Park Affordable Housing Project.

The PRHA and the Paso Robles Joint Unified School District are in the final negotiation stage for the sale of the subject property now that an appraisal is completed. The PRHA indicated that the \$397,500 in 2009 HOME funds is sufficient for the property acquisition and associated closing costs.

As the developer of the Oak Park Affordable Housing Project, PRHA is requesting the reallocation of the \$139,500 of 2010 HOME funds for the following reasons:

- 1) The 2009 allocation of HOME funds in the amount of \$397,049 is sufficient for the acquisition of property,
- 2) The U.S. Department of Agriculture (USDA) reallocated Section 514 funds from Phase II to Phase I of the project, increasing the unit count in Phase I from 69 units to 80 units, which increases the construction costs in Phase I, and
- 3) The reallocation clarifies the need for the PRHA to use funds for development instead of acquisition.

Planning staff recommends the reallocation of \$139,500 in 2010 HOME funds for Phase I of the Oak Park Affordable Housing project as described below:

HOME Amendment to the 2010 Action Plan

#	Project	Reallocation
Amendment to the 2010 Action Plan (CDBG funds)		
1	Reallocate \$139,500 from "Purchase of 3150 Park Street by the Paso Robles Housing Authority" to the existing Project - "Development of Affordable Housing for Phase I of the Oak Park Affordable Housing Project"	\$139,500.00
Total		\$139,500.00

ESG Allocations

As part of the 2011 Action Plan, your Board allocated \$91,683 of Emergency Shelter Grant funds to activities in the Urban County. In December 2011, HUD released Emergency Solutions Grant regulations to replace the Emergency Shelter Grant program. With the release of these new regulations, HUD also allocated an additional \$51,572 of 2011 grant funds to the Urban County ("second allocation"). This was above the \$91,683 already allocated. The second allocation of funds is to be used for ESG eligible activities under the new regulations. Additionally, HUD allocated \$71,737 of 2012 Action Plan program year funds ("second allocation"), above the \$91,683 recently allocated by your Board in March. All 2012 and beyond ESG funded Action Plan activities must comply with the new ESG program regulations. On May 8, 2012, your Board approved funding amounts from the second allocation of ESG funds to general activities, but not to programs or non-profit agencies. The allocation described below will award funds to non-profit agencies to operate programs that will implement the activities previously approved by your Board.

The Planning Department has since published a Request for Proposals for applicants to apply for ESG program activities using the second allocations. The Department received three applications, including the following:

- *The Women's Shelter Program of San Luis Obispo County:*
The Women's Shelter Programs located in San Luis Obispo and in Paso Robles requests 10 percent of the available ESG funds minus administration (\$4,541 from 2011 and \$6,407 from 2012) to serve 20 persons over a 2-year period with financial assistance, including rental assistance, security deposits, utility deposits, etc. The applicant would provide case management and administration costs at no charge to the ESG program. All clients would be homeless or at-risk of becoming homeless, and also victims of domestic violence.
- *Community Action Partnership of San Luis Obispo County (CAPSLO):*
CAPSLO requests all of the available ESG funding. The proposed program would focus on the

north county region and would include a .65 FTE case manager. Clients would receive financial assistance (i.e. rental assistance, deposits, and moving cost assistance) and stabilization services such as housing stability case management from the case manager. All clients would be homeless or at-risk of becoming homeless. CAPSLO estimates that a total of 50 persons could benefit from these funds in this program and approximately 40 percent of the clients served would be families with children.

- *The LINK:*
The LINK requests all of the available ESG funding. The proposed program would focus primarily on the north county area but would also serve persons in the south county and San Luis Obispo areas. The program would include a full-time homeless services case manager, and would collaborate closely with the schools and the participating agencies of the Homeless Services Coalition of the North County. All clients would be homeless or at-risk of becoming homeless. These funds would assist the LINK in developing a north county Housing Resource Center. Clients would receive financial assistance (primarily rental assistance) and stabilization services such as housing stability case management through the case manager and through other co-case managing agencies. The LINK case manager would connect clients to and rely on other agencies for some of the stabilization services when possible. All clients would be homeless or at-risk of becoming homeless. The LINK estimates that up to 80 persons could benefit from these funds based on the estimate that approximately 70 percent of the clients served would come from families with children.

The Homeless Services Oversight Council (“HSOC”) created and authorized an ad hoc grant review subcommittee to evaluate the ESG applications and make a funding recommendation to its larger Council. At its July 18, 2012 meeting, the full HSOC reviewed and agreed with the subcommittee’s recommendation to fully fund the Women’s Shelter Program of San Luis Obispo County as requested, and to provide the remaining funds to the LINK (excluding some of the administration funds which would be allocated to the County) as shown in the charts below.

Splitting up the funds between all three agencies would make it difficult to administer. Neither the LINK nor CAPSLO would have much funding to run a program. The main reasons why the subcommittee recommended funding for the LINK include:

- 1) There is a proposed regional and cooperative approach to the application through the startup of a housing resource center (which would be open and accessible to potential clients and non-profit agencies),
- 2) There is proposed strong collaboration between the LINK, the schools, and many other non-profit agencies, and,
- 3) CAPSLO is part of the Homeless Services Coalition of the North County, so CAPSLO clients could still potentially benefit from these funds through co-case management.

Program Year 2011 ESG Allocation	Amount Available
Amendment to the 2011 Action Plan (ESG funds)	
Rapid Re-Housing – Rental Assistance by the LINK	\$9,445
Rapid Re-Housing – Housing Relocation and Stabilization Services by the LINK	\$17,540
Homelessness Prevention- Rental Assistance by the LINK	\$5,782
Homelessness Prevention – Housing Relocation and Stabilization Services by the LINK	\$5,783
HMIS by the LINK	\$2,321
Administration by the LINK	\$4,160
Administration by the County	\$2,000
Rapid Re-Housing – Rental Assistance by WSPSLO	\$1,049
Rapid Re-Housing – Housing Relocation and Stabilization Services by WSPSLO	\$1,949
Homelessness Prevention- Rental Assistance by WSPSLO	\$643
Homelessness Prevention - Housing Relocation and Stabilization Services by WSPSLO	\$642
HMIS by WSPSLO	\$258
ESG TOTAL	\$51,572

Program Year 2012 ESG Allocation	Amount Available
Amendment to the 2012 Action Plan (ESG funds)	
Rapid Re-Housing – Rental Assistance by the LINK	\$13,335
Rapid Re-Housing – Housing Relocation and Stabilization Services by the LINK	\$24,766
Homelessness Prevention- Rental Assistance by the LINK	\$8,165
Homelessness Prevention – Housing Relocation and Stabilization Services by the LINK	\$8,165
HMIS by the LINK	\$3,228
Administration by the LINK	\$3,836
Administration by the County	\$3,835
Rapid Re-Housing – Rental Assistance by WSPSLO	\$1,482
Rapid Re-Housing – Housing Relocation and Stabilization Services by WSPSLO	\$2,752
Homelessness Prevention- Rental Assistance by WSPSLO	\$907
Homelessness Prevention - Housing Relocation and Stabilization Services by WSPSLO	\$907
HMIS by WSPSLO	\$359
ESG TOTAL	\$71,737

OTHER AGENCY INVOLVEMENT/IMPACT

Staff consulted with the Paso Robles Housing Authority, the Women’s Shelter Program of San Luis Obispo County, the North County Women’s Shelter, Community Action Partnership of San Luis Obispo, the LINK, and the Homeless Services Oversight Council. County Counsel reviewed and approved the resolution.

FINANCIAL CONSIDERATIONS

This item reallocates \$139,500 of HOME funds and allocates \$123,309 of ESG funds. The HOME program provides most funding needed to cover expenses related to administrative activities. The ESG program will provide the Planning and Building Department with \$2,000 from 2011 ESG funds and \$6,127 from 2012 funds for administrative activities (\$2,292 from the first allocation and \$3,835 from the second allocation).

RESULTS

The reallocation of HOME funds will enable more affordable units to be available to low income families in Phase I of the Oak Park Affordable Housing complex; and the allocation of ESG funds to specific programs and agencies will aid in providing needed services to homeless and at risk individuals throughout the County. Both efforts further the Communitywide Indicator of a Healthy and Livable Community.

ATTACHMENTS

Attachment A - Resolution