

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

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 11/17/2015	(3) CONTACT/PHONE Ivana Yeung, Planner / (805)781-4099	
(4) SUBJECT Submittal of a resolution authorizing the Director of the Department of Planning and Building to 1) submit a grant application to the U.S. Department of Housing and Urban Development (HUD) for the Fiscal Year 2015 Continuum of Care program and 2) sign the agreements necessary to participate in the program. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board adopt the attached resolution authorizing 1) the Director of the Planning and Building Department to submit an application and certifications to the U.S. Department of Housing and Urban Development (HUD) for the FY2015 Continuum of Care program and, 2) the Director of Planning and Building to sign the Standard Agreements and execute all agreements necessary to implement programs if the application is approved.			
(6) FUNDING SOURCE(S) Federal Continuum of Care Program	(7) CURRENT YEAR FINANCIAL IMPACT \$1,258,771	(8) ANNUAL FINANCIAL IMPACT \$1,258,771	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A    Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Ivana Yeung, Planner

VIA: Matt Janssen, Division Manager, Policy and Programs

DATE: 11/17/2015

SUBJECT: Submittal of a resolution authorizing the Director of the Department of Planning and Building to 1) submit a grant application to the U.S. Department of Housing and Urban Development (HUD) for the Fiscal Year 2015 Continuum of Care program and 2) sign the agreements necessary to participate in the program. All Districts.

## **RECOMMENDATION**

It is recommended that the Board adopt the attached resolution authorizing 1) the Director of the Planning and Building Department to submit an application and certifications to the U.S. Department of Housing and Urban Development (HUD) for the FY2015 Continuum of Care program and, 2) the Director of Planning and Building to sign the Standard Agreements and execute all agreements necessary to implement programs if the application is approved.

## **DISCUSSION**

### Background

The federal Continuum of Care (CoC) program is designed to 1) promote a communitywide commitment to the goal of ending homelessness, 2) provide funding for efforts to quickly re-house homeless individuals and families, 3) promote access to an effective utilization of mainstream programs by homeless individuals and families, and 4) optimize self-sufficiency among individuals and families experiencing homelessness. The program funds permanent supportive housing, transitional housing, supportive services, and Homeless Management Information System (HMIS) programs to serve homeless individuals and families in our community.

The San Luis Obispo County Continuum of Care is governed by the Homeless Services Oversight Council (HSOC) and makes recommendations to the Board of Supervisors as the County's CoC body. In September, the U.S. Department of Housing and Urban Development (HUD) released a Notice of Funding Availability (NOFA) for the Fiscal Year (FY) 2015 CoC grant application competition. The FY2015 competition provides funds for the 2016-2017 program year. HUD anticipates that all renewal programs will be funded in this year's competition, and also announced the availability of new bonus funding for permanent supportive housing projects. The funding and programs are described in more detail in this report.

### Current Program

The County of San Luis Obispo is the lead agency for seven renewal CoC program grants totaling \$1,061,562. The programs assist homeless individuals and families in transitioning to self-sufficiency and permanent housing. The grants are implemented by Community Action Partnership of San Luis Obispo County (CAPSLO), Transitions Mental Health Association (TMHA), and the County of San Luis Obispo. TMHA operates two permanent supportive housing projects in the north county area and one transitional housing project in San Luis Obispo. CAPSLO operates two permanent supportive housing projects, one in the north county and one in the south county area, and supportive services in the south county and San Luis Obispo areas. The Department of Planning and Building administers the Homeless

Management Information System (HMIS) which provides data for services provided to homeless individuals. The projects are described in more detail below in the "Renewal Programs" section.

### New Bonus Funds Available

HUD is making permanent housing bonus funds available for the FY 2015 competition. The San Luis Obispo County CoC is eligible to apply for up to \$164,341 for a permanent housing bonus project that would serve the most vulnerable, chronically homeless individuals and families in our community. The County received four bonus applications for permanent supportive housing projects, but the Homeless Services Oversight Council (HSOC) is recommending that TMHA's Permanent Supportive Housing in the amount of \$164,341 be selected to apply for the bonus funds to assist twelve households. The people housed in the permanent housing bonus project would come from the list of the most vulnerable homeless people identified for the 50Now program. The 50Now Program assists the fifty most vulnerable, chronically homeless in San Luis Obispo County by providing housing first, then treatment and/or services.

### FY 2015 Grant Application

In response to the release of the NOFA, County staff issued a request for proposals (RFP) to invite applications for projects eligible for funding under the program. County staff also held a stakeholder meeting in October to listen to needs and discuss possible project ideas for the 2015 application.

The County is eligible to apply for \$1,061,562 for renewal projects, \$164,341 for a new Permanent Supportive Housing Bonus project, and \$32,868 for a new CoC Planning project for the County to operate the CoC.

The County received six renewal grant applications from TMHA and CAPSLO, and the HSOC ad hoc grant committee recommends one bonus permanent supportive housing bonus project to move forward, as listed below. The County will also apply to renew its HMIS project. All are within the available funding amounts and are recommended by the HSOC ad hoc grant review committee for the 2015 CoC application to HUD. Below is a description of each application recommended by the HSOC ad hoc grant committee to move forward with an application to HUD:

### **Renewal Program Applications**

1. CAPSLO: A proposal to renew the *South County Permanent Housing and Case Management* program in the amount of \$60,919. This program provides leasing and supportive services to five disabled homeless and chronically homeless individuals in permanent supportive housing. This program would be a one year grant.
2. TMHA: A proposal to renew the *North County Permanent Housing Bordeaux* grant in the amount of \$125,436. The program provides leasing and supportive services for up to 14 chronically homeless and/or disabled individuals. This program would be a one year grant.
3. TMHA: A proposal to renew the *Permanent Housing with Supports* program in the North County in the amount of \$62,700. The program provides leasing and supportive services to ten disabled homeless and chronically homeless individuals in permanent supportive housing. This program would be a one year grant.
4. TMHA and CAPSLO: A proposal to renew the *San Luis Obispo Transitional Housing through Case Management* program in the City of San Luis Obispo. This program provides case management for homeless clients through CAPSLO and 20 transitional housing beds and case management in residential units in the City of San Luis Obispo through TMHA. This program would be renewed in the amount of \$483,009 for one year under this application.
5. CAPSLO: A proposal to renew the *South County Case Management* program in the amount of \$215,422. This program provides case management and other supportive services to approximately 180 homeless individuals and families in southern San Luis Obispo County. This program would be a one year grant.
6. County: A proposal to renew the County's *Homeless Management Information System (HMIS)* grant in the amount of \$61,160. The HMIS program provides a unified and unduplicated count of homeless people being

served in the County, and assists staff and non-profits in providing reports for HUD and community stakeholders. This program would be a one year grant.

7. CAPSLO: A proposal to renew the *North County Permanent Housing and Case Management Program* in the amount of \$52,916. The grant program provides leasing and supportive services to six disabled chronically homeless individuals in permanent supportive housing units in Atascadero. This activity would be a one year grant.

### **New Program Applications**

8. TMHA: A proposal for a new *Permanent Supportive Housing Bonus* project to serve 10-12 chronically homeless disabled single adults and 1-2 chronically homeless families with one of the family members for a disability, for a total of 14-16 persons in the amount of \$164,341. The people housed in this program would come from the list of the most vulnerable chronically homeless people identified for the 50Now program.
9. County: A proposal for *CoC Planning* funds in the amount of \$32,868. CoC Planning funds can be used for coordination, project evaluation, project monitoring, CoC application activities, HUD compliance activities, and other related tasks related to operating the Continuum of Care.

If this application is approved, the County will contract with CAPSLO and TMHA for implementation of the above grant programs, except that the County will implement the HMIS and the CoC Planning grants. If approved by HUD for funding, all of the above grants can be renewed each year.

### **Application Process**

While the amount available in the Annual Renewal Demand (ARD) should be sufficient to fund anticipated eligible renewal projects for FY2015, HUD requires the CoC to prioritize renewal projects into two tiers in the event that the CoC program is not awarded the full amount. The San Luis Obispo County CoC ARD determined by HUD in the final Grant Inventory Worksheet is \$1,061,562. The CoC may create a new project through the permanent housing bonus. The maximum amount for which the San Luis Obispo County CoC may be eligible for through bonus funding is \$164,341. Tier 1 is equal to 85 percent of the CoC's ARD, which is \$902,328. Tier 2 is the difference between Tier 1 and the CoC's ARD, plus any amount available for the permanent housing bonus. It should be noted that HUD funding for the permanent housing bonus is not guaranteed, as projects recommended for the permanent housing bonus must compete at the national level against other bonus projects put forward by other CoCs and HUD does not anticipate funding all bonus projects.

An ad hoc grant review subcommittee of the HSOC met on October 28, 2015 and reviewed and ranked the project applications as shown in Table A below. A special meeting for the full HSOC to approve the recommendation on November 4, 2015 did not meet quorum but a motion was moved to tentatively accept the grant review subcommittee's recommendation to prioritize the program applications as shown in Table A. It is anticipated that a full HSOC quorum will convene at a special meeting prior to the November 17, 2015 Board Meeting to make a final recommendation.

**TABLE A**

<b>TIER 1</b>					
<b>Rank</b>	<b>Program Type</b>	<b>Agency</b>	<b>New or Renewal</b>	<b># of Beds</b>	<b>Amount</b>
1	North County Permanent Housing Bordeaux	TMHA	Renewal	14	\$125,436
2	(North Coast) Permanent Housing with Supports	TMHA	Renewal	10	\$62,700
3	North County Permanent Housing*	CAPSLO	Renewal	6	\$52,916
4	South County Permanent Housing	CAPSLO	Renewal	5	\$60,919
5	SLO City Transitional Housing and Case Management	CAPSLO /TMHA	Renewal	20	\$483,009
6	HMIS**	County	Renewal	n/a	\$61,160
<b>TIER 2</b>					
7	South County SSO	CAPSLO	Renewal	n/a	\$215,422
<b>Renewal Projects Subtotal</b>				<b>\$1,061,562</b>	
<b>PLANNING</b>					
	CoC Planning***	County	New	n/a	\$32,868
<b>Renewal and CoC Planning Projects Subtotal</b>				<b>\$1,094,430</b>	
<b>PERMANENT HOUSING BONUS</b>					
Endorse	Permanent Housing FY2015 Bonus	TMHA	New (Bonus)	14	\$164,341
<b>Total Request</b>				<b>\$1,258,771</b>	

\*May be slightly more due to automatic HUD increases to leasing and operations.

\*\*The County did not submit an internal application for HMIS, as it is a required element of the CoC program and administered by the County.

\*\*\*The subcommittee did not consider an application for this project, as it is separate from the Tier ranking.

This year's program competition emphasizes meeting the goals of *Opening Doors*, the nation's first comprehensive Federal strategy to prevent and end homelessness for vulnerable populations. In order to reflect HUD priorities for providing and creating more units for individuals and families experiencing *chronic homelessness*, the committee recommends permanent housing projects ahead of transitional housing and supportive services projects and has ranked them against HUD NOFA criteria and past performance measures as reported in the Annual Performance Report (2013-2014 reporting year). HUD also requires CoCs to provide HMIS data to complete the consolidated application. Additionally, HUD strongly encourages using HMIS data to measure system-level performance. Because of the growing importance of HMIS to support CoC oversight and because HMIS data is mandatory for the consolidated application, the committee assigned the HMIS project to Tier 1. The committee recommends that South County Supportive Services project be placed in Tier 2.

**OTHER AGENCY INVOLVEMENT/IMPACT**

Staff consulted with County Counsel. Additionally, an ad hoc grant review subcommittee of the HSOC discussed and prioritized the CoC applications and it is anticipated that the full HSOC will make a recommendation for prioritizing the applications.

Staff also discussed the CoC competition in more detail with TMHA, CAPSLO, the Women's Shelter Program, Family Care Network, Inc., and San Luis Obispo Housing Connection. Several other non-profit agencies were also notified of the application through the Request for Proposals published in the Tribune and on the County's website, and through an email to the Homeless Services Oversight Council.

**FINANCIAL CONSIDERATIONS**

The Planning and Building Department's budget request for FY 2016-2017 will include enough funds for staff to administer

this grant. If successful, the application may result in \$1,258,771 in grant funds being secured. Also, if HUD approves this grant, the budget for Fund Center 290 for FY 2016-2017 will need to include these grant funds.

A \$15,290 cash match will be required for the HMIS grant. The cash match will come from the Community Development Block Grant program. The matching funds would be disbursed in the FY 2016-2017. Match for the other proposed grants would come from the subrecipient agencies.

## **RESULTS**

Funds resulting from this grant application will enable the following if fully funded:

1. Continued homeless supportive services in the San Luis Obispo and South County areas;
2. Continue operation of 20 transitional housing beds with supportive services in San Luis Obispo;
3. Continued operation of 36 permanent supportive housing beds and supportive services;
4. Operation of 14 new permanent supportive housing beds and supportive services;
5. Continued operation of a Homeless Management Information System to track clients being served in the County; and
6. New CoC Planning funds for continued and expanded CoC implementation activities.

Funds from this grant will provide needed services and housing for individuals and families experiencing homelessness. This includes assisting participants in obtaining and retaining stable permanent housing, connecting them to mainstream resources such as Social Security Income and MEDICAID health insurance, and assisting participants with providing or connecting them to other resources such as job training, mental health services, and transportation.

By enabling homeless people to obtain the services they need to survive and stay healthy, this request would contribute toward the communitywide indicator of *A Healthy Community*.

## **ATTACHMENTS**

1. Exhibit A - Resolution