



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 10/30/2018

Agenda Placement: 6D

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Shelli Brobst for Mary Butler - Interim Director
Health & Human Services Administration

REPORT BY: Mitch Wippern, Chief Deputy Director of HHS - 259-8653

SUBJECT: Adoption of a Resolution to Apply for California Emergency Solutions and Housing grant funds

RECOMMENDATION

Interim Director of Health and Human Services requests adoption of a resolution authorizing application for the 2018 California Emergency Solutions and Housing grant program.

EXECUTIVE SUMMARY

The California Emergency Solutions and Housing (CESH) Program provides funds for a variety of activities to assist persons experiencing or at risk of homelessness as authorized by SB 850 (Chapter 48, Statutes of 2018). The California Department of Housing and Community Development (HCD) administers the CESH Program with funding received from the Building Homes and Jobs Act Trust Fund (SB 2, Chapter 364, Statutes of 2017). HCD requires that Counties applying for these funds adopt a resolution using the format provided by HCD. Napa County is required to submit the resolution as written by HCD in order to apply for funds for these grants.

Napa County is allocated \$398,013 in this funding round. HCD arrived at this number by using a formula that based on Napa's 2017 Point In Time Count. If all the funds allocated State-wide are not disbursed in the first round, HCD will open a second round of funding. For this reason, HCD's instructions suggest that the resolution authorize an application in an amount that is at least double our allocation. The attached resolution contains a dollar figure of \$800,000 that meets this suggestion from HCD.

The Notice of Funding Availability for these funds was released by the State on August 15, 2018. HHSA staff attended an application conference hosted by the State on August 30, 2018. After that conference, HHSA staff began a community process to solicit input on ways to direct these funds. This process included four public meetings over the course of five weeks. Documentation of this process was a required component of our application. Given the compressed application timeline and the extensive public process required by the application the resolution is coming to the Board after the application was submitted. Applications for this funding

were due on October 15, 2018. HHSA staff submitted an application that indicates that Napa County will use the funds for "flexible housing subsidy funds" for local programs that establish or support the provision of rental subsidies in permanent housing to assist homeless individuals and families. Adoption of the attached resolution will finalize the application process.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Health and Human Services Agency (HHSA) Homeless and Housing Services
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Approval of the requested action is discretionary in that there is no mandate to accept the U.S. Department of Housing and Urban Development (HUD) funding to assist in the operation of Napa County's California Emergency Solutions and Housing (CESH) Program. Approval will provide the County with grant funding to provide funds to assist persons experiencing or at risk of homelessness.
Is the general fund affected?	No
Future fiscal impact:	The term of the contract is five years. At least 50% of program funds should be contractually obligated by January 1, 2020, and 100% of program funds contractually obligated by June 30, 2021.
Consequences if not approved:	If this revenue agreement is not approved, the Department would not be able to provide homelessness services and housing delivery systems.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The California Emergency Solutions and Housing (CESH) Program provides funds for a variety of activities to assist persons experiencing or at risk of homelessness as authorized by SB 850 (Chapter 48, Statutes of 2018).

The California Department of Housing and Community Development (HCD) administers the CESH Program with funding received from the Building Homes and Jobs Act Trust Fund (SB 2, Chapter 364, Statutes of 2017). HCD grants CESH Program funds in the form of five-year grants to eligible applicants.

CESH funds may be used for five primary activities: housing relocation and stabilization services (including rental assistance), operating subsidies for permanent housing, flexible housing subsidy funds, operating support for emergency housing interventions, and systems support for homelessness services and housing delivery systems. In addition, some administrative entities may use CESH funds to develop or update a Coordinated Entry System (CES), Homeless Management Information System (HMIS), or Homelessness Plan. Refer to the current Notice of Funding Availability (NOFA) for any limitations on these activities.

Eligible applicants are Administrative Entities (AEs) — local governments, non-profit organizations, or unified funding agencies — designated by the Continuum of Care (CoC) to administer CESH funds in their service area. Administrative Entities designated by the Continuum of Care to administer CESH funds in their service area can request an allocation by submitting an application.

HCD allocates its funding to the state's CoC service areas using a formula method set forth under Health and Safety Code Section 50490.2(a) which allocates funding based on the following factors:

- | The 2017 Point-In-Time Count;
- | The number of extremely low-income households in rental housing that pay more than 50 percent of household income on rent; and
- | The percentage of households below the federal poverty line.

Napa County is allocated \$398,013 in this funding round. HCD arrived at this number by using a formula that based on Napa's 2017 Point In Time Count. If all the funds allocated State-wide are not disbursed in the first round, HCD will open a second round of funding. For this reason, HCD's instructions suggest that the resolution authorize an application in an amount that is at least double our allocation. The attached resolution contains a dollar figure of \$800,000 that meets this suggestion from HCD.

Health and Human services Agency (HHSA) staff held two public meetings to gather input on how best to spend these and other new State funds. The consensus of the meetings was that the funds should be used to make more units available in the system as a first priority. Second priorities included rental subsidies and flexible funding, as well as strategic planning.

Applications for this funding were due on October 15, 2018. HHSA staff submitted an application that indicates that Napa County will use the funds for "flexible housing subsidy funds" for local programs that establish or support the provision of rental subsidies in permanent housing to assist homeless individuals and families.

Napa County is required to submit the resolution as written by HCD in order to apply for funds for these grants.

SUPPORTING DOCUMENTS

A . Resolution

CEO Recommendation: Approve

Reviewed By: Ben Guerrieri