



SUMMARY REPORT

Agenda Date: 11/7/2023

To: County of Sonoma Board of Supervisors
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Tina Rivera 707-565-4774
Vote Requirement: 4/5th
Supervisorial District(s): Countywide

Title:
Award of Encampment Resolution Funding Grant Agreements

Recommended Action:

- A) Authorize the Director of Health Services, or designee, to execute an agreement with Shared Housing And Resource Exchange Sonoma County to provide rental assistance, housing retention counseling and related supports, and housing for persons associated with encampments on the Joe Rodota Trail or later placements in Interim Housing in an amount not to exceed \$1,806,000 through August 14, 2025.
- B) Authorize the Director of Health Services, or designee, to execute an agreement with Reach for Home to provide rental assistance, housing retention counseling and related supports, and housing for persons camping at or formerly camping at the Syar Industries encampment in northern Sonoma County in an amount not to exceed \$2,403,013 through October 31, 2025.
- C) Adopt a resolution authorizing budgetary adjustments to the fiscal year 2023-2024 adopted budget, programming \$5,236,397 in funds from Round 2 of the State of California’s Interagency Council on Homelessness Encampment Resolution Funding Program. (4/5th Vote Required)

(4/5th Vote Required)

Executive Summary:

The Department of Health Services (hereinafter, “DHS” or “the Department”) requests the Board authorize the Director of DHS, or designee, to execute agreements with Shared Housing And Resource Exchange (SHARE) Sonoma County and Reach for Home to provide services as directed by DHS and defined by grant deliverables. Additionally, staff requests appropriations in the FY 2023-24 Budget enabling DHS to accept a total of \$5,236,397 of grant funds.

The State of California awarded a two-year Encampment Resolution Funding (ERF) Program grant to the County of Sonoma for the purpose of ensuring the safety and wellness of people experiencing homelessness in encampments, resolving critical encampment concerns, transition individuals into safe and stable housing, and encourage a data-informed, coordinated approach to address encampment concerns.

The Department submitted two grant applications during Round 2 of the State of California’s Interagency Council on Homelessness ERF Program and was successful in securing both. DHS received notice of award for the ERF/Joe Rodota Trail Grant in June 2023 in the amount of \$4,567,130, and in August of 2023 DHS received notice of award for the ERF/Syar Grant in the amount of \$2,763,142. A key part of the successful application process was partnering with two local non-profit service providers (SHARE Sonoma County and Reach for

Home) to prepare the grant applications and obligate to the grant deliverable work.

Discussion:

In 2021, the State Legislature passed a program to target specific, one-time funding towards resolving homelessness encampments across California, known as the Encampment Resolution Fund or ERF program. The State, via the California Interagency Council on Homelessness (Cal-ICH) has allocated \$350 million over two fiscal years for the ERF program. ERF is a competitive grant program available to assist local jurisdictions in ensuring the wellness and safety of people experiencing homelessness in encampments by providing services and supports that address their immediate physical and mental wellness and result in meaningful paths to safe and stable housing. Eligible applicants include counties, Continuums of Care (CoCs), and cities of any size.

In ERF Round 1, the City of Petaluma collaborated with the Department of Health Services to secure a \$1.3 million grant to help resolve the Steamer’s Landing encampment. In ERF Round 2, Sonoma County as a region was successful in securing three (3) separate ERF grants as follows:

- The City of Santa Rosa received \$3.6 million to serve about 225 persons across various encampments in the City, focused primarily in the southwest and southeast regions.
- The County, working collaboratively on the application with SHARE Sonoma County, received \$4.567 million to help provide services and housing for about 60-70 persons relocated to interim housing sites like the County Campus’ Emergency Shelter Site (ESS) from the Joe Rodota Trail encampment. This grant (ERF/JRT) includes rental assistance, housing retention counseling and supports, and funding for two (2) term-limited positions at DHS to provide supportive services.
- The County, working in partnership with the City of Healdsburg and Reach for Home, received \$2.763 million to help address an encampment on and adjacent to State Right of Way just south of the State Route 101 bridge at the Russian River in Healdsburg. This grant (ERF/Syar) includes the purchase of a home, master lease funding, housing retention counseling and supports, and funding for one (1) term-limited position at DHS to provide supportive services.

Given **Round 2** secured funds, this agenda item takes administrative steps including budgeting the funds, and entering into contracts with the two entities that helped prepare the grant applications and who are partners with DHS in resolving the encampments.

1. **ERF/Joe Rodota Trail (JRT)** - This grant award is \$4,567,130 to provide longer-term housing for persons formerly on the JRT and now located at various DHS interim emergency sites, such as the Emergency Shelter Site and the Fairgrounds Trailers. This grant would help house up to 60 people with DHS and SHARE Sonoma County’s resources in various locations, including in SHARE’s Community Houses.

The proposed and state-approved grant budget included the use of funds for capital improvements to the dormitories at Los Guilicos (\$640,000), including the proposed dormitory renovations approved by the Board on September 12, 2023, as well as master leases for up to twenty (20) Community Houses (\$2,500,000). These Community Houses are homes that SHARE Sonoma County will manage. DHS will conduct a future RFP to award the remaining funding to additional vendors for master leases and place from one to six people, sometimes more, in each home). SHARE also received funds for housing retention counseling and support and administrative work. The total costs for the associated SHARE Sonoma County Agreement will not exceed \$1,806,000. The grant included specific performance goals/metrics such as:

- a. Returns to homelessness (less than five percent of clients should return to homelessness after a period of time)
- b. Placements in permanent housing
- c. Retention of permanent housing
- d. Increased income (70% or more of clients should see increases to income, the increase should be 35% or greater year over year)

The specific SHARE Sonoma County contracted work will include:

- The establishment of ten (10) master-leased homes, using existing housing, known as Community Houses.
- The management of these Community Houses for at least twenty-four (24) consecutive months, including payment of tenant fees (rent, utilities, maintenance, and related costs).
- The provision of housing retention supports to Community House clients.
- Coordination with DHS staff to help clients remain housed.
- Coordination with Sonoma County Housing Authority and the Santa Rosa Housing Authority to apply for and secure housing vouchers to improve the long-term sustainability of clients under care.
- Any other housing retention supports for at least a two-year period, supporting clients' successful pathways to long-term housing.

This funding also covers costs for (2) Senior Client Support Specialist positions (term-limited) to provide housing supportive services. These positions came to the BOS for consideration on October 24, 2023.

2. **ERF/Syar** - This grant award is \$2,763,142 to provide longer-term housing for roughly 40 persons coming from the Syar Industries encampment in northern Sonoma County along the Russian River near Healdsburg, where the Russian River intersects State Route 101. The encampment is on private (Syar Industries) and public property (including State Right of Way). Reach for Home, as the local service provider in northern Sonoma County, has been attempting to provide services and housing to these individuals for years, but is continually challenged by the lack of interim and housing options to resolve the encampment. Reach for Home partnered on this application. The Reach for Home Agreement will not exceed \$2,403,013.

This funding also covers costs for County administration as well as a two-year assignment for one (1) Senior Client Support Specialist position (term-limited) at DHS to provide housing supportive services and additional administrative and grant management work. This position came to the BOS for consideration with the two positions mentioned above on October 24, 2023.

This grant included one or more master leases of homes, as well as the purchase of a home for long-term permanent housing. Other housing proposed includes motel stays (and related meals and services), use of the current Homekey site, and sober living placements. Client care via supportive services is included as well, with a focus on supplemental mental health care. The grant included specific performance goals/metrics such as:

- a. Placements in Interim Housing (100% in the first six months)
- b. Placements in Permanent Housing (goal is 75% placement in 2 years or less)
- c. Returns to Homelessness (our goal is that less than five percent of the persons housed return to

homelessness within one Year)

- d. Increases in client income, either via employment or securing benefits (our goal is a 35% increase year over year)

The specific Reach for Home contracted work will include:

- Interim housing solutions including area motels in Northern Sonoma County and/or Wallace House in Cloverdale. Locations yet to be determined and negotiated.
- The purchase of a multi-client capable home in Northern Sonoma County. Home yet to be determined and procured, to be owned, managed, and maintained by Reach for Home.
- Placement of clients in Sober Living Environments (SLEs) as needed.
- Use of current Reach for Home owned home(s) and master-leased homes for at least a two-year period.
- Provision of housing retention supports for clients for a minimum of at least a two-year period.
- Coordination with DHS staff to help clients remain housed.
- Coordination with Sonoma County Housing Authority and the Santa Rosa Housing Authority for applicable Housing Choice or other housing vouchers to improve the long-term sustainability of clients under care.
- Any other housing retention supports for at least a two-year period, supporting clients' successful pathways to long-term housing.

Application Process: In recent years with its Homekey grants, the State has set up application processes that score the applications based in part on the experience and qualifications of the parties that partner on the applications. For instance, the County's partnership with West County Community Services (WCCS) helped the George's Hideaway Homekey application score more highly than it would have had the County submitted the application alone.

Similarly, the ERF grants are competitive and are scored on the quality of the application submitted. Additionally, applications appear to be ranked highly when they have defined pathways to permanent housing, address encampments on State Right Of Ways, and have competent and experienced supports to keep clients housed.

For the JRT, DHS staff acknowledged that the housing model advanced in the grant application (shared housing - whereby a service provider master-leases individual homes and builds a household within it for sustainability, all the while following up with supportive services) has only a few practitioners - key among them SHARE Sonoma County. SHARE also received funding from the Continuum of Care's competitive Local Homelessness Services Notice of Funding Availability (NOFA) for fiscal year 2023-2024 and from a 2023 Measure O Fund Balance NOFA.

In addition to the collaboration with SHARE, DHS plans to release a Request for Proposals prior to the close of the year with residual funds from this specific ERF grant to pursue additional master leasing partnerships. Due to a constricted deadline, DHS entered into a \$50,000 agreement with SHARE in late September 2023 to start housing up to 20 people rapidly and continue to move persons at the Sonoma County Fairgrounds.

To ensure the competitiveness of the grant application for the Syar property, DHS staff contacted Reach for Home, the lone major service provider in northern Sonoma County. Reach for Home's location and

longstanding relationships with the encampment's residents aided in receiving the award.

Both ERF grants require applicants to *expend* 50% of the funding and *obligate* 100% of the funding by June 30, 2024. The deadline to expend 100% of the funds is June 30, 2026. These deadlines should be accomplished easily with the ERF/Syar grant, as a large portion of the funds involves the purchase of a house for permanent housing. The ERF/JRT grant will be more challenging and will depend in part on the pacing of the Los Guilicos Dormitory renovation project, the hiring of staff, and the securing of the master-leased community houses by SHARE and any other responsive vendor. DHS staff will keep the County Administrative Office and the Board updated as to our progress in meeting these goals.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 4: Reduce the County's overall homeless population by 10% each year by enhancing services through improved coordination and collaboration.

Objective: Objective 2: Identify and leverage grant funding sources for permanent supportive and affordable housing development.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

On October 24, 2023, the Board A) adopted a personnel resolution amending the Department of Health Services Department Allocation List, effective October 24, 2023, to add 1.0 full-time equivalent Health Program Manager position allocation, add 3.0 full-time equivalent time-limited Senior Client Support Specialist position allocations through June 30, 2026, and deleted 1.0 full-time equivalent Department Program Manager position allocation and B) adopted a budget resolution authorizing budgetary adjustments to the fiscal year 2023-2024 adopted budget to reflect additional revenues and expenditures associated with requested position allocations in the amount of \$380,000 within the Department of Health Services.

On September 12, 2023, the Board A) received a report on the January 27, 2023 Point in Time Count in Sonoma County, B) adopted a resolution for the transfer of current grant agreements and any amendments thereto of State of California Emergency Solutions Grants, State of California Emergency Solutions Grants-Coronavirus from the Sonoma County Community Development Commission to the Sonoma County Department of Health Services as the new Continuum of Care Lead Agency, C) adopted a resolution authorizing budgetary adjustments to the Department of Health Services fiscal year 2023 2024 adopted budget, increasing appropriations to reflect additional revenue in the amount of \$13,740,657, transferred from the Sonoma County Community Development Commission, and additional expenditures in the amount of \$13,456,409 to support the Department of Health Services Homelessness Division, Ending Homelessness Program, and D) approved initiating the replacement of the Emergency Shelter Site at the County Campus with a Safe RV Parking and Tiny Homes at a Russell Avenue Site and improving dormitories at Los Guilicos to replace the Los Guilicos Village.

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses		\$1,637,301	\$129,353
Additional Appropriation Requested	\$5,236,397		
Total Expenditures	\$5,236,397	\$1,637,301	\$129,353
Funding Sources			
General Fund/WA GF			
State/Federal	\$5,236,397	\$1,637,301	\$129,353
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$5,236,397	\$1,637,301	\$129,653

Narrative Explanation of Fiscal Impacts:

The two ERF grants will provide DHS \$7,330,272 in funding over two years. FY 23-24 for the JRT and the Syar Projects, \$380,000 was appropriated on October 24, 2023 to add 3.0 time limited staff. The department is requesting to program \$5,236,397 for FY23-24 expenditures and will include additional funding in annual budgetary process for future year. Funds appropriated not spent in FY 23-24 will be rolled over into FY 24-25. The grants are intended to be spent by June 30, 2026, with final grant closeouts to occur on or before March 31, 2027.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

- Attachment 1 - Shared Housing And Resource Exchange Sonoma County Agreement
- Attachment 2 - Reach for Home Agreement
- Attachment 3 - Budget Resolution

Related Items "On File" with the Clerk of the Board:

N/A