



SUMMARY REPORT

Agenda Date: 6/8/2021

To: Board of Supervisors of Sonoma County and Board of Commissioners of the Community Development Commission

Department or Agency Name(s): Community Development Commission

Staff Name and Phone Number: Tina Rivera, 565-4774

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Annual Contract Approval for Homeless Programs and Continuum of Care Programs

Recommended Action:

- A) Approve the Community Development Commission's acceptance of \$1,884,253 in eight U.S. Department of Housing and Urban Development (HUD) Continuum of Care 2019 awards: to maintain a combined \$1,091,075 in Continuum of Care Rental Assistance to homeless persons with disabilities; \$327,157 to sustain and expand operations of the Homeless Management Information System; \$349,991 to sustain Sonoma County's Coordinated Entry System for homeless persons; and \$116,030 to support management of the Continuum of Care planning effort. In addition, authorize the Interim Executive Director of the Community Development Commission (CDC) or designee to execute initial and renewal contracts with HUD for the above services, each for a one-year period beginning in calendar 2020 and ending in calendar 2021.
- B) Approve the Community Development Commission's FY 2021-2022 local homeless program contracts including approval of \$1,454,049 in local funds under the purview of the Board of Supervisors and \$3,704,018.65 of funds under the purview of the Continuum of Care Board for a total of \$5,158,067.65 in 2021-2022 funding. In addition, authorize the Interim Executive Director or designee of the Community Development Commission to execute initial contracts with homeless service providers for a one-year period beginning in calendar year 2021 and ending in calendar year 2022.

Executive Summary:

Approval of this item will authorize the Interim Executive Director of the CDC to execute contracts with the U.S. Department of Housing and Urban Development (HUD), to provide direct rental assistance to 84 homeless persons with disabilities, provide needs assessments and housing referrals for persons experiencing homelessness, administer and build the capacity of the HUD-mandated Homeless Management Information System (HMIS), and provide staffing to the CDC as lead agency for Continuum of Care (COC) Board, the governance structure for homeless services planning in Sonoma County under the federal Continuum of Care regulations.

Second, approval of this item will authorize the Interim Executive Director of the CDC to execute contracts with local homeless service programs for over 30 projects that are funded by a mix of federal, state, and local funds. These programs have been awarded funds under the purview of the Continuum of Care Board (State Housing Homeless Assistance Program Round 2, ESG CV funds, State California Emergency Solutions for

Housing, and Federal Emergency Solutions Grants. Local funds in the amount of \$1,454,049 which included Community Service Fund (CSF), General Fund, Reinvestment & Revitalization, Continuum of Care, and Community Development Block Grant (CDBG) under the purview of your Board will ensure the awards are funded at approximately the same level as fiscal year 2020-2021.

Discussion:

2020 HUD Continuum of Care Awards

Sonoma County Continuum of Care (CoC) is designed to function as the federally designated “Continuum of Care”-the local lead in implementing federal and local plans to end homelessness. The CDC serves as the Continuum of Care lead agency. The CDC has acted in this role since the inception of Continuum of Care planning activities in 1997 and has submitted annual consolidated funding applications to HUD in partnership with up to a dozen local non-profits.

Continuum of Care funding awards are made through a national competition in which up to twenty local homeless services projects, providing permanent supportive housing and rapid re-housing to 261 homeless persons, are submitted together.

The 2019 Continuum of Care Consolidated Application was automatically renewed for all projects due to the impact of COVID-19. HUD announced renewal awards on January 29, 2021.

The total award for the Continuum of Care was \$4,112,614 for the 18 projects listed in Attachment 1. Of this, \$1,884,253 representing eight awards, is designated directly to the CDC for the following projects:

- Four renewal awards for Continuum of Care Rental Assistance (formerly known as Shelter Plus Care projects). These four contracts enable the Sonoma County Housing Authority to support 84 formerly homeless, disabled persons in scattered site housing throughout Sonoma County, matching rental assistance with supportive services provided by partners including Face to Face, Social Advocates for Youth, Sonoma County Department of Health Services Behavioral Health Division, and several federally qualified health centers. The total amount of the four awards is \$1,091,875.
- A renewal award and a new expansion award, both supporting the Homeless Management Information System (HMIS), a HUD-mandated web-based client database which reports quality statistical information regarding the extent and nature of homelessness to HUD officials and to the US Congress, and provides invaluable information for local systems planning. The expansion award funds the Departmental Information Systems Technician and software licensing costs. The total amount of the two awards is \$327,157.
- One Coordinated Entry Project award that address HUD’s mandate that communities accessing Federal Continuum of Care and Emergency Solutions Grant dollars be used for a single front door into their homeless services system, in the amount of \$349,991. Sonoma County’s Coordinated Entry System is a streamlined system designed to efficiently match people experiencing homelessness to available housing, shelter, and services. It prioritizes those who are most in need of assistance and provides crucial information that helps communities strategically allocate resources and identify gaps in service. Sonoma County’s Coordinated Entry system employs a Housing First model that prioritizes individuals and families facing the highest vulnerability and needs for permanent, supportive housing. More information on the Coordinated Entry System can be found at <http://sonomacounty.ca.gov/CDC/Coordinated-Entry-System/>.

- The annual Planning award of \$116,030 is calculated at 3% of the total \$4.1 million award to Sonoma County agencies, to partially defray the cost of staffing the Home Sonoma County effort.

HUD will contract directly with the other eleven projects, representing a total of \$2,228,661 in support of the community as follows:

- Two permanent supportive housing projects operated by Catholic Charities, totaling \$632,281, which support housing for 35 chronically homeless persons at the Palms Inn and in scattered site apartments;
- \$96,255 for Mill Street Supportive Housing, a permanent supportive housing project operated by West County Community Services, which supports housing for 8 chronically homeless persons;
- \$287,899 for a permanent supportive housing project operated by Committee on the Shelterless (COTS), which supports housing for 18 chronically homeless persons in scattered site apartments;
- Two permanent supportive housing projects operated by Buckelew Programs, totaling \$369,355, which support housing for 18 homeless persons with mental illness, at least 6 of them chronically homeless persons, in scattered site apartments;
- A rental assistance program operated by Social Advocates for youth, totaling \$253,256, which supports housing for 16 chronically homeless transition aged youth in scattered site apartments;
- Two permanent supportive housing projects operated by Community Support Network, totaling \$121,186 for Stony Point Commons, (which supports housing for 16 chronically homeless persons with mental illness in a single-room occupancy facility) and the recently opened Sanctuary Villas project (five of the facility's nine beds for chronically homeless transition aged youth with mental illness);
- One award to the YWCA of Sonoma County, a renewal of their rapid re-housing program serving victims of domestic violence for \$257,952 serving vulnerable victims of domestic violence; and
- An award for Reach for Home, in the amount of \$210,477, to provide 17 persons with rapid re-housing financial assistance and case management in the North County.

Approval of this item will authorize the CDC's acceptance of \$1,884,253 in the eight U.S. Department of Housing and Urban Development (HUD) Continuum of Care 2020 awards described above, and will authorize the Interim Executive Director of the CDC to execute initial and renewal contracts with HUD for the above services, each for a one-year period beginning in calendar 2020 and ending in calendar 2021.

2021 Homeless Program Contracts

Until 2018, the local Homeless System of Care was primarily funded by State and Local sources of funds including CSF and General Fund under the purview of the Board of Supervisors totaling just under \$2 million. These sources, separate from federal CoC funding discussed above, funded core operations in emergency shelter, permanent supportive housing, street outreach, and homelessness prevention. In 2018, the State of California released the Homeless Emergency Aid Program (HEAP), a massive one-time infusion of funds available from 2018-2021 that totaled \$12.1 million in funding for Sonoma County. This injection of funds, along with other new sources of funding such as the California Emergency Solutions for Housing (CESH) and new sources of State and Federal Emergency Solutions Grants (ESG) dramatically expanded the system of care, ultimately resulting in a 7% reduction in homelessness in the 2020 Homeless County. HEAP, CESH, and other sources are required to be approved and allocated by the Continuum of Care, with authority delegated to the Continuum of Care Board. Combined with other local sources, the contracts have been key in supporting the

local system of care and expanding infrastructure.

In 2019, with the time-limited nature of HEAP, the State released a first round of Homelessness Housing Assistance and Prevention (HHAP) funds, including approximately \$3.6 million for the Continuum of Care. This resulted in a reduction of close to 30% for the system of care in 2020.

In 2020, the State released a second round of HHAP-2 funds in the amount of \$1.6 million for the Continuum of Care, again resulting in a possible reduction of funds for 21-22 contracts. Total fiscal year 20-21 funding for 37 projects across 16 agencies was \$5,206,733.33 including \$1,342,490.97 of local funding under the purview of the Board of Supervisors (General Fund, TOT, LMIHAF, Reinvestment and Revitalization, and CDBG). The combined funds under the purview of the Continuum of Care Board and the Board of Supervisors were contracted through the Lead Agency of the CoC, CDC, and utilized to keep core projects funded at a reduced level in 20-21.

Though the full impact of COVID-19 on homelessness has yet to be fully understood, especially with the cancellation of the 2021 Homeless Count, providers have had to adjust to more limited bed space and greater urgency to house, shelter, and connect with the most vulnerable individuals experiencing homelessness or at-risk for homelessness. Additionally, the reduced amount of State HHAP-2 presented a possible 30% reduction on top of the reduction in FY 20-21. One-time Emergency Solutions Grant CV funds under the purview of the CoC Board offered a solution to fill the gap and achieve level funding for FY 21-22 when combined with local funds under the purview of the Board of Supervisors.

The approval of local funds by your Board in combination with funds approved by the CoC Board for contracts in March 2021 will result in level funding for all 36 projects with the elimination of one project that was no longer operating. Combined funds in FY 21-22 total \$5,158,067.65. Upon approval, these contracts will be executed for a one-year period beginning July 1, 2021 and ending June 30, 2022. These contracts include critical system support for rapid rehousing, permanent supportive housing, street outreach, homelessness prevention, Fair Housing activities, and emergency shelter.

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY 20-21 Adopted	FY 21-22 Projected	FY 22-23 Projected
Budgeted Expenses	7,037,559.00	7,042,320.65	
Additional Appropriation Requested			
Total Expenditures	7,037,559.00	7,042,320.65	0
Funding Sources			
General Fund/WA GF	544,856.30	634,742.00	
State/Federal	5,950,068.03	5,988,271.65	
Fees/Other - LMIHAF and Reinvestment and Revitalization	542,634.67	419,307.00	
Use of Fund Balance			
Contingencies			

Agenda Date: 6/8/2021

Total Sources	7,037,559.00	7,042,320.65	0
----------------------	---------------------	---------------------	----------

Narrative Explanation of Fiscal Impacts:

Appropriations for receipt of the Housing and Urban Development awards and Continuum of Care contracts are included in the FY 21-22 Recommended Budget.

In anticipation of FY 21-22 budget adoption, the following appropriations will be utilized under the purview of the CoC Board and included in these contracts:

- California Emergency Solutions for Housing 2019 - \$86,657.00
- California Emergency Solutions for Housing 2020 - \$302,375.00
- State Housing Homeless Assistance and Prevention Round 2 - \$1,644,856.00
- Homeless Emergency Aid Program Interest - \$89,613.00
- Emergency Solutions Grant CV (CoC Board) - \$998,388.05
- State Emergency Solutions Grant 2020 - \$282,049.00

While under the purview of the Board of Supervisors, the following shows the anticipated available appropriations:

- Community Development Block Grant - \$255,000
- FY 21-22 General Fund CDC Allocation- \$643,742
- Low and Moderate Income Housing Asset Fund - \$250,000
- Reinvestment and Revitalization - \$139,000
- Continuum of Care Rental Assistance, HMIS, Coordinated Entry, and Planning Grant (Approved by CoC Board but contract authority needed from Board of Supervisors) - \$1,884,253

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 - HUD Continuum of Care Awards FY2020
- Attachment 2 - Local Homeless Programs in FY 21-22
- Attachment 3 - Local Homeless Programs in FY 20-21

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

None