



Legislation Text

File #: 2020-0137, **Version:** 1

To: Sonoma County Board of Commissioners

Department or Agency Name(s): Sonoma County Community Development Commission

Staff Name and Phone Number: Michael Gause, 565-1997

Vote Requirement: Majority

Supervisory District(s): All

Title:

Awards and Contract Authorizations to Support Home Sonoma County and the Homeless System of Care as a Whole.

Recommended Action:

- A) Approve the Community Development Commission's acceptance of \$1,830,815 in eight U.S. Department of Housing and Urban Development (HUD) Continuum of Care 2019 awards, to maintain a combined \$1,044,923 in Continuum of Care Rental Assistance to homeless persons with disabilities; \$327,156 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 \$108,745 to support management of the Continuum of Care planning effort; and authorize the Interim Executive Director of the Community Development Commission (Commission) 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) Authorize the Interim Executive Director of the Commission to execute a contract with HUD to accept a \$131,019 Homeless Management Information System Capacity Building award, and in turn to execute a professional services agreement with Community Technology Alliance (CTA), to support data management for the period April 1, 2020 through September 30, 2021. The professional services agreement for consultant services will not exceed \$70,049.
- C) Adopt a resolution adjusting the FY 2019-2020 County of Sonoma Budget to reflect the anticipated receipt of \$6,696,830.65, representing \$3,476,293.48 in Home Sonoma County-designated State Homeless Housing, Prevention and Assistance (HHAP) grant funds and \$3,220,537.17 in County-designated State HHAP, and authorizing use of \$67,780 from Home Sonoma County-designated funds in the balance of FY 2019-20.
- D) Authorize the Interim Executive Director of the Commission to execute a professional services agreement for Phase 2 Strategic Planning with Focus Strategies, for the period April 1, 2020 through August 31, 2021. Contract amount not to exceed \$67,780 in California Homeless Housing, Assistance and Prevention Program (State HHAP) grant funds.

Executive Summary:

Approval of this item will authorize the Interim Executive Director of the Commission 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 Commission as lead agency for Home Sonoma County, the governance structure for homeless services planning in Sonoma County under the federal Continuum of Care regulations.

In addition, approval will authorize the Interim Executive Director to accept a previously budgeted, one-time award in the amount of \$131,019 from HUD to build the capacity of the Commission's HMIS over the next 18 months, which was awarded outside the Continuum of Care competitive process. Approval of this item will additionally authorize the Interim executive Director of the Commission to enter into professional services agreements with Community Technology Alliance and with Focus Strategies, for assistance in improving HMIS data management and for recommendations for Home Sonoma County's Strategic Action Plan based on a Local Data and Housing Market Analysis, respectively. The Commission will return to the Board at a later date for policy discussion on Strategic Plan findings and recommendations to both the Leadership Council and Board.

Lastly, approval of this item will adopt a budget resolution to authorize receipt in FY 2019-20 of \$6,696,830.65, representing \$3,476,293.48 in Home Sonoma County-designated State of California Homeless Housing, Prevention and Assistance (HHAP) grant funds and \$3,220,537.17 in County-designated State HHAP and will authorize the expenditure of \$67,780 of the Home Sonoma County-designated funds on Home Sonoma County Strategic Planning activities.

Discussion:

2019 HUD Continuum of Care Awards

In 2018, in partnership with the HUD entitlement cities of Santa Rosa and Petaluma, the County of Sonoma established Home Sonoma County, a regional planning body responsible for setting a unified regional vision and leading the effort to end homelessness in Sonoma County. Home Sonoma County is designed to function as the federally designated "Continuum of Care"-the local lead in implementing federal and local plans to end homelessness. Home Sonoma County has designated the Commission to act as Home Sonoma County's lead agency. The Commission 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. Locally in 2019, initial applications were selected through a Request for Proposal process and scored by Home Sonoma County's impartial Performance Management and Evaluation (Evaluation) Task Group, made up of the Cities of Santa Rosa and Petaluma, County, private funder staff, and other impartial but knowledgeable community members. Some form of the current Evaluation Task Group has evaluated Continuum of Care renewal projects annually for more than a decade, approving them for renewal submission only if their performance is consistent with federal requirements. While the scoring criteria used

are driving by HUD's priorities in order to make the submission more competitive, this process also meets the County's contracting principles for safety net departments adopted in April 2019, specifically in the areas of performance measurement, utilization of national best practices, fair and open competitions, and Board input on funding priorities through County representation on the Home Sonoma County Leadership Council.

The 2019 Continuum of Care Consolidated Application was submitted on September 28, 2019 through HUD's e-snaps grants management system. HUD announced renewal awards on January 14, 2020. On March 13, 2020, additional new awards were announced, including an additional \$94,425 award to expand staffing for Home Sonoma County's Homeless Management Information System (HMIS). The total award for Home Sonoma County was \$3,972,820 for the 20 projects listed in Attachment 2. Of this, \$1,830,815 representing eight awards, is designated directly to the Commission 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 \$1,044,923.
- 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 total amount of the two awards is \$327,156.
- One Coordinated Entry Project award that address HUD's mandate that communities accessing Federal Continuum of Care and Emergency Solutions Grant dollars would create 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 \$108,745 is calculated at 3% of the total \$3.9 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 twelve projects, representing a total of \$2,142,005 in support of the community as follows:

- Two permanent supportive housing projects operated by Catholic Charities, totaling \$608,970, which support housing for 35 chronically homeless persons at the Palms Inn and in scattered site apartments;
- \$92,434 for Mill Street Supportive Housing, a permanent supportive housing project operated by West County Community Services, which supports housing for 8 chronically homeless persons;
- \$275,994 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 \$355,289, 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 \$240,968, 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 \$118,473 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 (four of the facility's nine beds for chronically homeless transition aged youth with mental illness);
- Two awards to the YWCA of Sonoma County, a renewal and an expansion of their rapid re-housing program serving victims of domestic violence, totaling \$252,744. With the expansion funding, 45 vulnerable survivors of domestic violence; and
- A new bonus funding award to Reach for Home, in the amount of \$197,133, to provide 17 persons with rapid re-housing financial assistance and case management in the North County.

Approval of this item will authorize the Commission's acceptance of \$1,830,815 in the eight U.S. Department of Housing and Urban Development (HUD) Continuum of Care 2019 awards described above, and will authorize the Interim Executive Director of the Commission 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.

Homeless Management Information System Capacity Building Award and Contract

The Homeless Management Information System, or HMIS, is a HUD-mandated, web-based client data management system designed to provide federal agencies with aggregate local data on the homeless population served in each local homeless services planning area. The Commission has been the HMIS lead agency, administrator, and HUD grantee since this project's inception in 2004.

Following submission of the 2018 AHAR report, HUD staff noted capacity and data quality challenges in operating Sonoma County's HMIS that emerged following the 2017 Sonoma Complex Fire disaster. To some extent the same challenges have been replicated following the 2019 Kincade Fire: HMIS end user staffing was extremely limited due to evacuation and displacement, and intake volume also temporarily increased. In the 2018 report, technical issues with the HMIS software resulted in data malfunctions and rejection of part of the AHAR submission. These challenges qualified Home Sonoma County to successfully apply for capacity building assistance, and to participate in a new, nationwide HMIS Community of Practice that launched in 2019. The capacity building support is focused on increasing HMIS staff capacity, addressing the challenges of frequent turnover in HMIS end users, building investment in the HMIS data project, and improving software workflows.

The Sonoma County HMIS had already experienced significant turnover of its 1.0 FTE HMIS Administrator position between 2015 and 2017, with three different administrators over a critical period in which major

system mandates such as the Coordinated Entry System were implemented. Turnover in partner agency staff has presented additional challenges: in 2019, more than half of current HMIS End Users were new users with less than a year of experience. Additionally, Sonoma County is the only community in the national HMIS Community of Practice with just 1.0 FTE of dedicated staff. Participating communities with fewer than 100 users have multiple staff assigned to the HMIS, whereas Sonoma County currently has a single staff person serving 334 users.

Increased capacity is required in order to enable Home Sonoma County to make strategic decisions and coordinate programs in the efficient and systematic way desired both by its Leadership Council and by participating elected bodies. To this end, the Commission's two-pronged proposal to HUD included software improvements and system training by the software provider, as well as temporary expansion of HMIS staff capacity through a professional services agreement with a data consultant. Separate from this short-term effort, the Commission has pursued ongoing funding to expand HMIS staffing, the majority of which will be provided through the \$139,249 new Continuum of Care funding award mentioned above.

On January 23, 2020, the Commission issued a Request for Qualifications (RFQ) for a data consultant, for a contract not to exceed \$70,049 for the period March 1, 2020 through September 30, 2021 (the end of the capacity building grant period). HUD's own data consultants promoted the RFQ nationally through their own lists. Following a bidders' conference on February 3, 2020, only one response was received by the deadline of February 13, 2020. On February 14, 2020, Commission staff convened an impartial ad hoc selection committee made up of Home Sonoma County Evaluation Task Group members with an interest in system data. This committee's recommendation to proceed with the sole bidder was forwarded to the Home Sonoma County Leadership Council, which approved selection of Community Technology Alliance during its February 27, 2020 meeting.

Approval of this item will authorize the Interim Executive Director to execute a contract with Community Technology Alliance, through the professional services agreement in Attachment 3.

Home Sonoma County Strategic Plan Phase 2 Contract

On October 9, 2018, the Board approved the County of Sonoma's involvement in Home Sonoma County, the regional planning body that would lead the effort to end homelessness in Sonoma County and act as the federally mandated "Continuum of Care." At that time, Supervisors Gorin and Hopkins were appointed as the County's representatives on the Home Sonoma County Leadership Council.

Home Sonoma County was designed to provide strategic leadership to the field of homeless services, as described in the August 2018 Sonoma County Homeless System of Care Leadership Plan (on file). As such, as soon as the constituent bodies were formed, it was anticipated that the new body's first year would be devoted to developing a strategic plan. However, the State of California simultaneously announced its \$500 million Homeless Emergency Assistance Program (HEAP). Local agencies would receive \$12.1 million to address homelessness in Sonoma County, only if the newly formed body could submit an eligible application by the December 31, 2018 deadline. HEAP funds increased the amount of homeless services funding being administered by the Commission *seven-fold*. This anomaly dominated the new Home Sonoma County

Leadership Council's discussions of until local funding decisions could be finalized in the spring of 2019.

As soon as it was logistically possible in the summer of 2019, the Commission conducted an informal procurement process for a strategic planning consultant. Due to the very specialized nature of the strategic planning process, the Commission judged that the most efficient approach would be to request proposals from a short list of highly qualified consulting firms with significant experience in planning for homeless systems of care. Four firms responded with written proposals. On July 26, 2019, the Commission convened an impartial ad hoc selection committee comprised of members of the Home Sonoma County Evaluation Task Group and Technical Advisory Committee, and the Vice-Chair of the Leadership Council. The group discussed the strengths and weaknesses of each proposal, and members shared the experiences working with each applicant. After a robust discussion of the high quality of all proposals and applicants, Focus Strategies was selected due to the agency's demonstrated capability in using local data to drive strategic decision-making.

Focus Strategies proposed a three-phase in depth planning effort, to include (1) a Baseline Assessment and Stakeholder Engagement; (2) Local Data and Housing Market Analysis; and (3) Strategic Plan Development and Presentation. On September 24, 2019, the Executive Director of the Commission entered into a \$48,080 professional services agreement with Focus Strategies for the first phase of work, using eligible No Place Like Home Technical Assistance funds and Continuum of Care Planning funds already included in the County of Sonoma FY 2019-20 Budget. The final report for Phase 1 is planned for presentation to the Home Sonoma County Leadership Council on April 23, 2020 and will be provided to the Board at that time.

The Baseline Assessment and Stakeholder Engagement phase is nearly complete. However, a developing concern for representation on the Leadership Council by all the Town/Cities in Sonoma County has led to a request for additional stakeholder engagement among those municipalities. Following the completion of the interviews, in April 2020, Focus Strategies will prepare an addendum to the Baseline Assessment report, reflecting needs, strengths, and gaps in jurisdictional resources, strategies, and alignment. Additionally, the addendum will provide relevant recommendations that emerge related to priorities for the next phase of the strategic action plan and/or regional governance structure decisions. These activities have been added to the Phase 2 Scope of Work.

The balance of the Phase 2 Local Data and Housing Market Analysis will include a thorough analysis of the local homeless system data to develop a shared understanding of system performance and local conditions. The analysis will include the available housing interventions and programs, as well as Sonoma County housing market conditions. Focus Strategies will utilize the Base Year Calculator from their proprietary System-Wide Analytics and Projections suite of tools to analyze and produce a summary of system, program-type, and individual project performance. The findings from the analysis will be shared with Home Sonoma County and other local stakeholders and will include opportunities for feedback and refinement of the report. Phase 2 will also include a one-day strategy session to review the system data, housing market analyses, and themes from Phase 1 stakeholder engagements, and to collaboratively develop recommendations for the Strategic Action Plan. The cost of Phase 2 work, including the added interviews with City Managers and Addendum to the Baseline Assessment, is estimated at \$67,780 (thus requiring Board authorization), and will be completed

before the end of the current fiscal year.

At the time Focus Strategies was selected, the State of California had announced that strategic planning would be an eligible expense for its new Housing and Homeless Assistance Program funding, and that this eligibility was retroactive to the beginning of the fiscal year on July 1, 2019. On February 6, 2020, the Home Sonoma County Leadership Council approved the application for \$3,476,293.48 in funds that the State has designated for Home Sonoma County. This application included \$84,740 for strategic planning purposes in the remainder of FY 2019-20 and in FY 2020-21. The Commission submitted the required request for these already-allocated funds, as well as the County allocation of \$3,220,537.17 -for a combined request of \$6,696,830.65-on February 13, 2020. The State has announced disbursements within 90 days, therefore this item includes a budget amendment to authorize receipt of these funds in the current fiscal year.

Much time and energy must be taken up with emergency response in the last several months. The argument for a long-term strategic plan based on hard data on local conditions is even more compelling than when Home Sonoma County was founded. Approval of this item will authorize a budget amendment allowing the Commission to accept the \$6,696,830.65 for both the County allocation and the Continuum of Care allocation for Home Sonoma County; and will approve use of \$67,780 of the Home Sonoma County allocation for Phase 2 of the Home Sonoma County Strategic Plan in FY 2019-20. Additionally, approval of this item will authorize the Interim Executive Director of the Commission to execute the Phase 2 professional services agreement with Focus Strategies, in an amount not to exceed \$97,780.

Prior Board Actions:

3/19/2019, Item 8, Board authorized execution of \$1,911,648 in renewal and new contracts with HUD.

10/9/2018, Item 27, Authorize formation of the new Leadership Council and Technical Advisory Committee of the new Sonoma County Homeless System of Care, the HUD-mandated Continuum of Care Program for Sonoma County.

FISCAL SUMMARY

Expenditures	FY 19-20 Adopted	FY20-21 Projected	FY 21-22 Projected
Budgeted Expenses	\$ 1,810,626	\$ 5,304,838	
Additional Appropriation Requested	3,288,317		
Total Expenditures	\$ 5,098,943	\$ 5,304,838	
Funding Sources			
General Fund/WA GF			
State/Federal	\$ 8,507,457	\$ 1,896,325	

Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$ 8,507,457	\$ 1,896,325	

Narrative Explanation of Fiscal Impacts:

Expenses: Budgeted expenses for FY 19-20 include \$1,745,117 in federal Continuum of Care program expense + \$65,509 in HMIS capacity building activities = \$1,810,626. Additional appropriations requested for FY 19-20 include \$3,220,537.17 in County of Sonoma State Homeless Housing Assistance Program (HHAP) funds to be transferred on receipt for programs in the Department of Health Services, plus \$67,780 for Home Sonoma County strategic planning (from Home Sonoma County-designated HHAP funds) = \$3,288,317. Projection for FY 20-21 includes \$1,830,815 in federal Continuum of Care program expense + \$65,510 in HMIS capacity building activities + balance of Home Sonoma County-designated HHAP funds (\$3,408,513.48) = \$5,304,838.

Funding Sources: FY 19-20 sources include \$1,745,117 in federal Continuum of Care grants, half of anticipated federal HMIS Capacity Building grant (\$65,509), \$3,220,537.17 in County of Sonoma State HHAP funds, and \$3,476,293.48 in Home Sonoma County-designated State HHAP funds = \$8,507,457. Projected revenues in FY 20-21 include \$1,830,815 in federal Continuum of Care grants, and the balance of the federal HMIS Capacity Building grant (\$65,510) = \$1,896,325. Revenues received in FY 2019-20 and not expensed in the current fiscal year will be included for reappropriation in the FY20-21 budget request.

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

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

- 1 - 2019 HUD Continuum of Care awards to Sonoma County Community Development Commission totaling \$1,830,815 in new and renewal contracts
- 2 - Full Listing of Sonoma County 2019 Continuum of Care Awards
- 3 - HUD contract for HMIS Capacity Building Award
- 4 - Professional Services Agreement with Community Technology Alliance
- 5 - Budget Resolution authorizing budget amendment reflecting receipt of State HHAP allocations for the County of Sonoma and for Home Sonoma County, and \$67,780 in eligible strategic planning activities
- 6 - Professional Services Agreement with Focus Strategies

Related Items “On File” with the Clerk of the Board:

None