



Board Agenda Item 39

DATE: July 9, 2019

TO: Board of Supervisors

SUBMITTED BY: Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: California Office of Housing and Community Development Resolution for No Place Like Home Noncompetitive & Competitive Allocation Program Participation

RECOMMENDED ACTION(S):

1. **Adopt and authorize the Chairman to execute Resolution authorizing:**
 - (a) **Fresno County's acceptance of a \$2,183,000 allocation from the California Department of Housing and Community Development No Place Like Home Noncompetitive Allocation Program; and,**
 - (b) **Subject to review and approval by County Counsel as to legal form, and Auditor-Controller/Treasurer-Tax Collector approval as to accounting form, the Chairman's, or designee, execution of future awards, agreements, and amendments related to the No Place Like Home Noncompetitive Allocation Program.**
2. **Adopt revised Resolution authorizing Fresno County's participation in the California Department of Housing and Community Development No Place Like Home Competitive Program.**

Approval of the first recommended action will allow the Department of Behavioral Health to accept No Place Like Home (NPLH) Noncompetitive Allocation Program funds, administered by the California Department of Housing and Community Development (HCD). Approval will also authorize the Chairman to execute future awards, agreements, and amendments related to the NPLH Noncompetitive Allocation Program, which is required to meet minimum NPLH threshold requirements for award of the NPLH Noncompetitive Allocation. NPLH provides funding for permanent supportive housing (PSH) development for homeless individuals living with Serious Mental Illness (SMI) or youth with Serious Emotional Disorders (SED) and their families. Development of PSH for individuals with SMI or SED will meet the goal set forth in the NPLH Program guidelines for mentally ill homeless individuals to achieve safe, permanent housing with voluntary supportive services. Approval of the second recommended action will replace a resolution previously adopted by the Board on January 29, 2019, which authorized Fresno County's participation in the NPLH Competitive Allocation Program. There is no Net County Cost associated with the recommended actions. This item is countywide.

ALTERNATIVE ACTION:

Non-approval of the recommended actions could jeopardize NPLH Noncompetitive and Competitive Allocation Program funding for PSH development from HCD.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The first recommended action authorizes the County to accept the \$2,183,000 Noncompetitive award from HCD. Special Revenue Fund 0040 Subclass 17109 Org 1059 Account 3535 was created for NPLH funds. HCD will award NPLH Noncompetitive Allocation funds to the County via the State's Standard Agreement, once a PSH development application is prepared/submitted to HCD by no later than February 15, 2021. The Department of Behavioral Health will return to the Board for approval of the State's Standard Agreement and execution by the Chairman. There is no fiscal impact related to the second recommended action, required to participate in the NPLH Competitive Allocation Program. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2019-20 Recommended Budget.

DISCUSSION:

On July 1, 2016, Governor Brown signed legislation enacting the NPLH Program (Assembly Bill 1618, Chapter 43, Statutes of 2016) dedicating \$2 billion to invest in the development of PSH for persons who are in need of mental health services and experiencing Homelessness, Chronic Homelessness, or are At-Risk of Chronic Homelessness. The NPLH Program provides capital financing for acquisition, design, construction, rehabilitation, and capitalized operating subsidy, which allows California counties to increase capacity of PSH.

HCD administers the NPLH Noncompetitive and Competitive Allocation Programs, approved by California voters in November 2018: California Proposition 2, Use Millionaire's Tax Revenue for Homelessness Prevention Housing Bonds Measure, resulting in \$2 billion available to California counties over four consecutive annual allocation periods. All California counties are eligible to compete for both NPLH Noncompetitive and Competitive Allocations.

On January 29, 2019, the Board approved Resolution No. 19-025 and Memorandum of Understanding (MOU) No. 19-048, which allowed the County to participate in the NPLH Competitive Allocation Program and committed the County's entire NPLH Noncompetitive Allocation to the Fresno Housing Authority (FHA) for the development of a minimum of 15 PSH units. The MOU established the FHA as a development sponsor/co-applicant with the County for NPLH development applications. On January 30, 2019, the FHA submitted three NPLH Competitive Allocation Program applications to HCD. It is anticipated the County's NPLH Noncompetitive Allocation, estimated at \$2,183,000 will provide supplemental funding to the County's NPLH Competitive Allocation projects successfully funded by HCD. The County is committed to providing supportive services for a minimum of 20 years to individuals housed in a NPLH PSH development.

Approval of the first recommended action will authorize HCD to award NPLH Noncompetitive Allocation funds to the County and will authorize the Chairman to execute NPLH Noncompetitive Allocation awards, agreements, and amendments thereto, for PSH development in the County upon review and approval by County Counsel as to legal form and the Auditor-Controller/Treasurer-Tax Collector as to accounting form. Award to the County will occur via the State's Standard Agreement, contingent upon a NPLH Noncompetitive Application be prepared/submitted to HCD by no later than February 15, 2021. The FHA, as a NPLH development sponsor for the County, will ensure this requirement. It is anticipated the County's NPLH Noncompetitive Allocation will provide supplemental funding to the County's NPLH Competitive Allocation projects successfully funded by HCD. The second recommended action is required by HCD to revise a resolution approved by the Board on January 29, 2019, related to the issuance of the HCD Notice of Funding Availability of the NPLH Competitive Allocation Program; changing the resolution from "dated October 30, 2018" to "dated October 15, 2018 as amended on October 25, 2018."

OTHER REVIEWING AGENCIES:

The Department informed the Fresno County Behavioral Health Board of the NPLH Program for Fresno County as it relates to the development of PSH through the NPLH Program.

REFERENCE MATERIAL:

BAI #9, January 29, 2019 - Resolution No. 19-025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolutions (2)

CAO ANALYST:

Sonia De La Rosa