



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 19-030

Board Meeting Date: 1/8/2019

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Stephen Kaplan, Interim Director, Behavioral Health & Recovery Services

**Subject:** Authorization to Apply for No Place Like Home Program Funding

### **RECOMMENDATION:**

Adopt a resolution delegating authority to the County Manager, or designee, to apply on behalf of the County, in partnership with nonprofit housing developers, for the No Place Like Home Program loan funds; and to execute, amend, or terminate a standard agreement with the State of California, Department of Housing and Community Development for the delivery of mental health services for 20 years.

### **BACKGROUND:**

On July 1, 2016, the state of California approved a bond measure to fund \$2 billion over a four-year period to create the No Place Like Home (NPLH) program to address the unmet needs of the homeless population with severe mental illnesses. The voters approved the bond measure, Proposition 2, on November 8, 2018. The California Department of Housing and Community Development (DHCD) issued a notice of funding availability (NOFA) and issued its first installment of NPLH funds on October 30, 2018 for \$400 million. Initial applications are due on January 30, 2019. The application guideline requires the County to issue a resolution in support of funding applications submitted by the County and its housing development sponsors. DHCD will loan construction funds to the housing developer. The funded units will be maintained by the developer for the target population for 55 years.

### **DISCUSSION:**

Behavioral Health and Recovery Services (BHRS) with Eden Housing, a nonprofit housing developer, will submit applications to the state for the development of housing units for the chronically homeless, at risk of homelessness, and severely mentally ill population including transitional aged youth (TAY).

BHRS is required to provide services to the units with approved individuals for a minimum of 20 years.

Eden Housing has indicated plans to provide 3 housing units for TAY and 14 units for homeless adult individuals with Serious Mental Illness in the Light Tree apartment complex.

The Light Tree apartment complex has been approved by the County Department of Housing, San Mateo County Board of Supervisors and the city of East Palo Alto (EPA) for renovation and expansion in EPA. NPLH funds for construction and operations will be loaned directly to the developer. The project is projected to be completed in 2023.

It is anticipated that the majority of the NPLH resident population will already be active BHRS clients whose cost of services are already included in the annual budget.

The estimated cost to provide additional on-site housing support services for existing BHRS clients is \$5,751 per client, per year. BHRS is projecting that a range of 4 to 6 clients will be new to BHRS services and has estimated the highest possible average cost for all 17 clients' annual community-based services, including the on-site housing support services, to be \$9,786 to \$11,804 per client, per year. Actual costs may be lower depending on the level of care, intensity, and frequency of services needed by each client over the 20-year period.

The agreement and Resolution have been reviewed and approved by County Counsel as to form.

Approval of this application contributes to the Shared Vision 2025 outcome of a Healthy Community by increasing the number of housing units available to individuals who are currently homeless, are at risk of homelessness, or have severe mental illness. It is anticipated that 90% of clients receiving services will remain stable in housing for at least one year.

**PERFORMANCE MEASURE:**

Measure	FY 2018-19 Estimated	FY 2023-24 Projected
Individuals that remain stable in housing for at least one year	N/A*	90% *

\* This is a new service, data will be available in FY 23-24 after construction is completed.

**FISCAL IMPACT:**

The application for NPLH loan funding will provide construction dollars to the housing developer which is variable and dependent upon the total number of NPLH units approved for development. The cost of services provided to NPLH clients will range from \$9,786 per client, per year for a minimum of 13 existing BHRS clients and 4 new BHRS clients; to \$11,806 per client, per year for a combination of 11 existing and 6 new BHRS clients. Funding for the required services will come from Medi-Cal, Realignment, and MHSA funding. There is no Net County Cost. Funds for these services will be included in the BHRS FY 2022-23 Recommended Budget.