



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 19-350

Board Meeting Date: 4/23/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Scott Gilman, Director, Behavioral Health and Recovery Services

Subject: Authorization to Apply for the Noncompetitive No Place Like Home Program Allocation

RECOMMENDATION:

Adopt a resolution delegating authority to the County Manager, or designee, to apply on the behalf of the County for the Noncompetitive No Place Like Home Program Allocation; 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 twenty years.

BACKGROUND:

On July 1, 2016, the State of California approved a bond measure to fund a \$2 billion No Place Like Home (NPLH) program to address the unmet need of the homeless population with severe mental illness. The voters approved the bond measure, Proposition 2, on November 8, 2018. The California Department of Housing and Community Development (DHCD) created a competitive funding and noncompetitive allocation process. On January 8, 2019, your Board approved a resolution authorizing Behavioral Health & Recovery Services (BHRS) and development sponsors to apply for the competitive NPLH funding.

DHCD issued a notice of funding availability (NOFA) to all Counties for the Noncompetitive NPLH Allocation on October 30, 2018. Applications must be submitted by August 15, 2019. San Mateo County is eligible to apply for \$1,740,281. The amount of the allocation was determined by the numbers reported by the County in its 2017 Homeless Point in Time Count. The application guideline requires the County to issue a resolution in support of an application for the NPLH Noncompetitive Allocation.

Once the Noncompetitive Allocation application is accepted by DHCD, BHRS and a nonprofit housing developer will be able to submit an application for funding prior to February 5, 2021.

DISCUSSION:

BHRS and a nonprofit housing developer will need to submit a minimum of one application to the State for the development of housing units for the chronically homeless and at risk of chronic

homelessness population with severe mental illness, no later than February 15, 2021. The minimum number of units that would be built using these funds would be five. These units would be integrated into a larger affordable housing building.

BHRS would be required to provide services to tenants meeting NPLH’s medical necessity criteria for a minimum of 20 years. The developer would be required to maintain the units at the same level of affordability and for the same population for 55 years. It is anticipated that the NPLH resident population will already be or become active BHRS clients whose cost of services are already included in BHRS’ annual budget.

The estimated annual cost to provide additional on-site housing support services for existing BHRS clients is \$5,751 per client. BHRS is projecting that a range of 20% to 30% of the client tenants will be new to BHRS services and has estimated the highest possible cost of their 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 at a later date.

FISCAL IMPACT:

The application for NPLH loan funding will provide construction dollars to the housing developer. Funding will be variable and dependent upon the total number of NPLH units approved for development. The estimated cost of initial services provided to NPLH clients will range from \$5,751 per year for existing BHRS clients and up to \$11,806 for new clients, with both types of costs declining as clients become stably housed. Funding for the required services will come from Medi-Cal, Realignment, and Mental Health Services Act funding. There is no Net County Cost associated with this agreement. Should BHRS apply, funds for these services will be included in the BHRS Recommended Budget for the first fiscal year the units are occupied.