



COUNTY OF HUMBOLDT

For the meeting of: 11/16/2021

File #: 21-1674

To: Board of Supervisors
From: DHHS: Administration
Agenda Section: Consent

SUBJECT:

Grant Agreement with Providence Supportive Housing Regarding the Conversion of a HomeKey Program Motel Property to Permanent Housing for Individuals Who Are Experiencing Homelessness in Humboldt County

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the Chair of the Board to execute, the attached grant agreement with Providence Supportive Housing regarding the conversion of a HomeKey Program motel property to permanent housing for individuals who are experiencing homelessness in Humboldt County;
2. Authorize the Department of Health and Human Services Director, or a designee thereof, to execute any and all subsequent amendments to the attached grant agreement, after review and approval by County Counsel, Risk Management and the County Administrative Office;
3. Find that issuing an advance payment to Providence Supportive Housing in advance for the conversion of a HomeKey Program motel property will serve a public purpose by ensuring the timely provision of permanent housing for individuals who are experiencing homelessness in Humboldt County;
4. Authorize the issuance of an advance payment in the amount of \$84,106 to Providence Supportive Housing for the renovation and construction services required pursuant to the terms and conditions of the attached grant agreement; and
5. Direct the Clerk of the Board to return one fully executed original copy of the attached grant agreement with Providence Supportive Housing to the Department of Health and Human Services - Contract Unit for further processing.

SOURCE OF FUNDING:

Social Services Fund (1160)

DISCUSSION:

On Dec. 6, 2019, the California Homeless Coordinating and Financing Council (HCFC) announced the availability of \$640,000,000 in noncompetitive block grant funds for the Homeless Housing, Assistance and Prevention (HHAP) Program. The HHAP Program is intended to allow cities, counties

and local Continuums of Care to address immediate homelessness challenges throughout the state. As a result, HHAP Program funding may be used for activities that are designed to assist individuals and families experiencing homelessness with obtaining and maintaining permanent housing, including all of the following:

- Rental assistance, housing relocation and stabilization, outreach, coordination, homelessness prevention and shelter diversion services;
- Operating subsidies in new and existing affordable or supportive housing units, emergency shelters and navigation centers;
- Security deposits, holding fees and other landlord incentives;
- Operational support related to the creation and maintenance of a homeless services and housing delivery system; and
- Capital improvements, including, without limitation, conversion of hotels or motels to permanent housing and construction of new navigation centers and emergency shelters based on demonstrated jurisdictional need.

Pursuant to the HHAP Program allocation formula, which is based on the proportionate share of the state's total homeless population as reflected by the 2019 point-in-time count of people experiencing homelessness, the County of Humboldt has been allocated \$1,857,456.54, and the Humboldt County Continuum of Care has been allocated \$2,004,964.93, in HHAP funding. The Humboldt Housing and Homeless Coalition, which serves as the Continuum of Care for Humboldt County, has designated the County of Humboldt as the administrative entity to receive funding made available through the HHAP Program. As a result, the County of Humboldt is the only entity that may administer the HHAP Program funding allocated to the Humboldt County Continuum of Care.

On Feb. 11, 2020, the Humboldt County Department of Health and Human Services (DHHS) submitted two applications for HHAP funding in accordance with the requirements of the Notice of Funding Availability issued by HCFC on Dec. 6, 2019. On March 30, 2020, HCFC notified DHHS that \$3,862,421.47 in HHAP funding would be awarded to the County of Humboldt.

On April 21, 2020, DHHS issued a Request for Proposals (RFP) which solicited proposals from qualified community organizations interested in working collaboratively with the County of Humboldt to implement various eligible projects that would be funded by the \$2,004,964.93 in HHAP Program funding allocated to the Humboldt County Continuum of Care. DHHS received a total of eight proposals in response to the above-referenced RFP, which contained funding requests totaling \$4,460,700.99. After reviewing and evaluating each proposal in accordance with the applicable evaluation and selection criteria, the RFP Evaluation Committee determined all eight projects are qualified to receive HHAP funding. The Board subsequently approved funding allocations recommended by the RFP Evaluation Committee for the above-referenced HHAP projects on Aug. 18,

2020 (Item C-17).

On July 16, 2020, the California Department of Housing and Community Development (HCD) announced the availability of \$600,000,000 in grant funding for the HomeKey Program. The HomeKey Program is intended to allow local public entities and tribal governments to purchase, rehabilitate and convert hotels, motels, vacant apartment buildings and other buildings into interim or permanent, long-term housing.

On Aug. 18, 2020 (Item C-18), the Board adopted Resolution No. 20-72 which authorized the DHHS Director to jointly apply for, and secure, up to \$4,600,000 in funding made available through the HomeKey Program for the purpose of supporting Providence Supportive Housing's ongoing efforts to acquire and convert the Humboldt Inn to permanent housing for individuals and families who are experiencing homelessness in Humboldt County. The Board also ratified the DHHS Director's execution and submission of a joint application for funding made available through the HomeKey Program, and approved a sole source exception to the applicable procurement requirements pursuant to Section 6.7 - Sole Source Purchases of the Humboldt County Purchasing Policy, due to the limited amount of time available to apply for and expend HomeKey Program funding.

On Aug. 26, 2020, Providence Supportive Housing was notified by HCD that the joint application submitted by Providence Supportive Housing and DHHS for HomeKey Program funding had been approved, and funds had been reserved, contingent upon a budget modification that included both the funds awarded under the HomeKey Program and other state funding secured by Providence Supportive Housing through the Housing for a Healthy California Program. During this budget revision, it was determined that \$286,000 in additional funding was needed to complete Providence Supportive Housing's pending acquisition and conversion of the Humboldt Inn property to permanent housing for individuals who are homeless. Since this need for additional funding was not identified until after the allocations of HHAP funding awarded to the Humboldt County Continuum of Care had been approved by the Board, the recommended allocation of HHAP funding will come from the funds awarded to the County of Humboldt, rather than those awarded to the Humboldt County Continuum of Care.

On Sept. 29, 2020 (Item C-15), the Board approved a sole source exception to the procurement requirements applicable to HHAP funding and allocated \$286,000 for the purpose of supporting Providence Supportive Housing's ongoing efforts to acquire and convert the Humboldt Inn to permanent housing for individuals who are experiencing homelessness in Humboldt County. In addition, the Board authorized the DHHS Director to enter into contract negotiations with Providence Supportive Housing. As a result of those negotiations, DHHS recommends that the Board authorize a one-time advanced payment of grant funding for the full amount of \$286,000 to facilitate the timely conversion of the Humboldt Inn into permanent housing units.

Accordingly, DHHS recommends that the Board approve, and authorize the Chair of the Board to execute, the attached grant agreement with Providence Supportive Housing. It is also recommended that the Board authorize the DHHS Director, or a designee thereof, to execute any and all subsequent amendments to the attached grant agreement, after review and approval by County Counsel, Risk Management and the County Administrative Office, in order to avoid any unnecessary delays in the

provision of permanent housing for individuals experiencing homelessness in Humboldt County.

FINANCIAL IMPACT:

The attached grant agreement with Providence Supportive Housing has a maximum amount payable of \$286,000. Expenditure appropriations related to the attached grant agreement have been included in the adopted fiscal year 2021-22 budget for DHHS - Social Services HOME, budget unit 1160-520. Funding for the attached grant agreement with the Providence Supportive Housing is available through HHAP revenues received by DHHS. As a result, approval of the attached grant agreement with Providence Supportive Housing will not impact the Humboldt County General Fund.

STRATEGIC FRAMEWORK:

The recommended actions support the Board of Supervisors' Strategic Framework by protecting vulnerable populations, supporting self-reliance of citizens, improving the safety and health of local communities and providing community-appropriate levels of services.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the attached grant agreement with Providence Supportive Housing. However, this alternative is not recommended since the attached grant agreement will allow for the conversion of existing motel rooms to permanent housing for individuals who are experiencing homelessness in Humboldt County.

ATTACHMENTS:

1. Grant Agreement with Providence Supportive Housing Regarding the Conversion of a HomeKey Program Motel Property to Permanent Housing for Individuals Who Are Experiencing Homelessness in Humboldt County

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-17; C-18; C-15
Meeting of: 8/17/20; 8/17/20; 9/29/20
File No.: 20-957; 20-1028; 20-1218