



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C11

For the meeting of: February 13, 2018

Date: January 22, 2018

To: Board of Supervisors

From: Connie Beck, Director
Department of Health and Human Services (DHHS)

*Connie Beck
1/24/18*

Subject: Local Innovation Grants on Housing from Partnership HealthPlan of California to the Humboldt County Department of Health and Human Services and Supplemental Budget (4/5 Vote)

RECOMMENDATION(S): That the Board of Supervisors:

1. Approve the letter of commitment of funds (Attachment 1);
2. Approve the letter of intent (Attachment 2);
3. Authorize the DHHS-Director to sign the letter of commitment of funds and the letter of intent;
4. Authorize the DHHS-Director to execute future documents related to the Local Innovation Grants on Housing grant agreement after review and approval by county counsel and risk management;
5. Approve a supplemental budget adjustment request in Fund 1160, Budget Unit 511 Social Services to increase revenues and expenditures by \$1,050,000 (4/5 vote required) (Attachment 4);
6. Direct Auditor-Controller to supplement Fund 1160, per supplemental budget adjustment attachment; and
7. Direct the Clerk of the Board to return one (1) executed Board agenda item to DHHS-Administration attn. Sally Hewitt

SOURCE OF FUNDING: Partnership HealthPlan of California

Prepared by Sharon Wolff, Legislative Analyst CAO Approval

[Signature]

REVIEW: Auditor YRBM County Counsel JPB Human Resources _____ Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
Upon motion of Supervisor Bass Seconded by Supervisor Fennell
Ayes Bass, Fennell, Sundberg, Bohn, Wilson
Nays _____
Abstain _____
Absent _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: 2/13/18

By: [Signature]
Kathy Hayes, Clerk of the Board

DISCUSSION: Partnership HealthPlan of California (PHC) has designated \$1,050,000.00 dollars in their Local Innovation Grants on Housing program to assist in the development of permanent supportive housing for PHC members (Medi-Cal beneficiaries) in the county (Attachment 3). This one-time funding opportunity, awarded to the Humboldt County Department of Health and Human Services (DHHS), would be passed through to The Danco Group (Danco), a local development firm. Danco will utilize the funds to leverage additional funding for a proposed permanent supportive housing project in Rio Dell. Danco is in a unique position to quickly move this housing project forward as they previously developed preliminary site plans for the project which have been held until financing opportunities were identified. The PHC funding is contingent on Danco securing the additional necessary funding required to complete this development.

The letter of commitment and the letter of intent are needed in order to assist Danco to secure the needed Low Income Housing Tax Credits required to build this housing project.

FINANCIAL IMPACT: DHHS will be the financial intermediary receiving these funds on behalf of Danco as Danco is ineligible to apply for these funds directly. There will not be any impact the County General Fund. The attached supplemental budget (Attachment 4) reflects the needed adjustments to Fund 1160, Budget Unit 511 to accommodate the reception of these funds from PHC.

The proposed supplemental budget supports the Board's Strategic Framework by protecting vulnerable populations and providing community-appropriate levels of service.

OTHER AGENCY INVOLVEMENT: Partnership HealthPlan of California, The Danco Group

ALTERNATIVES TO STAFF RECOMMENDATIONS: The Board could chose not to approve the letter of commitment, letter of intent or supplemental budget adjustment request. This is not recommended because Danco will be unable to secure low-income housing tax credits to build additional housing units without this documentation.

ATTACHMENTS:

- 1: Letter of Commitment of Funds
- 2: Letter of Intent
- 3: Partnership HealthPlan of California Letter of Commitment
- 4: Supplemental Budget Adjustment



Administration
Connie Beck, Director
507 F Street, Eureka, CA 95501
phone: (707) 441-5400 | fax: (707) 441-5412

January 24, 2018

Chris Dart
Danco Communities
5251 Ericson Way
Arcata, CA 95521

RE: Rio Dell Permanent Supportive Housing Project

Dear Mr. Dart:

I am pleased to notify you that the Department of Health and Human Services of the County of Humboldt intends to pass through to Danco Communities one-time funding awarded by Partnership HealthPlan of California. These capital project funds are intended to be used as matching funds in order to leverage additional financing to support the development of new permanent supportive housing in Rio Dell.

The award of \$1,050,000.00 is contingent upon evidence that you have received an award of Low Income Housing Tax Credits and the necessary local government approvals to proceed with the development of the housing project.

If I can provide any further information, please do not hesitate to contact me at (707) 441-5400 or email at CBeck@co.humboldt.ca.us

Sincerely,

Connie Beck, Director
Department of Health and Human Services, Humboldt County
507 F Street
Eureka, CA 95503



Mental Health
phone: (707) 268-2990
fax: (707) 476-4049

Public Health
phone: (707) 445-6200
fax: (707) 445-6097

Social Services
phone: (707) 476-4700
fax: (707) 441-2096

**Letter of Intent
Between
Humboldt County Department of Health and Human Services
And
Danco Communities**

February 13, 2018

This Memorandum of Understanding documents an agreement between Danco Communities (Danco) and Humboldt County Department of Health and Human Services (DHHS), Service Provider, for the delivery of supportive services to residents of the facility.

1. DHHS is a county-administered agency whose mission is to reduce poverty and to connect people and communities to opportunities for health and wellness. Danco is a for profit corporation.
2. Danco is seeking funding for the development of an affordable housing project in Rio Dell, CA. Twenty-three (23) of the units will be restricted to low-income adults who are members of Partnership HealthPlan of California. The project has been awarded funding through the Partnership HealthPlan of California Local Innovation Grant on Housing and Danco is seeking funding from affordable housing tax credits.
3. Danco will seek to secure all capital funding for the project, manage the construction of the project and provide property management of the facility upon completion.
4. DHHS will make all reasonable efforts to identify and secure supportive services funding from federal, state, local and private sources.
5. DHHS will deliver supportive services for which funding is secured and coordinate the delivery of services to residents by other community partners such as CalWORKS, CalFresh, Alcohol and Drug Care Services, Hum WORKS, Open Door Community Clinics, Family and Community Resource Centers, Public Health and Food for People.
6. It is the intent of the parties to formalize this understanding when capital funding is secured.

For Danco Communities

Chris Dart
Secretary & Vice President

Date

For Department of Health and Human Services

Connie Beck
Executive Director

Date



January 19, 2018

Ms. Hewitt:
Senior Program Manager
Humboldt County Department of Health and Human Services
507 F Street
Eureka, CA 95501

Dear Ms. Hewitt:

This is to confirm that Partnership Healthplan of California (PHC) has agreed to provide funding for your proposed capital project housing proposal for new construction of Permanent Supportive Housing units for PHC Members. Based on information in your proposal and our recent meetings to review your development plans, PHC is committed to provide onetime funding, not to exceed, \$1,050,000.00.

The disbursement of these funds is contingent upon Humboldt County providing evidence that the housing developer (Danco) has received an award of Low Income Housing Tax Credits and the necessary local government approvals to proceed with the development of a housing project that will include at least 23 units of rental housing that will be available and affordable to members of Partnership HealthPlan (Medi-Cal beneficiaries) and that the County and the housing developer have an agreement to coordinate in the implementation of the project to ensure that these units and appropriate supportive services are made available to PHC Members for whom housing opportunities will improve their health and facilitate appropriate use of health care services.

We appreciate your commitment to expanding access to safe and affordable permanent housing for PHC Members.

Sincerely,

A handwritten signature in black ink that reads "Margaret Ambrey, CEO". The signature is written in a cursive style with a large, looping initial "M".

**Attachment I
Recommended Budget Adjustments**

Fund	Budget	Acct #	Budget Name	Account Name	Adjustment
Budget Adjustments					
Revenue					
1160	511	707010	Social Services	Miscellaneous Revenue	\$1,050,000
Expenditures					
1160	511	3129	Social Services	Financial Intermediary	\$1,050,000