



# COUNTY OF HUMBOLDT

## Legislation Text

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**File #:** 20-1218, **Version:** 1

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

**SUBJECT:**

Allocation of Funding Made Available through the California Homeless Coordinating and Financing Council's Homeless Housing, Assistance and Prevention 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

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve a sole source exception to the procurement requirements applicable to the recommended allocation of funding made available through the Homeless Housing, Assistance and Prevention Program pursuant to Section 6.7 - Sole Source Purchases of the Humboldt County Purchasing Policy;
2. Approve the recommended allocation of funding made available through the Homeless Housing, Assistance and Prevention Program 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;
3. Authorize the Department of Health and Human Services Director, or a designee thereof, to enter into contract negotiations with Providence Supportive Housing; and
4. Direct the Clerk of the Board to return one fully executed certified copy of the Board order to the Department of Health and Human Services - Contract Unit.

**SOURCE OF FUNDING:**

Behavioral Health Fund - Fund 1170

**DISCUSSION:**

On Dec. 6, 2019, the California Homeless Coordinating and Financing Council (HCFC) announced the availability of \$640 million 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. On Aug. 18, 2020 (Item C-17), the Humboldt County Board of Supervisors approved funding allocations recommended by the RFP Evaluation Committee.

On July 16, 2020, the California Department of Housing and Community Development (HCD) announced the availability of \$600 million 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 Humboldt County Board of Supervisors adopted Resolution No. 20-72 which authorized the DHHS Director to jointly apply for, and secure, up to \$4.6 million in funding made available through the Homekey Program for the purpose of supporting Providence Supportive Housing 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 has been approved, and funds have been reserved, contingent upon a budget modification that includes 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 and families 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.

Pursuant to the requirements of the Homekey Program, the funds awarded to Providence Supportive Housing thereunder must be expended, and the acquisition of the Humboldt Inn must be completed by Dec. 30, 2020. Due to the limited amount of time available to complete the pending acquisition and conversion of the Humboldt Inn, Section 6.7 - Sole Source Purchases of the Humboldt County Purchasing Policy allows for the recommended allocation of HHAP funding awarded to the County of Humboldt without issuance of an RFP soliciting other HHAP projects.

Accordingly, DHHS recommends that the Board approve the recommended allocation of HHAP funding 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. Staff also recommends that the Board approve a sole source exception to the applicable procurement requirements pursuant to Section 6.7 - Sole Source Purchases of the Humboldt County Purchasing Policy, and authorize the DHHS Director, or a designee thereof, to enter into contract negotiations with Providence Supportive Housing.

**FINANCIAL IMPACT:**

Of the \$3,862,421.47 in HHAP funding awarded by DHCS, the County of Humboldt was allocated \$1,857,456.54, and the Humboldt County Continuum of Care was allocated \$2,004,964.93. The total cost of the recommended allocation of HHAP funding is \$286,000, and will be used from the pool of

funding allocated to the county. Expenditure appropriations related to the recommended allocation of HHAP funding have been included in the adopted fiscal year 2020-2021 budget for DHHS - Behavioral Health HOME budget unit 1170-426. As a result, approval of the recommended allocation of HHAP funding 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:

Providence Supportive Housing, HCD, HCFC

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the recommended allocation of HHAP funding 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. However, this alternative is not recommended since it will not allow Providence Supportive Housing to acquire and convert the Humboldt Inn to permanent housing for individuals and families who are experiencing homelessness in Humboldt County.

ATTACHMENTS:

1. State Standard Agreement Number 20-HHAP-00002 - County of Humboldt
2. State Standard Agreement Number 20-HHAP-00004 - Continuum of Care
3. Project Homekey Notice of Funding Availability Dated July 16, 2020

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-17, C-18

Meeting of: 08/18/20; 08/18/20

File No.: 20-957; 20-1028; 20-1218