

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Adult System of Care**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Maureen F. Bauman, Director of Adult System of Care

DATE: August 7, 2012

SUBJECT: Grant Agreements with the U.S. Department of Housing and Urban Development

ACTION REQUESTED:

The Board is requested to take the following actions:

1. Approve the renewal grant agreement with the U.S. Department of Housing and Urban Development to receive funds for Permanent Supportive Housing in the amount of \$299,927 (\$28,936 required County General Fund match) for a 12-month term, beginning December 1, 2012, and
2. Approve the renewal grant agreement with the U.S. Department of Housing and Urban Development to receive funds for Shelter Plus Care 2011 in the amount of \$290,412 (no required County General Fund match) for a 12-month term, beginning May 20, 2012.

BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) Permanent Supportive Housing grant helps to reduce homelessness for those with mental illness in Placer County by providing rental subsidies for housing and support services such as employment and community resources to assist persons to become self-sufficient. The Adult System of Care has successfully implemented this grant since 2004.

Participants of the program pay up to 30 percent of their income towards rent. During the grant year 2010-2011, 28 single adults and four families were served. During the grant year, three individuals left the program for permanent independent living and family reunification. The average length of stay was four years. The Permanent Supportive Housing Grant allows for a successful transition from homelessness to permanent supportive housing.

The HUD Shelter Plus Care grant helps to reduce homelessness for those with mental illness and other disabilities in Placer County by providing rental subsidies. Special consideration to those who are seriously mentally ill, have a chronic substance abuse issue and/or have HIV/AIDS or other related disease. Participants of the program pay 30 percent of their income toward rent and they must be involved in support services such as employment, case management, or treatment. The Adult System of Care has successfully implemented the Shelter Plus Care grants for the past eight years.

During the grant year, 63 adults and 12 children were served. Of those who left the program, more than half left for permanent housing situations and the median length of stay was two years. We served slightly more women than men and the majority of adults are between the ages of 35 and 54.

Through the renewal of these grants, support services will continue to assist these clients in leading healthy and productive lives. Persons who are both homeless and mentally ill have a significant impact on local resources. Their unstable situation causes them to overuse emergency room services and inpatient psychiatric services, as well as impacting the criminal justice system. These HUD grants are able to significantly reduce this impact in Placer County. Since 2002, homelessness in Placer County has gone up 56 percent; however, for those who have a mental illness it has gone down 15 percent.

FISCAL IMPACT:

The HUD Permanent Supportive Housing grant provides the same level of funding as the previous fiscal year. The Department's FY 2012-13 Proposed Budget includes \$174,957 in grant funds and a required County General Fund match of \$16,879. The grant balance of \$124,970 and County General Fund match of \$12,057 will be included in the Department's FY 2013-14 Requested Budget.

Shelter Plus Care has been reduced by 3 percent from the prior year as a result of the fair market rate for rental housing reducing by that amount. This program has a \$232,256 match requirement to ensure that the provision of supportive services is equal to the value of rental assistance provided by HUD. No additional staffing is required, as services are provided by current County staff and/or community-based organizations. This required match includes \$232,256 in Federal, State, and community partner funding. No additional County General Fund contribution is required. These program costs and grant revenue are included in the Department's FY 2012-13 Proposed Budget.

A copy of each Renewal Grant Agreement is on file with Clerk of the Board for review.