



**MEMORANDUM
HEALTH AND HUMAN SERVICES
ADULT SYSTEM OF CARE
County of Placer**

TO: Board of Supervisors

DATE: September 13, 2016

FROM: Jeffrey S. Brown, Director of Health and Human Services

SUBJECT: MHSA Housing Program Funding Release

ACTION REQUESTED

Approve the release of Mental Health Services Act (MHSA) Housing Program Funds back to Placer County in the amount of \$95,095, plus interest, and authorize the Director of the Adult System of Care, or designee, to sign required documents.

BACKGROUND

In 2008 Placer County assigned their MHSA Housing funds from the Department of Mental Health to the California Housing and Finance Agency (CalHFA) for the development of MHSA housing in Placer County. This action encumbered the funds, thus removing the risk of the State reallocating during the economic downturn. The amount of \$2,383,900 was then used for the development of two housing projects (Placer Street and Timberline Shared Housing) in Placer County for people who were served by MHSA Full Service Partnerships (intensive services in the community). The properties are owned by Advocates for the Mentally Ill Housing with loans held by CalHFA. In addition to the loans, CalHFA holds operating and rental subsidy reserves for both projects. The Placer County Adult System of Care and Turning Point Community Programs provide intensive supportive services to residents, while AMIH provides additional tenant supports; they would not receive in non MHSA Housing. The Adult System of Care also contributes HUD Continuum of Care Shelter Plus Care vouchers toward the projects to offset some of the rental subsidies. Both projects have been successful; remaining within budget, low vacancy rates, and resident satisfaction. Timberline is a five bedroom house located in the City limits of Auburn and has served 24 tenants since its inception in 2009. Placer Street is a 6 unit complex of 2 bedrooms- 2 baths located in the City limits of Auburn serving 25 residents since opening its doors in December, 2012.

CalHFA's initial calculation for the Placer Street Project exceeded the capital development budget by \$90,000. Placer County was recently informed these funds, in addition to interest and administrative dollars, were being held at CalHFA and could be released back to the County as the current program is closing.

FISCAL IMPACT

Accept \$95,095, plus interest, from CalHFA into the MHSA trust fund and designate for housing as outlined in MHSA regulations.

