



M E M O R A N D U M
HEALTH AND HUMAN SERVICES
ADULT SYSTEM OF CARE
County of Placer

TO: Board of Supervisors

DATE: December 14, 2021

FROM: Robert L. Oldham, Director of Health and Human Services/Chief Psychiatrist/Interim Health Officer

SUBJECT: Homekey Round 2 Program Application

ACTION REQUESTED

1. Adopt a Resolution regarding the implementation of the Homekey Program to:
 - a. Award Request for Proposal (RFP) 20229 to Advocates for Mentally Ill Housing, Inc. for the operation, rehabilitation, acquisition, and transition services stemming from Projects Roomkey and Homekey.
 - b. Approve an agreement with Advocates for Mentally Ill Housing, Inc. for the operation, rehabilitation, acquisition, and transition services stemming from Projects Roomkey and Homekey as a result of RFP 20229 in a maximum amount not to exceed \$4,692,845 from December 14, 2021 through June 30, 2023, and authorize the Director of Health and Human Services to execute the agreement with Risk Management and County Counsel concurrence and to sign subsequent amendments up to \$100,000 consistent with the subject matter and scope of work with Risk Management and County Counsel concurrence.
2. Adopt a Resolution authorizing the Director of Health and Human Services, or Designee, to apply for a grant from California Housing and Community Development for Homekey Round 2 in the amount not to exceed \$25,000,000, and to sign the resulting agreement and all related documentation and forms with Risk Management and County Counsel concurrence.

BACKGROUND

The County of Placer has developed cutting-edge and collaborative housing solutions in the community for over 20 years. The County, operating through various departments (Health and Human Services, Community Development Resource Agency, Facilities Management, County Executive Office), has partnered with regional jurisdictions, private funders, and nonprofits to purchase and rehabilitate properties and provide supportive services to housing hundreds of residents who would have otherwise remained homeless.

In the past three years, the County has successfully launched key housing projects: Brown Bear Studios in Kings Beach, Main Street Plaza Apartments in Roseville, and Mercy North Auburn. These are critical in that they represent non-shared apartment/studio-style housing for individuals who are unable to stay in shared living arrangements and have been difficult to house. Despite the success of these projects, there are still unsheltered residents with income (often paired with a housing voucher/subsidy) that are unable to find these kinds of units. It is common for individuals who are ready for housing to remain in our shelters, or on the street, due to insufficient availability of affordable and supported housing beds.

Lack of permanent supportive housing is a problem faced by nearly every community across the state. This year, historic amounts of funding were allocated for communities to tackle this problem and find housing solutions. The County, along with many of its community-based partners, has begun to identify opportunities for known competitive funding.

On September 9, 2021, the Department of Housing and Community Development (HCD) issued a Notice of Funding Availability for Round 2 of Homekey. This \$1.45 billion of funding is meant to build on the

success of Project Roomkey and the first round of Homekey. This significant state investment seeks to rapidly expand housing for persons who are experiencing homelessness or are at risk of homelessness, and who are, thereby, at an increased risk for COVID-19 infection or complications. Placer County staff have been working to prepare a Homekey application for funding toward the acquisition, renovation, and operation of a permanent supportive housing site, with the potential to house between 75 and 90 individuals/ families. It is estimated that the County's application will request \$25 million toward this project to fund the acquisition, renovation, and operation costs for the first year. Additional ongoing funding would be sourced through continued grant applications, along with federal, state, and local funding contributions. Several community partners have expressed interest in assisting with funding this mutually beneficial program for our community. Specific details and public notice will be provided before any acquisition of property from Homekey grant funds, and will be brought to Your Board for authorization at a later date.

As a result of our identified community need, and the potential availability of state funding, RFP 20229 was issued to identify a partner to develop, renovate, and operate a hotel/motel conversion to a permanent supportive housing site in South Placer.

Additionally, in March of 2020, the State launched Project Roomkey, time-limited funding for cities and counties to operate non-congregate shelters for people experiencing homelessness who have been infected with, exposed to, or at high risk of complications from COVID-19. While expected to be short-term, funding for Project Roomkey is anticipated to carry over into California's fiscal year 2022-2023 budget. RFP 20229 sought out an organization to assume the operation of Placer's Project Roomkey and the eventual transition of that program.

Finally, within the same RFP, a solicitation was made for technical assistance to support the application of funds and for moving forward new opportunities for additional affordable and permanent supportive housing in Placer County.

Advocates for Mentally Ill Housing, Inc. (AMI Housing) has served as a provider in Placer County since August of 2003. Since then, AMI Housing has grown to offer an array of housing supports: permanent supportive and transitional housing, emergency housing, transitional-aged youth (TAY) housing, housing coordination, peer support, and operation of a board and care. They specialize in supporting the housing needs of very low-income residents with mental health and/or substance use disorders. AMI Housing successfully renovated and operates Placer County's first Homekey project (located in Kings Beach) and the Main Street Plaza Apartment complex in Downtown Roseville. It has done similar projects in Nevada County. As a result of its successful track record and response to the RFP, it was selected to contract for all four components within the RFP: 1) acquisition/renovation; 2) Homekey program operation; 3) Project Roomkey program operation, and 4) technical assistance.

FISCAL IMPACT

The majority of the purchase price and some operating costs will be paid utilizing Homekey Round 2 funding, and the balance of the purchase price and operating costs will be paid with federal, state and local funds. No County General Funds are required.

ATTACHMENTS

1. Resolution – Homekey Implementation
2. Resolution – Homekey Grant Application

The RFP and the Agreement with AMI Housing are on file with the Clerk of the Board for review.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

A Resolution regarding the implementation of the
Homekey Program.

Resolution No.:

The following Resolution was duly passed by the Board of Supervisors of the County of
Placer at a regular meeting held _____ by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, Placer County Adult Systems of Care wishes to implement the Homekey Program.

WHEREAS, Placer County Adult Systems of Care issued a competitive Request for Proposals (RFP 20229) for the operation, rehabilitation, acquisition, and transition services stemming from Projects Roomkey and Homekey.

WHEREAS, Placer County Adult Systems of Care wishes to Award RFP 20229 to Advocates for Mentally Ill Housing, Inc.

WHEREAS, as a result of RFP 20229, the Board is requested to approve an agreement with Advocates for Mentally Ill Housing, Inc. for the operation, rehabilitation, acquisition, and transition services.

NOW, THEREFORE, BE IT RESOLVED THAT:

The Director of Health and Human Services is authorized to award RFP 20229 to Advocates for Mentally Ill Housing, Inc. and enter into an agreement for the operation, rehabilitation, acquisition, and transition services stemming from Projects Roomkey and Homekey in an amount not to exceed \$4,692,845 from December 14, 2021 through June 30, 2023, and authorize the Director of Health and Human Services to execute the agreement with Risk Management and County Counsel concurrence and to sign subsequent amendments up to \$100,000 consistent with the subject matter and scope of work with Risk Management and County Counsel concurrence.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

A Resolution regarding the joint application and participation in the Homekey Program.

Resolution No.:

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____ by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, Placer County Adult Systems of Care wishes to participate in the Homekey Program.

WHEREAS, The Department of Housing and Community Development ("Department") has issued a Notice of Funding Availability, dated September 9, 2021 ("NOFA"), for the Homekey Program ("Homekey" or "Program"). The Department has issued the NOFA for Homekey grant funds pursuant to Health and Safety Code section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20.).

WHEREAS, Placer County Adult Systems of Care ("Co-Applicant") desires to jointly apply for Homekey grant funds with Advocates for Mentally Ill Housing, Inc. ("Corporation").

Therefore, Co-Applicant is joining Corporation in the submittal of an application for Homekey funds (“Application”) to the Department for review and consideration.

WHEREAS, The Department is authorized to administer Homekey pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Homekey funding allocations are subject to the terms and conditions of the NOFA, the Application, the Department-approved STD 213, Standard Agreement (“Standard Agreement”), and all other legal requirements of the Homekey Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Co-Applicant is hereby authorized and directed to submit a joint Application to the Department in response to the NOFA, and to jointly apply for Homekey grant funds in a total amount not to exceed \$25,000,000.
2. If the Application is approved, Co-Applicant is hereby authorized and directed to enter into, execute, and deliver a Standard Agreement in a total amount not to exceed \$25,000,000, any and all other documents required or deemed necessary or appropriate to secure the Homekey funds from the Department and to participate in the Homekey Program, and all amendments thereto (collectively, the “Homekey Documents”).
3. Co-Applicant acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and Application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.
4. The Director of Health and Human Services is authorized to execute the Application and the Homekey Documents on behalf of Co-Applicant for participation in the Homekey Program.