

**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: September 10, 2013

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

ACTION REQUESTED:

1. Approve a renewal grant agreement with the U.S. Department of Housing and Urban Development to receive funds for Permanent Supportive Housing in the amount of \$388,270 (plus a required match of \$77,777 net County cost and \$19,444 Federal funds) for a 12-month term, beginning December 1, 2013, and
2. Approve a renewal grant agreement with the U.S. Department of Housing and Urban Development to receive funds for Shelter Plus Care in the amount of \$315,084 (plus a required match of \$15,109 net County cost, \$23,000 Federal/State funds, and \$3,200 fees) for a 12-month term, beginning May 20, 2013.

BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) Permanent Supportive Housing grant provides rental subsidies for housing and support services such as employment and community resources to assist persons to become self-sufficient. These subsidies and support services help to reduce homelessness for those with mental illness in Placer County. Placer County's Adult System of Care (ASOC) has successfully implemented these grants since 2004. This year's grants are no longer covered under the McKinney Vento Act. They are now authorized under the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, which has resulted in changes in funding, match requirements and funded program activities. Under HEARTH the grant funding increased \$88,793 compared to the previous grant year.

Participants of the Permanent Supportive Housing program pay up to 30 percent of their income toward rent. During the grant year 2011-2012, 34 single adults and seven families with 12 children were served. Three individuals and two families left the program for permanent independent living and/or family reunification, and the average length of stay was nearly four years. This grant allows for a successful transition from homelessness to permanent supportive housing.

The Shelter Plus Care grant provides rental subsidies to Placer County residents with mental illness and other disabilities to help reduce homelessness. Special consideration is given to those who are seriously mentally ill, have a chronic substance abuse issue and/or have HIV/AIDS or other related diseases. 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. ASOC has successfully implemented the Shelter Plus Care grants since 2003. As a result of the enactment of the HEARTH Act, Shelter Plus Care increased \$24,672 from the prior year.

During the grant year, 45 adults and 11 children were served. Of those who left the program, more than half left for permanent housing situations. The program has noted an increase in participant's income in the last year. The program serves slightly more women than men, and the adults are between the ages of 19 and 77.

Through the renewal of these grants, support services will continue to assist these clients in leading healthy and productive lives. People 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.

FISCAL IMPACT:

The HUD Permanent Supportive Housing grant provides an increase in funding of \$88,793 over the previous grant year for a total grant award of \$388,270 and a total required match of \$97,221. The Department's FY 2013-14 Proposed Budget includes \$226,491 in grant funds and the required match of \$11,342 Federal funds and \$45,370 required County General Funds. The grant balance of \$161,779 and a required match of \$8,102 Federal funds and \$32,407 in County General Fund and will be included in the Department's FY 2014-15 Requested Budget.

Shelter Plus Care increased \$24,672 from the prior year, as a result of the enactment of the HEARTH Act. This program also has a lower match rate than last year in the amount of \$41,509 for the provision of supportive services. This match is provided by \$23,000 of Federal and State funds, \$3,400 of fees, and \$15,109 of County General Fund. These program costs and grant revenue are included in the Department's FY 2013-14 Proposed Budget.

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