

**County of Santa Clara**  
**Office of the County Executive**  
Office of Affordable Housing




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CE04 091509

Prepared by: Marjorie Matthews  
Director, Office of Affordable Housing  
Reviewed by: Emily Harrison  
Deputy County Executive

DATE: September 15, 2009

TO: Board of Supervisors

FROM:   
Jeffrey V. Smith  
County Executive

SUBJECT: Public Hearing to Consider Approval of Allocations Totaling \$717,484 from the Federal Homelessness Prevention and Rapid Re-Housing Program (HPRP) of the American Recovery and Reinvestment Act of 2009 (ARRA)

**RECOMMENDED ACTION**

Hearing to consider proposed recommendations for a total of \$717,484 from the Federal Homelessness Prevention and Rapid Re-Housing Program (HPRP) of the American Recovery and Reinvestment Act (ARRA).

Possible action:

- a. Open public hearing and receive testimony.
- b. Close public hearing.
- c. Approve the proposed allocations from the HPRP including \$662,150 to Sacred Heart Community Service (Lead Agency) for homeless prevention and rapid re-housing services, \$36,500 to Community Technology Alliance for data collection and evaluation, and \$18,834 to the Office of the County Executive, Office of Affordable

Housing for administration.

- d. Approve delegation of authority to the County Executive, or designee, to execute all necessary documents as required by the Department of Housing and Urban Development (HUD) to receive HPRP/ARRA funds.
- e. Approve delegation of authority to the County Executive, or designee, to negotiate, execute, amend, terminate, and take any and all necessary or advisable actions relating to an agreement with Sacred Heart Community Services in an amount not to exceed \$662,150 for period October 1, 2009 to September 30, 2012, and an agreement with Community Technology Alliance in an amount not to exceed \$36,500 for period October 1, 2009 to September 30, 2012, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on September 30, 2012.
- f. Approve Request for Appropriation Modification No. 46 - \$717,484 increasing revenue and expenditures in the Office of the County Executive, Office of Affordable Housing budget. (4/5 Roll Call Vote)

## **FISCAL IMPLICATIONS**

The recommended action will recognize increased revenues and expenditures in the amount of \$717,484 in the Office of Affordable Housing, Budget Unit 168. All revenues and expenditures are related to the HPRP/ARRA Program and are budgeted in Fund 0035, the Housing and Community Development Fund. There will be a minimal reduction to the General Fund cost in OAH based on the administrative reimbursement of \$18,834.

## **CONTRACT HISTORY**

The County has a number of existing agreements with the recommended sub-recipients, Sacred Heart Community Service and Community Technology Alliance, for services related to homelessness. This funding would result in the first HPRP/ARRA contracts with these agencies.

## **REASONS FOR RECOMMENDATION**

### **HPRP/ARRA Funds**

The Urban County was notified in the spring of 2009 that it was eligible to apply for \$717,484 from the Homelessness Prevention Rapid Re-Housing Program of the American Recovery and Reinvestment Act. On May 5, 2009, the Board approved a Substantial Amendment to the Urban County's Consolidated Plan 2008 Action Plan for the Community Development Block Grant (CDBG) Program and authorized the Administration to release a Request for Proposals (RFP) in accordance with the regulations of the U.S. Department of Housing and Urban Development (HUD) for this funding.

In keeping with HUD's guidance to create a coordinated network of services, eliminate duplication, and achieve maximum efficiency, the Office of Affordable Housing and the City of San Jose Housing Department collaborated to release a joint RFP. While the RFP and the evaluation of applications were managed in concert, the funding allocations, agreements for service, and reporting to HUD will be administered separately. Applicants were instructed to apply separately for either or both of the following HPRP funds:

County of Santa Clara	\$717,484
City of San Jose	\$4,128,763
Total Funds Available	\$4,846,247

**County/City Joint RFP**

The joint RFP was released on July 6, 2009, soliciting proposals from non-profit organizations that would meet the two main HPRP objectives:

- Prevent individuals and families from becoming homeless
- Help those who are experiencing homelessness to be quickly re-housed and stabilized

The HPRP is targeted toward individuals and families who would be homeless except for this assistance and who can be reasonably expected to maintain stable housing once the assistance ends. The funding is expected to serve a range of households, including those who live in substandard or overcrowded conditions; those who are extremely cost-burdened; and those facing temporary economic hardship due to the economic downturn. Funds were set aside for data collection and evaluation, specifically the Homeless Management Information System (HMIS), as specified by HUD. A maximum of five percent was available for administrative costs.

Applicants, individually or collectively, were required to propose a comprehensive array of services to the population that HPRP was created for, including financial assistance, rental assistance, and housing stabilization. They were expected to have sufficient ability, capacity, and experience to provide the services immediately. In addition, they had to be able and willing to collect data and report measurable outcomes. To minimize the burden of contract administration and monitoring, the RFP noted that the County and City planned to make no more than five awards in all.

The proposal deadline was August 7. Nine proposals, totaling \$10,769,969, were submitted in response to the joint RFP -- four for the County's HPRP and five for the City's. The proposals submitted were the following:

Bay Area Legal Aid

County -- no proposal

City -- \$305,809

Community Child Care Council

Of Santa Clara County

County -- \$349,555

City -- \$2,011,413

Community Technology Alliance

County -- \$36,500

City -- \$307,500

EHC LifeBuilders

County -- \$664,610

City -- \$3,730,636

Sacred Heart Consortium

County -- \$662,150

City -- \$2,701,796

An HPRP Review Panel met on August 11 to evaluate the proposals and make preliminary recommendations. On August 12, finalists were interviewed for clarifications and further information. An HPRP Appeals Committee was set to hear appeals on August 18, however no appeals were filed.

### **Recommended County Funding Allocations**

The members of the HPRP Review Panel scored and ranked each proposal separately, taking into account the applicants' expenditure and staffing plans as well as their experience and ability to offer the full range of HPRP services. They then considered the combined amount of the County's and the City's HPRP allocations and recommended the most cost effective way to distribute and administer the funds. The Panel recommended that the County make two funding awards and the City make three funding awards. A complete table of County and City HPRP recommendations is contained in Attachment A.

The Administration agrees with the HPRP Review Panel and recommends the following funding awards be approved for County HPRP funding:

Sacred Heart Consortium	\$662,150
Community Technology Alliance	36,500
OAH Administration (2.6%)	\$18,834
<b>Total</b>	<b>\$717,484</b>

Sacred Heart Consortium

Sacred Heart Community Service is acting as the Lead Agency of a consortium of agencies experienced in the kinds of services required by HPRP. Sacred Heart will be the sole contractor with the County on behalf of the consortium and will be responsible for the distribution of funds and all monitoring and reporting as required by HUD. The consortium is modeled after the Emergency Assistance Network (EAN) which for decades has provided coordinated rental assistance and other housing support to people in need throughout the County. Expanded HPRP services will include short term (3 months) and medium term (4 -18 months) rental assistance, security and utility deposits, utility payments, moving cost assistance, case management, legal services, credit repair, and other housing placement services.

Services and financial support will be available throughout the County, with the exception of San Jose and Sunnyvale, since those cities received separate allocations of HPRP funds. The participating agencies and the jurisdictions (including unincorporated areas) that the consortium will serve are as follows:

Sacred Heart (Lead Agency, Campbell)

Community Services Agency (Los Altos, Mountain View, Los Altos Hills)

InnVision, The Way Home (Milpitas, Palo Alto, Santa Clara)

St. Joseph's Family Center (Gilroy, Morgan Hill, San Martin)

West Valley Community Services Agency (Cupertino, Monte Sereno, Saratoga, Los Gatos)

Community Technology Alliance

Community Technology Alliance (CTA) has been the sole provider of HMIS services for Santa Clara County since 2004. CTA provides a secure web-based system of data collection designed to increase the effectiveness and efficiency of all homeless shelters and service providers in the County. CTA has proposed to meet and exceed HUD requirements, including program set-up, training and technical support to HPRP providers, participation in an on-going user group, and the submittal of HUD approved initial, quarterly, and annual performance reports.

In meeting the HPRP goal of ending episodes of crisis before individuals become permanently homeless, CTA's expertise will be critical to a number of services, including determining client eligibility, developing individualized housing and service plans, logging payments, and providing ongoing tracking and assessment.

### **HPRP Timeline and Reporting**

The HUD-required timeline for HPRP has been and will continue to be extremely aggressive. All contracts must be executed by September 30, 2009. At least 60% of the funds must be drawn down within the first two years of the program, and 100% must be drawn down within three years. Upon Board action, the Office of Affordable Housing will begin immediate contract negotiations with the sub-recipient agencies so that funds can be made available as soon as possible.

Reporting on HPRP/ARRA funds will be more frequent and rigorous than the regular CDBG/HOME Program. The County will be required to submit initial, quarterly, and annual reports to two separate federal reporting systems, the White House Office of Management and Budget (OMB) and HUD's Office of Special Needs Assistance Programs (SNAPS). The Office of Affordable Housing will draft contracts with the proposed sub-recipients to include all special reporting requirements required by the HPRP/ARRA Program.

### **BACKGROUND**

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 which includes a \$1.5 billion allocation nationally for a Homelessness Prevention and Rapid Re-Housing Program. The primary objectives of the HPRP are to prevent individuals and families from becoming homeless and to help those who are experiencing homelessness to be re-housed quickly.

The Program has four categories of eligible activities:

1. Financial assistance
2. Housing relocation and stabilization services
3. Data collection and evaluation
4. Administrative costs (up to 5%)

Under HPRP/ARRA, the County is eligible to receive \$717,484 for the period from October 1, 2009, to September 30, 2012. The County Office of Affordable Housing (OAH) complied with all steps as required by HUD, including the preparation of an estimated budget, public outreach meetings, consultation with the local Continuum of Care (the Collaborative on Housing and Homelessness), program alignment with other local grantees (the Cities of San Jose and Sunnyvale), consultation with the Housing and Community Development Advisory Committee, public noticing, and a 12-day public comment period.

On May 5, 2009, the Board approved a Substantial Amendment to the Urban County CDBG Consolidated Plan 2008 Action Plan in order to access the funds. At the same time the Board directed the Administration to prepare and release a Request for Proposals for expenditure of the funds in accordance with the HUD guidelines. These HPRP funding recommendations have been distributed to the Santa Clara County Collaborative on Housing and Homelessness and placed on the County website. A notice of the Board's Public Hearing for final approval has been placed in the San Jose Mercury News. The County's Housing and Community Development (HCD) Advisory Committee was scheduled to convene on September 10, 2009, for review and approval of the recommendations.

### **CONSEQUENCES OF NEGATIVE ACTION**

If the Board of Supervisors does not approve these recommendations, the County's HPRP funding may not meet the September 30, 2009, HUD deadline for execution of contracts with HPRP recipient agencies, and \$717,484 may not be available to the Urban County through the HPRP/ARRA Program.

### **STEPS FOLLOWING APPROVAL**

The Office of Affordable Housing will prepare funding agreements with the HPRP recipient agencies.

### **ATTACHMENTS**

- Attachment A - HPRP Funds Recommendation
- Appropriation Modification No. 046
- Hearing Notice

## RECOMMENDATIONS FOR COUNTY AND CITY HPRP FUNDS

Agency	Request	Rec/County	Rec/City	Agency Totals
<b>Bay Area Legal Aid</b>				
County	\$0			
City	\$305,809			
Total Requested	\$305,809			
<b>4Cs</b>				
County	\$349,555			
City	\$2,011,413			
Total Requested	\$2,360,968			
<b>CTA</b>				
County	\$36,500	<b>\$36,500</b>		
City	\$307,500		\$307,500	
Total Requested	\$344,000			\$344,000
<b>EHC LifeBuilders</b>				
County	\$664,610			
City	\$3,730,636		\$2,626,994	
Total Requested	\$4,395,246			\$2,626,994
<b>Sacred Heart-Lead</b>				
County	\$662,150	<b>\$662,150</b>		
City	\$2,701,796		\$1,088,281	
Total Requested	\$3,363,946			\$1,750,431
<b>Administration</b>				
County		<b>\$18,834</b>		
City			\$105,988	\$124,822
<b>Totals</b>	<b>\$10,769,969</b>	<b>\$717,484</b>	<b>\$4,128,763</b>	<b>\$4,846,247</b>

(Forward original to The Controller-Treasurer Department)

**COUNTY OF SANTA CLARA** **F - 85**  
**REQUEST FOR APPROPRIATION MODIFICATION**  
**FISCAL YEAR = 2010**

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For Controller's Office Use Only

**Agency/Department Name: Office of Affordable Housing, Office of the County Executive**

Line #	Description	Fund	Superior Fd Cntr	Cost Center	G.L. Account	Project Definition/ Employee Class	Amount (in Dollars)		
							Revenue	Expenditure	
1	Federal-Other Grants & Aids	0035	0168	1168	4580100		717,484.00		
2	Projects & Programs	0035	0168	1168	5282200			698,650.00	
3	Department Charge	0035	0168	1168	5259100			18,834.00	
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19									
20									
21									
22	Fund Balance (Fund # 0035 )								
23	Fund Balance (Fund # 0038 )								
24	Others - Describe:Admin Budget	0038		1161				-	
25	CDBG/Rehab Admin Budget	0035		1168				-	
26									
27	Total forwarded from other pages (Page ____ to ____ )								
<b>TOTAL</b>							<b>717,484.00</b>	<b>717,484.00</b>	

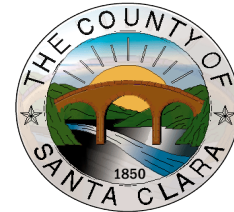
- Recognize new expenditure/revenue (ongoing)  
 Recognize new expenditure/revenue (one-time)  
 Re-appropriate prior year unspent expenditures (one-time)  
 Others

**Brief Description:** \_\_\_\_ To budget proposed allocation of Homeless Prevention and Rapid-Re-Housing Program federal stimulus funding for FY2010.

<b>SAP Document numbers</b>	<b>Prepared By :</b>
FM	Name (print): Neena Batallones
	Telephone: (408) 441-4277
Entered to SAP by: _____	
Date entered : _____	<b>Clerk of the Board</b>
<b>Transmittal # 046</b>	Approved by the Board of Supervisors
	Clerk of the Board By: _____ Date _____

**County of Santa Clara**  
**Office of Affordable Housing**

2310 North First Street, Suite 100  
San Jose, California 95131-1011  
(408) 441-4254 FAX (408) 441-4332



September 4, 2009

**NOTICE OF PUBLIC HEARING  
AND PUBLIC REVIEW PERIOD OF  
SANTA CLARA COUNTY  
OFFICE OF AFFORDABLE HOUSING  
FEDERAL HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM  
(HPRP)  
OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009  
(ARRA) FUNDS**

The County of Santa Clara Office of Affordable Housing, Housing and Community Development Program (HCD) has completed a Substantial Amendment to the 2008 Action Plan to access new Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds made available through the American Reinvestment and Recovery Act (ARRA). The Urban County\* of Santa Clara was allocated an amount of \$717,484 in HPRP funding from the U.S. Department of Housing and Urban Development (HUD).

**PUBLIC HEARING:** On September 15, 2009, recommendations for use of the funds will be submitted to the Board of Supervisors for their approval during a Public Hearing at 2 p.m. The recommendations for funding are: Sacred Heart Consortium - \$662,150 for services to include short term (3 months) and medium term (4 – 18 months) rental assistance, security and utility deposits, utility payments, moving cost assistance, case management, legal services, credit repair, and other housing placement services; Community Technology Alliance - \$36,500 to provide a secure web-based system of data collection designed to increase the effectiveness and efficiency of all homeless shelters and service providers in the County; and \$18, 834 for County administration.

**TO OBTAIN A COPY OF THE SUBSTANTIAL AMENDMENT:** Copies are available at the County Office of Affordable Housing located at 2310 North First Street, Suite 100, San Jose, CA. For more information, contact Marjorie Matthews at (408) 441-4258.

**PUBLIC REVIEW PERIOD:** The recommendations to the Board of Supervisors will be available on the County's website for public review for a 15-day comment period, beginning September 11, 2009, and concluding on September 25, 2009. Written comments may be submitted during the 15-day comment period and should be sent to the Office of Affordable Housing, Housing and Community Development, 2310 North First Street, Suite 100, San Jose, CA 95131-1011.

\*The participating Urban County communities include Campbell, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, Saratoga, and the Unincorporated Areas of Santa Clara County.

**Board of Supervisors:** Donald F. Gage, George Shirakawa, Dave Cortese, Ken Yeager, Liz Kniss  
**County Executive:** Jeffrey V. Smith