

**ORANGE COUNTY
CONTINUUM OF CARE BOARD
SPECIAL MEETING
Wednesday, April 29, 2020
10:00 AM – 12:00 PM**

Webinar:
<https://global.gotomeeting.com/join/303523669>
Dial by Phone: +1 (571) 317-3112
Access Code: 303-523-669

Agenda

Board Member Names

Jeanne Awrey, OC Dept. of Education [Secretary]
Matt Bates, City Net
Judson Brown, City of Santa Ana
Natalie Bui, Veteran Affairs CRRC
Donald Dermit, The Rock Church
Curtis Gamble, Hope Lifted
Vacant
Vacant

Becks Heyhoe, OC United Way
Patti Long, Mercy House
Dawn Price, Friendship Shelter
Albert Ramirez, City of Anaheim
Maricela Rios-Faust, Human Options
George Searcy, Jamboree Housing [Chair]
Tim Shaw, Individual [Vice-Chair]

Call to Order – George Searcy, Chair

Board Member Roll Call – Jeanne Awrey, Secretary

Public Comments: Members of the public may address the Continuum of Care Board on items listed within this agenda or matters not appearing on the agenda so long as the subject matter is within the jurisdiction of the Continuum of Care Board. Members of the public may address the Continuum of Care Board with public comments on agenda items in the business calendar after the Continuum of Care Board member discussion. Comments will be limited to three minutes. If there are more than five public speakers, this time will be reduced to two minutes.

BUSINESS CALENDAR

- 1. Update from the Office of Care Coordination regarding COVID-19 response** – Jason Austin, Director
- 2. Update from the Continuum of Care Manager regarding COVID-19 response** – Paul Duncan, CoC Manager
- 3. Report from the CoC Board Chair regarding the COVID-19 Advocacy Letter for funding to address housing and homelessness** – George Searcy, CoC Board Chair

The joint advocacy letter is from the Continuum of Care, County of Orange and Orange County Housing Finance Trust

- 4. Update on CARES Act Funding regarding the allocated Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) program funds**– Paul Duncan, CoC Manager

5. Family Solutions Collaborative one-time funding allocation – Paul Duncan, CoC Board Manager

Allocate a one-time cost of \$50,000 to the Family Solutions Collaborative to support the Family Coordinated Entry System.

6. Update regarding procurement and utilization of Homeless Housing, Assistance and Prevention (HHAP) and California Emergency Solutions and Housing (CESH) - Paul Duncan, CoC Board Manager

7. HHAP Request for Proposals (RFP) for capital funds recommendation – Paul Duncan, CoC Manager

Authorize the Orange County Health Care Agency to release an RFP to solicit proposals for capital projects. Authorize the creation of an ad-hoc group for review and scoring of proposals that are received through this procurement.

8. Special listening section: The Orange County CoC Board and Office of Care Coordination request your input on what needs are being seen around homeless response in relation to COVID-19

This section is meant to provide opportunity to listen to emerging needs around COVID-19. If there is an emergent need that is surfaced during this portion of the meeting, the CoC Board may elect to take action specifically relating to the health and well-being of persons who are experiencing homelessness or at risk of homelessness in relation to the COVID-19 pandemic.

Next Meeting: May 27, 2020



Orange
County | Housing
Finance
Trust



Be Well
ORANGE COUNTY

**Continuum
of Care**

April 24, 2020

The Honorable Gavin Newsom
Governor
State of California
State Capital
Sacramento, California 95814

RE: COVID-19 & HOMELESSNESS FUNDING REQUEST – ORANGE COUNTY

Dear Governor,

On behalf of the Orange County Housing Finance Trust (Trust), the Orange County Continuum of Care (CoC), and County of Orange (County), we respectfully request a State Budget allocation of \$35 million that will provide an immediate short-term response to the need for COVID-19 isolation units and a long-term increase in affordable and supportive housing units in Orange County.

Orange County, including the County and CoC along with many other stakeholders has embarked on a program over the past several years to create a complete system of care and pathway out of homelessness. Additional emergency shelter beds, residential care facilities, street outreach, rapid rehousing, coordinated entry, whole person care, permanent supportive housing have been brought on-line to address the need.

While some of these efforts address the short-term need, Orange County has initiated an innovative approach to homelessness prevention. Chronic homelessness typically requires follow up treatment for mental health and/or substance abuse to lay the foundation of long-term stability. Orange County has begun implementing this critical step through “Be Well OC,” a coordinated program to bring mental health, clinical services, addiction counseling, and interim housing under one coordinated system. The first Be Well clinic is already under construction and scheduled to be completed in early 2021 with plans for two more to service all of Orange County.

The work of the Be Well OC initiative combined with funding and development of more affordable and supportive housing brings about the long-term solution to end homelessness.

In 2018, the Legislature unanimously passed AB 448 (Daly) to allow for the creation of a Housing Trust in Orange County as the means to coordinate funding for critically needed affordable and supportive housing. Since then, the Trust has become a regional collaborative Joint Powers Authority of 23 cities and the County of Orange, covering 80% of the population in Orange County.

In 2018, the County of Orange researched and approved a housing funding strategy that identified the need to create 5,400 affordable housing units, of which 2,700 units need to be supportive housing, by the year 2025.

The County, CoC and the Trust along with the support of cities, affordable housing developers and homeless service providers have a unique opportunity to leverage this foundation set over the past several years to address homelessness in Orange County.

Housing for those experiencing homelessness has also been a top priority for the Governor and Legislature. Now as the State of California (State) invests in short-term efforts to protect our homeless population from COVID-19, this collaborative stands ready to also leverage that investment to achieve the long-term goal of providing more affordable and supportive housing to those in need.

This Budget Request is to provide the Trust an acquisition bridge loan fund accessible to affordable housing developers to acquire qualified motels leasing units for isolation purposes to convert into affordable and supportive housing. The County and CoC have implemented the Governor's initiative, Project Roomkey, and will provide the necessary services for homeless individuals who are COVID-19 positive or symptomatic. While the motel rooms are providing self-isolation to homeless individuals and stopping the spread of COVID-19, the affordable housing developer partners will concurrently work to obtain the necessary city approvals, plans, and financing to convert the motel into supportive housing in 18-24 months.

The intent is that the Trust acquisition loan will be fully repaid and act as a short-term bridge loan for up to 24 months. The repayment of the acquisition bridge loans will allow the Trust to then reinvest those funds, once repaid, into smaller residual receipts loans to provide gap funding for additional future affordable and supportive housing projects. In summary, the same \$35 million could create isolation units in three (3) or four (4) motels in the short term and then be reinvested to support funding for nearly 1,100 supportive housing units in the long term.

The COVID-19 pandemic is already causing economic turmoil and may likely increase the numbers of individuals and families experiencing homelessness unless we can act proactively. A solution that includes the stimulus of construction jobs along with the creation of affordable and supportive housing would achieve multiple benefits to the region.

This Budget Request is being made as a collaborative request of the Trust, Continuum of Care and the County all working together to end homelessness in Orange County in a comprehensive and thoughtful manner. This is not a new program, but instead takes the focus of simply leasing rooms into a capitalized funding source for the long-term benefit of our communities. For these reasons, and on behalf of the County, the CoC, and the Trust and other stakeholders throughout the County, we respectfully ask for approval of this Budget Request and the immediate deployment of funds.

We appreciate your leadership and the leadership of the State during these most challenging times and request urgent attention to this matter. Should you have questions, please contact Adam Eliason, Manager for the Trust, at (909) 706-7193.

Sincerely,

County of Orange
Frank Kim, County Executive Officer

Orange County Continuum of Care
George Searcy, Chair

Orange County Housing Finance Trust
Adam Eliason, Manager

BeWell Orange County
Richard Afable M.D., President & Board Chair

CC: Senator Toni Atkins, President Pro-Tempore
Speaker Anthony Rendon
Mr. Jason Elliott, Office of Governor Gavin Newsom

Date: April 28, 2020

From: Paul Duncan, OC Health Care Agency

TO: Continuum of Board

Subject: CARES Act Funding for Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG)

Recommendations:

This is an information item with no recommendation for the CoC Board.

Analysis:

The following chart is a compilation of the CDBG and ESG CARES Act funding for Orange County.

CPD CARES Act Formula Grants				
STATE	NAME	CDBG	ESG	HOPWA
CA	Aliso Viejo	\$129,348	\$0	\$0
CA	Anaheim	\$2,537,140	\$1,279,072	\$368,235
CA	Buena Park	\$514,903	\$0	\$0
CA	Costa Mesa	\$668,658	\$0	\$0
CA	Fountain Valley	\$211,789	\$0	\$0
CA	Fullerton	\$819,487	\$0	\$0
CA	Garden Grove	\$1,194,311	\$602,486	\$0
CA	Huntington Beach	\$727,819	\$0	\$0
CA	Irvine	\$1,255,079	\$558,059	\$0
CA	La Habra	\$400,188	\$0	\$0
CA	Lake Forest	\$302,281	\$0	\$0
CA	Mission Viejo	\$224,731	\$0	\$0
CA	Newport Beach	\$219,324	\$0	\$0
CA	Orange	\$705,956	\$0	\$0
CA	Rancho Santa Margarita	\$122,110	\$0	\$0
CA	San Clemente	\$209,487	\$0	\$0
CA	Santa Ana	\$3,374,017	\$1,727,403	\$0
CA	Tustin	\$498,862	\$0	\$0
CA	Westminster	\$587,788	\$0	\$0
CA	Orange County	\$1,925,926	\$772,352	\$0

STATE	URBAN COUNTY NAME	MEMBERS	CDBG
CA	Orange County	Placentia	\$230,028
CA	Orange County	Yorba Linda	\$149,842

The state receives a large portion of the ESG funding for California. The state has historically distributed that funding in three ways: 1) A non-competitive allocation to CoC's for jurisdictions where no entity directly receives ESG funding; 2) a competitive allocation for jurisdictions where no entity directly receives ESG; and 3) a non-competitive allocation to CoC's that have jurisdictions that receive ESG. Orange County falls into the third category. The funding is intended to as best possible serve the areas that are not covered through direct entitlement.

In Fiscal Year 19-20 the State of California allocated Orange County \$605,188, which is 5.61% of the total allocation to the State of California. Based upon the State of California receiving \$43,990,603 and Orange County's current allocation from the state it is reasonable to estimate that Orange County will receive approximately \$2,468,762 from the state. The state selects a government entity to be the administrative entity for ESG funding (County of Orange, Health Care Agency). The administrative entity is required to collaborate and receive input and agreement from the CoC on how funding is utilized.

There is additional funding that will be allocated from HUD and we have been told to expect announcements within the next week or two. Allocations within the second round of funding awards will be distributed in a different formula, which will take into account both the number of persons experiencing homelessness as well as persons that are experiencing unsheltered homelessness. If allocated in this way versus current formulas for CDBG and ESG funding that will benefit the County of Orange. Remaining unallocated CARES Act funding is \$3 billion in CDBG and \$2 billion in ESG.

History:

As part of the CARES Act there was \$5 billion designated for CDBG to communities and \$4 billion to ESG and another \$1 billion to support other HUD projects. For further information please visit the HUD page dedicated to this funding https://www.hud.gov/program_offices/comm_planning/budget/fy20/. Although the funding is put out through these two existing funding sources there is additional flexibility that HUD is giving to communities to utilize the funding to address COVID-19. One example would be that local jurisdictions can use the full CDBG allocations towards community services, which was previously capped at 15%.

Date: 4/29/2020

From: Paul Duncan, OC Health Care Agency

TO: Continuum of Board

Subject: Family Solutions Collaborative One-Time Funding Allocation

Recommendations:

1. Authorize the allocation of a one-time funding award in the amount of \$50,000 to the Family Solutions Collaborative (FSC) to support structural shifts in the operations of the collaborative.

Analysis:

The Office of Care Coordination has met with several members of the Executive Committee of the FSC to review the current staffing and leadership structure and proposed new structure. Through this review, Office of Care Coordination staff were able to discern the challenges of operating with the current structure. The current structure requires a significant demand on executives within the agencies serving families and creating this position would allow for dedicated focus on the FSC while also increasing capacity in others for members of the Executive Committee of the FSC.

In assessing potential funding sources that could support the additional cost of having a new executive position to support the FSC, Office of Care Coordination staff looked at a number of options to create the new position, including conversations around the potential of shifting existing positions in order to create the new position. With the importance of regional Service Navigators which currently exist to support the three Service Planning Areas, we determined that it would be detrimental to lose a Service Navigator in order to create the Executive Director position. The existing Continuum of Care grant for the Orange County Coordinated Entry System (CES) was assessed by a number of staff at the Orange County Health Care Agency to project expenses in fiscal year 2020-2021 and it was determined that the grant would be able to sustain a \$20,000 annual increase to the FSC subcontract, while maintaining other functions and bringing on additional contracts to support the CES for individuals.

Office of Care Coordination staff have reviewed the eligibility of the use under the Homeless Housing, Assistance and Prevention (HHAP) funding and found it be an eligible use and that the Orange County CoC. If funding is authorized the CoC would remain under the allowable 5% cap for planning and coordination activities. The FSC has identified a plan for responsibilities of an FSC Executive Director which would bring additional resources that would be sufficient in sustaining the position in the future and not needing the ongoing \$50,000 that is being recommended in one-time funding.

History:

The Family Solutions Collaborative is a collection of agencies that came together to ensure that family homelessness was be addressed with a systemic response versus individual agencies. As the FSC developed it was determined that there be staff to be able to operate the functions of coordinating and

operating a system approach to family homelessness. The Family Solutions Collaborative has an Executive Committee which is currently responsible a number of tasks including: stakeholder engagement and maintaining relationships, strategic planning and implementation, resource development and communications and marketing. With the hiring of an Executive Director the person would take lead responsibility for coordinating and executing the above responsibilities currently being done through the Executive Committee.

Date: April 28, 2020

From: Paul Duncan, OC Health Care Agency

TO: Continuum of Board

Subject: Homeless Housing, Assistance and Prevention (HHAP) Request for Proposals (RFP) for Capital Fund Projects

Recommendations:

1. Authorize the Orange County Health Care Agency to release an RFP to solicit proposals for capital projects.
2. Authorize the creation of an ad-hoc group for review and scoring of proposals that are received through this procurement
3. Run this in concurrence with a procurement that provides funding from HHAP and California Emergency Solutions Housing (CESH) that responds to service and resources needs for crisis response related to the COVID-19 pandemic. Ensure crisis response funding is allocated in the same time as considerations for Capital funding projects.

Analysis:

The Request for Information (RFI) that was released by the Office of Care Coordination did allow for capital projects as an allowable proposal type through HHAP funding. As the funding commitment from the state at this time are still one-time funding commitments versus annual commitments it is wise to look at opportunities of investments that are one-time and support ongoing service commitments or are programs that are easily scalable up and down.

We recommend that this RFP is done in conjunction with an RFP that will utilize state funding to the CoC for COVID-19 response as well as HHAP and CESH funding dependent upon the proposals and need. The authorization for that was given to the CoC Chair and Vice-Chair. Continuum of Care staff will be working with the Chair and Vice-Chair to finalize and release an RFP for that purpose. At the same time the Office of Care Coordination recognizes the need for timely availability of capital funds for projects that may be already in the works or quick capital needed to respond to COVID-19 needs. With strained capacity by many entities the Orange County Health Care Agency would look to create a simplified procurement that ensured interested entities were not further strained during a time of needed capacity for crisis response. The Office of Care Coordination recommends the CoC consider prioritizing the award of capital funding to a project(s) that bring on new services, increases services, or significantly enhances existing service.

The Office of Care Coordination continues to assess the incoming resources that will allow the CoC, County, and Cities to respond to the needs of persons experiencing homelessness within our community. By running them concurrently we can consider need and priority in the same period as both RFP's would be awarded.

History:

The Continuum of Care authorized the Office of Care Coordination to release an RFI to gather interest from homeless service agencies and cities. The RFI received 20 submissions representing 52 program types. For further detail on the RFI and submissions people can reference the supporting documents for Item 2 at the February Orange County CoC board meeting at <https://www.ocalthinfo.com/civicax/filebank/blobdload.aspx?BlobID=111986>.

Initially it was intended that the RFI would lead to the creation of an RFP for both funding sources, however, due to the emergency response for COVID-19, it was determined to pause and look at ways to best respond and utilize funding in light of the changing needs and priorities. Much of what was proposed during the RFI may be shifted as homeless service providers and cities shift focus. At the time of the RFI there was only a singular entity that submitted a request that identified an interest with a capital project, however, we want to provide additional opportunity through a procurement process where there is clear intent that funding will be awarded. Additionally, through conversations, the Office of Care Coordination is aware that there may be entities that did not propose during the RFI process that may now be interested in applying through a procurement opportunity.