

# SANTA CRUZ COUNTY HOMELESS ACTION PARTNERSHIP

## MEETING MINUTES

### Santa Cruz County Homeless Action Partnership Board Meeting

United Way of Santa Cruz County  
4450 Capitola Road, Suite 106, Conference Room  
Capitola, California

Wednesday, September 6, 2017, 10:00 a.m. – 1:00 p.m.

HAP Board Members Present: Jim Straubinger, Carol Berg, Julie Conway, Linda Lemaster, Kelly Conway, Don Lane, Watsonville Representative

HAP Board Members Absent: Jenny Haruyama, Rayne Marr, Cori Burt

HAP Staff Present: Julie Conway Tony Gardner

### 1. Overview of the HAP Board Role & Process

The HAP Board heard and discussed a presentation by HAP staff regarding the HAP Board role and function in rating, ranking, and tiering project proposals, reallocating funds, and selecting a bonus project, for HUD CoC funds; CoC strategic considerations and options; and the conflict of interest requirements pertaining to HAP Board Members.

Each HAP Board Member present signed and submitted a Certification relating to conflict of interest. Carol Berg and Jim Straubinger disclosed potential conflicts relating to the Housing Authority New Beginnings permanent supportive housing bonus project proposal, and thus recused themselves from any discussion, consideration, and voting in connection with the New Beginnings project, or any other project requesting bonus funds.

### 2. New Project Presentations/Q&A

The HAP Board then received brief presentations from and engaged in questions and answers (Q&A) with all of the following applicants/projects requesting new project funding in 2017:

1. FIT – First Step RRH Expansion Reallocation Request
2. HSC – Page Smith TH and RRH Reallocation Request
3. HSC – PSH Bonus Request (Carol Berg and Jim Straubinger left the room)
4. Housing Auth. – New Beginnings PSH Bonus Request (Carol Berg and Jim Straubinger left the room)

The presentations/Q&A included information on the project proposals, *All In* priorities and HUD priorities, anticipated CoC NOFA requirements, and challenge relating to reallocation of funds from renewal projects to new projects.

#### **ABOUT THE HAP:**

The Homeless Action Partnership is a countywide action team that meets regularly to implement plans to prevent and end homelessness.

Membership is open to all and includes:

- ♦ County agencies
- ♦ Cities
- ♦ Nonprofit agencies
- ♦ Advocates
- ♦ Health providers
- ♦ Educators
- ♦ Faith groups
- ♦ Funders
- ♦ Community members
- ♦ Homeless persons

#### **HAP VISION:**

Our vision is that the diverse residents of Santa Cruz County will have access to safe, stable housing, will have incomes to support their well-being, and will have access to culturally competent services empowering them to meet their basic needs and lead dignified lives.

#### **HAP MISSION:**

Our mission is to prevent, dramatically reduce, and eventually end homelessness and its impact on communities throughout Santa Cruz County by implementing effective programs and strategies, by working collaboratively to increase key resources and change systems to better meet the needs of diverse homeless sub-populations, and by engaging all persons and organizations needed to work together for these purposes.

#### **HAP CONTACT:**

Tony Gardner  
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### 3. Project Ranking/Tiering Decisions & Bonus Project Selection

The HAP Board then engaged in a discussion and decision process including consideration of the following:

- a. HAP Board Members’ review of the applications using previously publicly announced objective scoring criteria that included HMIS-generated performance measures.
- b. The above-referenced new proposal presentations/Q&A with applicants.
- c. HAP Board discussion of application ranking scenarios in the context of *All In* strategic plan and HUD priorities, performance metrics, tiering considerations, etc.

Based on the above and after careful consideration, the HAP Board made the following CoC application rank order and amount, bonus project, reallocation, and tiering decisions:

#### Project Rank Order/Tiering/Amounts:

Rank	Tier	Applicant/Project/ New or Renewal	Type	Approved Amount	Running Tier Total
1	Tier 1	Housing Authority Shelter Plus Care REN	PSH	\$475,734.00	
2	Tier 1	County Health HPHP MATCH 2 REN	PSH	\$36,815.00	
3	Tier 1	Homeless Services Center PSH Bonus REN	PSH	\$298,257.00	
4	Tier 1	County Health HPHP MATCH 1 REN	PSH	\$429,460.00	
5	Tier 2	Encompass Housing for Health 3 project REN	PSH	\$90,429.00	
6	Tier 1	Encompass Housing for Health 2 REN	PSH	\$44,108.00	
7	Tier 1	County Planning Coordinated Entry REN	SSO	\$75,000.00	
8	Tier 1	County Health HPHP MATCH 3 REN	PSH	\$76,076.00	
9	Tier 1	Encompass Freedom Cottages REN	PSH	\$15,645.00	
10	Tier 1	Community Technology Alliance HMIS REN	HMIS	\$91,699.00	
11	Tier 1	Homeless Services Center Page Smith TH and RRH NEW reallocation	TH&RRH	\$145,307.00	
12	Tier 1	Families in Transition First Step REN	RRH	\$177,067.00	
13	Tier 1	Families in Transition First Step Expansion NEW reallocation	RRH	\$184,609.00	
14a	Tier 1	Housing Authority Brommer Street REN	TH	\$7,564.00	\$2,147,770.00
14a	Tier 2	Housing Authority Brommer Street REN	TH	\$49,503.00	
15	Tier 2	Housing Authority New Beginnings PSH Bonus	PSH	\$137,092.00	
16	Tier 2	Homeless Services Center Rebele RRH REN	RRH	\$87,589.00	\$274,184.00
			<b>Total</b>	<b>\$2,421,954</b>	<b>\$2,421,954</b>

### Reallocation

After very careful consideration, the HAP Board reallocated funds from two renewal projects to new projects as follows:

First, it reallocated \$145,307 from Homeless Service Center's (HSC) Page Smith transitional Housing (TH) renewal to HSC's Page Smith TH and RRH new project. To encourage reallocation in line with HUD policy, the HAP has given priority for reallocated funds to applicants that voluntarily request to reallocate their own *non-chronic* homeless (CH) dedicated PSH or transitional housing (TH) on the one hand to new CH-dedicated PSH, DedicatedPlus PSH, RRH, or joint TH-RRH on the other. Thus, HSC's request to reallocate \$145,307 from its Page Smith TH project to the new joint TH-RRH project was accepted.

Second, it reallocated \$184,609 from Families in Transition's (FIT) Clean and Sober TH renewal to FIT's First RRH expansion new project. As with the HSC reallocation above, this reallocation was requested by FIT.

### Bonus Project

This year, Santa Cruz County agencies were eligible to competitively apply for \$137,092 as a bonus for a new CH-dedicated PSH project, new DedicatedPlus PSH project, new joint TH and RRH project, or a new RRH project. Two proposals for bonus funds were submitted: (1) the Housing Authority/Health Services Agency (HSA) \$137,092 New Beginnings CH-targeted PSH project, and (2) HSC's \$116,600 CH-dedicated Bonus PSH project.

After hearing presentations from both applicants and carefully considering the merits of both projects, the HAP Board selected the Housing Authority/HSA project. A key factor in the decision was that the Housing Authority/HSA project proposed to use virtually all of the funds for rental assistance to be linked to Whole Person Care (WPC) and Homeless Outreach Team (HOT) services, while the HSC project proposed to use virtually all of their request for needed supportive services to be linked to other housing resources in the community. While the HAP Board recognized HSC's pressing need for housing-focused services staff, in the end it decided that funding for rental assistance was of higher priority for ending homelessness.<sup>1</sup>

### Tiering

Once again, this year HUD required all CoCs to rank all projects in two tiers. Tier 1 is 94% of the Annual Renewal Demand (ARD) of \$2,284,862. 94% of that amount is \$2,147,770. Tier 2 is the remaining 6% of ARD (\$137,092) plus the bonus amount (\$137,092), equaling \$274,184. The purpose of tiering is to allow CoCs to clearly indicate to HUD which projects are of highest priority for limited 2017 CoC funds. HUD will select Tier 1 projects before it selects Tier 2 projects. Tier 1 projects are almost certain to be funded (as long as they meet eligibility and threshold requirements), while Tier 2 projects are subject to national competition and are less likely to be funded. Projects can straddle the Tier 1 and Tier 2 line; HUD will fund the Tier 1 amount even if

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<sup>1</sup> The HAP Board notes that it would strongly support HSA - HSC collaboration in the delivery of case management and housing navigator services under Whole Person Care.

it does not fund the Tier 2 amount, as long as the project is still viable at the lower amount.

After very careful consideration, the HAP Board placed three projects into Tier 2:

First, it placed the Housing Authority's \$57,067 Brommer Street TH project across the Tier 1 and Tier 2 line with \$7,564 in Tier 1 and \$49,503 in Tier 2. By placing the project partly in Tier 1 and at the top of Tier 2, this decision balanced the HAP Board's desire to sustain this important and rare site-based housing resource, while prioritizing existing permanent housing projects in line with HUD priorities and the priorities of the *All In* strategic plan. This decision in no way reflects badly on the Brommer Street TH project or its partners. The project plays a highly effective and critical role for families who are resident in the program and moving forward toward permanent housing. Rather, it was simply a difficult choice among limited alternatives.<sup>2</sup>

Second, it placed the Housing Authority's new PSH bonus project in the middle of Tier 2. While the HAP Board fully recognized the quality of this application and importance of PSH linked to the Whole Person Care program and Homeless Outreach Team, it made this decision to give relatively more funding risk to a project not yet housing anyone. Putting yet another renewal project in Tier 2 would have posed too much risk to existing housing and tenants. At the same time, by placing the project in the middle rather than the bottom of Tier 2, the Board hopes to increase the likelihood that this excellent and highly needed project will be funded.

Finally, it placed HSC's Rebele RRH renewal at the bottom of Tier 2. This was a very difficult decision among limited alternative that in no way reflects badly on HSC or the project. Like other projects put forward, the Rebele RRH project plays a very important role in helping families to escape homelessness and secure permanent housing. In making this hard decision, the Board was mindful that to put a PSH or site-based TH project in the last slot (rather than a RRH project) would put currently housed residents at direct risk of a return to homelessness.

#### CoC Planning Grant

The HAP Board approved submission of a CoC planning grant application for the maximum allowable amount - \$68,546. HUD does not require ranking of the project this year.

### **4. State ESG Program Recommendations**

Each year, Santa Cruz County agencies participate in the State of California Emergency Solutions Grants (ESG) funding program for emergency shelter (ES), RRH, and street outreach (SO) projects. As part of its annual ESG Notice of Funding Available (NOFA), the State requires local CoCs to recommend projects for two sub-categories: (1) competitive Balance of State (BoS) funds, and (2) the non-competitive local RRH set-aside. This year, CoCs were able to recommend up to two projects (limited to \$200,000

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<sup>2</sup> The HAP Board notes that sustaining TH renewals is becoming increasingly difficult given HUD and local priorities for permanent housing, and therefore urges the Housing Authority to consider during the coming year how the project can be shifted to a permanent housing model, or how non-CoC funding sources might be secured to sustain the existing TH program.

each) for the competitive BoS funds and up to two projects (limited to \$272,008 altogether) for the non-competitive local RRH set-aside. The HAP encouraged Santa Cruz County ESG projects through an open, public, and objective request for applications (RFA) process that meets the State requirements for such a process.

Two proposals for competitive BoS funds were received and two proposals were received for the non-competitive local RRH set aside. After careful consideration of each proposal, the HAP Board decided to recommend all four ESG proposals. In doing so, it decided to split the total of the non-competitive RRH funds equally, and recommend maximum amounts for the competitive BoS applications, as follows:

Competitive BoS

1. \$200,000 – HSC RRH project 1
2. \$200,000 – HSC Rebele Family Shelter ES project

Non-Competitive Local RRH Set Aside

1. \$136,004 – FIT RRH project
2. \$136,004 – HSC RRH project 2

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Respectfully submitted by HAP Staff: *Julie Conway and Tony Gardner*

Submission Date: *September 7, 2017*