



***San Luis Obispo
Countywide 10 Year
Plan to End
Homelessness***

We envision a future in which the housing and comprehensive services necessary to remain housed are available for all, affording everyone maximum self-sufficiency, and the opportunity to be productive and participating members of our community

HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)

Housing Committee Meeting Agenda

March 15, 2016, 2:00-3:30 p.m.

Department of Social Services

3433 S. Higuera, Room 101

1. Call to Order and Introductions of Guests
 2. Public Comment
 3. Consent Items:
 - 3.1 Approval of Minutes
 4. Action/Information/Discussion:
 - 4.1 Discussion: Committee Membership
 - 4.2 Information: Update on Tenant Based Rental Assistance Funding and Housing Choice Vouchers
 - 4.3 Discussion: U.S. Department of Housing and Urban Development (HUD) Continuum of Care and Emergency Solutions Grant Programs and Funding
 - 4.3A. Discussion: New Performance Based Measurements for Evaluating Continuums of Care
 - 4.3B Discussion: HUD Emergency Solutions Grant funding from the State
 - 4.3C Action Item: Recommend to the County that state ESG funding be prioritized for Rapid Rehousing and street outreach programs
 - 4.4 Discussion Item: Shelter Crisis Declarations and Updates
 5. Future Discussion/Report Items:
 6. Next Meeting Date: April 19th, 2016, 3- 4:30 p.m.
 7. Adjournment
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**HOMELESS SERVICES OVERSIGHT COUNCIL
 HSOC HOUSING COMMITTEE MEETING
 February 16, 2016, 3:00-4:30pm
 Department of Social Services
 Room 101**

MEMBERS PRESENT	MEMBERS ABSENT	STAFF & GUESTS	
Marianne Kennedy John Ashbaugh Jim Patterson Patty Beck Martin L. Meltz Rick Gulino Dee Torres Anne Wyatt	Theresa Scott Bob Kelley	Laurel Weir Jessica Lorange Bob Ellis Matt Leal Ivana Yeung Sue Warren Mark Lamore Judie Najarian	
AGENDA ITEM		CONCLUSIONS/ACTIONS	FOLLOW UP
1. Call to Order and Introductions of Guests	John Ashbaugh welcomed the group and introductions were made.		
2. Public Comment	Laurel shared with the group that the city of Grover beach has made an announcement that they have about \$186,000 in CDBG funds available until September 16. The funds are to be used to help Grover Beach residents. Funding categories include community services like homeless prevention, emergency preparedness, etc for residents in Grover Beach. The deadline for the application for the funds is due next week. Dee informed the group to look online at the Grover Beach council meeting minutes from February 1, 2016 for details.		
3. Review and Approval of Minutes	Marty moved to approve the minutes and was seconded by Jim. The group unanimously approved the minutes with the correction of the spelling of Marty's name.		
4. ACTION/INFORMATION/DISCUSSION			

<p>4.1 Action Item: Vote to recommend the County of San Luis Obispo to serve as Administrative Entity for State of California Housing and Community Development Emergency Solutions Grant (ESG) Funds</p>	<p>Ivana Yeung presented on the a new grant opportunity from the State of California. The County has an opportunity to get approximately \$120,000 in federal Emergency Solutions Grant funding passed through from the State of California’s Department of Housing and Community Development. To qualify for the money, the County must be respond to the State’s Solicitation of Interest for Administrative Entities and be approved by the state to be the Administrative Entity for our Continuum of Care.</p> <p>The deadline to apply is by the end of the month. The Committee is being asked, in support of the County’s application, to recommend that the County of San Luis Obispo to serve as Administrative Entity for State of California Housing and Community Development Emergency Solutions Grant (ESG) Funds.</p> <p>If the County is approved, there will be a grant competition, most likely in Spring or late Summer. The grants will be subject to the rules contained in the solicitation of interest. These include a requirement that funded projects provide low barrier access to services for people with the most severe needs. Grantees must also use a progressive engagement approach to services and financial assistance.</p> <p>Marty asked if the funding can be used on a social detoxification program. Ivana responded that yes, it could.</p> <p>If the HSOC Executive Committee and Housing Committee approve the recommendation, this item will go to the Board of Supervisors next week.</p>	<p>Marty moved to approve to recommend the County of San Luis Obispo to serve as Administrative Entity for State of California Housing and Community Development Emergency Solutions Grant (ESG) Funds. The vote was seconded by Anne. The group unanimously approved the recommendation.</p>	
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<p>4.2 Discussion Item: Update on Shelter Crisis Declaration and Related Activities</p>	<p>Laurel reported that the County Board of Supervisors voted in January to declare a shelter crisis. The Board also asked HSOC for information as to why clients are not participating in the warming shelters and requested possible ways to address these barriers. The Board asked that cities make similar declarations. The Board also set aside \$10,000 to be used toward the shelter crisis and asked the cities to consider matching the funding.</p> <p>Morro Bay has since declared a shelter crisis and Paso Robles is currently working on declaring a shelter crisis. Morro Bay has attempted to offer transportation to San Luis Obispo to the shelters, but most clients declined, wanting to stay in Morro Bay.</p> <p>Marty suggested contacting the governor in order to change the limitations on the camp ground rentals to more than 30 days. Jim recommended county camp grounds under county jurisdiction be made available. There are other possibilities. Dee shared with the group that most of the camp grounds allow you to stay 30 days per calendar year. 14 consecutive days at one camp ground, then the campers must leave for 2 consecutive nights and then they may return.</p> <p>Marty is planning to speak to South County local government, Jim will talk to Atascadero, and Laurel will talk to Paso Robles at their City Council meeting this evening. Laurel explained the Homeless Services Coordinating Committee will be discussing the same issue next week along with the list of why clients are not utilizing the warming shelters.</p>		
<p>4.3 Discussion Item: Update on Shared Housing presentation</p>	<p>Jim Patterson took over as chair person since John stepped out. Anne informed the group that the Housing Options presentation approved by the Housing Committee will be presented to HSOC in March. Anne suggested asking the full HSOC to recommend which groups should be shown the</p>		

<p>4.4 Discussion Item: Single Room Occupancy Housing</p>	<p>presentation. Anne explained to the group that the purpose of presentation is to inform the community about different housing options that could be available in our community, such as shared housing, and to create a common vocabulary.</p> <p>Sue reported Anne Wyatt also gave a presentation on Shared Housing recently in Morro Bay. 50 people came to the lunch session. Three speakers from Home Sharing programs in different areas in the state presented on home sharing and how their programs have been successful. The common response seemed to be “why are we not doing this in our area?” Some of the programs have been successfully operating since the 1970s.</p> <p>The Estero Bay Alliance for Care is planning to discuss this at the meeting next week. Marty shared that one of the speakers recommended that our county look at starting the home share program in a higher income area like Pismo, or Arroyo Grande with a focus on seniors since the average age of home share participants nationally is 65. Anne recommended a smaller pilot program to fund the initial set up of this program.</p> <p>Anne provided an overview of Single Room Occupancy (SRO) housing models. She noted that many communities have SRO housing, but local officials and the general public are often unaware that particular types of properties are considered SROs.</p> <p>She noted Residential hotels are an undefined category of housing aka Single Room Occupancy. They are furnished single room occupancy. Most of these are set up to be a 30 day or less occupancy. Some of the older versions have shared bathrooms, but the newer versions are lived in more than 30 days and have their own bathrooms and kitchenettes. This is</p>		
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	<p>an option for affordable housing. The Anderson hotel is an example of a residential hotel in San Luis Obispo County. Anne recommended that the community look at purchasing the existing hotels and use them as residential hotels.</p>		
5. Future Discussion/Report Items:	<p>HSCC meets next week Feb 24th at 1:30pm</p> <p>Update on the shelter crisis</p> <p>Marty suggested that the specific questions about data that was sent by Dee be answered by a working group to be brought to the appropriate committees' next meetings. Laurel suggested that the questions be answered by both the housing committee and finance and data committee. Marty also recommended that the Homeless Services Coordinating Committee make a list of all immediate needs of the clients.</p>		
6. Next Meeting Date:	<p>March 15, 2016 at 3:00pm</p>		
7. Adjournment	<p>Jim adjourned the meeting at 4:45pm</p>		

HOMELESS SERVICES OVERSIGHT COUNCIL (HSOC)
HOUSING COMMITTEE ACTION ITEM
March 15, 2016

AGENDA ITEM NUMBER: 4.3C

ITEM:

Recommend to the County that state ESG funding be prioritized for Rapid Rehousing and street outreach programs.

ACTION REQUIRED:

Vote to recommend to the County that state ESG funding be prioritized for Rapid Rehousing and/or street outreach programs.

SUMMARY NARRATIVE:

The U.S. Department of Housing and Urban Development (HUD) administers the federal McKinney-Vento Emergency Solutions Grant (ESG) program. This program provides funding to states and local governments for certain prevention, outreach, shelter, and rapid rehousing activities. Local governments that qualify to be entitlement communities, such as San Luis Obispo County, receive funding directly from HUD. In addition, each state receives funding to be passed through to local governments and non-profits within the state for such activities.

In previous years, the State of California held statewide competitions to award funding to serve homeless persons residing in non-entitlement jurisdictions and funding could not be used to serve homeless persons in the entitlement jurisdictions. In January 2016, the State of California published a Solicitation of Interest notifying counties that the State was revising its ESG competition. Under the new program, the County of San Luis Obispo would be eligible to receive approximately \$112,000 in Fiscal Year 2016 and \$112,000 in Fiscal Year 2015 if the County applied and was approved to be the Administrative Entity for such funding.¹ This funding would be additional to the ESG funding the County already receives from the HUD and would not require the County to compete for funding. The County would be required to distribute such funds locally through a competitive process, which would likely occur in the Spring or early Summer of 2016. . The County submitted a response to the Solicitation of Interest by the deadline set by the state and is expected to be approved for the funding.

The State is expected to promulgate additional guidelines for the program later this month, but the Solicitation of Interest did provide an initial framework. According to the January 2016 Solicitation of Interest, the State will require 40% of the funding to be used for Rapid Rehousing Assistance. In addition, at least some of the money must be spent in non-entitlement areas. In San Luis Obispo County, the City of Grover Beach is the only non-entitlement area for Fiscal Year 2016.² The Solicitation of Interest also directed that no more than two projects should be

¹ In order to utilize FY2015 funding, the County would also need to amend its Action Plan governing use of CDBG and ESG funding.

² While the City of Grover Beach is located within the geographic boundaries of the entitlement jurisdiction (i.e. the County), communities within the geographic boundary are allowed to opt of participating in the "Urban County"

funded with the monies and required that funding be directed towards activities of greatest needs, as documented by data. Per the Solicitation of Interest, such funding may only be used by programs that provide low barrier services. To be considered low barrier, programs may not exclude persons solely because they have low or no income, or because of current or past substance abuse.

Under federal regulations, the ESG funding may be used to:

- (1) engage homeless individuals and families living on the street;
- (2) improve the number and quality of emergency shelters for homeless individuals and families;
- (3) help operate these shelters;
- (4) provide essential services to shelter residents,
- (5) rapidly re-house homeless individuals and families, and
- (6) prevent families/individuals from becoming homeless.³

The State may choose to further restrict eligible activities when the guidance is published later this month, but may not add activities not contained in the above description.

Based on the information provided by the State, the County anticipates issuing a request for proposals later this Spring. In preparation for developing a Request for Proposals, the County is seeking recommendations from the HSOC as to which of the six areas to prioritize, based on available data regarding unmet needs, as well as activities expected to result in the greatest reduction in the number of homeless persons.

Need for Outreach and Engagement Services

Data from the 2013 and 2015 Point in Time Counts indicate a majority of the homeless population in the County is unsheltered. Approximately 36% were sheltered in the 2015 Count, however, approximately 150 persons were sheltered in motels under the County's CalWORKs Housing Support Program. That program no longer provides motel vouchers in most cases, so the count of sheltered homeless persons is expected to decline in 2016 and 2017. Persons sheltered in motels are considered by HUD to be homeless, as are persons staying in emergency shelters.

Two programs are currently funded with ESG funding received directly from HUD: the LINK and the Community Partnership of San Luis Obispo (CAPSLO). The LINK receives funding to provide Homeless Prevention and Rapid Rehousing assistance. CAPSLO receives funding to provide emergency shelter at the Maxine Lewis Memorial Shelter and services at the Prado Day Center. There are currently no outreach projects funded with ESG funding. There are also no outreach services funded for the general population that are linked with available rapid rehousing assistance. There are three veterans' specific housing programs where outreach is combined with Rapid Rehousing services.

if they wish to decline pass through Community Development Block Grant funding that they would have received and compete for such funding through the statewide balance of state funding.

³ U.S. Department of Housing and Urban Development. Emergency Solutions Grants (ESG) Program fact sheet. Published July 2014. Available online at

<https://www.hudexchange.info/resources/documents/EmergencySolutionsGrantsProgramFactSheet.pdf>.

Due to new CoC performance standards from HUD issued last year that include the number of exits to housing from outreach programs, it is recommended that such outreach programs be linked with some source of housing funding, such as Rapid Rehousing funding or other sources.

Need for Additional Rapid Rehousing and Homelessness Prevention Assistance

Funding for the LINK's Homelessness Prevention and Rapid Rehousing program has been spent for the year and there is additional unmet need. Similar funding through the HOME Tenant Based Rental Assistance program has also been depleted for the year as demand has exceeded capacity.

Need for Additional Emergency Shelter Services

There are currently only two emergency shelters for the general population: ECHO in North County and the Maxine Lewis Shelter in South County. Both shelters have at times reached capacity during the year, although neither is full every night. There are no general shelters in five of the seven incorporated cities. Neither of the two existing general shelters are low barrier. Apart from some of the Warming Centers, which are not open full time, there are currently no low barrier shelters in the County.

Although there is a need for low barrier services, staff recommend that rather than fund a new, low barrier shelter, state ESG funding be prioritized for activities that involve a Housing First model, where unsheltered clients are engaged in locations such as the streets, campgrounds, hospitals, the jail, and similar locations and are then placed directly into housing, either with Rapid Rehousing funding or other available housing resources for which the clients qualify.

Alternatively, should Emergency Shelter Services be recommended for prioritization, staff recommend that such beds be specialized for specialized areas of need, such as respite care beds or social model detoxification beds. Additionally, to ensure exits to housing, such beds should be connected to Rapid Rehousing assistance or other housing resources.

BUDGET/FINANCIAL IMPACT

While the recommendations would not change the amounts received from the state, they would play a role in how such funding is allocated.



Redesigned Emergency Solutions Program (ESG)

The Department is proposing a Substantial Amendment to its HUD Consolidated Plan to distribute both 2015 and 2016 ESG funds with the redesigned ESG program. This means there would not be an ESG Notice of Funding Availability in 2015. The Substantial Amendment will be published by mid-September, with comments due 30 days later. The proposed changes are to meet the following:

- Align with local systems, with federal ESG and HEARTH goals
- Coordinate State investments with local community planning efforts and investments
- Invest in impactful activities based on key performance goals and outcomes
- Reduce scope of intensive annual competition
- Improve geographic distribution of funded activities and continuity of funded activities
- Create streamlined delivery mechanism able to manage possible additional State funds with minimum administrative costs

The redesigned ESG program would also allow all Continuum of Cares (CoCs) to receive some level of funding based on a formula allocation. The Department anticipates that State contracts under the new distribution method will be effective by October 2016.

The State ESG funding will be distributed into two main pools: 1) Continuum of Care Allocation (CoCs with an ESG entitlement) 2: Balance of State Allocation (CoC without an ESG entitlement).

Continuum of Care Pool	Balance of State Pool
Bi-annual application process to receive an allocation to administer locally	Up to two activities (contracts) in each CoC area
Funded Activities must serve populations in ESG non entitlement areas of the CoC, but may benefit the entire CoC area	1 st application: priority application for rapid rehousing Activities meeting quality parameters for a percentage of the formula allocation
Assumes administrative responsibilities, processes financial payments, and monitors providers consistent with their ESG entitlement program	2 nd application: HCD will issue NOFA for a streamlined regional competition for the remaining BoS funds. One application from each CoC region
Applications are streamlined for ongoing eligibility based on contract compliance and performance	Minimum and maximum awards will be set to achieve administrative efficiency, regional competition, and geographic diversity



Redesigned Emergency Solutions Program (ESG)

The following table shows the comparison between the current and re-designed process:

Current Competitive NOFA Process	Re-designed Program
State HCD-administered NOFA process	CoC – centered selection process with HCD-administered regional competitions for some CoCs in the BOS Pool
NOFA normally issued in October, applications due in December, contracts begin in July	NOFA issued in May 2016, contracts begin in October 2016
Allocations to Northern, Southern, Rural and New Programs	Individual CoC allocations
Providers must be located in non-entitlement areas	Funded Activities must serve populations in ESG non entitlement areas of the CoC, but may benefit the entire CoC area



Emergency Solutions Grants (ESG) Program

U.S. Department of Housing and Urban Development, Office of Community Planning and Development
Office of Special Needs Assistance Programs, 451 7th Street SW, Room 7262 Washington, DC 20410
CFDA Number: 14.231

OBJECTIVES

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

For more information and resources about ESG, go to HUD's OneCPD website at www.OneCPD.info.

GRANT AMOUNTS

- FY 2014 Allocation: \$250 million
- Minimum allocation: \$69,167
- Maximum allocation: \$12,649,583

Eligible Recipients (363)

- States: 51 (including Puerto Rico)
- Metropolitan Cities: 193
- Urban Counties: 115
- U.S. Territories: 4

RECIPIENTS & SUBRECIPIENTS

Eligible recipients generally consist of metropolitan cities, urban counties, territories, and states, as defined in 24 CFR 576.2.

Metropolitan cities, urban counties and territories may subgrant ESG funds to private nonprofit organizations.

State recipients must subgrant all of their ESG funds (except the amount for its administrative costs and HMIS costs, if applicable) to units of general purpose local government and/or private nonprofit organizations.

Each recipient must consult with the local Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG funds.

CITATIONS

Statute: Stewart B. McKinney Homeless Assistance Act of 1987, Title IV, Subtitle B, as amended (42 U.S.C. 11371 *et seq.*) **Regulations:** 24 CFR Part 576.

ELIGIBLE PROGRAM COMPONENTS

1. Street Outreach

Essential Services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services generally consist of engagement, case management, emergency health and mental health services, and transportation. For specific requirements and eligible costs, see 24 CFR 576.101.

2. Emergency Shelter

Renovation of a building to serve as an emergency shelter. Site must serve homeless persons for at least 3 or 10 years, depending on the cost and type of renovation (major rehabilitation, conversion, or other renovation). Note: Property acquisition and new construction are ineligible.

Essential Services for individuals and families in emergency shelter. Component services generally consist of case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, and transportation.

Shelter Operations, including maintenance, rent, security, fuel, equipment, insurance, utilities, and furnishings.

Relocation assistance for persons displaced by a project assisted with ESG funds.

For specific requirements and eligible costs, see 24 CFR 576.102.

3. Homelessness Prevention

Housing relocation and stabilization services and/or short- and/or medium-term rental assistance necessary to prevent the individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in § 576.2.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.103, 576.105, and 576.106.

4. Rapid Re-Housing

Housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help individuals or families living in an emergency shelter or other place described in paragraph (1) of the “homeless” definition move as quickly as possible into permanent housing and achieve stability in that housing.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.104, 576.105, and 576.106.

5. HMIS

Grant funds may be used for certain Homeless Management Information System (HMIS) and comparable database costs, as specified at 24 CFR 576.107.

Administration

Up to 7.5% of a recipient's fiscal year grant can be used for administrative activities, such as general management, oversight, coordination, and reporting on the program. State recipients must share administrative funds with their subrecipients who are local governments and may share with their subrecipients who are nonprofit organizations. For specific requirements and eligible costs, see 24 CFR 576.108.

ALLOCATION FORMULA

HUD will set aside for allocation to the territories up to 0.2%, but not less than 0.1%, of the total amount of each appropriation in any fiscal year. The remainder will be allocated to States, metropolitan cities, and urban counties. The percentage allocated to each State, metropolitan city, and urban county will be equal to the percentage of the total amount available under section 106 of the Housing and Community Development Act of 1974 for the prior fiscal year that was allocated to the State, metropolitan city or urban county. If an allocation to a metropolitan city or urban county would be less than 0.05% of the total fiscal year appropriation for ESG, the amount is added to the allocation of the State in which the city or county is located. For more on the ESG formula, see 24 CFR 576.3.

MATCH

Metropolitan city and urban county recipients must match grant funds with an equal amount of cash and/or

noncash contributions, which may include donated buildings, materials and volunteer services.

States must match all but \$100,000 of their awards, but must pass on the benefits of that \$100,000 exception to their subrecipients that are least capable of providing matching amounts.

Territories are exempt from the match requirement

For the specific match requirements, see 24 CFR 576.201.

OBLIGATION & EXPENDITURE DEADLINES

Metropolitan cities, urban counties and territories must obligate all funds, except for the amount for administrative costs, within 180 days after HUD signs the grant agreement.

States must obligate all funds, except the amount for administrative costs, within 60 days after the date that HUD signs the grant agreement. Within 120 days after the date the State obligates its funds to a local government, the local government must obligate all of its grant funds.

All grant funds must be expended within 24 months after HUD signs the grant agreement with the recipient.

Further obligation and expenditure requirements are specified at 24 CFR 576.203.

CONSOLIDATED PLAN

Eligible recipients apply through the Consolidated Planning process. Among other things, this process helps communities assess their homeless assistance and housing needs, examine available resources, set 3-5 year strategies, and develop an annual action plan to meet priority needs. Plan preparation must include citizen participation and consultation with various organizations, including the local Continuum(s) of Care. Each jurisdiction should submit its Consolidated Plan to the local HUD field office no later than 45 days before the start of its consolidated program year in accordance with the regulations at 24 CFR Part 91. For the specific planning and submission requirements, see 24 CFR part 91 and 576.200.

REPORTS

Annual performance reports must be submitted in accordance with 24 CFR 91.520 and are due 90 days after the close of the recipient's consolidated program year. Recipients also have other reporting requirements, as specified in 24 CFR 576.500(aa).