



Monterey County

Board of Supervisors
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: 19-0598

July 23, 2019

Introduced: 7/16/2019

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Adopt Resolution to:

- a. Authorize a Resolution for Housing Staff to apply for funding for the Housing for a Healthy California (HCC) Article II Grant and submit an application on behalf of EAH Inc., Non-Profit Housing Corporation in the amount of \$4,700,000. Authorize a Resolution for Housing Staff to apply for funding for the Housing for a Healthy California (HCC) Article II Grant;
- b. Submit an application on behalf of EAH Inc., Non-Profit Housing Corporation in the amount of \$4,700,000; and
- c. Should the County receive the funding in the amount of \$4,700,000, authorize the Assistant County Administrative Officer (CAO) to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) for amount not to exceed \$4,700,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the HHC Article II Grant, the County's obligations related thereto, and all amendments thereto (collectively, the "HHC Article II Grant Documents"), subject to review and approval by County Counsel.

CEQA Action: Previously determined to be Categorically Exempt pursuant to CEQA Guidelines sections 15301, 15303, 15327, and 15322.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt Resolution to:

- a. Authorize a Resolution for Housing Staff to apply for funding for the Housing for a Healthy California (HCC) Article II Grant.;
- b. Submit an application on behalf of EAH Inc., Non-Profit Housing Corporation in the amount of \$4,700,000; and
- c. Should the County receive the funding in the amount of \$4,700,000, authorize the Assistant County Administrative Officer (CAO) to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) for amount not to exceed \$4,700,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the HHC Article II Grant, the County's obligations related thereto, and all amendments thereto (collectively, the "HHC Article II Grant Documents"), subject to review and approval by County Counsel.

SUMMARY/DISCUSSION:

The State of California, Department of Housing and Community Development Department (HCD) issued a Notice of Funding Availability (NOFA) dated May 13, 2019 (NOFA), for its Housing for a Healthy California (HCC) Article II Grants. HCD is authorized to provide approximately \$60 million from the Building Homes and Jobs Act fund to Counties for permanent Supportive housing for individuals who are Chronically homeless, or Homeless and a High-cost health user, authorized by Part 14.2 (commencing with Section 53590) of Division 31 of the health and Safety Code.

The County of Monterey desires to submit a project application for the HHC Program and will submit a 2019 HHC Article II Application (Application) as described in the HHC Article II NOFA and HHC Article II Guidelines released by HCD on May 13, 2019 for the HHC Program. The proposed project is submitted for a project with EAH Inc., Non-Profit Housing Corporation for a three-story, seventy-one (71) unit multifamily residential apartment complex. The project has all entitlements through the City of Marina. The project is called Lightfighter Village and is located at 229 Hayes Circle, Marina, CA on approximately 2.4 acre project site. Lightfighter Village is a new construction 71-unit project. The breakdown of the 71 units is as follows: 32 units would be studios at 50% of Area Median Family Income (MFI) for veterans; 3 units would be 2 bedroom (BR) at 50% MFI for veterans; 32 units would be studios at 30% MFI for Chronically Homeless Veterans; 3 units would be 2 BR at 30% of MFI for Chronically Homeless Veterans; and a single 2 BR manager unit with no income restriction.

EAH Inc., received a \$5.9 million award in June 2015 from State HCD through the Veteran Housing and Homelessness Prevention program and are hoping to leverage that award with HHC Program funding. EAH Inc. is working with the Veterans Transition Center (VTC) and the City of Marina. The project pro forma was originally structured to be funded through Section 8 Project Based Vouchers (PBV); however, the Housing Authority of the County of Monterey (Housing Authority) recently notified EAH Inc., that PBVs will not be available in 2019 and possibly not in 2020 either. Therefore, EAH Inc., needs another funding source to make up for the loss of the Section 8 PBV's. As the Lightfighter Village project qualifies for the HHC Program due to providing units for chronically homeless, it is competitive for the HHC Program.

The HHC Program NOFA was released May 13, 2019 and is due August 13, 2019. Due to the short window of funding to apply for HHC Program funds and the recent notification that the Housing Authority has no vouchers, County Staff recommends supporting this development by applying for this funding through HCD. The County is not required to provide funding for the project, only submitting a Resolution to Apply for funding in the amount of \$4,700,000.

EAH Inc., gained clearance under the California Environmental Quality Act (CEQA) through the City of Marina in a Resolution (No. 2018-139) on November 20, 2018. An Initial Study/Mitigated Negative Declaration (IS/MND) (SCH NO. 2018061033) for the Lightfighter Village project was publicly circulated for a period of 30 days (June 13, 2018 through July 12, 2018). Additionally, the project was approved through the Planning Commission for a Combined Development Permit consisting of: a General Plan Land Use Map Amendment (GP 2016-01 to change the designation from single-family to multiple family residential; a Conditional Use Permit (UP 2016-02) for residential density over 25 units per acre; a Site and Architectural Design Review (DR 2016-05) for the Site Plan, Elevations, and Landscape Plan.

The City of Marina found the VTC Permanent Supportive Housing project is consistent with the Fort Ord Base Reuse Plan. FORA's plans and policies and the FORA Act were considered under the Fort Ord Base Reuse Plan Final Environmental Impact Report ("FEIR") in their review and deliberations on February 5, 2019. On April 12, 2019, the FORA Board certified that the VTC Permanent Supportive Housing project was consistent with the Reuse Plan and furthers the objectives and

policies of the Reuse Plan. The Lightfighter Project satisfies the requirements of Title 7.85 of the Government Code and the Reuse Plan.

The County is authorized by HCD to submit to the Department, the 2019 HHC Article II Application released May 13, 2019 in the amount of \$4,700,000. No other government or non-profit entity may apply for these funds. Only the County is authorized to apply on behalf of a project. In connection with the HHC Article II Grant, if the Application is approved by the Department, the County is authorized to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) for amount not to exceed \$4,700,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the HHC Article II Grant, the County's obligations related thereto, and all amendments thereto (collectively, the "HHC Article II Grant Documents").

The County shall be subject to the terms and conditions as specified in the Standard Agreement, the HCC Article II Guidelines published by the Department and the HCC statute (Health and Safety Code §53590 et. seq.). Funds are to be used for allowable project expenditures as specifically identified in the Standard Agreement, the HHC statute (Health and Safety Code §53590 et. seq.) and applicable HHC Guidelines. The Application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the Application will be enforceable through the executed Standard Agreement. The County hereby agrees to use the funds for eligible uses in the manner presented in the Application as approved by the Department and in accordance with the HHC Article II NOFA, the HHC Article II Guidelines, and 2019 HHC Article II Application.

On April 2, 2019, the Board of Supervisors determined these projects to be categorically exempt from CEQA pursuant to CEQA Guidelines sections 15301, 15303, 15327, and 15322.

OTHER AGENCY INVOLVEMENT:

County Counsel will continue to approve each standard agreement as to form before the CAO's office signs and returns the agreement to HCD.

FINANCING:

The 2019 HHC Article II Application allows for at least 5 percent of the total grant awarded, not to exceed 10 percent for the County's administrative costs. Any administrative funds will be incorporated into the FY 2020-21 Budget. The County is not required to provide funding for the project, only submitting a Resolution to Apply for funding in the amount of \$4,700,000.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This proposed program correlates to the Health & Human Services Strategic Initiatives adopted by the Board of Supervisors by working towards the goals of improving health and quality of life outcomes to individuals and families experiencing homelessness.

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration

X Health & Human Services

__ Infrastructure

__ Public Safety

Prepared by: _____
Anastacia Wyatt, Housing Program Manager, Ext. 5387

Approved by: _____
Nicholas E. Chiulos, Assistant County Administrative Officer, Ext. 5145

Attachments:

Resolution - May 2019

Resolution Word