



Stanislaus Regional Housing Authority

ALPINE | AMADOR | CALAVERAS | INYO | MARIPOSA
MONO | STANISLAUS | TUOLUMNE COUNTIES

DATE: January 7, 2020
TO: Board of Commissioners
FROM: Barbara S. Kauss, Executive Director
SUBJECT: **Action Item # 1-** Consider Approving Resolution authorizing the Housing Authority to apply for No Place Like Home (NPLH) Loan funding in the amount of \$3,788,569.00.
PREPARED BY: Jim Kruse, Deputy Director/Clerk of the Board
RESOLUTION NO: 19-20-07,

RECOMMENDATION:

Staff recommends approval of the Resolution noted above for the Housing Authority to apply for and enter into loan agreements for NPLH funding as the Development Sponsor for the Stanislaus County NPLH application.

Background

On July 1, 2016, Governor Brown signed landmark legislation enacting the No Place Like Home (NPLH) program to dedicate up to \$2 billion in bond proceeds to invest in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. The bonds are repaid by funding from the Mental Health Services Act (MHSA).

Key features of the program include:

- Counties will be eligible applicants (either solely or with a housing development sponsor).
- Funding for permanent supportive housing must utilize low barrier tenant selection practices that prioritize vulnerable populations and offer flexible, voluntary, and individualized supportive services.
- Counties must commit to provide mental health services and help coordinate access to other community-based supportive services.

Purpose

To acquire, design, construct, rehabilitate, or preserve permanent supportive housing for persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness, and who are in need of mental health services.



Population to be Served

Adults with serious mental illness, or children with severe emotional disorders and their families and persons who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder with symptoms of psychosis, suicidality or violence and who are homeless, chronically homeless, or at risk of chronic homelessness.

At risk of chronic homelessness includes persons who are at high risk of long-term or intermittent homelessness, including persons with mental illness exiting institutionalized settings with a history of homelessness prior to institutionalization, and transition age youth experiencing homelessness or with significant barriers to housing stability.

Assistance Type

Loans to counties*, or their housing development sponsors.

The State of California, Department of Housing and Community Development ("Department") issued a Notice of Funding Availability, dated October 15, 2018 as amended on October 30, 2018 ("NOFA") under the No Place Like Home Program ("NPLH" or "Program") authorized by Government Code section 15463, Part 3.9 of Division 5 (commencing with Section 5849.1) of the Welfare and Institutions Code, and Welfare and Institutions Code section 5890.

The County of Stanislaus's Round 1 NPLH application was successful and has been awarded the full requested funding and an additional \$88,569 to be used for Capitalized Operating Subsidy Reserves. Resolution 18-19-10 was approved at the December 13, 2018 Board of Commissions meeting with a loan request amount Not to Exceed \$3,700,000. In order to receive the additional awarded funding a new Resolution is required that reflects an adjusted Not to Exceed amount of \$3,788,569.

FISCAL IMPACT

The Housing Authority will enter into a NPLH Loan for the Central Valley Homes project in the amount of \$3,788,569. Loans are expected to be repaid through funding from the Mental Health Services Act (MHSA) and the use of a portion of Proposition 63 taxes for the NPLH program.



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BEFORE THE BOARD OF COMMISSIONERS OF the Housing Authority of the County of Stanislaus

IN THE MATTER OF: Applying as a Development Sponsor with the County of Stanislaus RESOLUTION NO. 19-20-07 AUTHORIZATION TO PARTICIPATE IN THE NO PLACE LIKE HOME PROGRAM

The Board of Commissioners of the Housing Authority of the County of Stanislaus, a California public agency (the "Housing Authority") hereby consent to, adopt and ratify the following resolutions:

WHEREAS, the State of California, Department of Housing and Community Development ("Department") issued a Notice of Funding Availability, dated October 15, 2018 as amended on October 30, 2018 ("NOFA") under the No Place Like Home Program ("NPLH" or "Program") authorized by Government Code section 15463, Part 3.9 of Division 5 (commencing with Section 5849.1) of the Welfare and Institutions Code, and Welfare and Institutions Code section 5890;

WHEREAS, the NOFA relates to the availability of Competitive Allocation funds under the NPLH Program;

WHEREAS, the Housing Authority is an Applicant within the meaning of Section 101(c) of the NPLH Program Guidelines, dated July 17, 2017 ("Guidelines");

WHEREAS, the Housing Authority is authorized to do business in the State of California

NOW, THEREFORE, BE IT RESOLVED, that the Housing Authority does hereby determine and declare as follows:

SECTION 1. That the Housing Authority is hereby authorized and directed to borrow an amount not to exceed \$3,788,569.00 in NPLH Program funds, as detailed in the NOFA up to the amount authorized by Section 102 of the Guidelines and applicable state law (the "NPLH Loan").

SECTION 2. That in connection with the NPLH Loan, the Housing Authority is authorized and directed to enter into, execute, and deliver a State of California Standard Agreement, and any and all other documents required or deemed necessary or appropriate to carry into effect the full intent and purpose of the above resolution, in order to evidence the NPLH Loan, the Housing Authority's obligations related thereto, and the Department's security therefore; including, but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement and certain other documents required by the Department as security for, evidence of or pertaining to the NPLH Loan, and all amendments thereto (collectively, the "NPLH Loan Documents").

SECTION 3. That Barbara Kauss, Executive Director and/or Jim Kruse Deputy Director are hereby authorized to execute the NPLH Loan Documents, and any amendments or modifications thereto, on behalf of the Housing Authority.



Secretary