



# ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

## MEMORANDUM

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**TO:** Board of Supervisors' Health and Social Services Committees  
 Supervisor Wilma Chan, Chair, Health Committee  
 Supervisor Nate Miley, Chair, Social Services Committee  
 Supervisor Keith Carson  
 Supervisor Richard Valle

**FROM:** Chris Bazar, Director, Community Development Agency  
 Linda Gardner, Housing Director, Housing and Community Development

**DATE:** April 24, 2017

**SUBJECT:** Proposed Uses of FY 16/17 and FY 17/18 Boomerang Funds Allocated for Responses to Affordable Housing Needs and Homelessness

### Background

Your Board approved an on-going allocation of 'Boomerang' funds to be used for affordable housing and homeless response purposes. The amount of each year's funding, beginning in FY16/17 and lasting for an initial period of five years, is to be set based on 20% of the prior year's Boomerang revenue, with a minimum annual allocation of \$5 Million and a maximum annual allocation of \$7.5 Million.

At the February 27, 2017 Joint Health Care and Social Services Committees meeting, staff presented the following overview of proposed allocations of Boomerang funds to several programs and program areas responding to critical housing and homeless needs in Alameda County.

#### Proposed Initial Allocation of Funds

	FY16/17	FY17/18 (projected)
<b>Total</b>	<b>\$5,000,000</b>	<b>\$5,000,000</b>
<b>Homeless Housing Resource Centers/Coordinated Entry</b>	\$2,000,000	\$2,000,000
<b>Anti-Displacement</b>	\$2,000,000	\$1,500,000
Homeless Encampment Response	\$250,000	\$500,000
Housing Bond-related CBO/Faith Capacity Building Program	\$250,000	\$500,000
Administration/Program Delivery	\$500,000	\$500,000

Committee members indicated support for the concepts and for exploring leveraging and seeking other funds to augment the proposed County investments. Brief descriptions of the four proposed program areas are included below.

The purpose of this memo is to bring a formal recommendation for action to the Joint Committees.

### **Homeless Housing Resource Centers/Coordinated Entry System**

Information on the purpose and plan for creating 5 regional Housing Resource Centers (HRCs) and a Coordinated Entry System (CES) is included under another item of today's agenda. Briefly, this work will create a comprehensive coordinated service delivery system for people experiencing homelessness in Alameda County. Central to this effort is a coordinated entry process and a network of regional Housing Resource Centers that will provide a set of services and supports to people experiencing homelessness and those at risk of homelessness. CES is a best practice and a HUD requirement for Federal Continuum of Care funding. The purpose is to ensure that all people who are homeless or at-risk of homelessness are quickly identified, assessed and connected to housing and other assistance based on their needs and the availability of resources – in a standard way across the County.

County agencies and departments are working in coordination with EveryOne Home, cities, and Community-based Organizations to create and identify funding for the HRC/CES system. The Health Care Services Agency and the Community Development Agency's Housing and Community Development Department have jointly released a Request for Proposals including AC Care Connect (Whole Person Care), an HUD Continuum of Care grant and proposed Boomerang funds towards creating this system and establishing the HRS, along with expanding outreach, housing problem solving/prevention, assessment and rapid rehousing resources in 5 regions covering the entire County.

Providers are expected to be selected by July 2017, with final total funds available and contract amounts dependent on the Board's decision regarding allocation of Boomerang funds to support this effort. The proposed Boomerang funds provide essential flexible funds that will allow the system to serve people who would not be eligible for services under Whole Person Care or the HUD grant and to fill other gaps in available funding.

The proposed minimum annual amount of Boomerang funds for at least three years is \$2 million/year. In the first year of operations (FY17/18), there will be one-time startup costs in addition to the on-going operating and services costs, with the exact amount needed to be determined after review of submitted proposals and budgets.

### **Anti-Displacement Crisis Response Program**

HCD staff completed research on local displacement and best practices responses, cataloged intervention strategies in place around the County and the country and presented results at three community forums to solicit input into possible uses of Boomerang funds to address displacement of County residents due to the housing market, as well as input into longer-term policy and other responses. HCD is now working with the Public Health Department to produce a document capturing this research and analysis and possible next steps, as quickly as possible. In the immediate term, HCD is proposing to fund high-priority anti-displacement services as described below.

On February 10<sup>th</sup>, at the final of four public forums staff presented the results of forum participants' prioritization of possible responses, as follows:

#1: Fund construction of more affordable housing units and target certain populations

Creating more affordable housing that will remain affordable is a long term response to anti-displacement since the rents will not increase based on market rate increases. The Measure A1 Affordable Housing Bond funds will provide \$485 million for construction of affordable housing units and prioritizes vulnerable populations. In addition, your Board previously set aside \$9.8 million in one-time Boomerang funds to support affordable housing development.

#2: Crisis Intervention Assistance, including legal services

#3: Crisis Intervention - Emergency Financial Assistance for Housing Costs

Both Priorities 2 and 3 are urgency interventions, immediate responses to the crisis of displacement. Forum participants prioritize the expansion and enhancement of crisis intervention services for those at imminent risk of losing their housing. While there are current programs in the County, demand for these services exceeds current capacity.

The proposed Anti-Displacement Program will include a two-fold approach:

- Expanded access to crisis intervention services, specifically:
  - Housing-related legal services, including counseling, mediation and/or in-court representation, as needed.
  - Increased capacity at service organizations for a more extensive client intake and needs assessment process and triaging of crisis and non-crisis resources.
  - Links to post-crisis referrals and longer-term resources to address longer-term needs
- Emergency short-term financial assistance for housing costs, such as one-time back rent or mortgage payments, to help stabilize households, prevent loss of housing in the short-term and allow time for reducing risks of losing housing in the future.

Key program items that would be factors in the selection of providers, are proposed to include a variety of items strongly favored in the community input process, including:

- Provide as many services at single points of access as possible
- Provide phone counseling
- “One Stop” website
- Engage clients at other common service locations such as medical facilities and senior centers.
- Ensure language access to all services
- Market programs to young adults and other high-risk groups and areas.

The procurement process to select providers will be through a Request for Proposals that would be released as soon as possible after Board approval of the allocation of funds. All providers will be expected to facilitate warm handoffs to other, longer-term services and support programs, as needed. Selected providers will be required to collect and report client service cost and outcome

data which will be used to evaluate program successes and weaknesses and to strengthen future services.

The proposed initial allocation of Boomerang funds to expand access to crisis intervention services for renters and homeowners in imminent risk of losing their housing is a total of \$3.5 million.

### **Homeless Encampment Response**

It is obvious to anyone traveling around the county that street encampments of people experiencing homelessness have increased significantly. It is expected that the 2017 Point in Time Homeless count will confirm the increase in people living on the streets, sidewalks, and other places not fit for human habitation. While this situation is more visible and prevalent in some parts of the county, the phenomena is happening in communities across the county. Concurrently, County departments and cities are at various stages of formulating and piloting new, innovative, and best practice responses to encampments. The County, cities, and the community all have roles to play in addressing encampment issues and serving the people living in them, within the context of the upcoming Coordinated Entry System and new Housing Resource Centers. Strategies to address encampments fall roughly into three categories: 1. Encampment Health and Safety, 2. Low-Barrier Interim Housing/Shelter and 3. Permanent Housing Development, described briefly below.

**1. Encampment Health and Safety** responses include such things as providing Health and Hygiene Services to existing encampment residents to improve their basic quality of life while they remain unhoused. Items can include K-rails to protect encampment residents from near-by traffic, portable toilet and wash stations, and regular garbage pick up. This type of response alone is not a solution to homelessness, but it can have a positive impact both on encampment residents and housed residents in an area. Street outreach and engagement into the Coordinated Entry System and housing resources with the goal of assisting encampment residents to become housed off of the streets is ideally also provided (see strategy #2).

**2. Low-Barrier Interim Housing/Shelter** responses can include safe haven camping and parking sites (what some refer to as ‘sanctioned encampments’), as well as expansions of winter shelters into year-round shelters and/or additional short-term housing sites, such as the Henry Robinson Multi-Service Center in Oakland for adults or the Banyan House short-term transitional housing for families in the Unincorporated County. In addition to the Health and Hygiene resources described above, this intervention would provide deeper services at existing encampments and possible at other locations established by the city where the encampments are located (safe camping/parking sites). The concept is to allow people to live in these sites for a limited or longer-period of time and to actively engage them into the service and housing system to help them exit homelessness. Interim Housing/Shelter are housing/shelter sites which people enter directly off of the streets and provide a ‘roof over their heads’ along with housing and other services until permanent housing becomes available and they can move. “Low barrier” refers to a harm reduction approach and would ideally also include the ability for people to safely store belongings and remain with their pets.

Even within a ‘housing first’ approach, in an expensive housing market such as Alameda County, it can take months to secure permanent housing and these approaches provide increased safety and services in the interim and can be very successful at helping people exit homelessness. For example, the Henry Robinson interim housing site in downtown Oakland services almost 300 people a year and successfully assists over 80% of their clients to end their homelessness by becoming housed.

**3. Permanent Housing Development** responses include the longer-term development of rental housing with rents capped at amounts affordable to extremely low-income people, such as the Measure A1 requirement that 20% of all rental housing developed with bond financing be affordable to households at 20% of Area Median Income, as well as shorter-term possible responses such as permanent housing ‘tiny homes.’ In terms of possible uses of boomerang funds for encampment responses, the short-term possibilities is the focus.

The definition of tiny homes can vary from limited structures that might be part of an interim housing/shelter to structures which include kitchen and bath facilities and can be considered permanent housing. Many areas of the county do not have large amounts of vacant land upon which to place tiny home communities in numbers that could significantly impact the number of people homeless countywide, although for smaller communities have an impact on the level of homelessness. Creative sites such as school-district owned sites, backyards of existing single family homes etc, could also be sought.

Allocating a portion of the Boomerang funds as flexible funding to support a number of pilot responses to encampments, in partnership and coordination with city, community and other resources will allow us to test out innovative and best practice responses and evaluate their effectiveness. To move this program forward, upon Board approval of allocation of funds, a team of County departments will work with city and community partners to identify a range of pilot responses and how County funds could be provided to fill needed gaps in resources. One possible use of a portion of the funds in this category would be to hire a staff person or consultant to facilitate and support this effort.

The proposed initial allocation of Boomerang funds to support encampment response pilot approaches is a total of \$750,000, which would need to be leveraged by city and private sector funds.

### **Measure A1 Housing Bond-related Small CBO/Faith Capacity Building Program**

Many small community-based organizations and faith organizations worked towards passage of the Measure A1 Housing Bond and expressed interest in using their assets towards housing development. Many have assets such as vacant land, parking lots, houses and/or unused or underused property but lack knowledge and capacity to undertake the complex development of subsidized affordable housing, qualify for financing sources such as Low Income Housing Tax Credits and other critical sources of leveraged funds, or manage subsidized housing in the compliance with multiple financing source and fair housing requirements in the long term.

The intent of this initial allocation of Boomerang funds is to create a program to support these types of organizations in assessing their organizational capacity to undertake subsidized rental

housing development and to expand their capacity, primarily through supporting them to enter into joint ventures with experienced nonprofit housing developers. The program would provide an assessment tool and broad initial training that would be available to all interested organizations and then deeper technical assistance and supports for a selected, smaller number of organizations that have one or more assets and a commitment to participating in affordable housing development. Upon Board approval of allocation of funds, HCD would issue an RFP for a housing development capacity-building consultant/organization to procure these services and create the program.

The proposed initial allocation of Boomerang funds to support this program area is \$750,000 which will ideally be leveraged with private sector and/or foundation funding to enable the program to include and support a larger number of organizations.

**Recommendation**

Staff recommends that the Health and Social Services Committees approve the programs and initiatives described above and the allocation of funds outlined below and forward their recommended approval to the full Board of Supervisors.

	<b>FY16/17</b>	<b>FY17/18 (projected)</b>
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Administration/Program Delivery	\$500,000	\$500,000

- cc: Each member, Board of Supervisors
- Susan Muranishi, County Administrator
- Steve Manning, Auditor Controller
- Donna R. Ziegler, County Counsel
- Heather Littlejohn, County Counsel’s Office
- Stephanie Chan, County Administrator’s Office

# **HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT**

## **ANNUAL BOOMERANG FUNDING – HOUSING AND HOMELESS RESPONSE ALLOCATION**

# Annual Boomerang Funds Allocated to Housing and Homelessness

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- ❑ Basis: 20% of prior year Boomerang funds, \$5 million minimum, \$7.5 million maximum
- ❑ FY16/17 is 1<sup>st</sup> year of 5 year commitment for annual allocation approved by Board
  - ❑ FY16/17 = \$5 million
- ❑ With passage of Housing Bond, HCD bringing proposed programs to Board
  - ❑ Working with community, County agencies, cities etc.



# Annual Boomerang Funds Allocated to Housing and Homelessness

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## Proposed Initial Allocation of Funds

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# 1. Housing Resource Centers/Coordinated Entry System

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- \$2 million/year = proposed minimum in Boomerang funding amount for at least 3 years
- 5 regional Housing Resource Centers
- Leveraging Whole Person Care, HUD, City and other funds
- Provider selection expected by July, 2017



## 2. Anti-Displacement -- Crisis Intervention Services

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- ❑ \$3.5 million Proposed Initial Allocation
- ❑ Two Fold Approach:
  - ❑ Expanded access to crisis intervention services
    - Housing-related legal services
    - Increased capacity at service organizations
    - Links to resources to address longer-term needs
  - ❑ Emergency short-term housing financial assistance
    - E.g. One-time back rent/mortgage payments



## 2. Anti-Displacement -- Crisis Intervention Services

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- ❑ Key Program Items:
  - ❑ Provide as many services at single points of access as possible
  - ❑ Provide phone counseling
  - ❑ “One stop” website
  - ❑ Engage clients at other common service locations
  - ❑ Ensure language access to all services
  - ❑ Market programs to young adults and other high-risk groups/areas



# 3. Homeless Encampment Response

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- ❑ \$750,000 proposed initial allocation
  
- ❑ Select and Support Pilot Responses in partnership with cities and community
  - ❑ Assess outcomes, effectiveness and replicability

# 3. Homeless Encampment Response

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- Pilots could include responses in one or more of three strategy areas:
  - **Encampment Health and Safety**
    - Improve encampment residents' basic quality of life while unhoused
  - **Low-Barrier Interim Housing/Shelter**
    - Allow people to live in 'sanctioned' encampments/parking lots, while actively engaging them to exit homelessness
    - Expand interim housing/shelter sites
  - **Permanent Housing Development**
    - Eg "tiny homes"



# 4. Small CBO/Faith Housing Development Capacity Building

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- ❑ \$750,000 proposed initial allocation
  - ❑ Seek leverage funding
- ❑ Support small CBOs, including faith-based to:
  - ❑ Assess their capacity for housing development
  - ❑ Increase their capacity, most likely through joint ventures

# 4. Small CBO/Faith Housing Development Capacity Building

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- Assessment tool and training available to broad group
- Deeper technical assistance and supports for a smaller number of organizations
  - ▣ That have asset and organization commitment
  - ▣ Selected through an RFP/Q process



# Annual Boomerang Funds Allocated to Housing and Homelessness

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## Recommended Initial Allocation of Funds

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# QUESTIONS AND DISCUSSION