

## RESOLUTION No.\_\_\_\_

#### **COUNTY OF SISKIYOU**

### **AUTHORIZING RESOLUTION OF THE COUNTY OF SISKIYOU**

DIRECTING THE CITIES OF DORRIS, DUNSMUIR, ETNA, MONTAGUE, MOUNT SHASTA, WEED, AND YREKA, AND THE TOWN OF FORT JONES 2019 AND 2022 PERMANENT LOCAL HOUSING ALLOCATIONS TO A DEDICATED, INTEREST-BEARING RESERVE ACCOUNT FOR SUPPORTIVE SERVICES COSTS ASSOCIATED WITH PERMANENT SUPPORTIVE HOUSING

A necessary quorum and majority of the Board of Supervisors of the County of Siskiyou;

County of Siskiyou ("County") hereby consents to, adopts, and ratifies the following resolution:

- A. WHEREAS, the Department is authorized to provide up to \$335 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)), and:
- B. **WHEREAS**, the State of California (the "State"), Department of Housing and Community Development ("Department") issued Notices of Funding Availability ("NOFA") dated 8/17/2022, 5/3/2021, and 2/26/2020 under the Permanent Local Housing Allocation (PLHA) Program, and;
- C. **WHEREAS**, the County is an eligible Local government who has applied for program funds to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation, and:
- D. **WHEREAS**, the Department may approve funding allocations for the PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement, and other contracts between the Department and PLHA grant recipients, and;
- E. **WHEREAS**, the Department approved the Cities of Dorris, Dunsmuir, Etna, Montague, Mount Shasta, Weed, and Yreka, and the Town of Fort Jones five-year Plan and Application for the PLHA Program in award letters dated 3/15/2023, 4/11/2023, and 5/16/2023, and;
- F. WHEREAS, the Department provided contract numbers in the aforementioned award letters as follows: City of Dorris-22-PLHA-17806, City of Dunsmuir-22-PLHA-17889, City of Etna-22-PLHA-17802, City of Montague-22-PLHA-17677, City of Mount Shasta-22-PLHA-17804, City of Weed-22-PLHA-17805, City of Yreka-22-PLHA-17678, and Town of Fort Jones-22-PLHA-17803, and;

- G. **WHEREAS**, the Department has or intends to execute Standard Agreements with the County for the Cities of Dorris, Dunsmuir, Etna, Montague, Mount Shasta, Weed, and Yreka, and the Town of Fort Jones allocations, and;
- H. **WHEREAS**, the Department defines PLHA Activity 5 as "Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing."

#### NOW THEREFORE BE IT RESOLVED THAT:

- 1. The County certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts the County may have with the Department.
- 2. The County is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA, \$399,135 for the City of Dorris, \$432,196 for the City of Dunsmuir, \$403,103 for the City of Etna, \$412,359 for the City of Montague, \$539,311 for the City of Mount Shasta, \$459,966 for the City of Weed, \$612,043 for the City of Yreka, and \$415,004 for the Town of Fort Jones, in accordance with all applicable rules and laws.
- 3. The County hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the County and the Department.
- 4. Per instructions from the Department, the PLHA Plan for the 2019-2023 Allocations for the Cities of Dorris, Dunsmuir, Etna, Montague, Mount Shasta, Weed, and Yreka, and the Town of Fort Jones is attached to this resolution, and County certifies this is the true and correct PLHA Plan that was approved by the Board of Supervisors and by the Department. It is hereby noted that all of the cities and the town listed above have the same PLHA Plan.
- 5. Per instructions from the Department, the County's letter from the authorized representative is attached to this resolution. The letter describes the permanent supportive housing project and the associated supportive services costs that will be paid for using PLHA funds. The Board of Supervisors approves of this letter and directs the authorized representative to sign and submit the letter.
- 6. Per instructions from the Department, the County hereby directs 95 percent of the 2019 and 2022 Allocations to a dedicated, interest-bearing reserve account to be used for supportive services costs associated with permanent supportive housing ("PLHA Activity 5"). The County hereby reserves 5 percent of the 2019 and 2022 Allocations for administrative costs. This is allowable per PLHA guidelines and reflects, or will reflect, the County's Standard Agreements and Amendments with the Department.
- 7. If applicable: The County certifies that it was delegated by the Cities of Dorris, Dunsmuir, Etna, Montague, Mount Shasta, Weed, and Yreka, and the Town of Fort Jones to submit

- applications on their behalf and administer the PLHA grant award for the formula allocation of PLHA funds, pursuant to Guidelines Section 300(c) and 300(d), and the legally binding agreements between the recipients of the PLHA funds and the County have been fully executed and provided to the Department.
- 8. If applicable: The County certifies that it has the option to and may subgrant some or all of its PLHA funds to another entity or entities. Pursuant to Guidelines Section 302(c)(3), "entity" means a housing developer or program operator, but does not mean an administering Local government to whom a Local government may delegate its PLHA allocation.
- 9. If applicable: The County certifies that its selection process of these subgrantees was or will be accessible to the public and avoided or shall avoid any conflicts of interest.
- 10. If applicable: Pursuant to the County's certification in this resolution, the PLHA funds will be expended only for eligible Activities and consistent with all program requirements.
- 11. The County shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.
- 12. The County Administrator or their designee is/are authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to the County, as the Department may deem appropriate.

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# COUNTY OF SISKIYOU

# COUNTY ADMINISTRATIVE OFFICE

Angela Davis, County Administrator P.O. Box 750 • 1312 Fairlane Rd, Yreka, CA 96097

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September 5, 2023

Mr. Daniel Cervantes Staff Services Manager I Division of State Financial Assistance

California Department of Housing & Community Development 2020 W. El Camino Avenue, Suite 400 Sacramento, CA 95833

RE: Siskiyou County -- City of Dorris-22-PLHA-17806, City of Dunsmuir-22-PLHA-17889, City of Etna-22-PLHA-17802, City of Montague-22-PLHA-17677, City of Mount Shasta-22-PLHA-17804, City of Weed-22-PLHA-17805, City of Yreka-22-PLHA-17678, and Town of Fort Jones-22-PLHA-17803 -- Request for Funds for 2019 and 2022 Allocations

Dear Mr. Cervantes,

The California Department of Housing & Community Development (HCD) approved the Cities of Dorris, Dunsmuir, Etna, Montague, Mount Shasta, Weed, and Yreka, and the Town of Fort Jones five-year Plan and Application for the PLHA Program in award letters dated 3/15/2023, 4/11/2023, and 5/16/2023. All the cities and the town listed above have the same PLHA Plan and all have delegated their allocations to Siskiyou County. Siskiyou County is the administrative entity.

HCD provided contract numbers in the award letters as follows: City of Dorris-22-PLHA-17806, City of Dunsmuir-22-PLHA-17889, City of Etna-22-PLHA-17802, City of Montague-22-PLHA-17677, City of Mount Shasta-22-PLHA-17804, City of Weed-22-PLHA-17805, City of Yreka-22-PLHA-17678, and Town of Fort Jones-22-PLHA-17803.

Per the five-year Plan and Application, Siskiyou County is undertaking Activity 5 for the 2019 and 2022 allocation years. HCD defines Activity 5 as "Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing," also known as a "supportive services reserve."

This letter serves to fulfil a portion of the supporting documentation requirements for the Requests for Funds. Per HCD's instructions we are providing the following information:

1. A description of the permanent supportive housing (PSH) projects that the Activity 5 supportive services reserve funds will be used for, including the name and location of the project and an explanation of the grantee's role in the project.

Siskiyou Crossroads is the County's No Place Like Home (NPLH) project in collaboration with its Development Sponsor, Rural Communities Housing Development Corporation (RCHDC). RCHDC is the owner and manager of the project. The County is the supportive services provider and has provided a low-interest loan to the project for construction/development with its 2019 PLHA allocation (this is separate from the cities/town allocations). Siskiyou Crossroads is located at 510 North Foothill Drive, Yreka, CA 96097. The APN is 053-651-820. The project has 49 units restricted for affordability up to 60% Area Median Income (AMI) and one manager's unit for a total of 50 units. Twenty-four (24) of the affordability-restricted units are permanent supportive housing and will receive supportive services. More details about the permanent supportive housing units are provided in item 2.

2. A description of the services that the grantee will be providing and who will be served, including providing a copy of any service agreements.

Twenty-four (24) units are permanent supportive housing for people who meet the HCD No Place Like Home (NPLH) target population criteria of being homeless, chronically homeless, or at-risk of chronic homelessness, and having a Serious Mental Illness (SMI). These tenants must meet the income qualification as prescribed under the NPLH program (income not to exceed 30% AMI). In addition to housing, Siskiyou County Health and Human Services Agency will offer these households comprehensive wraparound services using a Housing First model, including but not limited to, case management, mental health care, peer support, substance use disorder treatment, benefits counseling, skill-building, employment services, education services, and recreational activities.

A service agreement in the form of an executed Memorandum of Understanding (MOU) between Siskiyou County and RCHDC will be provided to HCD that further details the services and target population being served.

3. A statement that the grantee is agreeing to use the funds in accordance with the PLHA program guidelines and signed Standard Agreement (Contract) and future Contract Amendments.

Siskiyou County agrees to use the funds in accordance with the PLHA program guidelines, signed Standard Agreements, and future Amendments.

Siskiyou County is dedicated to working with affordable housing developers, service providers, and other partners to develop additional permanent supportive housing projects. The County intends to use its PLHA Activity 5 supportive services reserve for Siskiyou Crossroads as well as future permanent supportive housing projects. When these future permanent supportive housing projects are known, the County will submit an additional letter(s) and Memorandum(s) of Understanding (MOU) to HCD to have projects approved prior to using the supportive services reserve for projects' supportive services costs.

Please contact Maddelyn Bryan, Project Coordinator of Housing Programs, at <a href="mcbryan@co.siskiyou.ca.us">mcbryan@co.siskiyou.ca.us</a> or (530) 841-2748 if you have any questions or require additional information.

Sincerely,

Angela Davis County Administrator Siskiyou County §302(c)(4) Plan Rev. 2/16/22

§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.

Siskiyou County plans to use the 2019-2023 allocations delegated from other jurisdictions for three eligible uses: capitalized reserves for services related to the creation of new Permanent Supportive Housing (PSH), operating subsidies for the creation of new affordable rental housing, and programs to assist households experiencing or at risk of homelessness. The County expects to utilize these funds on a minimum of three projects, two Permanent Supportive affordable rental housing projects and one emergency shelter with a navigation day center. Any funds remaining after the needs of these three projects are met will likewise be devoted to other PSH or shelter projects.

§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

Siskiyou County is investing in a new construction, fifty-unit apartment complex. Twenty-four units are reserved for Permanent Supportive Housing for tenants making no more than thirty percent of AMI. Twenty-five units will be available to households earning up to sixty percent AMI. The County is also in the initial planning stages of a collaboration with the City of Yreka to convert an existing building into PSH and affordable rental housing. Early projections for the project estimate a unit count of forty apartments. The County expects to restrict a significant portion of units for households receiving thirty percent or less of AMI.

§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.

The County's Plan to use PLHA funds for Activities 1, 5, and 6 is consistent with the goals and programs set forth in the 2014-2019 Housing Element. Goal HE.1. is to ensure the availability of a variety of housing types for all income levels throughout the County. Activity 1 supports affordable housing, which reflects Program HE.1.6: reviewing potential funding sources that can be used in support of affordable housing and submit funding applications as appropriate. Activity 5 supports services for permanent supportive housing. This reflects Program HE.1.8: exploring sources of funds that may be available to help fund the development of special needs housing. Goal HE.4 is to continue to facilitate the provision of housing suited to persons with special housing needs. Activity 6 supports case management services and navigation center/emergency shelter operations. This reflects Program HE.4.5: accessing state and federal funding necessary to acquire and/or operate homeless shelters and/or transitional housing in the County.

#### Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))

§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.

Siskiyou County intends to provide operating subsidies to support a project led by the City of Yreka. The city proposes to convert an existing building into an affordable rental property with at least a portion of the units reserved for PSH. The intention of this project is to increase permanent housing options for low-income households, particularly those experiencing or at risk of homelessness. The County expects to transfer PLHA funds to either the developer or the service provider of the project.

Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

double counting).															
Funding Allocation Year	2020	2021													
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	95.0%	95.0%													
§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30%													TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level Note: complete for years 2019, 2020, 2021 only	65	65													130
§302(c)(4)(E)(ii) Projected Number of Households Served	40	40													80
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity (55 years required for rental housing projects)	55 Years														

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

The County anticipates the following schedule for their partnership with the city. Fall of 2022 through winter of 2023: 1) solidify the necessary partnerships for the project, including a developer and services providers, 2) finalize the site selection, and 3) develop blueprints for modifications to the building. In spring-fall of 2023, the city intends to prepare and submit applications for funding the project through identified programs such as Homekey. They expect the conversion to begin early in 2024 and to be completed and occupied by the end of 2025.

§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity The County will deposit PLHA funds into a reserve for Supportive Services expenses associated with a new construction development for PSH, named Siskiyou Crossroads, a conversion project to create additional PSH units, and other PSH projects depending on the amount of remaining funds. Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting). 2019 Funding Allocation Year 2022 New New Type of Permanent Supportive Construction Constructi Housing Project n on §302(c)(4)(E)(i) Percentage of Funds Allocated for the 95.00% 95.00% Proposed Activity §302(c)(4)(E)(ii) Area Median TOTAL 30% 30% Income Level Served §302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level N/A 65 65 Note: complete for years 2019 2020, 2021 only §302(c)(4)(E)(ii) Projected 50 50 100 Number of Households Served §302(c)(4)(E)(iv) Period of Affordability for the Proposed 55 55 Activity (55 years required for rental housing projects) §302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity. Siskiyou Crossroads is currently under construction. The developer plans to complete the construction by July of 2023. As described above, the project to convert an existing building into new PSH is expected to reach completion by 2025. The County expects to establish the capitalized reserve before the end of construction for either of these projects. \$301(a)(6) Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional nousing §302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity. Siskiyou County plans to release a Request for Proposals to draw a homeless service provider to the region. If successful, the County will utilize PLHA for a contract with the provider to operate an emergency shelter/navigation day center. In addition to running the shelter, the provider will arrange for a variety of supportive services such as case management. If unable to solicit a new provider, the County will administer the PLHA-funded services of emergency shelter/navigation day center and supportive services internally. Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting). Funding Allocation Year 2023 2023 Supportive Type of Activity for Persons Emergeno Case Experiencing or At Risk of y Shelter Manageme Homelessness Operating nt Services

§301(a)(5) Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing

§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	50.00%	45.00%							
§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30%							TOTAL
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level Note: complete for years 2019, 2020, 2021 only	N/A	N/A							0
§302(c)(4)(E)(ii) Projected Number of Households Served	30	30							60
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)	N/A	N/A							

\$302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

The Board of State and Community Corrections recently awarded a one-time grant to Siskiyou County Health and Human Services Agency (HHSA) to create a new, low-barrier shelter for a period of three years. During fall of 2022 and early winter of 2023, HHSA will prepare and post a Request for Proposals for a provider to administer the shelter program. Staff anticipate contracting with the provider by early spring of 2023. After the close of this initial grant, HHSA will utilize PLHA to continue contracting with the provider to operate the shelter.