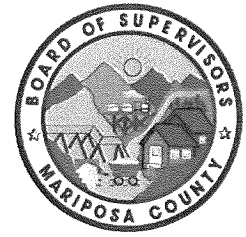


MARIPOSA COUNTY

HHS/Social Services • (209) 966-2000



RESOLUTION - ACTION REQUESTED 2021-632

MEETING: November 16, 2021

TO: The Board of Supervisors

FROM: Shannon Gadd, Health and Human Services Agency Director

RE: Apply for the Housing and Disability Advocacy and Prevention (HDAP) Program

RECOMMENDATION AND JUSTIFICATION:

Authorize the Mariposa County Health and Human Services Agency to Apply for the Housing and Disability Advocacy and Prevention (HDAP) Program through The California Department of Social Services, Targeted Strategic Investment Competitive Allocation.

Mariposa County has received the HDAP allocations since 2016 and has provided housing-related services to adult individuals. This year, in accordance with All County Welfare Director's Letter titled "Notice of Funding for the Housing and Disability Advocacy Program," the California Department of Social Services is offering a competitive allocation application for County-specific activities.

HDAP provides housing supports and disability benefit application assistance and advocacy to people likely eligible for disability benefits and experiencing or at-risk of homelessness.

The Targeted Strategic Investment is a competitive allocation offered through the HDAP Program. Mariposa County Health and Human Services Agency proposes offering forgivable loans to homeowner's willing to build/rehabilitate Accessory Dwelling Units and rent to HDAP eligible individuals/families. There is a 1:1 County match, and Mariposa County Health and Human Services Agency will match this utilizing Social Services Realignment dollars. There is no impact to the General Fund.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board of Supervisors does not have prior experience with California Department of Social Services for Targeted Strategic Investment Competitive Allocation.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

If this Targeted Strategic Investment Allocation is not approved, Mariposa County will not be able to access competitive funds and miss an opportunity to assist homeowners in the community while also increasing low-income housing inventory.

ATTACHMENTS:

Targeted Strategic Investments v2 - Nov 4 2021 (PDF)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Rosemarie Smallcombe, District I Supervisor

SECONDER: Tom Sweeney, District II Supervisor

AYES: Rosemarie Smallcombe, Tom Sweeney, Marshall Long, Wayne Forsythe

EXCUSED: Miles Menetrey

Application for FY 2021-22 HDAP Targeted Strategic Investments

Mariposa County Health and Human Services

Total amount of HDAP Targeted Strategic Investments requested: \$200,000

Other: Forgivable Loans for Accessory Dwelling Units (ADU's)/Junior Accessory Dwelling Units (JADU's)

Proposal Narrative

Description of Use

Mariposa County's Housing Element and Mariposa County Health and Human Services Agency (MCHHSA) Strategic Plan on Homelessness both highlight the need for increased inventory of very-low and low-income housing. Current rental housing stock is limited with much being utilized as short-term vacation rentals. Further, the Mariposa County Housing Element identified that 26% of Mariposans live within very low or extremely low incomes; with an additional 18.1% of Mariposans broadly identified as disabled in the County. Given this need for increased inventory of affordable housing, MCHHSA intends to utilize the Targeted Strategic Investment funds to engage homeowners with forgivable loans to build or rehabilitate Accessory Dwelling Units (ADU's) and Junior Accessory Dwelling Units (JADU's). This will address the limited low-income housing inventory in Mariposa County by providing financial incentives to homeowners who build or rehabilitate ADU's/JADU's and rent to Housing and Disability Advocacy Program (HDAP) referred individuals or families. Rural communities have struggled with the implementation of various housing measures the past few years due to lack of infrastructure, lack of low-income housing stock, and housing initiatives that have been designed for urban areas. MCHHSA believes this is an innovative strategy to pilot in a rural community that may address the struggles we've experienced in the past.

In 2020, Mariposa County HHS served 11 HDAP recipients. Of those, three (3) were awarded Social Security benefits and linked to housing. Three (3) are pending benefits and remain without identified housing. Two moved out of state due to lack of housing. Three were linked to permanent housing but did not ultimately qualify for benefits.

Homeowners will be able to use the funding to build or rehabilitate their property, bringing ADU's/JADU's up to Health and Safety codes and ADA compliance. If unable to meet ADA compliance within the budget of the loans, accessibility measures such as grab bars and low entry showers will be required. Homeowners will be required to commit to renting to MCHHSA referred individuals/families

for a minimum of 5 years, with potential to continue after the loan is forgiven. Through this program, homeowners will be guaranteed the 5 years of rental income. Forgivable loans on a sliding scale, with average costs anticipated at \$50,000/unit, will be given in exchange for a dedicated 5 years of affordable rental commitment. Homeowners receive benefits such as the forgivable loan, tenant screening, tenant case management and support, timely rent for a minimum of 5 years, and landlord support. The program is envisioned to ensure a safe, easy, and efficient experience for interested homeowners. There is decreased risk for homeowners as there is dedicated funding through continued HDAP services. All tenants will qualify for HDAP services. Further, all tenants will go through Coordinated Entry into the Homeless Management Information System (HMIS) to further link to housing services. All will receive disability benefits services and advocacy.

Although the building of ADU's/JADU's in and of itself is not an evidence-based practice, creating and preserving affordable housing, including ADU's/JADU's, is fundamental to solving homelessness. Through the creation of affordable housing stock, Mariposa County will be able to continue using evidence-based practices, such as a housing first model, to place individuals and families who are eligible for HDAP. ADU's/JADU's are inherently more affordable due to their small square footage and are not eligible for short-term rental (vacation rentals), thus creating long-term affordable housing, even if homeowners choose not to continue renting to HDAP qualified tenants. MCHHSA is exploring the Housing Quality Standards through Housing and Urban Development (HUD). The plan is to certify staff to utilize this standard and ensure the ADU's/JADU's meet requirements for Housing Choice Vouchers. Housing Choice Vouchers can then be layered with existing services and supports for HDAP qualified individuals and families to ensure permanent housing. Mariposa County's Housing Element addresses that mobile homes have been quick, affordable housing for low-income residents. However, the quality has quickly declined, and mobile homes depreciate in value quickly, leaving substandard housing across our community. ADU's/JADU's are a better quality housing solution that appreciate in value over time.

Mariposa County recently received a Regional Early Action Planning (REAP) Grant for the production of planning documents, process improvements to accelerate housing production, and outreach and education materials on Accessory Dwelling Units. This grant is in collaboration with Amador, Calaveras and Nevada Counties and will provide accessible regional guidance to develop ADU's/JADU's, thus increasing housing inventory. This Targeted Strategic Investment aligns with a larger county plan as well as one of the regional approaches to housing. MCHHSA has already discussed this

Targeted Strategic Investment with the partners who received the REAP Grant, and all are hopeful that MCHHSA will receive this award. Continued coordination and collaboration will be funded through administrative costs associated with this project.

Budget

MCHHSA is requesting \$200,000 with a dedicated 1:1 match provided through social services realignment, bringing the total dollars on this project to \$400,000. Of this total, administrative costs will be capped at 25%, or \$100,000, with anything not spent rolling into direct services. This allows direct services in the minimum amount of \$300,000. Based on current building trends in the community, it is expected that the cost associated with building or rehabilitating an ADU/JADU is, on average, \$50,000/unit. This would include ensuring all units are Health and Safety Code and ADA compliant. MCHHSA’s match is readily available, and as soon as approved, MCHHSA will request funds to be encumbered for this project to commence immediately. See proposed budget as follows:

**HDAP Targeted Strategic Investment
Proposed Budget**

This exhibit describes the anticipated costs associated with the activities outlined in the Project Narrative.

Administrative Costs	Calculation/Narrative	Cost
Social Worker III	.25 FTE	\$24,237
Supervising Social Worker I	.10 FTE	\$10,552
Outreach/Engagement	Marketing	\$5,000
Training	Housing Quality Standards training, three staff	\$4,200
Indirect Costs		\$56,011
	Anticipated Total	\$100,000
Direct Services		
ADU/JADU	All other funds will be distributed strictly for the rehabilitation or build of an ADU/JADU.	\$300,000
	Anticipated Total	\$300,000
	Total costs	\$400,000

Contracts

Mariposa County HHSA does not foresee any difficulty in securing construction contracts as there are already master contracts in place between HHSA, Public Works, and a variety of vendors from different construction trades. These were created in response to the Home Safe Program through CDSS and have proven to be successful for those purposes. Further, Mariposa County HHSA has lease agreements for various supportive housing initiatives that can be accessed for this program.

Expected Outcomes

MCHHSA's goal is to engage homeowners in the building and rehabilitation of 4-6 ADU's/JADU's. This will increase very-low and low-income housing inventory in our community. This is a realistic and achievable number given our current housing stock and current number of individuals who qualify for HDAP and have an immediate housing need. As homeowners will receive forgivable loans in exchange for long-term rental, this will provide permanent housing for our HDAP clients. Most importantly, 4-6 chronically homeless individuals and/or families with disabilities will obtain permanent housing, with advocacy for disability benefits, and with the potential of housing vouchers in these units.

Other

Due to the limitation of space, if parties are interested in reviewing the Mariposa County Housing Element, 2019-2024, that is referenced in this application, please visit:

https://www.mariposacounty.org/DocumentCenter/View/79311/Mariposa-County-Final-Draft-HE-2019-2024_July-2019-Version-rev-7192019?bidId