

Santa Cruz County Continuum of Care (CoC)
Homelessness Housing, Assistance and Prevention (HHAP) Application Narrative
Submitted February 14, 2020 (Updated April 6, 2020)

1. Summary of Homelessness in the CoC, large city, or county

Despite the hard work over the years of many dedicated community members, homelessness remains a huge problem in Santa Cruz County. Our 2019 recent point-in-time (PIT) study of homelessness found a total of 2,167 persons experiencing homelessness in late January 2019. Sadly, 77.4% of homeless persons were unsheltered, one of the highest rates of unsheltered homelessness in the nation. Persons experiencing homelessness in Santa Cruz County include individuals adults and families facing economic or other life challenges; persons who are chronically homeless with serious disabilities; unaccompanied youth who have exited the foster care system or have left abusive homes; persons of all ages from the youngest to the oldest and many races/ethnicities; and other groups such Veterans and persons who fleeing domestic violence.

While our community has managed to halt the overall rise in homelessness (the overall 2019 homeless population was down slightly from 2017), there is obviously considerable work that still needs to be done. Santa Cruz County and our regional CoC, known as the Homeless Action Partnership (HAP) pledge to coordinate closely, as we have always done, to plan and implement HHAP-funded program using best practices strategies for toward preventing and eventually ending homelessness in Santa Cruz County.

A. Submit their CoC's complete HUD Longitudinal System Assessment (LSA) from October 1, 2017 – September 30, 2018.

Please see the attached LSA information.

B. Use the LSA data to provide (as defined by HUD):

As indicated by our LSA data presented below, a sizable number of total households were served, primarily within our emergency response system but also within a growing inventory of rapid rehousing (RRH) and permanent supportive housing (PSH) inventory. A large majority of households served were disabled and over one-third of households served were chronically homeless. Over one-third of households served were seniors and more than 20% of households served were Veterans. A considerable majority of households served were male, although many female and a few gender non-conforming households were also served. Finally, a large majority of households served were White, although Hispanic/Latinx, Black, and Native American households were also significantly represented.

1. Total number of households served in:
 - 1) **1,024** - Emergency Shelter, Safe Haven and Transitional Housing,
 - 2) **462** - Rapid Rehousing, and
 - 3) **190** - Permanent Supportive Housing.
2. **1,139** - Total number of disabled households served across all interventions.
3. **593** - Total number of households experiencing chronic homelessness served across all interventions.

4. **547** - Total number of 55+ households served across all interventions.
5. **5** - Total number of unaccompanied youth served across all interventions.
6. **364** - Total number of veteran households served across all interventions.
7. Number of individuals served across all interventions who were:
 - 1) **608** - Female,
 - 2) **945** - Male,
 - 3) **0** - Transgender, or
 - 4) **6** - Gender Non-Conforming.
8. Total number individuals served across all interventions who were:
 - 1) **899** - White, Non-Hispanic/Non-Latino (only),
 - 2) **253** - White, Hispanic/Latino (only),
 - 3) **108** - Black or African American (only),
 - 4) **15** - Asian (only),
 - 5) **110** - American Indian or Alaska Native (only),
 - 6) **18** - Native Hawaiian/Other Pacific Islander (only) or
 - 7) **89** - Multiple races

2. Demonstration of Regional Coordination

The Santa Cruz County community has a long history of effective regional collaboration on efforts to prevent and eventually end countywide homelessness. As far back as the 1980s, community members organized to develop a system of shelter, food, and service programs in response to the sudden appearance of significant homelessness. The 1989 7.0 Loma Prieta Earthquake (centered in Santa Cruz) destroyed or damaged 7% of the County’s housing and led to a full-community effort to restore housing, including for homeless people. Our CoC HAP was founded in 1994, establishing a regional countywide approach to homelessness including the County, Cities, housing providers, nonprofit service agencies, health providers, faith community members, community groups, and persons with lived experience of homelessness. Our first regional strategic homelessness plan was completed in 2003, and our current plan – *All In: Toward a Home for Every County Resident* – was completed in 2015. Since then, *All In* has served as the fulcrum for planning and implementing a range regional strategies for strengthening and expanding our emergency response system; for adding new RRH and PSH beds and units; for launching major program initiatives for addressing chronic homelessness, family homelessness, youth homelessness, Veteran homelessness, and South County homelessness. And our Coordinated Entry System, known as Smart Path to Housing and Health, was launched in 2017.

1. Coordinated Entry System Information

The Santa Cruz County Human Services Department (HSD) is the lead agency responsible for the administration of Smart Path to Housing and Health and leading community efforts in support of this system. The purpose of Smart Path is to provide easily accessible assessment and available housing and shelter referrals for individuals, youth, and families experiencing homelessness throughout the county. Smart Path allows for the most efficient targeting of resources, increases regional coordination across community providers, and ensures that consumers have equal access to available housing resources.

Smart Path uses a decentralized structure that is inclusive of all agencies and programs that provide assistance, services, and housing to persons who are homeless or at-risk of homelessness. Through the systems “any door” strategy, persons can access coordinated entry by walking into any public access

agency, including the one closest to where they are. Also, they can access coordinated entry by calling 2-1-1 from anywhere in the county with a phone, or by engaging with street outreach workers, who regularly go where homeless people are located. Following is a partial list of regular outreach locations people experiencing homelessness can access Smart Path coordinated entry. A youth-specific site will soon be added.

South County:

- Families in Transition - 406 Main Street, Suite 326, Watsonville CA 95076 Wednesdays 1:00-3:00pm: For Families and Single Adults 18-24 years old only
- Salvation Army Day Center 104 Grant St., Watsonville, CA 95076 (831) 724-3922 Mondays-Fridays 9:00am-4:00pm, Assessments offered for all drop-in Day Center users

North County:

- Housing Matters – 115B Coral St., Santa Cruz, CA - For Adults: Mondays-Fridays, 1:00-4:00pm Instructions: Come to the HM Safety Kiosk M-F between 8:30-9:30AM to sign up to take it in the afternoon (starting at 1:00pm) By Appointment: Email, text or call Brian Lands, Assessment Specialist, blands@santacruzpsc.org, (831) 350-1106.
- For Families: Tuesdays, 1:00-3:00pm Instructions: Check in at the Rebele Family Shelter at HM. Bring a photo ID for each adult in the family.
- Mental Health Client Action Network (MHCAN) 1051 Cayuga St., Santa Cruz (831) 469-0462 Mondays, Tuesdays, Thursdays, Fridays 9:00am-2:00pm
- Santa Cruz Public Libraries, Downtown Branch - 224 Church Street Santa Cruz, CA 95060 (831) 427-7707

Veterans:

- Veterans Resource Center 1658 Soquel Drive, Suite B, Santa Cruz, CA (831) 477-7515 Non-veterans and veterans are welcome

Homeless Youth:

- Encompass Community Services – Transition Age Youth Program, 530 Ocean Street, Santa Cruz, CA 95060, (831) 465-4182, Assessments for persons age 18-24 only, Tuesday – Saturday 11:30 a.m. – 8:00 p.m.

Roaming Assessors (4 roaming assessors serve the entire county and go where needed)

- North County: 831.325.2904
- South County: 831.763.2147
- Families: 831.204.0255
- Youth (18-24): 831.465.4182

Smart Path uses a tested, evidence-informed tool, the VI-SPDAT, to assess, rank, match and track both medical vulnerability and level of housing need to appropriate housing intervention. It combines the strengths of a hybrid tool that covers medical risk factors (VI) with social risk factors (SPDAT), making it the most effective standardized assessment tool available. It includes three versions for different populations: individuals, families, and transition age youth. All individuals and households who enter a Smart Path access point are assisted to complete the Smart Path Assessment (the VI-SPDAT is integrated into the CoC's HMIS).

The Smart Path Assessment has a built-in scoring mechanism that is used along with locally developed questions and local priorities to match the client to the right housing, health, and services interventions. Smart Path data showed that while one of the goals of Smart Path is to prioritize projects and services for participants most in need, persons whose VI-SPDAT score is within the Rapid Re-Housing and Transitional Housing range are more likely to be referred for housing assistance than those who score within the Permanent Supportive Housing range and are considered more vulnerable. This is especially true for single adults and transitional age youth. This could be due to low inventory of available PSH openings or challenges in finding the higher scoring individuals. To this end, Smart Path has modified its policy and is conducting a pilot project, whereby two different RRH and Transitional housing programs are accepting referrals of higher scoring individuals. This pilot is being implemented in an effort to ensure that the most vulnerable individuals experiencing homelessness receive housing referrals. This pilot will be followed closely to understand the impact on the housing program and homeless individual and household.

People who are assessed to be low acuity most likely will be able to resolve their homelessness without a housing intervention. Since Santa Cruz County has limited housing capacity, housing interventions are prioritized for those who most need it. Individuals and households with low acuity are referred to other, non-permanent housing interventions. This could include deposit assistance from an Emergency Assistance Network provider, making sure they are connected to public benefits, and referring to other services in the community. Recently the consultant group, Focus Strategies, has been working with the CoC on improving the homelessness response system. Focus Strategies is working closely with Smart Path and partner community agencies to develop a Diversion strategy. Diversion quickly identifies possible pathways to resolve a person or household's housing crisis with solutions that are outside the resources of the homelessness response system. This strategy will keep people out of the homeless system and help them self-resolve their housing crisis. Another change that will be implemented soon is dynamic prioritization. This strategy identifies available housing program openings that will be happening in the near future and then pulls referrals for those openings from the community queue. The housing program staff will work with outreach workers to locate and prepare the individual and/or household for the housing program opening. This will reduce the amount of time a program has an opening while they are looking for the person/household who was referred to them.

Smart Path maintains a community queue in HMIS based on the Smart Path assessment. HMIS also contains the inventory and eligibility criteria for each housing provider, including permanent supportive housing, rapid rehousing and transitional housing programs. The community queue functions as a container of assessed individuals and households that is sortable to identify the highest priority individuals or households for particular intervention types. When a PSH, RRH, or transitional housing program has a space available, the designated agency representative requests a referral from the community queue. The Smart Path Referral Specialist generates a referral from HMIS to identify the household or individual to be referred by:

- Filtering the community queue based on the type of housing intervention (PSH or RRH) so that it pulls a list of individuals/households that have scores that match to that type of housing.
- Filtering the community queue based on the eligibility criteria of the housing program.
- Prioritizing the community queue based on the local prioritization methodology described above.

Santa Cruz County has a significant shortage of housing opportunities compared to the need. Thus, Smart Path triages people and refers them to the appropriate housing program. . PSH placements are

prioritized for those who have been homeless on the streets or in emergency shelter for at least a year and with the highest acuity, thus serving those who are most in need and most at risk if they remain on the streets, first. However, now higher scoring individuals and households will also be referred to RRH and transitional housing programs as well.

The Santa Cruz County Housing Work Group, which is comprised of various agencies that provide homeless services, facilitates the matches and referrals to the different housing programs. The staff who attend the Housing Work group meeting discuss possible ways to locate the individual or family who has received a referral as well as explore why a person may have been denied in the past, with an emphasis on how to ensure that referred individuals and households will be located and enrolled into the housing program.

It is important that Smart Path be known and accessible to all homeless people within the Santa Cruz County, including persons with the highest barriers to service access, such as persons with disabilities and non-native English speakers. For this reason, a communication plan has been developed and followed to ensure widespread dissemination of information about how to access coordinated entry. Key communications strategies to reach all groups will include:

- Written and oral information (in some cases bilingual) provided during the extensive direct outreach to highly vulnerable persons on the streets and in service sites (some of which are listed above) provided by the Homeless Persons Health Project (HHP), the Encompass Community Services Downtown Outreach Worker, Housing Matters, Pajaro Valley Shelter Services, Families in Transition, the Salvation Army, the Community Action Board, Community Mental Health Services, Community Health Clinics, school districts and many other agencies
- Informational flyers in English and Spanish left at additional homeless service and victim service sites and public locations, such as libraries and faith-based organizations
- Information provided by 2-1-1 to callers requesting homelessness assistance
- Information included in flyers and orally on how persons with disabilities may request and receive reasonable accommodations if needed to facilitate their access to coordinated entry
- Working with mental health advocacy and service organizations to facilitate access to people with serious mental illnesses
- An improved website and social media campaign to get the word out
- Regular announcements during CoC and provider network meetings, public service announcements, and presentations and briefings for mainstream service providers.

Any person participating in the Smart Path process has the right to file a grievance as outlined in the policies and procedures. Resolution of grievances related to a particular service agency (for example, a grievance related to how an assessment was conducted at a particular agency) should be attempted first through that agency's grievance procedure. Grievances specific to the Smart Path system (for example, a grievance related to the match making process) should be forwarded to the Smart Path Referral Specialist using the Smart Path Grievance Form. Within five business days, the Referral Specialist drafts an initial recommendation on how to address the grievance, which is forwarded to the County Human Services Deputy Director for review and a final determination. The decision is communicated to the participant within thirty days. Should the participant seek a different resolution, they may appeal the decision by contacting the HAP staff member, who will respond within an additional two weeks.

Smart Path values cultural responsiveness both to improve the effectiveness and experience of Smart Path and also to promote greater fairness and access. All persons administering assessments participate in a training that includes using culturally and linguistically competent practices. Assessments shall include trauma-informed culturally and linguistically competent questions for special subpopulations, including immigrants, refugees, and other first-generation subpopulations; youth; persons fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, human trafficking or stalking; and LGBT+ persons.

Some of the biggest challenges that currently face Smart Path are insufficient operation funding, the need to implement an effective diversion strategy, the need to implement dynamic housing prioritization, and the need to reach the hardest-to-serve persons. The Smart Path Steering Committee is addressing these challenges through a *Smarter* Path Work Plan.

2. Prioritization Criteria

Smart Path is the primary means for prioritizing people experiencing homelessness in Santa Cruz County to an appropriate housing program. In Santa Cruz County there is a significant gap between the availability of housing and the need. To best utilize the area's limited housing resources, Smart Path uses the VI-SPDAT to assist with prioritization and determination of the type of assistance that best meets the needs of each individual or household.

PSH: Smart Path prioritizes active participants who meet the HUD definition of chronically homeless and have the highest VI-SPDAT score for referral to PSH program openings. For participants who completed a Single or Transition-Aged-Youth (TAY) VI-SPDAT, the score range for consideration for a PSH referral is 8-17. For the Family VI-SPDAT, it is 9-22.

RRH & TH: Smart Path prioritizes participants with the highest VI-SPDAT score within the Rapid Rehousing range for referral to RRH and TH project openings. For participants who completed a Single or Transition-Aged-Youth (TAY) VI-SPDAT, the score range for consideration for a RRH referral is 4-7. For the Family VI-SPDAT, it is 4-8. As noted above, higher scoring individuals and families may be referred to a RRH and/or Transitional housing program.

Lower Priority: Participants identified as having low VI-SPDAT scores of 0-3 (and who therefore are placed lower on the community's prioritization list) may be able to resolve their homelessness with limited assistance. Smart Path participating agencies connect these participants to services such as diversion assistance, deposit assistance, eviction prevention assistance, mainstream benefits, or other community services as applicable. The lower scoring individuals and households will be offered diversion services in an effort to help them self-resolve their housing crisis.

3. Coordination of Regional Needs

Our process for identifying our share of regional need builds upon a long history of County and Homeless Action Partnership (HAP) collaboration on addressing homelessness in Santa Cruz County. This includes extensive coordination on regional needs and priorities for the CoC Program, Emergency Solutions Grants (ESG) program, and the local CORE funding process that unites the County and Cities around homelessness funding to implement *All In* (among other strategic community plan areas).

More recently, the process for identifying and sharing regional HHAP need builds on our extensive collaborative process to identify similar funding priorities and needs for Homeless Emergency Aid Program (HEAP) and California Emergency Solutions and Housing (CESH) program. This was a very extensive process that included representatives of homeless service providers, homeless youth programs, law enforcement, behavioral health, County and City officials, and adults and youth experiencing homelessness, among many other stakeholders. Key steps in this process were:

- HAP Meetings: Briefings and Conversation on HEAP & CESH – 6/27/18, 8/15/18, 10/12/18, 10/17/18, & 12/19/18
- Youth Homelessness Demonstration Program (YHDP): Prioritizing for HEAP Youth Set Aside – 7/17/18, 8/14/18, 9/4/18, 9/25/18, 10/16/18, & 11/20/18
- HAP Priorities Refresh Process – Survey (96 responses) & 9/21/18 Priorities Workshop (60+ attendees)
- CESH Countywide Stakeholder Input Meeting- 10/9/18 (30 attendees)
- HEAP Jurisdictional Stakeholder Input Meetings –11/27/17 County (35 attendees), 11/28/18 Watsonville (20 attendees), & 12/3/18 Santa Cruz (39 attendees)
- Elected Officials Meetings – ongoing briefings by staff of County and City elected officials
- Final Approval of CESH Recommendations: 10/12/18 HAP Board/Executive Committee
- Final Approval of HEAP Recommendations: 12/10/18 HAP Board/Executive Committee.
- Final Approval of HEAP/CESH RFP: 1/15/19 HAP Board/Executive Committee.

Not long after the completion of the local HEAP RFP and awards process, the County and HAP began a process of assessing how to evaluate, align and improve the countywide response to the crisis of homelessness. In doing so, we retained Focus Strategies is a nationally recognized consulting firm specializing in helping communities develop solutions to homelessness using a “systems thinking” approach. Among other activities, Focus Strategies has helped us to engage a broad range of region-wide stakeholders to develop new priorities and an Action Plan for a new crisis response system. While the Action Plan is not yet complete, consensus critical new program and funding priorities has started to emerge from the process, including:

- Implement or expand low-barrier, housing-focused service models within existing emergency shelter, navigation center, and emergency service programs
- Implement a system wide problem-solving/diversion program
- Increase the effectiveness of the coordinated entry system (CES) by including diversion as a system component and using inventory-informed prioritization
- Improve existing outreach and engagement programs by better integrating their activities, equipping them with tools and training for housing-focused problems solving and diversion.

With the release of the State’s HHAP notice of funding available (NOFA), the HAP and County took a number of additional steps engage stakeholders, coordinate their activities, and determine their respective shares of the regional need. These steps included:

- Homeless Action Partnership membership meetings: Briefing the membership (average 25 people per meeting) and engaging them around HHAP funding priorities and needs – 6/26/19, 8/28/19, 12/18/19
- HHAP stakeholder survey: Sent out a survey asking for input from 220 stakeholders throughout the county. More than 80 responses were received representing all key stakeholder groups and every geographic sector of the County.
- Joint HAP Board and Executive Committee meetings: Convened these two bodies jointly (15

people) as a forum to ensure County – CoC coordination, to review the survey results and recommendations emerging from the Focus Strategies process, and to identify the County’s and CoC’s respective shares of the regional need – 1/22/20, 1/28/20, 2/5/20.

As shown in the regional share table below, most of the HAP’s HHAP allocation is proposed for the Operating Subsidies category for shelter, while most of the County’s allocation is proposed for the New Navigation Centers and Emergency Shelters category. This coordination of the funds allows the County flexibility to meet pressing capital expenditure needs for emergency-type programs, and it ensures that the CoC funds will be available for critical unmet operational costs also for emergency-type programs. In addition, funds from both the County and CoC allocations are proposed in equal proportions for the Shelter Diversion and Outreach categories, signaling the goal of starting these important programs as part of system improvements with the idea of further developing and building them out with other funding sources. Finally, 8% of both allocations are proposed equally for homeless youth activities to meet funding gaps in that key area.

Regional Share of HHAP: County and CoC

HHAP Category	County Percentage	County Dollar Share	CoC Percentage	CoC Dollar Share
Rental Assistance and Rapid Rehousing	2.1%	\$50,000.00	2.0%	\$50,000.00
Operating Subsidies and Reserves in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. May include operating reserves.	2.1%	\$50,000.00	74.0%	\$1,887,971.00
Outreach and Coordination (including employment) to access permanent housing stability in supportive housing	5.0%	\$118,246.00	5.0%	\$127,637.00
Prevention and Shelter Diversion to Permanent Housing	5.0%	\$118,246.00	5.0%	\$127,637.00
New Navigation Centers and Emergency Shelters Demonstrated need for new navigation centers and emergency shelters	75.8%	\$1,791,945.00	4.0%	\$104,218.00
Strategic Homelessness; Planning/Infrastructure Development CES or HMIS	5.0%	\$118,246.00	5.0%	\$127,637.00
Administrative	5.0%	\$118,245.51	5.0%	\$127,637.00
Total	100%	\$2,364,928.51	100%	\$2,552,737.00
<i>Youth Set-Aside</i>	<i>8.0%</i>	<i>\$189,195.00</i>	<i>8.0%</i>	<i>\$204,219.00</i>

Thus, with lessons learned during HEAP and CESH processes, new system-strengthening recommendations arising from the Focus Strategies work, and strong community and service provider sentiment to focus on impact, the County and CoC are coordinating closely to utilize HHAP dollars to stabilize and enhance our local sheltering system with housing-focused services and supports, and to catalyze the construction of a new systems-focused, best practices response to homelessness. Please see our program budgets for specifics details on our respective need shares and amounts.

4. Creating Sustainable, Long Term Housing Solutions

Every the Santa Cruz County community has steadily increased long-term housing resources and opportunities for person experiencing homelessness. According to the latest data reflected in the 2019 Housing Inventory Chart (HIC), we reached a total of 784 long-term homeless beds, including 580 PSH beds and 204 RRH beds. This is a tremendous achievement given the extreme lack of housing available and high cost of rental housing in Santa Cruz County. It could not have been done without the hard work and collaboration of many community members.

Despite this undeniable success, there is clearly much more that needs to be done. The fact that 2,167 persons were experiencing homelessness in the county in late January 2019 and 77.4% of those persons experiencing homelessness were unsheltered according to the national AHAR study, is an unmistakable sign that so far we have fallen short of the long-term housing resources needed. Thus, creating sustainable, long-term housing solutions has been and must remain among the highest priorities.

The blueprint for this activity by both the County and the HAP starts with the *All In* strategic homelessness plan, which makes “Increasing Access to Permanent Housing” one of the top strategic priorities. *All in* was developed collaboratively by the County, the HAP, the United Way of Santa Cruz County, and Smart Solutions to Homelessness (a countywide homelessness advocacy organization). *All in* recognizes that for many persons experiencing homelessness a short-term housing subsidy and stabilizing case management is all that is needed to regain stable housing. For people who are disabled or medically vulnerable and require additional time and supports, permanent supportive housing has proven to be a cost efficient and effective intervention. For the rest who are struggling with high rents and low paying jobs, subsidized, affordable housing will end their homelessness.

Following are some the key strategies the County and HAP have pursued to meet these challenges since All In was adopted in 2015:

1. Expand RRH programs to enable more households to quickly escape shelter and return to housing. Blend funding from varied sources to meet the scale of need.
 - a. Since 2015, RRH beds have increased from 143 to 204. Key funding sources have included:
 - i. County: CalWorks Housing Program, BFH, HOME Program, General Funds
 - ii. HAP: CoC, SSVF, ESG
 - iii. County & HAP: HEAP, CESH.
2. Create more PSH, combining varied funding to expand the supply of permanent supportive housing, including development, master leasing, and scattered sites; work with local jurisdictions to address relevant land use issues. Consider innovative leasing and purchase approaches.
 - a. Since 2015, PSH beds have increased from 429 to 580. Key funding sources have included:
 - i. County: MHSA, WPC, General Funds, HOME, CDBG, Measure J, Redevelopment successor agency funds
 - ii. HAP: CoC, HUD-VASH, Section 8 limited preference, Section 8 mod rehab, YHDP
 - iii. County & HAP: HEAP, CESH, NPLH, Housing for a Healthy CA.

3. Through coordinated entry, prioritize access to rapid rehousing and permanent supportive housing based on severity of need.
 - a. Since 2015, this has been implemented jointly by the County and HAP:
 - i. VI-SPDAT severity score for PSH: 8-17
 - ii. VI-SPDAT severity score for RRH: 4-8
 - iii. In 2019, 81 households were enrolled in housing using CES.

4. Widely adopt a Housing First approach, providing low barrier access to units and delivering services to stabilize housing.
 - a. Since 2015, this has been implemented widely by the County and HAP:
 - i. County Programs requiring Housing First: MHSA, WPC
 - ii. HAP Programs requiring Housing First: CoC, HUD-VASH, Section 8 limited preference, Section 8 mod rehab, SSVF, ESG, YHDP
 - iii. County & HAP Programs requiring Housing First: HEAP, CESH, NPLH, Housing for a Healthy CA.

5. Create 60 new “limited local preferences” per year for persons experiencing homelessness on the Housing Choice waiting list.
 - a. Since 2015, this has been exceeded:
 - i. HAP: 120 limited preference slot for disabled and medically vulnerable homeless persons have been created, 105 of which have been utilized.

6. Consider converting existing transitional housing programs to permanent supportive housing.
 - a. Since 2015, this has been largely accomplished:
 - i. HAP: 118 transitional housing beds have been converted to PSH or RRH.

7. Encourage agencies and collaboratives to apply for all possible funds (e.g., CoC bonus funds) available for new housing.
 - a. The following funding sources were first applied for and used after 2015:
 - i. County: WPC, Redevelopment successor agency funds
 - ii. HAP: CoC, Section 8 limited preference, YHDP
 - iii. County & HAP: HEAP, CESH, NPLH, Housing for a Healthy CA.

8. Develop a landlord outreach and incentive program to recruit new housing partners and increase usage of housing subsidies.
 - a. Since 2015, this has been accomplished:
 - i. CoC: *All In* Landlord Partnership established; Housing Authority reimburse landlords up to \$2,500 for costs that include damages, missing rent, vacancies, and legal fees for amounts beyond the security deposit

9. Participate in national and state advocacy for more funds (e.g., CoC program, state bonds, redevelopment successor funding).
 - a. Since 2015, the County has participated in successful federal and state advocacy efforts for more funds as follows:
 - i. County: WPC, Redevelopment successor agency funds, HEAP, CESH, NPLH, Housing for a Healthy CA

10. Explore innovative housing models, such as “tiny houses” and relaxed second-unit rules
 - a. Since 2015, the County has adopted the following policy:
 - i. County: “In order to meet the need for long-term rental housing options, revise land use regulations to encourage accessory dwelling units (ADUs), and tiny ADUs (dwelling units less than 250 square feet) through modifications to existing standards.... “

11. Consider modifications to existing density bonus programs that may work in Santa Cruz County.
 - a. Since 2015, the County has adopted the following policy:
 - i. County: “Implement the State’s Density Bonus Program for projects providing additional affordable units through compliance with Chapter 17.12 of the County Code”

12. Support community efforts to preserve and develop site-based affordable housing opportunities, including for workers, seniors, and disabled persons; encourage income targeting to extremely low-income persons at risk of homelessness.
 - a. Since 2015, the County has adopted the following policy – “Explore options for increasing the supply of permanent, affordable, and accessible housing for people with disabilities, including:
 - i. Encouraging housing projects sponsored by the County to maintain separate waiting lists for accessible units ensuring they are offered first to people who need units adapted for use by people with physical disabilities;
 - ii. Encouraging housing developers, including developers of affordable housing projects, to build units that meet the needs of physically disabled households; and
 - iii. Encourage developers to partnering with the Housing Action Partnership to explore potential funding to target rental subsidies to extremely low income households.”

3. Resources Addressing Homelessness

A. Existing Programs and Resources

Following are the HAP-specific funding sources, including program name and dollar amount, divided by federal, state, and local funding sources. Although the County and HAP work hand-in-hand, we have made an effort here to identify only those programs that are primarily overseen by the HAP. County sources are considerably more complex and are dealt with separately in an attachment to the County application narrative.

Homeless Action Partnership Homelessness Funding Sources and Uses

Annual Amount 2018 - 2019	Source	Uses
<i>Federal Sources-</i>		
\$2,629,841	CoC	PSH, RRH, CES, HMIS, CoC planning
\$1,100,000	YHDP	Youth outreach, services, drop-in center, RRH, PSH, Youth CES, host homes
\$168,448	ESG	RRH and Emergency shelter
\$1,005,000 estimated	Section 8 Vouchers preferences	PSH

\$183,300 estimated	Section 8 – SRO Mod Rehab	PSH SRO
\$3,804,049 estimated	HUD-VASH	Vets PSH
\$1,500,000 estimated	SSVF	Vets RRH and Prevention
State Sources-		
\$4,835,740	HEAP	Emergency facility capital costs, emergency sheltering and navigation operations, hygiene, youth drop in center, youth host homes, landlord bonus, RRH, prevention, systems support for CoC, CES, and HMIS
\$444,712	CESH	Prevention, RRH, emergency sheltering and navigation operations, landlord bonus, systems support for CoC, CES, and HMIS
Local Sources-		
\$263,725	County Santa Cruz General Funds	HAP consultant, CoC application, PIT count, HMIS share, winter shelter
\$155,254	City Santa Cruz General Funds	HAP consultant, CoC application, PIT count, HMIS share, winter shelter
\$28,665	Watsonville General Funds	HAP consultant, CoC application, PIT count, HMIS share, winter shelter
\$30,772	Scotts Valley General Funds	HAP consultant, CoC application, PIT count, HMIS share, winter shelter
\$30,772	Capitola General Funds	HAP consultant, CoC application, PIT count, HMIS share, winter shelter
\$16,180,278	TOTAL	

HAP resources are closely integrated and coordinated with County funding in a number of ways. For example, many of the above funding sources are matched by other County funding in order to increase the impact of the program by adding key services needed by the participants, increasing the number of participants served, and/or increasing the number of beds and units provided. Some of the HAP sources fill gaps in funding that are not filled by the County. For example, the YHDP funds and the HUD-VASH and SSVF funds fill gaps in County funding for Youth and Veteran programming, respectively. Also, HAP and County funds are often integrated in particular projects with HAP funds often providing the housing component and County funds often providing the services component.

Despite the great progress in recent years, there are still not enough:

- Prevention and diversion services to divert people from homelessness in the first place;
- Housing options (including rapid rehousing, permanent supportive housing, and affordable housing) to end people’s homelessness; and
- Supportive services to help people cope with the personal, family, economic, and health challenges often interlinked with homelessness.

With the recent growth in street homelessness, there remains a critical need to fill gaps in funding for immediate emergency services, such as shelter, hygiene services, support for encampment dweller, parking programs and more. Despite the influx of significant HEAP and CESH funds, many of these

programs are already running out of funds and will close unless new funding is provided. And, there is an equally critics gap in funds to build new buildings or repair existing building for emergency programs.

Moreover, the HAP and County must redouble their efforts to transform existing system in to a true crisis response model, by better coordinating services and by shifting valuable resources where possible from costly temporary solutions (while still meeting pressing needs for emergency assistance) to more cost-effective permanent solutions (such as permanent supportive housing). Finally, mainstream systems for serving low-income populations, the private sector, and community at large can and should do more to support preventing, reducing, and eventually ending homelessness.

A. HHAP Funding Plans

As made clear in the attached budget plan, the bulk of the HAP funds will be used to fill the critical gaps in funding for immediate emergency services, such as shelter, hygiene services, support for encampment dweller, parking programs; strengthen our emergency response capacity with a new diversion program and improved outreach program; improve our HMIS and CES infrastructure; and expand our YHDP-funded programming. These uses of the funds complement other funding sources because they do in fact fill key gaps for which there are simply not other funding sources. Also, these uses of the funds complement the County's uses of HHAP funds with the County shouldering the emergency capital development costs, the HAP shouldering the emergency operational costs, and the County and HAP funding the other program areas in equal proportion.

Our community is highly committed to Housing First, and requires Housing First compliance in a number of ways. The CoC's written program standards requires Housing First compliance for all HAP-funded programs, funding applications ask questions on Housing First plans, Housing First compliance is a competitive application factor, and CoC and County funding contracts require Housing First compliance.

Likewise, all HHAP projects will be required to will align and comply with the core components of Housing First as defined in Welfare and Institutions Code § 8255(b) in the following ways. Project applicants will be scored on their Housing First plans and funding recipients will be required to comply as a condition of their contracts and will be monitored for Housing First fidelity.

4. Partners Addressing Homelessness

A. Collaborating Partner Efforts

As mentioned earlier, the County and HAP have a long history of engagement with community partners to design and implement effective strategies and programs for preventing and eventually ending homelessness in Santa Cruz County. Recently this has included extensive outreach and engagement of a broad range of stakeholder groups to set priorities for and select projects for the CoC, ESG, YHDP, HEAP, and CESH programs. Similarly, we have engaged a broad range of stakeholder groups in the Focus Strategies-facilitated process to develop priorities and plans for a new crisis response system.

With the release of the State's HHAP NOFA, the HAP and County took a number of additional steps engage stakeholders. For example, several HAP meetings engaged the full spectrum of HAP members, including representatives of each of the following HAP membership categories:

Category	Category
Nonprofit homeless service providers	Social service providers
Victim service providers	Mental health agencies
Faith-based organizations	Hospitals
Government (staff representatives): City of Watsonville City of Santa Cruz City of Scotts Valley City of Capitola County of Santa Cruz Human Services Department County of Santa Cruz Health Services Agency County of Santa Cruz Planning Department	Universities/Research
Businesses	Affordable housing developers
Advocates	Law enforcement
Public housing agencies	Organizations that serve homeless or formerly veterans
School districts	Homeless and formerly homeless persons/Interested citizens

In addition, the County and HAP engaged stakeholders by sending out a survey asking for input from 220 stakeholders throughout the county. We were very pleased to receive more than 80 responses, including representatives of each of the stakeholder groups listed in the HHAP Program Guidance as follows:

HHAP Stakeholder Survey Responses

HHAP Program Guidance Stakeholder Category	# of Persons Who Responded to the Survey (some answered more than 1 category)
Homeless service provider	38
Homeless youth program	12
Law enforcement	1
Behavioral health	10
County welfare department	5
City or County public official	6
Educator	6
Workforce development	3
Community clinic	3
Health care provider	3
Public housing authority	1
Lived Experience of Homelessness	4
Other (please specify)	18

Santa Cruz County is a highly engaged community on the issue homelessness. The only barrier to

partnering is that people lack sufficient time to engage in all of the community efforts on homelessness currently underway not only with the County and HAP, but also with the Cities of Santa Cruz and Watsonville.

While the County and City have jointly determined the priority areas and amounts for HHAP funding, we have not yet selected partner agencies to implement programs. Through joint meetings of the HAP Board and Executive Committee, we have started a discussion around how to carry out the most effective possible process for selecting new and existing partners to carry out HHAP-funded project and maximize success in meeting the program’s objectives.

Although this discussion is just in its early stage, we do anticipate that the County and HAP will collaborate on one or more solicitations or RFPs designed to be open, fair, and objective, while building upon the lessons we learned in our RFP process for HEAP and CESH programs. Because of County procurement rules around capital projects, it may need a separate bidding process for new development of facilities for Navigation Centers and Emergency Shelters.

Overall, the County and HAP are excited to begin this process and to identify the partner agencies and projects to carry out this important work.

5. Solutions to Address Homelessness

In the table below are the County and HAP’s relevant measureable goals for HHAP funding in alignment with strategic plan (All In) submitted with our CESH application. HHAP funding will impact must of the CESH strategic plan goal areas, but especially Transforming the Crisis Response System, Integrating Systems and Community Support, and Initiating a Response to Youth and Young Adult Homelessness.

Solutions to Address Homelessness: How County and HAP HHAP Funds will Help Meet CESH Measurable Strategic Plan Goals

CESH Strategic Plan Area	CESH Strategic Plan Goal	HHP Funding Objective to Impact Goal	County and/or HAP?	HHAP # of Homeless Persons to be Served	HHAP # of Homeless Persons Exiting to PH	Other HHAP Measurable Results
Transforming the Crisis Response System	Increase the capacity of coordinated entry access to housing and services for all populations.	Increase the effectiveness of the coordinated entry system (CES) by including diversion as a system component and using inventory-informed prioritization	County & HAP	1000	350	N/A
	Add a countywide diversion resources to reduce the number of	Implement a system wide problem-solving/diversion program	County & HAP	50	40	New program model in place

	households falling into homelessness.					
	Interim housing returned to its original emergency purpose.	Implement or expand low-barrier, housing-focused service models within existing emergency shelter, navigation center, and emergency service programs	HAP	500	200	No more than 20% who exit to PH return to homelessness
		Purchase and/or build new facilities to provide stable, permanent sites for existing emergency shelter, navigation center, and emergency service programs	County	N/A	N/A	One to 2 new emergency facilities in place, or existing facility improved
Integrating Systems and Community Support	People experiencing homelessness receive the mainstream services needed and become and remain stably housed.	Improve existing outreach and engagement programs by better integrating their activities, equipping them with tools and training for housing-focused problems solving and diversion.	County & HAP	50	20	Average length of time homeless reduced
	Community perception of safety is improved.	N/A	N/A	N/A	N/A	N/A
Ending Chronic and Other Adult Homelessness	End chronic homelessness by 2020, while reducing homelessness among seniors and other adults.	N/A – Included in responses above and also handling with non-HHAP resources	N/A	N/A	N/A	N/A
Ending Family Homelessness	Family homelessness is ended by 2020. Fewer at risk families fall into homelessness.	N/A – Included in responses above and also handling with non-HHAP resources	N/A	N/A	N/A	N/A
Addressing Needs in South	Ensure that the benefits of a	N/A – Included in responses above	N/A	N/A	N/A	N/A

County	comprehensive, culturally competent homeless assistance system fully extend to traditionally underserved communities in the Pajaro Valley.	and also handling with non-HHAP resources				
Initiating a Response to Youth and Young Adult Homelessness	Initiate a comprehensive, developmentally appropriate system of services for unaccompanied youth and young adults, ages 14-24, including youth formerly in foster care.	Expand the capacity of YHDP Initiative to engage youth and help succeed with housing and other personal goals.	County and HAP	50	40	N/A

In sum, we are very pleased to be partnering with the State, the HAP, and our community as we plan and implement HHAP-funded programs using best practice strategies toward preventing and eventually ending homelessness in Santa Cruz County.

Thank you very much for your support. If you have any questions or need any further information, please do not hesitate to let us know.

Attachment:
Addendum on Demonstrated Need Data for New Navigation Centers and Emergency Shelters

SANTA CRUZ COUNTY
Demonstrated Need Data Required for New Navigation Centers and/or Emergency Shelters

Santa Cruz County respectfully requests permission to use a portion of our HHAP allocation for new development of Navigation Centers and a portion for new capital improvements to existing Emergency Shelter facilities, both very high priorities identified through our HHAP community stakeholder process. Santa Cruz County has a very high need for new Navigation Centers and improved Emergency Shelters as demonstrated by the data below.

Number of Shelter Beds Available vs. Overall Homelessness and Unsheltered Homeless

The most recent homelessness data, indicated that Santa Cruz County had 2,167 homeless persons (see attached 2019 PIT data), yet the most recent shelter bed inventory showed the County had only **279** year-round emergency beds and **160** winter-only emergency beds (see attached 2019 HIC data). This large gap between the HIC and PIT numbers clearly indicates a high and unmet need for new Navigation Centers and Emergency Shelters in Santa Cruz County.

The need for new Navigation Centers and improved Emergency Shelters is dramatically emphasized by the extraordinarily high rate of unsheltered homelessness in Santa Cruz County. The 2019 PIT found that 1,700 persons were completely unsheltered, which amounts to a full 78.4% of the overall homeless count. In fact, according to HUD's 2019 AHAR report to Congress Santa Cruz County had the 4th highest rate of unsheltered homelessness among largely suburban CoCs in the country (see attached 2019 AHAR data). We need additional Navigation Centers and Emergency Shelter capacity to address the level of need of people living outside.

Shelter Vacancy Rate in the Summer & Winter Months

Recent HMIS data (for the period 1/1/2019 to 12/31/2019) also strongly support the conclusion that new Navigation Centers and improved Emergency Shelters are critically needed. The attached three shelter utilization reports for this period are summarized below:

- Average Utilization per Month for All Shelters in 2019 Report - indicates that bed utilization was well above 100% for every month in 2019, which means there were no vacancies.
 - *Winter* utilization rates varied by month from **126.13%** to **160.41%**
 - *Summer* rates varied by month from **126.30%** to **167.69%**.
- Average Utilization per Month for by Shelter Program in 2019 Report – indicates some variation in shelter utilization rates between programs. **Many were well above 100%** for each month, including in Winter or Summer. The only programs that were consistently below 100% were the *family shelter* programs and a small faith rotating shelter program. We count family beds at the maximum possible number per family unit, yet family sizes vary leading to an under-representation of shelter utilization. For example, the Rebele Family shelter has 28 family units capable of sheltering 96 persons at full capacity. However, at times the shelter may have 28 units occupied, but due to family size, only 60 to 75 persons total.
- Average Emergency Shelter Utilization Excluding Providers Not Accurately Track Bednights in 2019 Report – we have found that several large high-turnover programs with extremely high utilization rates – above 200% or 300% – were not accurately tracking bed nights. Even when EXCLUDING these providers (Salvation Army - North County Shelter, Watsonville Shelter, and Watsonville Navigation Shelter) the shelter utilization rates were still very high.
 - *Winter* utilization rates varied by month from **96.28%** to **101.68%**
 - *Summer* rates varied by month from **94.23%** to **99.49%**.

In sum, emergency shelter utilization rates are very high, and shelter vacancy rates are very low. New Navigation Centers and improved Emergency Shelters are sorely needed to meet the high demand for shelter among the many unsheltered homeless persons in Santa Cruz County.

Percentage of Exits From Emergency Shelter to Permanent Housing Solutions

The attached Annual Performance Report Covering All Emergency Shelters is for the period from 1/1/2019 to 12/31/2019. *Question 23c on Exit Destinations* for persons leaving shelter indicates that:

- **18.86%** of *ALL* shelter leavers (216 of 1,169 total leavers) moved to a permanent housing destination
- **13.03%** of *individual adult* shelter leavers (113 of 894 total leavers) moved to a permanent housing destination
- **45.91%** of *family* shelter leavers (101 of 224 total leavers) moved to a permanent housing destination.

A key purpose of new Navigation Centers and improved Emergency Shelters will be to help shift our emergency shelter system one that helps end homelessness by focusing on rapid exits to housing.

Plan to Connect Residents to Permanent Housing

Our plan to connect more residents to permanent housing includes the following steps:

1. Use our Smart Path coordinated entry system (CES) to assess residents of the new Navigation Centers and improved Emergency Shelters and refer them as quickly as possible to the most appropriate housing intervention as quickly as possible
2. Deploy new diversion resources to address housing crises immediately and divert people from having to enter the new Navigation Centers and improved Emergency Shelters.
3. Connect residents with Housing Navigators and housing resources and assist them from day 1 to move to housing, through setting budgets, cleaning up credit, finding available units, navigating subsidy systems, visiting units and negotiating with landlords, securing dollars needed for security deposit and move-in costs, and making a successful the move to the new unit
4. Set challenging performance targets, including:
 - a. Increasing permanent housing placements rates
 - b. Increasing permanent housing retention rates
 - c. Decreasing length of stay in emergency program rate
 - d. Decreasing rates of returns to homelessness.

Thus, new Navigation Center and improved Emergency Shelters will be key lynchpins in our efforts to transform our homelessness crisis response system into one that more successful at ending homelessness and moving persons from unsheltered to permanently housed as quickly as possible.

Thank you very much for your consideration of this request. Please let us know if you need any further information.

Attachments



**HOMELESS HOUSING, ASSISTANCE AND PREVENTION PROGRAM (HHAP)
ANNUAL BUDGET TEMPLATE**

APPLICANT INFORMATION

CoC / Large City / County Name:	Watsonville/Santa Cruz City & County CoC	Receiving Redirected Funds? Y/N	
Administrative Entity Name:	County of Santa Cruz CAO	Total Redirected Funding	\$ -

HHAP FUNDING EXPENDITURE PLAN*

ELIGIBLE USE CATEGORY	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL
Rental Assistance and Rapid Rehousing	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00
Operating Subsidies and Reserves	\$ 1,887,971.00	\$ -	\$ -	\$ -	\$ -	\$ 1,887,971.00
Landlord Incentives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outreach and Coordination (including employment)	\$ 127,637.00	\$ -	\$ -	\$ -	\$ -	\$ 127,637.00
Systems Support to Create Regional Partnerships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Delivery of Permanent Housing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prevention and Shelter Diversion to Permanent Housing	\$ 127,637.00	\$ -	\$ -	\$ -	\$ -	\$ 127,637.00
New Navigation Centers and Emergency Shelters	\$ 104,218.00	\$ -	\$ -	\$ -	\$ -	\$ 104,218.00
Strategic Homelessness Planning, Infrastructure Development, CES, and HMIS (up to 5%)	\$ 127,637.00	\$ -	\$ -	\$ -	\$ -	\$ 127,637.00
Administrative (up to 7%)	\$ 127,637.00	\$ -	\$ -	\$ -	\$ -	\$ 127,637.00
						\$ 2,552,737.00
						TOTAL FUNDING ALLOCATION
	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	TOTAL
Youth Set-Aside (at least 8%)	\$ 204,219.00	\$ -	\$ -	\$ -	\$ -	\$ 204,219.00

*Narrative should reflect details of HHAP funding plan

COMMENTS:

FINAL



COUNTY OF SANTA CRUZ

COUNTY ADMINISTRATIVE OFFICE

701 OCEAN STREET, 5TH FLOOR, SANTA CRUZ, CA 95060
(831) 454-2100 FAX: (831) 454-3420 TDD: (831) 454-2123
CARLOS J. PALACIOS, COUNTY ADMINISTRATIVE OFFICER

February 10, 2020

Secretary Alexis Podesta
Homeless Housing, Assistance and Prevention Program
California Homeless Coordinating and Financing Council
State of California Business, Consumer Services and Housing Agency
915 Capitol Mall, Suite 350-A
Sacramento, CA 95814

Re: Letter of Support for Watsonville/Santa Cruz City & County CoC HHAP Application

Dear Secretary Podesta:

It is with great pleasure that the County of Santa Cruz submits this letter of support for the application of the Watsonville/Santa Cruz City & County Continuum of Care (CoC), CA-508, for State of California Homeless Housing, Assistance and Prevention (HHAP) funds. The Homeless Action Partnership (HAP) Board is the governing body our CoC. The County Administrative Office (CAO) serves as the CoC Collaborative Applicant and HHAP Administrative Entity for both the CoC and County. The County has long worked closely with the HAP in carrying out a coordinated strategy for addressing homelessness involving County departments, each City, nonprofit agencies, people who are homeless or formerly homeless, and the community at large.

The County hereby acknowledges that we have reviewed and agree with how the HAP CoC intends to spend its HHAP funds, and that the HAP CoC's spending plan accurately addresses their share of the regional need to address homelessness. The County supports and endorses the HAP CoC's plan to fund operations of existing emergency programs, prevention and shelter diversion, outreach and engagement, coordinated entry system (CES) and homelessness management information system (HMIS) infrastructure, and youth programs.

Also, the County hereby agrees to hold regular meetings with the HAP CoC to jointly plan for and evaluate HHAP spending and projects. This includes coordinated efforts, already underway, to engage stakeholders to help identify needs and priorities, and to design and carry out a process for soliciting applications and distributing HHAP funds. It also includes ongoing collaboration with the HAP CoC to align HHAP funding with the existing programs and initiatives of the County; HAP membership; HAP Board and HAP Executive Committee; and working groups for CES, HMIS, system restructuring, and Youth Homelessness Demonstration Program (YHDP).

We are very pleased to continue our partnership with the HAP CoC and look forward to collaborating on planning and evaluating effective HHAP-funded programs.

Sincerely,

Elissa Benson
Assistant County Administrative Officer
Lead Staff for County HHAP Administrative Entity