



Legislation Text

File #: 21-1407, **Version:** 1

Health and Human Services Agency (HHSA) recommending the Board, acting as the governing body for the Public Housing Authority,:

1) Award Request for Proposals (RFP) 21-918-009, to the successful and sole proposer, Mercy Housing California, to provide dedicated permanent housing units for veterans of the United States Armed Forces transitioning out of homelessness; and

2) Authorize HHSA to negotiate two agreements for Project Based Veterans Affairs Supportive Housing (VASH) Vouchers awarded through this RFP:

A) An "Agreement to Enter into a Housing Assistance Payment" contract for five (5) new construction units subsidized by VASH, consistent with US Department of Housing and Urban Development requirements; and

B) A "Housing Assistance Payment" contract for the five (5) new construction units subsidized by VASH, contingent upon completion of the contracted units and acceptance of the Public Housing Authority of the units, indicating the units have been completed in accordance with the agreement and all evidence of completion has been submitted.

FUNDING: US Department of Housing and Urban Development provides funding for housing vouchers through multiple programs including Veterans Affairs Supportive Housing (VASH) Vouchers. The Vouchers act as subsidies for rent costs, supplementing the difference between a qualifying individual's income and established fair market rents for the units.

DISCUSSION / BACKGROUND:

In 2019, in accordance with the US Department of Housing and Urban Development (HUD) Registration of Interest for HUD-VASH Vouchers process, the El Dorado County Public Housing Authority (PHA) responded with an email and Veterans Affairs (VA) Letter of Support. The PHA was subsequently invited to apply for up to twenty-five (25) VASH Vouchers. On November 20, 2019, the PHA submitted an application for twenty-five (25) VASH Vouchers.

For Fiscal Year 2020-21, the PHA was awarded twenty-five (25) VASH Vouchers, ten (10) of which would be "Project Based" to serve veterans of the United States Armed Forces transitioning out of homelessness.

On April 29, 2021, the County Procurement and Contract's Division released a Request for Proposals (RFP) on behalf of the PHA, consistent with HUD requirements for a competitive selection of qualifying projects to receive the Project Based VASH Vouchers award by HUD. The RFP contained sample agreements of both the HAP and AHAP contracts (Attachment "Q" to RFP #21-918-009) that were previously approved by County Counsel, prior to the release of the RFP. For new construction or rehabilitation units HUD requires first an Agreement to Entering into a Housing Assistant Payments Contract (AHAP), and once the units are completed the project enters into a Housing Assistance Payment Contract (HAP).

As a result of the RFP, the County received a single proposal from Mercy Housing of California, proposing five (5) units that were determined to qualify for the project. These units will exist as part

of new construction of affordable housing units, which is still in the planning phase of the project. Once the RFP award is approved by the Board, staff will negotiate the agreement with Mercy Housing California, and bring it back to the Board for approval.

ALTERNATIVES:

Should the Board decline to award the RFP, the County would have five VASH Vouchers awarded by HUD that would not be Project Based to the affordable housing project in development by Mercy Housing California. This would thereby not create five permanent housing units dedicated to homeless veterans.

PRIOR BOARD ACTION:

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

County Counsel, Risk Management, Procurement and Contracts

CAO RECOMMENDATION:

Approve as recommended.

FINANCIAL IMPACT:

There is no Net County Cost associated with this Agenda item. The administrative funding HHSA receives from HUD is based in part on the utilization rate of vouchers. Should the County not use the vouchers available, the lack of utilization could adversely impact the administrative funding for this program.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT:

Healthy Communities

CONTACT

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