



Legislation Text

File #: 14-1295, **Version:** 1

Health and Human Services Agency, Mental Health Division, recommending the Board consider the following:

- 1) Approve and authorize the Purchasing Agent to sign Non-Financial Memorandum of Understanding 123-M1510 with SLT Pacific Associates and Cambridge Real Estate Services, doing business as Cambridge RES, Inc., to outline the roles and responsibilities of the parties in coordinating resources and efforts to provide permanent supportive affordable housing to Mental Health Services Act eligible individuals at the property commonly referred to as The Aspens at South Lake, located at 3521 Pioneer Trail, South Lake Tahoe, California. This Memorandum of Understanding has a term that is effective upon execution and remains in effect until the conclusion of the permanent loan between the Project Sponsor/Developer and the California Housing Finance Agency unless sooner terminated or extended, in whole or in part, to ensure that this Agreement is in effect throughout the life of the aforementioned permanent loan; and
- 2) Authorize the Purchasing Agent, or their designee, to execute further documents relating to Memorandum of Understanding 123-M1510, including amendments and contingent upon approval by County Counsel and Risk Management.

FUNDING: None. This is a Non-Financial Memorandum of Understanding.

Fiscal Impact/Change to Net County Cost

There is no Net County Cost associated with this non-financial Memorandum of Understanding.

Background

The Mental Health Services Act (MHSA) addresses a broad continuum of mental health services and supports for eligible residents of California. One program, the Community Services and Supports Housing Program, designates funds to finance capital costs and operating subsidies for the development of permanent supportive housing for individuals with serious mental illness who are homeless or are at risk of homelessness.

On June 22, 2010, the Board authorized assignment of MHSA funds specific to the Community Services and Supports Housing Program to California Housing and Finance Agency (CalHFA) via File ID 10-0479. These funds were to be held in an interest bearing account to be accessed by the County at a future date for project(s) to provide capital outlay for development, operating subsidies and administrative fees for housing for consumers of mental health services. On December 14, 2010, the Board approved use of a portion of those funds for supportive housing on the West Slope in collaboration with Mercy Housing California, via File ID 10-1267.

On January 15, 2013, via file number 12-1576, the Board approved access to the remaining funds through CalHFA for an affordable housing development known as "The Aspens at South Lake" (The Aspens) in collaboration with Pacific West Communities, Inc. The Aspens opened in December 2013, and is located in South Lake Tahoe at 3521 Pioneer Trail (near the intersection of Ski Run Boulevard). The development includes 18 one-bedroom, 14 two-bedroom, and 16 three-bedroom units in seven individual two- and three-story buildings. Six units are dedicated to households with at

least one individual who is eligible for services under the MHSA Full Service Partnership program and who, prior to moving into The Aspens, were homeless or soon to be homeless.

This Memorandum of Understanding defines the roles and responsibilities of the parties to coordinate resources and actions towards the common goal of enabling persons with severe mental illness to achieve permanent supportive housing and self-sufficiency by promoting the integration of affordable housing and appropriate supportive services.

Reason for Recommendation

Under the requirements for the MHSA Community Services and Supports Housing Program, the program operator (Health and Human Services Agency, Mental Health Division), project sponsor/developer (SLT Pacific Associates) and property manager (Cambridge Real Estate Services, dba Cambridge RES, Inc.) are required to enter into an agreement defining the roles and responsibilities of each party. Once executed, the agreement is forwarded to the State for approval, and will result in the conversion from construction financing to permanent financing.

Clerk of the Board follow-up Actions

The Clerk of the Board to return one (1) Certified Minute Order to HHSA Contracts Unit at 3057 Briw Road.

Contact

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Concurrences

County Counsel and Risk Management