



HEALTH SERVICES AGENCY  
ADMINISTRATION

# COUNTY OF SANTA CRUZ

## HEALTH SERVICES AGENCY

POST OFFICE BOX 962, 1080 EMELINE AVENUE  
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August 4, 1998

AGENDA: August 18, 1998

### BOARD OF SUPERVISORS

Santa Cruz County  
701 Ocean Street  
Santa Cruz, CA 95061

RE: APPLICATION FOR CONTINUUM OF CARE HOMELESS ASSISTANCE FUNDS

Dear Board Members:

The Health Services Agency is requesting approval of the attached application for 1998 Federal Continuum of Care Homeless Assistance funds to provide comprehensive support services for residents of single room occupancy (SRO) dwellings. These services will be provided by HSA's Homeless Persons Health Project (HHPH). The three-year total requested for this project is \$423,341. In order to meet the August 4 application deadline, the HSA funding proposal was submitted subject to your Board's approval

The HPHP/SRO proposal is among six projects included in a consolidated Santa Cruz County application prepared in cooperation with the local Homeless Continuum of Care Coordinating Group, a consortium of local homeless service providers and public agencies. In 1997, the Coordinating Group recommended eight local projects, including the one for HPHP/SRO and a related SRO facilities purchase and renovation project sponsored by Mercy Charities Housing.

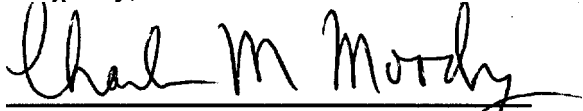
Since only two renewal projects were funded in 1997, the Coordinating Group has recommended that the remaining non-renewal projects be resubmitted this year, with minor changes as needed, in the same priority funding order as last year. Each project has been identified as still meeting a need within our local continuum of homeless services. The HPHP/SRO project will provide comprehensive supportive services to residents of a new SRO facility to be acquired and renovated by Mercy Charities Housing. The HPHP services will include case management, life skills training, alcohol and drug treatment, health and mental health services, employment assistance, and other needed services and resources. A required match of \$29,841 is provided by existing federal Stewart B. McKinney funds supporting the Homeless Persons Health Project.

Unlike the 1997 application, there is no lead applicant or overall fiscal agent for the 1998 funds. Instead, each participating agency is submitting its proposal as a separately administered project within the consolidated Santa Cruz County application. The City of Santa Cruz provided technical assistance with the HUD application process and coordinated the application submission. A complete list of the proposed 1998 projects is attached as Exhibit A. Due to your Board's summer recess, it was not possible to obtain approval before submitting the application.

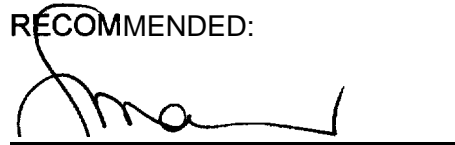
It is therefore RECOMMENDED that your Board:

Approve the 1998 application for \$423,341 in Continuum of Care Homeless Assistance funds for the Homeless Persons Health Project and authorize its submission as part of the consolidated application for Santa Cruz County.

Sincerely,

  
Charles M. Moody, HSA Administrator

RECOMMENDED:



Susan A. Mauriello  
County Administrative Officer

cc: County Administrative Office  
Auditor-Controller  
County Counsel  
HSA Administration

CONTINUUM OF CARE HOMELESS ASSISTANCE  
Summary of 1998 Projects

<u>PROJECT TITLE &amp; PRIORITY</u>	<u>DESCRIPTION</u>	<u>AGENCY</u>
<b>Project 1:</b> Scattered-Site Transitional Housing for Families	Service-enriched transitional housing to families with multiple barriers to permanent housing & self-sufficiency	Families in Transition, co-sponsored with the Housing Authority
<b>Project 2:</b> Beach Street Gardens Transitional Housing	Acquire, rehabilitate & operate a facility in the City of Watsonville with transitional housing & services for families with children.	Pajaro Valley Shelter Services
<b>Project 3:</b> "Above the Line" Comprehensive Program for Homeless Youth	Shelter, service-enriched transitional housing for homeless youth.	Above the Line, Inc.
<b>Project 4:</b> Permanent SRO Housing for Homeless Adults	Purchase & renovate a motel in the City of Santa Cruz to provide SRO housing.	Mercy Charities Housing
<b>Project 5:</b> Integrated Support Project for SRO Residents	Comprehensive support services to residents of the above SRO facility.	Health Services Agency, Homeless Persons Health Project
<b>Project 6:</b> Shared Clean & Sober Transitional Housing for Families	Lease houses to serve as transitional residences for families recovering from substance abuse.	Families in Transition

# Application for Federal Assistance

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OMB Approval # 300-0043

1. Type of Submission: <input type="checkbox"/> Application <input checked="" type="checkbox"/> Preapplication <input type="checkbox"/> Construction <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction <input type="checkbox"/> Non-Construction		2. Date Submitted August 4, 1998	Applicant Identifier
3. Date Received by State		State Application Identifier	
4. Date Received by Federal Agency		Federal Identifier	

5. Applicant Information Legal Name: Santa Cruz County Health Services Agency	Organizational Unit: Homeless Persons Health Project
Address (give city, county, State, and zip code): 739 River Street Santa Cruz, CA 95060	Name, telephone number, and facsimile number of the person to be contacted on involving this application (give area codes): Christine Sippl, Public Health Program Manager (831) 454-2080 FAX Number: (831) 454-2080

6. Employer Identification Number (EIN): 9 4 - 6 0 0 0 5 3 4	7. Type of Applicant: (enter appropriate letter in box) <input checked="" type="checkbox"/> B A. State      H. Independent School Dist 8. County      I. State Controlled Institution of Higher Learning C. Municipal      J. Private University D. Township      K. Indian Tribe E. Interstate      L. Individual F. Intermunicipal      M. Profit Organization G. Special District      N. Non-profit Other (Specify):
3. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es): <input type="checkbox"/> <input type="checkbox"/> A. Increase Award      B. Decrease Award      C. Increase Duration D. Decrease Duration      Other (specify):	9. Name of Federal Agency: U.S. Department of Housing and Urban Development

10. Catalog of Federal Domestic Assistance Number: Title: Supportive Housing Program (SHP)	11. Descriptive Title of Applicant's Project: Pelican Hotel Integrated Support Project Supportive Housing Program Supportive Services only
2. Areas Affected by Project (cities, counties, States, etc.): County of Santa Cruz and cities and unincorporated areas within	Comprehensive and integrated supportive services to former homeless adults residing in proposed project.

3. Proposed Project: Pelican Hotel	14. Congressional Districts of: 15th: Tom Campbell; 17th: Sam Parr
Start Date: Ending Date:	a. Applicant: Both 15th and 17th      b. Project: Both 15th and 17th

5. Estimated Funding: Federal \$ .00 Applicant \$ .00 State \$ .00 Local \$ .00 Other \$ .00 Program Income \$ .00 Total \$ .00	16. Is Application Subject to Review by State Executive Order 12372 Process? a. Yes This preapplication/application was made available to the State Executive Order 12372 Process for review on: Date: b. No <input checked="" type="checkbox"/> Program is not covered by E.O. 12372 or <input type="checkbox"/> Program has not been selected by State for review.
	17. Is the Applicant Delinquent on Any Federal Debt? <input type="checkbox"/> Yes It 'Yes.' explain below or attach an explanation <input checked="" type="checkbox"/> No

a. To the best of my knowledge and belief, all data in this application/preapplication are true and correct. the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.	
Typed Name of Authorized Representative	b. Title
Signature of Authorized Representative	c. Telephone Number
	d. Date Signed

## Applicant Certification

(These certified statements are required by law.)

The Applicant hereby **ensures and** certifies that:

**A. For the Supportive Housing (SHP), Shelter Plus Care (S+C), and Single Room Occupancy (SRO) programs:**

### 1. Fair Housing and Equal Opportunity.

It will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and regulations pursuant thereto (Title 24 CFR Part I), which state that no person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance, and will immediately take any measures necessary to effectuate this agreement. With reference to the real property and structure(s) thereon which are provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer, the transferee, for the period during which the real property and structure(s) are used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

It will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and with implementing regulations at 24 CFR Part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, handicap, familial status or national origin, and administer its programs and activities relating to housing in a manner to affirmatively further fair housing. For Indian tribes, it will comply with the Indian Civil Rights Act (25 U.S.C. 1301 et seq.), instead of Title VI and the Fair Housing Act and their implementing regulations.

It will comply with Executive Order 11063 on Equal Opportunity in Housing and with implementing regulations at 24 CFR Part 107 which prohibit discrimination because of race, color, creed, sex or national origin in housing and related facilities provided with Federal financial assistance.

It will comply with Executive Order 11246 and all regulations pursuant thereto (41 CFR Chapter 60-1), which state that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal contracts and shall take affirmative action to ensure equal employment opportunity. The applicant will incorporate, or cause to be incorporated, into any contract for construction work as defined in Section 130.5 of HUD regulations the equal opportunity clause required by Section 130.15(b) of the HUD regulations.

It will comply with Section 3 of the Housing and

Urban Development Act of 1968, as amended (12 U.S.C. 1701(u)), and regulations pursuant thereto (21 CFR Part 135), which require that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project and contracts for work in connection with the project be awarded in substantial part to persons residing in the area of the project.

It will comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and with implementing regulations at 24 CFR Part 8, which prohibit discrimination based on handicap in Federally-assisted and conducted programs and activities.

It will comply with the Age Discrimination Act of 1975 (42 U.S.C. 6101-07), as amended, and implementing regulations at 24 CFR Part 146, which prohibit discrimination because of age in projects and activities receiving Federal financial assistance.

It will comply with Executive Orders 11625, 12432, and 12138, which state that program participants shall take affirmative action to encourage participation by businesses owned and operated by members of minority groups and women.

If persons of any particular race, color, religion, sex, age, national origin, familial status, or handicap who may qualify for assistance are unlikely to be reached, it will establish additional procedures to ensure that interested persons can obtain information concerning the assistance.

It will comply with the reasonable modification and accommodation requirements of the Fair Housing Act and, as appropriate, the accessibility requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973, as amended.

### Additional for S+C:

If applicant has established a preference for targeted populations of disabled persons pursuant to 24 CFR 582.330(a), it will comply with this section's nondiscrimination requirements within the designated population.

### 2. Drug-Free Workplace.

It will provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. 701) by:

- (a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) establishing an ongoing drug-free awareness program to inform employees about:
  - (1) the dangers of drug abuse in the workplace;

- (2) the grantees policy of maintaining a drug-free workplace;
- (3) any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) the penalties that may be unposed upon employees for drug abuse violations occurring in the workplace;
- (c) making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (3);
- (d) notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
  - (1) abide by the terms of the statement; and
  - (2) notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
  - (1) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - (2) requiring such employee to participate satisfactorily in 3 drug abuse assistance or rehabilitation program approved for such purposes by 3 Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f);
- (h) providing the street address, city, county, state, and zip code for the site or sites where the performance of work in connection with the grant will take place. For some applicants who have functions carried out by employees in several departments or offices, more than one location may need to be specified. It is further recognized that States and other applicants who become grantees may add or change sites as a result of changes to program activities during the course of grant-funded activities. Grantees, in such cases, are required to advise the HUD Field Office

by submitting a revised Place of Performance form. The period covered by the certification extends until all funds under the specific grant have been expended.

### 3. Anti-Lobbying.

- (a) No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and of more than \$100,000 for each such failure.

### 4. Debarment.

- It and its principals (see 24 CFR 24.105(p)):
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions (see 24 CFR 24.110) by any Federal department or agency;
- (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) are not presently indicted for or otherwise criminally

or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in (b) of this certification; and  
(d) have nor within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

#### 5. Uniform Act.

It will comply with the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (as amended), and the implementing regulations at: 24 CFR 583.310 for SHP, 24 CFR 582.335 for S+C, and 24 CFR 882.810 for SRO.

#### B. For SHP Only.

##### 1. Maintenance of Effort.

It will comply with the maintenance of effort requirements described at 24 CFR 583.150(a).

##### 2. 20-Year Operation Rule.

For applicants receiving assistance for acquisition, rehabilitation, or new construction: The project will be operated for no less than 20 years from the date of initial occupancy or the date of initial service provision for the purpose specified in the application.

##### 3. 1-Year Operation Rule.

For applicants receiving assistance for supportive services, leasing, or operating costs but not receiving assistance for acquisition, rehabilitation, or new construction: The project will be operated for the purpose specified in the application for any year for which such assistance is provided.

##### 4. Environmental Rule.

- (a) If the applicant is a State or other governmental entity with general governmental powers (see 24 CFR 583.5), it assumes all the environmental review responsibility that would otherwise be performed by HUD as the responsible Federal official under the National Environmental Policy Act (42 U.S.C. 4321) (NEPA) and related environmental laws and authorities listed in 24 CFR Part 58, including acceptance of jurisdiction of the Federal courts, and will assess the environmental effects of each application for assistance in accordance with the provisions of NEPA and 24 CFR Part 58.
- (b) If the applicant is a private nonprofit organization or a governmental entity with special or limited purpose powers, it will (i) not enter into a contract for, or otherwise commit HUD or local funds for, acquisition, rehabilitation, conversion, lease, repair, or construction of property to provide housing under the program, prior to HUD's completion of an

environmental review in accordance with 24 CFR Part 50 and HUD's approval of the application; (ii) supply HUD with information necessary for HUD to perform any applicable environmental review when requested under 24 CFR 583.225(a); and (iii) carry out mitigating measures required by HUD or ensure that alternate sites are utilized.

#### C. For S+C Only.

##### 1. Maintenance of Effort.

It will comply with the maintenance of effort requirements described at 24 CFR 582.115(d).

##### 2. Supportive Services.

It will make available supportive-services appropriate to the needs of the population served and equal in value to the aggregate amount of rental assistance funded by HUD for the full term of the rental assistance and that it will fund the supportive services itself if the planned resources do not become available for any reason.

##### 3. Components: Standards, Definitions, and \$3,000 Minimum.

- (a) For the SRO component only, the proposed site meets HUD's site and neighborhood standards (24 CFR 882.803(b)(4)), and meets the regulatory definition of single room occupancy housing (24 CFR 882.8011).
- (b) For the SRO and PRA with rehabilitation components, the rehabilitation costs will meet the per unit rehabilitation minimum of \$3,000.

##### 3. Environmental Rule.

- (a) If the applicant is not a PHA, it assumes all the environmental review responsibility that would otherwise be performed by HUD as the responsible Federal official under the National Environmental Policy Act (42 U.S.C. 4321) (NEPA) and related environmental laws and authorities listed in 24 CFR Part 58, including acceptance of jurisdiction of the Federal courts, and will assess the environmental effects of each application for assistance in accordance with the provisions of NEPA and 24 CFR Part 58.
- (b) If the applicant is a PHA, it will (i) not enter into a contract for, or otherwise commit HUD or local funds for, acquisition, rehabilitation, conversion, lease, repair, or construction of property to provide housing under the program, prior to HUD's completion of an environmental review in accordance with 24 CFR Part 50 and HUD's approval of the application; (ii) supply HUD with information necessary for HUD to perform any applicable environmental review when requested under 24 CFR 583.225(a); and (iii)

carry out mitigating measures required by HUD or ensure that alternate sites are utilized.

Board of Directors serve in a voluntary capacity and receive no compensation other than reimbursement for expenses, for their services.

**D. For SRO Only.**

**1. Standards, Definitions, and \$3,000 Minimum.**

The proposed site meets HUD's site and neighborhood standards (24 CFR 882.803(b)(4)), meets the regulatory definition of single room occupancy housing (24 CFR 882.802), and the rehabilitation costs will meet the per unit rehabilitation minimum of 53,000.

**2. Environment31 Rule.**

It will comply with the environmental review requirement for the SRO Program at 24 CFR 882.804(d).

**E. For SHP and SRO.**

**1. Nonprofit Board of Directors.**

For private nonprofit applicants, members of its

**F. For SHP and S+C.**

**1. Lead-Based Paint.**

It will comply with the requirements of the Lead-Based Paint Poisoning Prevention Act; 42 U.S.C. 4821-4846, and implementing regulations at 24 CFR Part 35.

**G. For S-C and SRO.**

**1. PHA Qualification.**

For PHA applicants, that it qualifies as a Public Housing Agency as specified in 24 CFR 882.102 and is Legally qualified and authorized to carry out the proposed project(s).

**2. IHA Qualification.**

For IHA applicants, that it qualifies as an Indian Housing Authority as specified in 24 CFR 905.125 and is legally qualified and authorized to carry out the proposed project(s).

**H. Explanation.**

Where the applicant is unable to certify to any of the statements in this certification, such applicant shall attach an explanation behind this page.

Signature of Authorized Certifying Official:

Date:

X

Title.

Applicant

For PHA Applicants Only:  
PHA Number:

HUD is required by law to obtain Consolidated Plan Certification for each proposed project.

## A. Completing the Consolidated Plan Certification

Except as stated below, all projects must have a Consolidated Plan (which is hereafter called the Plan) certification from the applicable State or local government official responsible for submitting the appropriate Plan. The following instructions indicate the requirement for certification by applicant type for each program.

**For SHP, S+C, and SRO: Units of general local government** that apply must have either an approved Plan or Abbreviated Plan, and therefore must submit 3 certification for projects located within its jurisdiction. If the application contains projects located outside of the jurisdiction, a Plan certification must be submitted from a jurisdiction with an approved Plan, or if no local Plan covers the project, from the State. A unit of general local government applicant which does not have 3 Plan should seek the assistance of the local HUD Field Office regarding the development of an Abbreviated Plan.

**Indian Tribes** are not required to have 3 Plan or Abbreviated Plan, and therefore any applicant submitting an application for a project located on an Indian reservation is not required to submit a certification. However, if an Indian Tribe submits an application for a project located off of the reservation, then it must follow the nonprofit applicant rules.

**Insular Areas** (American Samoa, Guam, Northern Mariana Islands, U.S. Virgin Islands) are not required to have 3 Plan or Abbreviated Plan, and therefore applications submitted from these jurisdictions do not require a certification of consistency with a Plan.

**For SHP and SRO: State government applicants** must only submit a certification of consistency with the State Plan.

An applicant that is a private nonprofit organization, a community mental health organization that is a public nonprofit organization, or other governmental entity such as a public housing agency must provide a certification from each jurisdiction in which a project will be located. If the local jurisdiction in which the project will be located does not have a Plan or an Abbreviated Plan, then a certification from the State must be submitted. For example, if an application contained projects in jurisdiction A having 3 Plan and jurisdiction B not having a Plan, then the applicant would have to submit a certification from jurisdiction A and a certification from the State for jurisdiction B.

**For SHP Only: Non-State applicants** proposing activities which will occur in more than one jurisdiction, only need to obtain 3 certification from the jurisdiction in which the program is administered if they are proposing: (1) Services Only activities; or (2) Scattered-

Site Leasing where a participant selects the specific rental unit for which SHP rent31 assistance will be used. For other forms of leasing, submit a certification from each jurisdiction where units are located.

**For S+C Only: State government applicants** must submit a certification from both the State and the applicable local jurisdiction(s) where the proposed project will be located.

**Public housing agencies** must provide a certification from each jurisdiction in which a project will be located. If the local jurisdiction in which a project will be located does not have a Plan or an Abbreviated Plan, then a certification from the State must be submitted. For example, if an application contained projects in jurisdiction A having a Plan and jurisdiction B not having a Plan, then the applicant would have to submit a certification from jurisdiction A and a certification from the State for jurisdiction B.

## B. Completing the Location Section

**For SHP, S-C, and SRO: Facility-Based.** If the project involves acquisition, rehabilitation, new construction, or leasing (except scattered-site leasing of rental housing units), enter the city and county in which the site is located.

**For SHP and S-C: Scattered-Site Leasing.** Follow (1) or (2) depending on whether the project sponsor or the participant selects the units.

- (1) If the project involves scattered-site leasing of rental housing units where the project sponsor will select and lease the units, identify each city and county in which the rental units will be located.
- (2) If the project involves scattered-site leasing of rental housing units where the participant will select the rental units, enter the city and county in which the organization that will be administering the rental assistance is located.

**For SHP Only: Services Only.** If the project is a Services Only project (not expansions of existing projects with additional services), enter the city and county in which the organization that will be administering the project is located:

Please consult your local HUD Field Office for assistance in identifying jurisdictions with a Plan and the official authorized to provide certification. **For each required certification, use the exact language as stated on the form.** HUD recommends completing the form itself and submitting it as the certification, rather than retyping it.

**Certification of Consistency  
with the Consolidated Plan**

U.S. Department of Housing  
and Urban Development

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I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.

(Type or clearly print the following information:)

Applicant Name: Santa Cruz County Health Services Agency

Project Name: Pelican Hotel Integrated Support Project

Location of the Project: 861 E. Cliff Dr., Santa Cruz, CA 95060

Name of the Federal  
Program to which the  
applicant is applying:

Supportive Housing Program

Name of  
Certifying Jurisdiction:

City of Santa Cruz

Certifying Official  
of the Jurisdiction  
Name:

Richard C. Wilson

Title:

City Manager

Signature:

Date:

## EXHIBIT 2: SUPPORTIVE HOUSING PROGRAM

**Project #5:** Pelican Hotel Integrated Support Project  
**Project Sponsor:** Santa Cruz County Health Services Agency/Homeless Persons Health Project

### Section A. Project Narrative

**1. The Project's Purpose.** The Santa Cruz County Homeless Continuum of Care Narrative identifies two significant gaps relating to **permanent subsidized housing for homeless adults**. Addressing these gaps is critical to our community's ability to decrease the number of individuals remaining chronically homeless on our streets.

The purpose of the **Pelican Hotel Integrated Services Project** is to address the following gaps as described in our Continuum of Care document:

- **Gap J: Permanent affordable housing for adults.** Additional units of permanent subsidized SRO housing or apartment housing are needed for the general population of homeless adults, including those in post-treatment recovery from chronic substance abuse.
- **Gap I: Supported SRO housing for mentally ill adults.** Additional SRO units with mental health case management support and payee/money management services are needed for homeless adults who have serious mental illness, combined with a variety of other complex problems that have prevented them from sustaining stable housing.

The proposed project is closely linked with **the Pelican SRO Residential Hotel Project** (Project Priority #6 in this application), sponsored by Mercy Charities Housing California. The purpose of this project, sponsored by the **Santa Cruz County Homeless Persons Health Project**, is to provide comprehensive and integrated supportive services to formerly homeless adults residing in the Pelican Hotel. This project is proposed under the Supportive Services Only component of the Supportive Housing Program.

The Pelican Hotel, when developed, will be our community's first major effort in addressing the significant need for affordable permanent housing for the general population of chronically homeless adults with disabilities and multiple conditions. Through the acquisition and moderate rehabilitation of an existing motel located in the City of Santa Cruz, a 25 unit Section 8 SRO residential hotel program will be developed and **operated** to meet the specific needs of this population.

We have benefited from **input and consultation from the Corporation for Supportive Housing** (CSH) in the development of this application. Through staff in their Oakland office, CSH has indicated their willingness to provide further consultation and technical assistance in the development of the Pelican Hotel project when funded. CSH is currently collaborating with Mercy Housing on a number of similar projects in the nearby San Francisco Bay Area, and this

project will benefit greatly by the sharing of their experiences and lessons learned through projects that are two to three years ahead of ours in development.

The purpose of **the Pelican Hotel Integrated Support Project** will be to create and implement an on-site support program which integrates needed services into the Pelican Hotel residential setting, and connects tenants successfully to off-site care and service systems. The support project's three primary goals will be: 1) permanent housing retention; 2) increased independence through improved life skills and/or income; and, 3) a reclaimed sense of community membership and self determination by formerly homeless residents.

The **Pelican Hotel Integrated Support Project** will be guided by the following principles:

- Services will be flexible, responsive, accessible, available when needed, and coordinated through a multi-disciplinary team.
- Program design and philosophy will foster self-sufficiency and maximize stability and independence; residents will be helped to help themselves.
- The program will be tenant-centered rather than service agency-centered.
- Long-term approaches will be emphasized with a constant view to early intervention and crisis prevention opportunities.
- Equal access will be provided to diverse sub-populations within the homeless community, including geographical, ethnic, linguistic, and type of disability or health condition.
- The integration of residents with local community life will be emphasized and this will incorporate collaboration and open dialogue with the surrounding neighborhood.

**2. The Homeless Population to be Served.** The Pelican SRO Residential Hotel and Integrated Support Projects are designed to enable formerly homeless single adults, many with a range of disabilities and co-occurring conditions, to access and remain stable in affordable permanent housing. Many within the population to be served have major and more minor forms of mental health disorders, HIV/AIDS, and/or substance abuse histories. The Pelican Hotel will be the first housing project in our community (other than projects exclusively for individuals with formal links to the mental health system) to make affordable, permanent housing available to homeless individuals who have had success through treatment and transitional programs, but who cannot afford and need support to access and remain stable in permanent housing.

**The characteristics of the homeless population to be served** will include chronic homelessness--inability to find and sustain stable housing over a long period of time with multiple episodes of homelessness lasting in excess of a year. Individuals in the population to be served are likely to have multiple, often chronic, health, mental health and substance use-related conditions, coupled with coping skills and self-care abilities that have been inadequate or counter-productive. Additional characteristics are a lack of practical vocational skills, illiteracy

or low-literacy, limited motivation, limited employability, lack of education, and fragmented support systems, often having contributed to an individual's isolative or maladaptive coping behavior patterns. Histories as victims of violence, rape and abuse, and other psychological traumas are also prevalent among both men and women in this population.

In March of 1990, a 24-hour survey of homeless persons was conducted by a task force called the Short Term Housing Coalition which found that 1,187 people were residing outdoors, in vehicles, or in homeless shelters. This figure is considered a very conservative estimate of the actual number of homeless persons in Santa Cruz County. The Continuum of Care Coordinating Group believes it reasonable to estimate the County's "point-in-time" homeless population at 3,000 to 3,500. Of those individuals, it is estimated that 50 to 70% engage in substance abuse at a level that seriously impacts their lives. The County's Community Mental Health Services estimates that 30% of the homeless population suffer from major mental illness and an additional 20% suffer from other forms of mental illness (DSM Axis II Personality Disorders, situational stress, etc.). The Santa Cruz AIDS Project estimates that 28% of its clients are currently homeless or near-homeless. National statistics estimate that 15% of the homeless population is infected with HIV.

It is anticipated that the majority of the population to be served at the Pelican Hotel will have General Assistance, SSI, or SSDI as their sole source of income, averaging between \$340 and \$700 per month on entering the program. The average hotel in the Santa Cruz area offers rooms that range from \$400 to \$600 per month, requiring the availability of a rent subsidy in order for these individuals to maintain their housing.

**The primary service needs of the population to be served** include: benefits advocacy to 'stabilize their income; basic living skills training to develop the life skills necessary to maintain permanent housing; substance abuse treatment, relapse prevention and harm reduction; mental health intervention and case management; legal and medical services referrals; general counseling; on-and-off site activities which are enjoyable and promote a sense of community; support for tenant organizing aimed at providing a voice in management, programming and policy-making; and educational, vocational, and employment programs aimed at providing opportunities to gain economic self-sufficiency when possible.

The **outreach and referral plan** to identify potential Pelican Hotel Residents will be based primarily on a referral network among local shelter, transitional housing, and supportive service providers. Residents referred to the project will match HUD targeting criteria, and include individuals who have previously lived on the streets, in camping areas, emergency shelters, transitional housing programs and individuals who are homeless and completing residential alcohol and drug treatment programs. Potential residents may be referred from locations throughout the county to establish eligibility and begin preparing to become a resident at the hotel. Once all units are filled, project staff will be working with an additional caseload of five to 10 individuals who are working through plans to prepare to enter the Pelican Hotel when an opening occurs. Also, a significant number of residents are likely to come from Community House, a newly developed transitional housing program in Santa Cruz for homeless adults.

Agencies to serve as primary sources of referral for the project will include: Homeless Persons Health Project, Community Mental Health Services, the Santa Cruz AIDS Project, the

Community House Transitional Housing Project, and the River Street Shelter. These and other appropriate agencies will be encouraged to identify homeless adults who are sufficiently stabilized to be capable of maintaining permanent housing with support, but are likely to remain at an income level which dictates the need for subsidized housing. Given the current scarcity of this type of housing in Santa Cruz County, it is anticipated that the project will be inundated with appropriate referrals.

### **3. The Housing Where the Participants Will Reside.**

**Type of Structure and Number of Persons to be Housed.** As described in Project #6, the Pelican Hotel is an existing single story, wood-frame hotel that will be rehabilitated to include 25 SRO rooms, a community room, one residential manager's unit, an office and a central laundry facility. The complex includes outside open space that will be used for recreation and gardening.

**Match of Housing Type and Scale to Needs of Population.** Numerous research articles and reports, including the 1995 Summer Ford Foundation Report, and the National Evaluation of the Supportive Housing Demonstration Program, OPDR/HUD, 1995, have now documented the success and feasibility of rehabilitated SRO programs for this population, with property management and adequate support services that are integrated and well-designed. An SRO residential hotel allows excellent opportunities for peer support, peer modeling as well as shared on-site support services and educational programs needed by this previously homeless population. The scale of the project, a building with 25 units, matches the size and feeling of surrounding structures and the neighborhood, and will provide a more intimate, relaxed setting than would a larger and busier structure.

**Accessibility to Persons with Disabilities in Accordance with Applicable Law.** The project will meet all applicable requirements of the Americans with Disabilities Act. Mercy Charities Housing will work with the local disability advocacy organization, Central Coast Center for Independent Living, to have it review the rehabilitation plans and make recommendations as needed to ensure the project is accessible from a user's perspective.

**Availability and Accessibility of Transportation and Community Amenities.** The Pelican Hotel site is a 6/10 mile walk from most downtown services and business establishments. The city's central bus station with local and regional service is located within this downtown area. Daily bus service extends from the nearby beach and Boardwalk Amusement Park past the subject site along East Cliff Drive to downtown bus connections and points beyond. The police and fire stations are also located in the downtown area. The public library, access to adult education opportunities, and City/County service offices are all within close walking distances from the Pelican Hotel site. Recreation as well as employment opportunities are located at the Santa Cruz public beach/pier area, a quarter of a mile away.

**Arrangements to Ensure the Participants' Safety.** The issue of participant safety will be addressed in two ways: (a) from a prevention policy perspective; and (b) from a physical precautionary standpoint. With regards to standard prevention policy, strict, specific house rules will be established and clearly communicated. Mercy property management staff will emphasize consistent, firm enforcement from the start. A tenant council will be actively involved in providing for safety at the site through their participation in the development of a clear tenant-

building policy. The policy will define the specific consequences for failing to keep house rules. For example, the on-site possession of harmful substances including drugs, firearms, and other weapons will be forbidden. Harmful or illegal practices found on-site (e.g. gambling, prostitution, etc.) will also be forbidden. All policies and practices will comply with fair housing practices, and involved property management and supportive services staff participate in training on issues specific to the management of the site to assure that the project can maximize the chances for success at housing retention while maintaining a safe, peaceful, and predictable social environment for the building.

Mercy will employ a resident manager 24 hours a day trained in conflict resolution, effective communication methods for the resident population, as well as methods for handling incidents. He/she will be responsible for enforcing curfew and implementing a specific periodic check-in procedure. Buddy-system procedures will be practiced. Local police and fire protection will be available to serve the site.

Physical life-safety precautions will include code-required construction during the rehabilitation with adequate smoke alarms for each room. Convenient access to fire extinguishers and first aid kits will be arranged for all residents.

#### **Participant Involvement in Decision-Making, Operations, and Employment. Case**

management integrating housing, health and support services will be used to achieve the project's primary goals: (1) to help previously homeless residents prepare to enter and maintain permanent housing; (2) to increase vocational and/or life skills and /or income levels; and (3) to help participants achieve both greater self-reliance, and a stake in community life. Performance measures related to outcomes will be used to determine success. Goals will be achieved through the project's central components: resident participation, and on- and off-site integrated support services. This approach will recognize and build on participants' current **strengths** while identifying and addressing areas that have prevented participants from maintaining permanent housing in the past.

Participant involvement in all phases of this project is a guiding principle of the collaborative efforts of the Santa Cruz County Continuum of Care Coordinating Group, and the Pelican Hotel project. Homeless persons' input will be given high priority in planning, design, and work phases. This input will be sought through community meetings, direct outreach and smaller group meetings with project/program administrators. Involvement and input from homeless individuals will focus on the following areas:

- (a) design and furnishings for living and community spaces;
- (b) planning support services to be offered on the site;
- (c) employment and labor opportunities for residents during clean-up, construction, and rent-up at site;
- (d) on-going property maintenance jobs for residents at site;
- (e) advisory and decision-making role for creating program policies including:
  - screening new tenant candidates;
  - establishing and maintaining tenant council;
  - filling on-site employment opportunities;
  - building neighborhood linkages and goodwill;

- representation on Community Advisory Committee and ad hoc groups as needed;
- evaluation of on-site and mobile support services.

The Pelican Hotel will also have a Community Advisory Committee consisting of residents, community agencies, local business, and advocacy groups which will provide a forum for promotion of project successes; discussion of concerns/issues; analysis of systemic barriers to resident stability and success; broader community organizing, resource development or problem solving, development of community collaborations between residents and the outside community; and the reduction of support service fragmentation.

**How Participants will be Helped to Achieve Self-Sufficiency.** By teaching life skills such as money management and budgeting, shopping, cooking, and conflict resolution, the project will assist participants in becoming more self-sufficient. Staff will provide important links to community-based services to broaden the participants' support network which will also promote self-sufficiency.

**4. The Supportive Services the Participants Will Receive.** The project sponsor and lead agency for provision and coordination of supportive services is the Santa Cruz County Homeless Persons Health Project (HPHP), a program of the County of Santa Cruz Health Services Agency. Partially funded through a McKinney Health Care for the Homeless grant, the HPHP has been providing outreach and a broad range of services to homeless individuals throughout Santa Cruz County since 1989.

**How Participants' Service and Housing Needs are Assessed and Tracked.** Participant assessment will begin during outreach, continue through intake and participant's preparation to become a resident, then will become more intensive during individual support plan development, and continue through all stages of plan implementation, tracking and evaluation. An on-site, full-time social worker will be responsible for comprehensive assessment for each participant. The assessment process will:

- (a) Help the individual identify strengths and weaknesses;
  - (b) Add new and existing sources of assessment information from other providers;
  - (c) Encourage client participation in the assessment process;
  - (d) Allow adequate time for a trusting relationship to develop;
  - (e) Draw on all assessments previously conducted;
  - (f) Synthesize information into a single, comprehensive assessment.
- (Comprehensive assessment will include a wide range of areas including participants' goals, survival skills, crisis intervention needs, basic needs, medical/dental needs, psychological needs, social skills, support network, educational interests/needs, employment interests/needs, transportation needs, legal needs, and prior social service histories.)

The plan development and tracking will emphasize participant involvement in mutual goal setting and evaluation of progress. Each of the 25 residents will have an individualized support plan involving the identification of small interdisciplinary service provider teams for residents

with multiple care issues. The on-site social worker will serve as lead in these teams. The confidentiality of all assessments, plan documents and services provided will be protected. Formal signed authorizations will be required for the release and sharing of resident information with outside agencies and members of each resident's support team. Service plan development objectives include:

- (a) Form clear long-term goals;
- (b) Identify clear and measurable short-term objectives;
- (c) Prioritize services and resources needed;
- (d) Document organizations/individuals to provide services and plan for effective linkage and accessibility;
- (e) Identify skills that the resident is building;
- (f) Identify and commit the resident to his/her responsibilities;
- (g) Create reasonable time frames. for implementation;
- (h) Anticipate and plan creatively for setbacks;
- (i) Monitor and celebrate big and small achievements;
- (j) Creatively modify the plan as needed throughout the process.

**How the Type and Scale of the Supportive Services Fit Resident Needs.** Multi-disciplinary and collaborative clinical case management services are required to meet the needs of homeless people with complex and chronic problems in the context of a fragmented, often stigmatizing service delivery system. By focusing on client goals and devising a flexible service plan which addresses individual needs, a stable relationship will be developed. This therapeutic relationship is necessary for case management services to meet the comprehensive needs of homeless people. In order for services to be meaningful to clients, service plans and linkages must begin from a client centered, mutual goal setting process. Adequate staff to client ratios are required to work over many months to engage people who have been isolated and are mistrustful of service providers.

To address the needs of a diverse and often traumatized population, the services must be participatory as much as possible. Each aspect of services, whether on site or referrals to off site resources, must build on client successes. The stigmatizing and oppressive environments from which clients have adapted will require support services to be accessible, continuous, and meaningful. The scale of support services will allow for the necessary time to build a relationship, develop goals, implement the goals, and allow for the development of a sense of community.

It is anticipated that 40% to 50% of Pelican Hotel residents will have one or more disabilities, and thus will qualify for long-term supportive services following their move into the hotel. For those residents who do not have documented disabilities (according to HUD criteria), supportive services provided with Supportive Housing Program funds will be limited to six months. Continued support as needed for these individuals will be funded through the Homeless Persons Health Project's Health Care for the Homeless grant, as well as other funding sources.

**Accessibility of Services to Participants' Housing.** The majority of engaging, assessing, counseling planning, monitoring, and other interactions between the project social worker and residents will take place at the residential hotel. Depending on the needs, potential benefits, and interests of the residents through time, most group education and support programs will also take place at the residential hotel. As needed and beneficial, meetings, services and activities may take place in the evenings on-site.

The central goal of the Pelican Hotel is to integrate health and support services into the housing setting as completely as is possible and advantageous, while balancing the goal of enabling residents to develop effective links to service programs in the community.

The Pelican Hotel will address these resident needs through a combination of on-site and off-site services, a tenants' council, a peer-support network, a mobile service team comprised of staff from collaborating agencies, and an on-site service team composed of a social worker and an assistant case worker.

Multi disciplinary and collaborative case management services will be offered by both on-site and off-site service teams. The on-site service team will conduct the following local, site-based activities:

- coordination of the assessment, placement, and intake process;
- development of an individualized service plan and plan monitoring;
- coordination of activities to promote a sense of community (These activities may include educational and recreational activities, neighborhood projects, and recruitment of volunteers from the community to participate in the project. Activities are designed to promote social integration, build self-esteem, and establish a network of peer support);
- provision of crisis intervention services;
- provision of integrated substance abuse, mental health, and medical services such as one to one counseling, groups (recreation or support), drop-in hours (access for those who do not utilize more formal group methods), linkages to day treatment or support services in the community, client facilitated peer support groups, speakers from local consumer run mental health and recovery advocacy groups.
- provision of health education, prevention, and medical services such as: talks on client selected health topics, access to on-site medical staff for health screens, HIV prevention, smoking cessation, links to off-site specialists, coordination of on-site health care specialists if required, integrated support groups for clients with serious medical/emotional/mental health issues.
- provision of life skills training; e.g., cooking, housekeeping, shopping, public transportation, budgeting/money management, social/interpersonal skills, interviewing skills, and conflict resolution.

The **on-site service team** will be staffed in the following manner:

- One (1) FTE Social Worker

- One FTE Assistant Case Worker (a successful resident of the project)

The assistant case worker will lead in the areas of life and vocational skill development, pre-employment training, and also endeavor to work in the community to seek out job creation opportunities for residents.

**The broader, off-site based** or “mobile team” will act as an integrated, mobile, interagency group consisting of service providers from participating mental health, public health, substance abuse and HIV service agencies. An off-site link is necessary to provide continuous, integrated services. Clients are often met with significant barriers to services and will need a team of providers experienced with providing care across institutional boundaries. To provide the necessary inter-agency links (and advocate for access) the mobile off-site team will coordinate with the on-site staff and play an active role in the development and implementation of client service plans. The off-site team will maintain a vital connection to agency resources so often inaccessible to homeless people. Off-site based services will be staffed by one (.5) Social Worker/Community Coordinator with an average 6 hours per week of public health nurse and dual diagnosis counseling time purchased as well. The lead agencies for the mobile team will be the **Homeless Persons Health Project, the Santa Cruz AIDS Project, and Santa Cruz County Community Mental Health Services**, working in collaboration with a range of other service providers in the community. The mobile team, together with the on-site team, will be responsible for the following activities:

- outreach to homeless persons;
- pre-assessment relative to the Pelican SRO Project;
- work in collaboration with on-site service team during the tenant/participant intake process;
- develop and monitor, in collaboration with the on-site service team, an individualized service plan which includes mutual goal setting and time frames;
- monitor and track individualized service plans with input from on-site team and participants;
- linkage and brokerage of services.

**5. Whether the Project is Innovative.** For Santa Cruz County, the Pelican Hotel Project clearly represents a new and exciting approach for assisting previously homeless individuals to retain housing and remain stable, many for the first time in decades of their lives. The model builds on the success that local mental health providers have had in developing housing with various levels of support for individuals with severe mental illness. In this respect, the Pelican Hotel Integrated Support Project represents to our community an innovative twist on a proven concept. There is more integration. Primary health care, substance abuse related interventions, and care which addresses more minor but still debilitating psychiatric disorders are more integrated and provided both on- and off-site. The model is more sensitive to the needs of the previously homeless individual for building a support community inside the residence as well as belonging to and participating in the community outside their door. It also represents an example of current trends in supportive housing, which emphasize the importance of success in accessing

and retaining affordable permanent housing while continuing to receive the supportive services and treatment needed to maintain a stable lifestyle and become as self-sufficient as possible.

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**6. Performance Measures.** Performance measures will be used for each of the SRO goals. The project goals, their accompanying objectives, and performance measures are as follows:

**Goal A: The project will help participants to obtain and remain in permanent housing.**

**Objective A1:** 70% of all residents will remain current on rent payments during their first year in the project. Success in meeting this objective will be measured by records of rent payments.

**Objective A2:** 70% of residents who voluntarily move out of the Pelican Hotel will do so to move to other stable permanent housing as measured after the first year and annually thereafter. Success in meeting this objective will be measured by records of resident exit interviews.

**Goal B: The project will assist participants to increase their life and job skills and/or income.**

**Objective B1:** 25% of residents will complete a vocational or educational program and/or become employed within one year after moving into the project. An additional 25% will complete training and/or become employed within three years of moving into the project. Success will be measured by client records and documentation from vocational programs and employers.

**Objective B2:** Within one year of moving into the project, 80% of residents will be receiving all public benefits for which they are eligible. Success will be measured by client records and documentation by public assistance programs.

**Goal C: The project will help participants to achieve greater self-determination.**

**Objective C1:** Within 12 months of the project's opening, a tenant council will be established and functioning, with participation by at least 25% of the residents. The council will continue to function at this level throughout the grant period. Success will be measured by attendance records and minutes of tenant council meetings.

**Objective C2:** Within one year of moving into the project, 70% of project residents will meet at least 60% of the one-year goals identified in their service plan. Success will be measured by client records and appropriate documentation of the completion of identified activities.

## **Section B. Experience Narrative**

**1. Experience of the Project Sponsor.** The project sponsor, the **Santa Cruz County Homeless Persons Health Project (HHPH)** is a program of the County of Santa Cruz Health Services Agency. Funded through the U.S. Department of Health and Human Services McKinney Health Care for the Homeless grant program, with matching funds from the County, the project has been providing outreach and a broad range of services to homeless individuals

throughout the county since 1989. Funded as a McKinney Health Care for the Homeless program since 1988; the project's current McKinney grant is for \$556,302.

For eight years, project staff have worked collaboratively with the local community and in partnership with a diverse population of homeless individuals and families to protect health, and assure access to needed care and coordinated services. The services provided include outreach at 15 established street and service-based sites, nursing assessments and care, substance abuse counseling, access to primary care and substance abuse treatment, benefits advocacy, teaching about self-care and harm reduction, brief and intensive case coordination, and linkage to a broad range of services.

This year as a collaborator with the Santa Cruz AIDS Project and the Santa Cruz Housing Authority, HPHP began implementation of a newly funded HUD/HOPWA Multiple Diagnosis Initiative (MDI) Project which provides supportive services to multi-diagnosed individuals with HIV placed in tenant-base rental assistance units. In this project, HPHP staff provide outreach and referral and public health nurse case management as part of a multi-disciplinary services team focused on supporting residents to access needed services and maintain housing.

Members of the HPHP's interdisciplinary team work alongside homeless individuals through times of need or crisis, building relationships which contrast the abandonment and violence that often characterize relationships of the past. Team members have built skills that allow them to support homeless individuals through a process of making thoughtful decisions and choices over time about health, substance use and related issues, and through this process observe program users building the skills needed to access services on their own to improve their health, stability and prospects for the future.

The HPHP team includes a program manager, public health nurses, a social worker, a substance abuse outreach worker and outreach/advocacy workers. Collectively among this staff, the experience working directly with homeless individuals in Santa Cruz County totals to more than 30 years. HPHP staff and clinics provide assistance to more than 3,000 homeless individuals per year.

**2. Experience of the Housing Provider.** Mercy/Charities Housing California (MCHC) will develop and operate the Pelican SRO Residential Hotel Project, as described in Project #6 of this application. MCHC has extensive experience in the planning, development and operation of affordable housing. Officially the organization was incorporated in 1988 as the California affiliate of Mercy Housing, Inc. In July 1993, the Housing Development Department of Catholic Charities of the Archdiocese of San Francisco, with a track record of housing development dating back to the early 1970's, joined the Mercy Housing System, thereby creating one housing development entity in California now known as Mercy/Charities Housing California (MCHC). The joining of these two California-based non-profit housing entities has created one strong organization with a track record and combined experience that spans over 20 years.

As part of this merger, all properties under the previous sponsorship of Catholic Charities have been transferred to Mercy/Charities Housing California. This transfer in sponsorship is fully

supported by the Department of Housing and Urban Development's San Francisco Field Office and underscores the recognition of MCHC as an entity with the track record, capacity and commitment to long-term affordable housing development and management.

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The housing work of MCHC has generated 1,497 completed units of housing affordable to low and very low income households with an additional 626 units in construction or in development throughout California. MCHC is the California affiliate of Mercy Housing, Inc., (MHI) a nationally recognized nonprofit housing development corporation, based in Colorado, and established to develop, own and manage housing for low-income families and individuals. Through other MHI affiliates located in Arizona, Colorado, Idaho, Nebraska/Missouri, Iowa, Washington and Texas, an additional 26 housing projects totaling 1,036 units have been developed to serve low and very low income households. As the parent corporation, MHI provides leadership, administrative support, access to financial resources and a strong institutional base to assure long-term strength and viability to MCHC and its housing development work.

The specific work of Mercy/Charities Housing California and its affiliates include significant involvement in McKinney and other HUD programs as well as involvement and experience in acquisition/rehabilitation. Highlights of McKinney-related projects are listed below:

- Rehabilitation of Richmond Hills Family Shelter, a 22 unit shelter for homeless families, funded in part through the McKinney SAFAH program (Year awarded: 1991; Award amount designated for rehab.: \$65,000; Amount spent to date on rehab.: \$65,000). Additional funds were awarded to services.
- Purchase and rehabilitation of the Rose Hotel (Project Number: CA-0075), a 75 unit SRO residential hotel for homeless individuals or individuals at risk of homelessness, funded in part through the McKinney Section 8 SRO Moderate Rehabilitation Program (Year awarded: 1994; Award amount: \$5,630,400; Amount spent to date: -0-)
- Purchase and rehabilitation of the Plaza on Platte, formerly known as the Embers Inn (Project Number: CO-0094-0024), a 31 unit SRO residential hotel for homeless individuals or individuals at risk of homelessness, funded in part through the McKinney Section 8 SRO Moderate Rehabilitation Program (Year awarded: 1994; Award amount: \$1,037,880; Amount spent to date: \$46,334)

Highlights of other similar HUD projects are listed below:

- 10 completed projects (603 units) developed under the HUD Section 202 program with an additional 3 projects (168 units) with Section 202 fund reservations currently in development.

As the owner/developer of the above projects, MCHC staff manages all aspects of the development process including: locating and negotiating site control; securing land use and

project permits; applying for and administering all financing including McKinney, other HUD programs, private loans and local government sources; managing all aspects of construction including construction coordination, planning and contract negotiations; managing the property's operation and supportive services.

**Mercy Services Corporation (MSC)** will provide property management services. MSC is the property management subsidiary of Mercy Housing, Inc. and an affiliate of MCHC. MSC was established in 1983 and currently provides management services at 46 properties in eight states. Five of these 46 properties include "project-based Section 8 rent subsidies." Currently, MSC manages 24 properties in northern California. Two are SRO for homeless properties currently under management in northern California. These projects are:

- Peter Claver Community - 32 unit SRO for homeless persons with AIDS (MSC manages this asset, although Section 8 rental assistance is being administered through the Housing Authority of San Francisco). Peter Claver Community currently has 32 Section 8 certificates through the McKinney/Section 8 Moderate Rehabilitation allocation awarded in 1987.
- Rose Hotel - 75 unit SRO for homeless individuals, San Francisco.

**3. Experience of Key Supportive Service Providers.** The lead supportive service provider for the project is the Santa Cruz County Homeless Persons Health Project (the project sponsor). Additional lead agencies for the project's mobile services team are the Santa Cruz AIDS Project and County of Santa Cruz Community Mental Health Services.

The **Santa Cruz AIDS Project (SCAP)** will provide specialized services to project residents who are living with HIV. SCAP is a community-based agency that provides effective HIV prevention strategies, advocacy, and comprehensive support services for people living with HIV and all those affected by the epidemic. SCAP provides these services through a culturally relevant approach that addresses the needs of the whole person and respects the dignity of each individual regardless of HIV status. Founded in 1985, SCAP has a paid staff of 31 and 600 regular volunteers. Offices are located in downtown Santa Cruz, and two community residences housing up to 10 persons with HIV are operated at a confidential location. Client services include: Psychosocial case coordination and support by a professional Social Work staff; a full-time Benefits Advocate that works with clients on public entitlement and private benefits programs; a Housing Coordinator that works on developing affordable housing resources; emotional and practical support for clients where volunteers assist with daily living tasks; massage therapy by volunteer therapists; a food bank; legal referral panel; administration of the AIDS Housing and Utilities Assistance and Medical Assistance Funds; ongoing support groups; group, individual, and family therapy; and a referral program to discounted services. Education and prevention services include a speakers bureau; Project First Hand, special outreach and prevention programs to various populations at high risk, child care provider education, and worksite training.

**Santa Cruz County Community Mental Health Services (CMHS)** is the Mental Health division of the County of Santa Cruz Health Services Agency. CMHS will provide specialized mental health case coordination and services to project residents. CMHS has been providing specialized mental health services to homeless individuals since 1985, including comprehensive mental health assessment, referral, and treatment services to homeless individuals who are on the streets, living in shelters, being discharged from the hospital or jail, and those living in substandard housing. Coordinated CMHS services are provided by five service teams, including a specialized Dual Diagnosis Team and an Older Adult Team. Each homeless client is assigned a Coordinator who is a member of one of these teams. The Coordinator and the homeless individual develop a plan that may include linkages to various programs and agencies, including housing that will contribute to maintaining the individual's success in the community. Once housing is secured, the Coordinator works intensively with the homeless mentally ill individual to ensure a smooth transition to stable permanent housing. This includes at-home support services to train individuals how to shop, cook, use public transportation, use leisure time, and how to avoid substance abuse. In the proposed project, CMHS Coordinators will work closely with other project staff to assist mentally ill participants in maintaining permanent housing and increasing their self-sufficiency.

to be served and the housing and services to be provided. HUD recognizes that goal attainment may be limited; therefore, it will not necessarily consider low levels of achievement as indications of poor performance.

The following are examples of performance measures as they relate to the three SHP goals:

- 70% of participants will remain in permanent housing for at least **one year**.
- 50% of project participants will be successful in obtaining employment within 18 months.
- 20% of the severely mentally ill participants in the Safe Haven will start to receive mental health treatment voluntarily within six months.

**If you are requesting SHP funds for acquisition and/or rehabilitation of a project structure(s), please attach a photograph of the structure(s).**

## Section B. Experience Narrative

Section B is a description of the experience of all the organizations involved in carrying out the proposed project. Please describe on preferably no more than three typed pages:

1. The specific type and length of experience of **all organizations** involved in implementing the proposed project, including the project sponsor, housing and **supportive** service organizations, and any key subcontractors. Describe experience directly related to carrying out the proposed project and experience working with homeless people.
2. If your project structure will be constructed **or** rehabilitated, please describe experience in these areas and/or experience in contracting for and overseeing the rehabilitation or construction of housing.
3. List any HUD McKinney grants received or participation in the Single Family Property Disposition (SFPD) Homeless Program, including the year(s) awarded grant number, grant **amount**, and amounts spent to date.

## Section C. Project Information (please type)

Project Name: Pelican Hotel Integrated Support Project		Project Priority No. (from project priority chart in Exhibit 1):
Project Address (street, city, state, & zip):  739 River Street, Santa Cruz, CA 94050		5
Project Sponsors Name: Santa Cruz County Health Services Agency		Project Congressional District(s): 17th
Sponsor's Address (street, city, state, & zip): 739 River Street Santa Cruz, CA 95060,		Project 6-digit Geographic Code:
Authorized Representative of Project Sponsor (name, title, phone number, & fax): Christine Sippl, Public Health Program Manager (PH) 831-454-2080 (Fax) (831) 454-2080		

## Section D. Program Component/Types

1. Please check one box:

- ☒ New Project  
☐ Renewal Project

2. Please check the box that best classifies the project for which you are requesting funding. Check only one box. The components/types are:

- ☐ Transitional Housing  
☐ Permanent Housing for Persons with Disabilities  
☒ Supportive Services Only  
☐ Safe Havens  
☐ Innovative Supportive Housing (check this box only if your project cannot be classified under any other component)

## Section E. Existing Facilities and/or Activities Serving Homeless Persons

(To be completed for new projects only.)

Facilities that you are currently operating and activities you are currently undertaking to serve homeless persons may only receive SHP funding for the five activities listed below. SHP cannot be used to fund on-going activities.

Will your proposed project use an existing homeless facility or incorporate activities that you are currently doing?

- ☐ Yes (Check one or more of the following activities that describe your proposed project. Then proceed to section F.)  
☒ No (Skip to section F.)

My project will:

- ☐ Increase the number of homeless persons served.  
☐ Provide additional supportive services for residents of supportive housing and/or homeless persons not residing in supportive housing.  
☐ Purchase property currently being leased under the Single Family Property Disposition Homeless Initiative.  
☐ Bring existing facilities up to a level that meets State and local government health and safety standards.  
☐ Replace the loss of nonrenewable funding from private, Federal, or other sources (except from the State or local government), which will cease on or before the end of the current calendar year. By law, no SHP funds may be used to replace State or local government funds previously used, or designated for use, to assist homeless persons [see 24 CFR 583.150(a)].

If this box is checked, please describe:

- a. The source of the nonrenewable funding, indicating that it is not under the control of the State or local government.  
b. Why it is nonrenewable.  
c. When it will cease.  
d. What efforts were made to obtain other funding, why there are no other sources of funding, and why, without the SHP assistance, the activity will cease.

## Section F. Number of Beds, Participants, and Supportive Services

Section F is composed of two charts. Chart 1 has two sections.

Section 1 is for recording the number of beds/bedrooms in the project. Do not complete this section if the project is for supportive services only (SSO).

Section 2 is for recording the number of participants to be served. Information on all projects should be entered in this section.

**Complete Chart 1 based on the following instructions.**

1. In the first column, please enter the requested information for all items if your proposed project is currently serving homeless people. You should only fill out this column if you checked "Yes" in section E or you are proposing a renewal project. If your proposed project is a new effort (meaning you checked "No" in section E), enter "N/A" in the first column.
2. In the second column, enter the new number of beds and persons served if this project is funded. If this is a renewal project, skip this column.
3. In the third column, enter the projected level (columns 1 and 2 added together) that your project will attain when it is fully operational and functioning at capacity. The figures you enter should be *point in time* numbers. You should fill out this column if you checked "Yes" or "No" in section E or you are proposing a renewal project.
4. In the fourth column, enter the number of persons to be served over the grant term. You should fill out this column if you checked "Yes" or "No" in section E or you are proposing a renewal project.

**Chart 1: Beds and Participants**

Beds	Current Level (If applicable)	New Effort or Change in Effort	Projected Level (col. 1 + col. 2)	No. Projected to be Served over the grant term
Number of bedrooms *	N / A	N / A	N / A	
Number of beds *	N / A	N / A	N / A	

- . Do not complete information on the number of bedrooms and beds for Supportive Services Only (SSO) projects. In those instances, enter "N/A" in the appropriate cells.

Participants	Current Level (If applicable)	New Effort or Change in Effort	Projected Level (col. 1 + col. 2)	(No. Projected to be Served over the grant term)
Number of families with children	N / A	0	0	0
Of persons in families with children	N / A	0	0	0
a. number of disabled adults	N / A	0	0	0
b. number of other adults	N / A	0	0	0
c. number of children	N / A	0	0	0
Of single individuals not in families	N / A	10	10	28
a. number of disabled individuals	N / A	10	10	28
b. number of other individuals	N / A	15	15	41

**Complete Chart 2 based on the following instructions.**

Identify the types of services that will be paid for using SHP funding. Include the total dollar request for each type of service and the number of persons who will be served at a point in time and over the grant term. This dollar request must be the same as in the Project Budget (section I or J, as appropriate).

**Chart 2: Supportive Services**

Supportive Services	Dollars Requested (up to 3 yrs.)	Estimated No. of Persons Served (point in time)	Estimated No. of Persons Served (up to 3 yrs.)
Outreach			
Case Management	<b>174,682</b>	<b>25</b>	<b>69</b>
Life Skills (outside of case management)	<b>52,260</b>	<b>20</b>	<b>60</b>
Alcohol and Drug Abuse Treatment	<b>15,051</b>	<b>18</b>	<b>39</b>
Mental Health Treatment	<b>80,783</b>	<b>15</b>	<b>24</b>
AIDS-Related Treatment	14,073	5	10
Other Health Care	<b>14,073</b>	<b>20</b>	<b>34</b>
Education			
Employment Assistance	<b>52,260</b>	<b>15</b>	<b>34</b>
Child Care			
Follow-up (transitional housing programs only)			
Other (please specify)			
Other			
Other			
Total	<b>403,182</b>		

**Section G. Homeless Veterans**

- Are veterans the primary target population of your proposed project?  
☐ Yes ☒ No
- Are veterans among the homeless subpopulation your project will specifically target and intends to serve?  
☒ Yes ☐ No

## Project Budget

If your project is a renewal, skip to section J.

Enter the amount of **SHP** funds requested by line item in the first column. For leasing, supportive services, and operations, the amount entered should be for **up to three years**, which is the SHP grant term. You may request funding for either one, two, or three years. The term you select must be the same for leasing, supportive services, and operations. In the second column, enter the **total** cost for each line item, which is the **SHP request plus** all other funds needed to pay for each line item, again, for up to three years.

Please indicate the **term** of the grant (circle only one) 1 2 3 year(s).

If your project contains one structure or no structures, this is the only budget you need to fill out. If your project contains multiple structures, please add up the SHP structure budgets from **the facing page** and enter those totals below.

HUD will review this chart in relation to the proposed activities and the number of persons to be served to determine whether the project is cost-effective (which is a threshold criterion).

	SHP Request	Total Budget
1. Acquisition	\$	\$
2. Rehabilitation	\$	\$
3. New Construction	\$	\$
4. Subtotal (lines 1 through 3)	\$ *	\$
5.. Real Property Leasing (up to three years)	\$	\$
6. Supportive Services (up to three years)	\$ 403,182	\$ 453,182
7. Operations (up to three years)	\$ **	\$
8. SHP Request (subtotal lines 4 through 7)	\$ 403,182	
9. Administrative Costs (up to 5% of line 8)	\$ 20,159 ***	
10. Total SHP Request (total lines 8 and 9)	\$ 423,341	

\* The SHP request by law for these activities cannot be more than 50% of the total acquisition, rehabilitation, and new construction budget.

\* Operating costs are expenses incurred in operating supportive housing (not supportive service facilities), such as repair, maintenance, security, utilities, insurance, furnishings, and any relocation payments. By law, project sponsors must share the operating costs of supportive housing. SHP will pay up to 75% of costs in the First two years and 50% in the third year. Project sponsors must pay the difference between the amount SHP will pay and the total operating costs for the project. These are cash costs from any Federal, State, local or private source — not in-kind contributions of goods or services.

\*\*\* Applicants may request up to 5% of each project award for administrative costs, such as accounting for the use of the grant funds, preparing HUD reports, obtaining audits, and other costs associated with administering the grant. Applicants and project sponsors must work together to determine the plan for distributing administrative funds between applicant and project sponsor (if different). If selected for funding, applicants will be required to submit a plan for distributing administrative funds as part of the technical submission.

Note: The total SHP request from **line 10** should match the dollar amount on the **priority chart** for the project.

## Section K. Additional Information

The Department of Housing and Urban Development needs the following information to respond to public inquiries about program benefit. Your responses will not affect in any way the scoring of your submission.

1. Which of the following subpopulations will your project serve? (Check all that apply)

- ☒ Severely Mentally Ill  
☐ Chronic Substance Abusers  
☒ Dually Diagnosed  
☐ AIDS or Related Diseases  
☒ Victims of Domestic Violence  
☐ Youth  
☒ Women with Children

2. Will the proposed project be located in a rural area? (A project is considered to be in a rural area when the project either (1) is in an area outside of Metropolitan Areas, or (2) is outside of the urbanized areas within a Metropolitan Area.)

- ☐ Yes  
☒ No

3. Is the sponsor of the project a religious organization, or a religiously affiliated or motivated organization? (Note: This characterization of religious is broader than the standards used for defining a religious organization as "primarily religious" for purposes of applying HUD's church/state limitations. For example, while the YMCA is often not considered "primarily religious" under applicable church/state rules, it would likely be classified as a religiously motivated entity.)

- ☐ Yes  
☒ No

4. Will the proposed project be located in, or make use of, surplus military buildings or properties which are located on a military base that is covered by the provisions of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994?

- ☐ Yes  
☒ No

If "yes," please provide the name of the military installation: