

*Dedicated to the Health
Of the Whole Community*



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SUBJECT: Assignment of Santa Clara County's MHSAs Housing Program Planning Estimate to the California Housing Finance Agency (CalHFA)

On May 12, 2006 the Governor signed an Executive Order mandating the development of the MHSAs Housing Program. The stated goal of this initiative is to create 10,000 additional units of permanent supportive housing for people with mental illness. The program utilizes funds from the first three and a half years of the Community Services and Support (CSS) component and totals \$400 million.

The MHSAs Housing Program embodies both the individual and system transformational goals of the MHSAs through a unique collaboration among government agencies at the local and State level. The partners in this system collaboration include CalHFA and the Department of Housing and Community Development (HCD), with their housing and financial expertise; California Department of Mental Health (DMH), with responsibility for overseeing the mental health system and ensuring that consumers have access to an appropriate array of services and supports; and county mental health departments, which have ultimate responsibility for the design and delivery of mental health services and supports throughout the State.

Santa Clara County's MHSAs Housing Program's planning estimate (a term coined by DMH to describe MHSAs funding allocations for various components) is \$19,249,300. Counties must assign funds from their housing planning estimates from FY04-FY07 to CalHFA and will access these funds by submitting formal applications for each housing development project. CalHFA and DMH will jointly approve each application. During the application review and evaluation process, CalHFA will underwrite requests for capital funds and capitalized operating subsidies, while DMH will evaluate each applicant's proposed target population and supportive services plan.

The assignment of MHSAs Housing Program funds to CalHFA constitutes a CSS Plan update, which must be posted for a 30-day review period.

Once funds are awarded to specific projects developed by the counties, CalHFA will oversee all housing and financial aspects of the development and DMH will oversee provision of services, including continuing assessment as to whether the target population served continues to meet MHSAs Housing Program requirements.

On August 6, 2007 DMH announced that the application for the MHSAs Housing Program was available. Funds may be utilized to finance the capital costs and operating subsidies associated with development, acquisition, construction and/or rehabilitation of permanent supportive housing for individuals with mental illness and their families. CalHFA will oversee the housing financing and the DMH will oversee the programming for all housing projects developed.

This initiative will serve persons with serious mental illness who are homeless or at risk of homelessness and who meet the MHSAs Housing Program target population description. Counties are required to utilize a stakeholder involved planning process to develop project applications. A copy of the complete 70-page application can be found on the DMH website. A copy of the table of contents to the application is provided in Attachment A to give a sense of what is required of counties.