



County of San Diego
Health and Human Services Agency
Adult / Older Adult Mental Health Services

Mental Health Services Act (MHSA)
Housing Plan Update

August 2008

The Corporation for Supportive Housing (CSH) provides housing technical consulting to The County of San Diego Health and Human Services Agency Adult/Older Adult Mental Health Services. CSH is a national, nonprofit organization and Community Development Financial Institution that helps communities create permanent housing with services to prevent and end homelessness. Founded in 1991, CSH advances its mission by providing advocacy, expertise, leadership, and financial resources to make it easier to create and operate supportive housing. CSH seeks to help create an expanded supply of supportive housing for people, including single adults, families with children, and young adults, who have extremely low-incomes, who have disabling conditions, and/or face other significant challenges that place them at on-going risk of homelessness. For information regarding CSH's current office locations please see www.csh.org/contactus.

MHSA Housing Plan Update
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Introduction and Purpose of the MHSA Housing Plan Update

In August 2007, the County of San Diego published its Mental Health Services Act (MHSA) Housing Plan. This Plan calls for the creation of 438 new units of MHSA-dedicated affordable housing for homeless individuals with mental illness over six years. The MHSA Housing Plan describes the target population groups to be housed and the strategies to leverage the resources necessary to meet the housing creation goal. In addition, the Plan contains policy priorities for the types of units and projects that will be created, as well as recommendations for increasing access to housing for all persons with mental illness through additional activities other than housing development. The Plan concludes with a First Year Action Plan for implementation, and an annual process for evaluating and updating the Plan to keep it current and relevant.

This first annual MHSA Housing Plan Update reports on the progress made to date in implementing the Plan. The Update is intended to briefly summarize what has transpired since the Plan was completed, both in terms of activity on the Plan's priorities and other events that have occurred which change the context for the Plan's implementation. This Update then assesses progress made toward reaching the Plan's primary goals, compares unit creation activities with those projected by the Plan's original financial model, and recommends specific changes in policies and implementation steps as a result of significant changes since the Plan was completed. The Update concludes with the proposed second year Action Plan, laying out the areas of focus for the FY 2008-2009 implementation year.

The MHSA Housing Plan was produced through a community process spearheaded by the Mental Health Housing Council that included participation from a large number of stakeholders. Similarly, this Update has been prepared for and reviewed by the Mental Health Housing Council and reflects the input of clients, family members, developers, service providers and County staff, including cultural competency representation.

Changes in the State and Local Context

Since the San Diego MHSA Housing Plan was completed, several developments at the State and local level have changed how the Plan is now being implemented. The most significant of these is the issuing of State guidelines and a Notice of Funding Availability (NOFA) process for the MHSA Housing Program, jointly operated by the State Department of Mental Health and the California Housing Finance Agency (CalHFA). The MHSA Housing Program uses a portion of counties' Community Services and Supports funding to finance the development and operations of housing dedicated for MHSA-eligible households.

At the time that San Diego was preparing its housing plan, this State-administered program was not operational, though its announcement was anticipated throughout the

planning period. Thus, while the plan prepared for MHSA housing resources to be made available by the State, the terms and requirements for accessing this funding were unknown. In San Diego County \$33.5 million is available for capital and operating funds through the MHSA Housing Program. The County and its development partners are in the final stages of submitting the first application to the State for these funds, with one project (23 MHSA units) undergoing the 30 day public review period in this fiscal year and 3 projects (39 MHSA units) formally expressing interest in applying for MHSA Housing Program funds.

The state administered MHSA Housing Program is expected to be a significant source of funding for housing that will be created under this plan. The structure of the program is intended to work with other state, local and federal housing development resources. However, as with most public sources of housing financing, the MHSA housing program has both specific limitations on how funding may be used, and certain unique programmatic requirements which will impact the type and number of units San Diego will be able to create using this resource.

The most significant limitation of the program is the capping of funding available for operating subsidies at one-third of the County's allocated amount. The other 2/3 of the funds are reserved for capital uses. All counties in California who seek to utilize the MHSA Housing Program funds will be faced with the need to make up likely operating shortfalls from other sources, including local MHSA dollars and other sources of operating subsidy.

Other requirements of the State program which may impact San Diego's capacity to develop housing as anticipated in the original Plan include the per-unit contributions (with a maximum guideline of \$100,000 per unit or 1/3 of total development costs), the requirement that the County pledge a service commitment for 20 years, along with criteria regarding the experience of eligible developers. It is not yet known how these and other requirements of the State MHSA Housing Program will impact the County's production goals, but it is likely that both the delay in the release of the final funding guidance, and some of the programmatic restrictions may protract the length of time projected in the original plan for the 438 units to be developed. Feedback from the State on the application that San Diego has submitted will provide important information to the County and its partners in planning how best to utilize MHSA housing program dollars.

On the local level, a number of new initiatives and resources have been dedicated to MHSA housing. The County of San Diego's Mental Health Services Administration and County Housing and Community Development Department's leadership has played a significant role in developing a regional response to the issue of housing for people with mental illness and experiences of homelessness. The creation of supportive housing has been highlighted as a priority by the United Way of San Diego. In addition, supportive housing is one of the five priority areas of the Centre City Development Corporation (CCDC). CCDC demonstrated significant leadership by dedicating \$10 million for the creation of supportive housing, along with the issuance of a Request for Qualifications for

the development of 250 units of affordable housing including 25 units of supportive housing on a downtown site owned by CCDC.

In April 2008, the Plan to End Chronic Homelessness was approved by the San Diego Association of Governments, the regional planning group. PTECH identifies a goal of creating 2,000 units of permanent supportive housing, many of which will be prioritized for MHSA eligible populations. Over the last year, numerous committees have been established to begin implementation of the 10 year Plan to End Chronic Homelessness. If the 10 year plan galvanizes support for more supportive housing in the County, it is likely to assist with successfully fulfilling the MHSA Housing Plan goals.

The County of San Diego has engaged in a comprehensive MHSA Planning process for both MHSA Prevention and Early Intervention funding along with Workforce Education and Training. These programs are anticipated to be implemented in early 2009, pending approval from DMH in the winter of 2008. Additional planning at the County level will include updating the Community Supports and Services Plan, creating a plan for Management Information System (MIS), Capital Facilities and completing the integrated MHSA plan in FY 2009-2010. Finally, the full implementation of the MHSA program is beginning to be realized and systems transformation is occurring at the local and state level. As we approach the fifth year of overall MHSA activities in the State of California, the original resource allocations are shifting. The Community Support and Services funding envelope re-sets from 55% of the allocation to 75%, while set-asides for Capital Facilities/Technology and Education and Training will no longer be carved out at the State level. However, Counties have the ability to fund a range of activities under the CSS category, and it is essential to continue to consider housing a top priority under CSS activities and to consider replenishing San Diego's share in the CalHFA administered MHSA Housing Program.

Report on MHSA Housing Plan Progress

San Diego's MHSA Housing Plan has functioned as an important resource and roadmap for a range of stakeholders working together to create new housing opportunities for homeless people with mental illness in the County. The overarching goal of the plan is to create 438 sustainable housing opportunities for people with mental illness through leasing and development strategies. The Plan outlines strategies to create 115 units of leased housing and 323 units of developed housing under the MHSA Housing Program. In the first year of implementation notable progress has been made towards the achievement of these goals, with a focus on setting the groundwork and establishing the systems and processes that will enable the creation of these units.

The most significant achievement in the first year of the plan is that 580 Full Service Partnership (FSP) clients have been provided with a range of housing options linked to support services under the Mental Health Services Act. Most of these clients were formerly homeless and are now off the streets and have access to responsive, client centered services. 278 of these clients are living in leased apartments using a

combination of one-time and sustainable MHSA resources; 69 are living in “partnership units” provided through leveraged Shelter Plus Care subsidies funded by the Federal Department of Housing and Urban Development (HUD); and the remaining 233 live in other types of housing such as transitional housing, sober living, board and care, and living with friends or family members. In addition, one project (23 units) is currently in the development pipeline, and developers have formally expressed interest to the County to create an additional three projects (39 units). A full description of the range of housing that clients served by Full Service Partnerships are currently living in is included in Appendix B.

Achievements: First Year Action Plan

1. Implement Recommendations Outlined in this Housing Plan

During the fiscal year 2007 – 2008, SDMHS, CSH and the Mental Health Housing Council focused on strategies that will ensure 438 units of MHSA housing for people with mental illness. The ultimate success of the MHSA Housing Plan is dependent on the effectiveness of efforts to ensure its full implementation, the availability of resources necessary to achieve these goals, along with the ability to make mid-course adjustments if it is determined that additional strategies should be pursued.

The Recommendations outlined in the original Housing Plan serve as important tools to achieve the Plan’s overall goals and have provided clarity to clients, service providers and the development community in calling out the priorities and parameters of MHSA Housing creation. These Recommendations have been implemented in the County’s review process for any MHSA Housing development opportunities under consideration. Any projects that do not meet the guidelines and recommendations are reviewed by the Project Exception Committee (see below) who provides feedback and input to SDMHS. In addition, housing opportunities provided through the FSPs’ leased units also meet the Housing Plan’s recommendations and guidelines, with specific attention paid to client choice and affordability.

The Recommendations and Guidelines have been reviewed and updated by the Ad Hoc MHSA Housing Plan Committee and Housing Council based on the first year’s experience of implementation. This Committee was formed specifically to develop this first year’s update. The updated Recommendations and Guidelines are included in this MHSA Housing Plan Update and will be used to guide the development of housing opportunities in the second year of implementation.

2. Secure Expertise and Administration of Local Housing Funds:

SDMHS partnered with The County of San Diego Housing and Community Development in order to administer the locally available one-time and ongoing housing funds. A Memorandum of Agreement was signed on December 18, 2007, outlining the responsibilities of each organization, the resources that are available and their allowable uses, and the process to apply for funds.

In addition SDMHS and the County of San Diego Housing and Community Development (County HCD) formed a partnership to announce a Notice of Funding Availability (NOFA) on March 20, 2008. This NOFA includes \$3.24 million dollars of MHPA funds to finance the acquisition, rehabilitation, new construction and operation of permanent supportive rental housing including capitalized operating subsidies for projects serving individuals with mental illness and their families.¹

The allowable uses for monies under the NOFA align locally administered MHPA housing funds with the MHPA Housing Program in order to achieve the maximum leverage of state resources while also providing standard requirements for projects applying for MHPA housing funds.

3. **Building the Industry in San Diego:**

SDMHS, local Housing Agencies, and the Corporation for Supportive Housing (CSH) have engaged in a number of different strategies to build the industry in San Diego:

- ❖ **Strategies to Build Capacity:** In the first year of implementation, the Full Service Partnerships focused on providing housing opportunities through leased units for MHPA clients. The FSPs work with clients to ensure that they simultaneously apply for all possible sources of subsidized housing, such as the Section 8 program. This is a strategy to enable FSP clients to access the broadest range of sustainable housing resources. The Corporation for Supportive Housing also worked closely with SDMHS and the FSPs to build systems that facilitate leasing, such as the evaluation of housing quality standards, determining appropriate leasing subsidies, structuring master leasing agreements, and making tenant rent calculations.
- ❖ **Training and Support Strategies:** An initial needs assessment indicated the greatest training needs in the areas of:
 - Approaches to financing rental housing using MHPA Housing Program funds;
 - Implementing MHPA Housing operations from a property management and services perspective;
 - Serving youth under MHPA; and
 - Building community support.

In 2007-2008, the Corporation for Supportive Housing offered the following training sessions and initiatives to help address these needs:

- September 12, 2007: Property Management in Supportive Housing.
- September 20, 2007, Transition-Aged Youth and Mental Health Housing Roundtable

¹ Note: the NOFA was temporarily suspended following DMH notice 08-05 which raised questions about the allowable uses for locally administered housing funds. DMH clarified their position in notice 08-12 and the NOFA is anticipated to be reintroduced in July 2008.

- October 12, 2007: San Diego Housing Federation Conference at Point Loma Nazarene University. Four sessions focusing on supportive housing were offered:
 - “Transforming Local and State Systems,” describing the link between housing and the Mental Health Services Act
 - “*Supportive Housing: Financing Housing with MHPA*” focused on legal issues related to MHPA Housing funds
 - “Next Steps,” which facilitated a discussion about ending chronic homelessness in San Diego
 - “When Housing Alone Isn’t Enough,” discussing three different models of operating permanent supportive housing
- November 8 2007: CSH’s national staff conducted “Supportive Housing 101” training in San Diego at the Centre City Development Corporation Affordable Housing Conference.
- February 21, 2008: training session focused on MHPA Supportive Services Planning and CalHFA MHPA Financing, along with Legal Issues Associated with Using MHPA Funds for Housing.
- May 1, 2008: Roundtable on Building Community Support for Supportive Housing Projects in partnership with the San Diego Housing Federation.

4. **Coordinating Funding:**

SDMHS and the Corporation for Supportive Housing have worked actively to ensure maximum coordination between MHPA providers and other potential housing sponsors when applying for locally-available or locally-administered funding sources. In 2007-2008, the following funding resources have been coordinated with MHPA Housing resources:

- **Centre City Development Corporation (CCDC):** CCDC announced their commitment to ending homelessness in the downtown redevelopment area and pledged \$10 million for the creation of new permanent supportive housing along with \$10 million for other homeless initiatives. In addition, CCDC issued a Request for Letters of Interest to identify a qualified development team to develop an affordable rental housing project on a Redevelopment Agency owned property in downtown. The project is envisioned as 250 or more units of affordable housing. Of the 250 units, 25 will be set aside as supportive housing units under the Mental Health Services Act. CCDC is in the process of selecting a qualified developer for this site.
- **San Diego Regional Continuum of Care (CoC):** The CoC prioritized coordinated planning in partnership with MHPA providers for the 2007 submission to the federal Housing and Urban Development McKinney Vento Notice of Funding Availability. The 2007 award included funding for 28 units of permanent supportive housing for two organizations (TACHS and Mental

Health Systems) which will house FSP clients in 2008. The annualized value of these rental subsidies is \$272,000. It is anticipated that applications for the 2008 Continuum of Care submission will also include projects serving MHSA clients.

- **County Housing and Community Development (HCD):** On March 20, 2008, in partnership with SDMHS, County HCD issued a NOFA for \$3.24 million dollars of MHSA funds to finance the acquisition, rehabilitation, new construction and operation of permanent supportive rental housing including capitalized operating subsidies for projects serving individuals with mental illness and their families.

5. Establish MHSA Housing Project Review Committee:

The MHS Housing Council established a MHSA Ad Hoc Housing Project Exception Committee (PEC) which including MHS Housing Council members, SDMHS administration staff, clients and family members to provide input on the design of any new construction project or any acquisition rehabilitation project that falls outside of the identified guidelines. The Committee first met on March 6, 2008 and provided input and feedback to SDMHS on three proposed projects. The PEC meets monthly directly following the Housing Council meeting and has prioritized the importance of expanding their expertise in providing feedback on proposed housing developments. To enhance their ability to provide detailed input, whenever possible, the Corporation for Supportive Housing will organize site tours and presentations of best practice models in the event that no projects are scheduled for review at their monthly meetings. A site tour of The LGBT Center's Sunburst Youth Supportive Housing project took place in June 2008.

6. Assist the Siting of MHSA Housing Developments:

SDMHS along with CSH have proactively provided assistance to sponsors as they locate potential sites for MHSA housing. Several sponsors have submitted their application to SDMHS under the MHSA Housing Program and have requested technical assistance in providing information to community members on the Mental Health Services Act and supportive housing. At the direction of SDMHS, the Corporation for Supportive Housing has provided five public presentations on MHSA and supportive housing to educate community members and decision makers on the County's MHSA Housing Plan and the supportive housing model. In addition, the May 1, 2008 Roundtable training focused on strategies to build community support in the siting of MHSA Housing developments.

7. Identify Additional Sources of Funding to support Mental Health Housing locally:

A clear need for sustainable housing funds was identified through the initial MHSA Housing Plan planning process. The one-time funds embedded in the Full Service Partnership contracts are being exhausted through leasing and operating costs.

The Mental Health Housing Council provided significant input and feedback to SDMHS regarding the need for sustainable sources of local housing funds. The following update reports on progress made to date to identify additional MHSA housing monies:

- a. The dedication of a percentage of any additional MHSA funds (one-time or ongoing) that flow to the County of San Diego to a mental health housing program.²

In 2006-2007, SDMHS dedicated an additional \$5.2 million for MHSA Housing Opportunities (\$3.1 million in one-time funds and \$2.1 million ongoing as sustainable funds).³ For FY2008-2009, an additional \$1 million in sustainable funds is being proposed to be dedicated to MHSA Housing Opportunities.⁴

- b. The dedication of a percentage of any MediCal revenue generated through the MHSA programs to a mental health housing program is under consideration.

SDMHS is investigating this possibility for the MSHA program. Currently no MediCal monies have flowed back to the County. All Full Service Partnerships are working actively to ensure any MediCal eligible activities are processed through the MediCal program.

- c. Encourage local philanthropists to commit resources to the creation of housing for people with serious mental illness in the region.

To date, there has been no significant philanthropic contribution to MHSA housing in San Diego.

² Under the Mental Health Services Act, housing is considered an eligible use of CSS service funds. See DMH Information Notice No.: 07-04, March 28, 2007.

³ CSS Enhancement #2

⁴ CSS Enhancement #3

Review of the MHSA FSP Housing Recommendations and Guidelines

The Mental Health Housing Council Ad Hoc Committee reviewed the MHSA Housing Plan's original Recommendations and Guidelines, which have been updated to reflect lessons learned through the first year of Plan implementation. The changes below reflect increased specificity (e.g. the unit target numbers; portion of tenant rent; proximity to community amenities; requirements for on-site space) and a new emphasis on unit livability. ***These Updated Recommendations and Guidelines will be used to guide MHSA Housing development in the second year of the Plan's implementation.***

NOTE: For ease of use, the revised recommendations are printed here in their entirety, rather than just the changes that have been proposed.

2008 Updated Recommendations to Develop a Variety of FSP Housing Opportunities

1. FSP clients will choose and direct their housing arrangements.
2. MHSA funds dedicated to housing should be used to leverage funds toward at least 438 new housing opportunities for FSP clients in San Diego County (115 leased and 323 developed through new construction or acquisition/rehabilitation). To ensure long-term affordability, at least 2/3 of the new housing opportunities should be in permanently affordable sponsor-owned housing projects located throughout the county, including new construction and acquisition / rehabilitation projects. The remaining units may be leased apartments spread throughout the county.
3. MHSA units may be in buildings that are 100% targeted for FSP clients and in mixed population and/or mixed-income buildings serving other target populations. To ensure client choice, SDMHS should seek to achieve a mix of building types.
4. While there is a need for different housing types to provide a continuum of care, the limited resources available for housing under MHSA are dedicated to the creation of permanent housing. The development of new transitional housing is not allowable using local MHSA housing funds.
5. SDMHS, CSH, the San Diego Housing Federation, and the FSP providers will work with affordable housing developers to secure units dedicated to FSP clients in their housing projects.
6. Once all the housing units are created and filled there will still be a need for housing for new clients coming into the FSPs. SDMHS, CSH and FSP providers should work together, consistent with State Department of Mental Health guidelines, to explore graduation/exit strategies for clients ready to leave the intensive services of an FSP to ensure that they are able to retain stable housing while making sure some FSP-dedicated housing can be made available to house new clients.

2008 Updated Housing Project Development Guidelines

For shared and rental housing projects developed using MHSA housing funds, the following guidelines shall apply.

1. SDMHS intends to provide housing that is affordable to the client population served. FSP clients will pay no less than 30% of their income for housing (and no more than 50% of their income).⁵
2. FSP clients will live in housing where they have their own bedrooms.
3. Shared housing may be eligible for funding under the condition that clients have their own lockable bedrooms. All shared housing projects will require the review process outlined in 8 below. Shared housing for transition-age youth (TAY) clients is not recommended.⁶
4. While buildings may be of any size, SDMHS must ensure that a variety of projects are developed, that efforts are made to minimize concentration of clients, and that at least some projects funded are mixed population/ mixed-income tenancy and some projects are small in size (25 units or less.) Projects proposed with more than 25 MHSA-dedicated units shall be evaluated under the process outlined in 8 below.
5. MHSA-supported housing developments must be located near transportation. In addition, projects should have access to health services, groceries and other amenities such as public parks and/libraries.⁷
6. Studio apartments dedicated to individual FSP clients should be designed for unit livability, meaning the space in the unit can accommodate the potential number of occupants and the basic pieces of common furniture necessary for daily activities. Units must at minimum include a bathroom and food preparation area. Studio units less than 350 square feet will be evaluated under the process outlined in 8 below. Rental Single Room Occupancy (SRO) units with shared bathrooms are not desirable and should not be funded.

⁵CSS planning guidelines from the State Department of Mental Health require housing affordability for MHSA clients living in MHSA supportive housing, meaning that each tenant pays no more than 30% to 50% of household income towards rent.

⁶The recommendation that shared housing is not a preferred housing model for transition-age youth came out of the focus group with youth and discussions with youth providers. The feedback gathered indicated that the youth prioritized under MHSA CSS Plan often had negative experiences in congregate living situations and that shared housing is not the preferred housing option for a client-centered recovery based program.

⁷ At minimum, public transit that comes with reasonable frequency must be accessible within 0.5 mile. It is preferred that, where possible, other services be walkable within 0.5 mile (e.g. not including physical barriers that prevent access by foot or public transit).

7. MHSA-supported housing developments should include community space, which may include the following: common meeting spaces, communal kitchens, computer room, and gardens. Dedicated space for services delivery is desirable, particularly in projects with higher numbers of MHSA units, but not required.
8. For any proposed housing project, if guidelines 1 through 7 are not met, the Project Exception Committee of SDMHS staff, CSH, MHS Housing Council members, clients and family members will review the proposed project's design and provide input to the developer and County Mental Health before the project is considered for approval. This committee will review the proposed projects in an expedited process to prevent any delays in funding applications.
9. MHSA Housing projects must involve client representatives and family members in the design and planning process for all new projects that have not already been through the design process. SDMHS will organize client representatives and family members in a timely manner to provide feedback.⁸
10. MHSA funded units should be retained as dedicated for mental health clients for the maximum time possible, based on other funding requirements and continued need and availability of services. Affordability requirements should be as long as permissible, with a target goal of 55 years if financially feasible.

⁸ Feedback from mental health clients highlight such features as sound transfer between units, adequate community space, access to the outdoors, and natural light within units.

MHSA Housing Production

A high level financial projection model was included in the original 2007 MHSA Housing Plan. Its purpose was to identify the anticipated financial resources needed to fund a likely development scenario in accordance with the larger Plan's goals and guidelines.

The purpose of this model update is to:

- Track the actual development pipeline against the model's projections;
- Identify variances and discuss the reasons for them; and
- Identify factors affecting the completion of the Plan's unit goals, including a discussion of potential courses of action to help ameliorate any anticipated obstacles.

I. Summary of Model Projections

The MHSA housing model anticipates the creation of 438 MHSA housing units over a six year timeframe commencing in FY 2007-2008. Per the Plan's guidelines, once the Plan is completed approximately one third of the units (115 total) are projected to be scattered site units acquired through leasing arrangements. The remaining two thirds will be created through new construction or acquisition-rehabilitation of existing buildings. The model anticipates that these "production" units will primarily be created through acquisition-rehabilitation strategies due to the difficulty in acquiring vacant sites with appropriate zoning in place. Acquisition-rehab strategies also offer the potential advantage of being typically lower cost than new construction.

Given that the housing production process is often lengthy, which can result in several years for production units to go from concept to operation, the model assumes that the only units that would be available for tenants in FY 2007-2008 would be the leased units. Table I below shows the complete projected pipeline which is anticipated to consist of 13 separate projects.

Table I	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY12-13	6 Year Total
Scattered Site/Leased Units	115						115
Total Production Units	0	50	60	73	70	70	323
New Construction/Subst Rehab			40	23	25	25	113
Acquisition/Mod Rehab		50	20	50	45	45	210
Total	115	50	60	73	70	70	438

While the financial model does not anticipate production units being in operation in FY 07-08, it does assume that financing commitments will be made during this year which will lead to the creation of production units in subsequent years. Commitments are projected per Table II below.

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	6 Year Total
Capital Funding ³	\$15,625,000	\$24,062,500	\$39,325,000	\$24,124,375	\$35,687,438	\$0	\$138,824,313
Operating Subsidies	\$1,551,496	\$1,870,011	\$2,261,048	\$2,644,263	\$3,034,917	\$3,065,267	\$14,427,002
Additional Subsidy Needed for Front Desk	\$103,500	\$104,535	\$211,161	\$319,908	\$430,810	\$435,118	\$1,605,032
Total Operating Subsidies	\$1,654,996	\$1,974,546	\$2,472,208	\$2,964,172	\$3,465,727	\$3,500,385	\$16,032,034
Service Funding	\$1,980,000	\$2,754,000	\$3,720,470	\$4,686,295	\$5,689,263	\$5,803,049	\$24,633,077
Total Funding Commitments	\$19,259,996	\$28,791,046	\$45,517,679	\$31,774,841	\$44,842,428	\$9,303,433	\$179,489,424

The commitments in FY 07-08 in Table II above are assumed to be the costs associated with the fifty production units that are projected to come on line sometime in FY 08-09.

II. Summary of Projected Vs. Planned Production

As noted above, the financial model differentiates between new construction/acquisition rehabilitation units (referred to as “production units”) and scattered site units which will be acquired via leasing arrangements on the private market (referred to as “scattered site/leasing units”). An additional refinement to the model has been called out in this Plan Update with the definition of “Partnership Units” or units that have housing costs entirely subsidized through other funding sources and which are committed to housing MHSA FSP clients. In 2007-8, a total of 69 Partnership Units are housing MHSA clients through Shelter Plus Care subsidies (leveraging \$272,000 annually in housing funds). Finally, the financial model also anticipates the creation of 162 non-MHSA “affordable” units (rent restricted units for households typically at or below 60% of the area median income) in projects along with the MHSA units so as to better achieve economies of scale and leverage financial resources

Table III below shows the total projection from the original Housing Plan for each category over the course of the 6-year projection period.

Table III: Projected Units Available for Occupancy

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	Total
MHSA Production Units		50	60	73	70	70	323
MHSA Scattered Site/Leased Units	115	0	0	0	0	0	115
Non-MHSA Affordable Units		25	35	77	0	25	162
Total	115	75	95	150	70	95	600

The chart below outlines the actual units occupied as of June 30, 2008, providing safe, secure and affordable housing options for MHSA clients in San Diego.

Table IV: Actual Units Available for Occupancy as of June 30, 2008

	Projected FY 07-08	Actual Units FY 07-08
MHSA Production Units	0	0
MHSA Scattered Site/Leased Units	115	278
Non-MHSA Affordable Units	0	0
Partnership Units	0	69
Total	115	347

Projected vs. Actual MHSA Pipeline Units

Table V below shows the number of MHSA “production” units projected under the model based on the years in which the units are anticipated to be on line versus actual pipeline projects which have completed a 30 day noticing period, indicating a threshold level of readiness.

Table V: MHSA Pipeline Units

	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	Total
Projected Production Units	50	60	73	70	70	323
Pipeline Units*	0	0	23	0	0	23
Actual Variance	(50)	(60)	(50)	(70)	(70)	(300)

* Pipeline units noted above are those for which a Development Summary Form has been submitted to the County and a 30 day noticing period has been completed.

Details on the individual project (Attachment I of 30 Day posting submittal) constituting the pipeline units represented above are summarized in Appendix C.

The breakdown of pipeline units by MHSA population group as compared to the total by-population unit goal (323 production units only) is shown below. It is interesting to note that, to date, more developers have expressed interest in developing housing for Older Adults than the other MHSA priority populations. It is critical that housing options are developed for the full range of target populations and that MHSA Housing resources are invested in projects that serve an appropriate balance of MHSA clients.

Table VI: Population Goals Vs. Pipeline (MHSA Production Units Only)

	Pipeline To Date	Total Projected	% Goal Complete
A1 – Homeless	12	125	9.6%
A2 – Criminal Justice	0	75	0%
TAY1	0	60	0%
OA-1 Older Adults	11	63	17.5%
Total	23	323	7.1%

MHSA Early Stage Units

Although not counted as pipeline units, several projects are in the early stages of predevelopment and planning. As of June 23, 2008, three such projects constituted a total of 39 MHSA units. These projects projected completion dates are in 2009 and 2010. If these MHSA Early Stage units are combined with the pipeline units, San Diego is 19% of the way towards achieving the goal of 323 production units in operation by 2013.

MHSA Scattered Site/Leased Units

The financial model projects the creation of 115 scattered site/leased units to be in operation by FY 2008 - 2009. A total of 347 units are currently being leased (278 supported by MHSA resources and 69 Partnership Units supported through leveraged funds), as will be discussed further below.

Non-MHSA Affordable Units

The model projects the production of 162 non-MHSA affordable units which would exist in projects alongside the MHSA units. As of June 23, 2008, 42 such units were in the pipeline within a project expected to be complete in 2011. An additional 102 affordable units are projected in Early Stage projects.

III. Analysis of Variance Between Projected and Pipeline/Actual Activity

As indicated in the discussion above, there are significant variances between the model projections and the anticipated pipeline units and the actual leased units. Because the financial model is a high level projection based on the best information available at the time it was created (Spring 2007) it is to be expected that actual activity will vary. Additionally, it is still very early in the Plan's timeline to fully assess the likely pipeline as many projects are in the very early conceptual stages. However, some factors that were unanticipated have either led to or will likely result in divergences, as discussed below.

MHSA Production Units

Several factors have come to light during the Plan's first year that affect the financial model projections around the MHSA production units and are likely to have an effect in subsequent years as well. These include:

1. CCDC Incentives for MHSA Units: The financial model assumes a limited amount of pipeline projects during the first year of the Plan largely due to the fact that there are very few developers in San Diego County with experience in developing supportive housing. CCDC's support for new downtown development projects including supportive housing units, however, has led to interest by private developers in the downtown area such as Squier Properties, along with a broader interest in other areas

of the County such as Chelsea Investment Corporation. This active support for the creation of new supportive housing units may increase the number of projects/units entering the pipeline in FY 2008-2009 and 2009-2010, particularly new construction units.

2. MHSA Housing Program Rollout: As noted earlier in this update, the MHSA Housing Program is expected to be a major source of capital and operating funding for MHSA projects. The program is new to developers and is expected to catalyze many pipeline projects once it is better known. However, the delay in its release from the State and the fact that counties and developers are still learning about its requirements has contributed to a delay in moving the first projects forward and may affect the project time frames of the Plan.
3. Preference for New Construction Projects: The financial model assumes that most of the 13 MHSA housing projects would be created through acquisition/rehabilitation strategies, based on experience to date in San Diego on other supportive housing projects. However, both the pipeline and the early stage projects reviewed to date indicate opportunities and developer preference for creating new construction projects. This exciting and unanticipated development is due largely to the leadership of CCDC in encouraging developers to include supportive housing units within affordable housing developments in the downtown redevelopment area, the majority of which are new construction projects. The greater number of new construction projects provides a significant opportunity for the mental health community to provide input into the design of projects during their early stages of development and to be involved in projects that are anticipated to have a longer building life. Since the current model anticipates more rehabilitation and considers new construction to be more expensive on average, a continued trend in this direction could result in a pipeline with higher costs than anticipated and potentially extending the time required for projects to be completed.
4. Increased Number of "Mixed Income" projects: the higher number of new construction projects also incorporate more supportive housing units within larger affordable housing projects than originally anticipated. This approach provides additional choice for tenants who may prefer to live in apartments that mix income levels along with affordable and supportive housing units.

Funding Sources

Based on the anticipated development budgets of both Pipeline and Early Stage units, the funding sources to be used have also differed from those projected under the financial model.

Table VII below shows the anticipated total cost of the 13 projects projected in the model broken down by the anticipated funding sources.

Table VII: Anticipated Funding Sources – Total Pipeline

Funding Source	Total Funds
TCAC (4% LIHTC)	\$11,228,875
TCAC (9% LIHTC)	\$35,467,575
MHP (HCD)	\$28,648,000
MHSA Housing Program (CalHFA)	\$29,000,000
MHSA One-Time	\$0
MHSA Unspent	\$2,591,820
MHSA Capital Facilities	\$0
MHSA Additional Ongoing	\$6,025,234
Local Continuums (McKinney SHP)	\$2,750,000
Federal Home Loan Bank (AHP)	\$3,150,000
Other Financing	\$2,462,809
Other Local Resources	\$17,500,000
TOTAL	\$138,824,313

The one pipeline project to date exhibits sources of funds that are generally in line with projected sources. Residential costs* associated with the Cedar Gateway project include:

Table VIII: Anticipated Funding Sources –MHSA Pipeline Project to Date

Source	Cost
TCAC (9% LIHTC)	\$14,267,000
MHP	\$3,556,191
MHSA Housing Program	\$2,406,809
Federal Home Loan Bank	\$260,000
Other Financing	\$1,850,000
Other Local Resources	\$3,661,000
Total	\$26,001,000

*Additional non-residential (commercial) costs amount to \$1,682,000.

Scattered Site/Leased Units

As noted above, 115 scattered site/leased units are projected in the model to be on line in FY 07-08. As shown in Table IX below, the actual number of leased units is currently a much higher at 347. The reason for this disparity is that contracts were established to lease up to a maximum of 483 units prior to the determination of the housing production goals under this Plan, mainly using one-time housing funds as a stop-gap measure until the majority of the developed units are leased up. The 347 FSP clients living in housing have their units currently financed through a combination of McKinney-Vento subsidies (69 total – referred to as “partnership units”), \$1 million in one-time funds and a \$1.6 million Sustained Growth allocation of local MHSA funds. These units are not deemed to be sustainable long term given this level of one-time funding and the uncertainty of its

future availability. As a result, the table below shows that the number of actual leased units is projected to decrease as production units come on line.

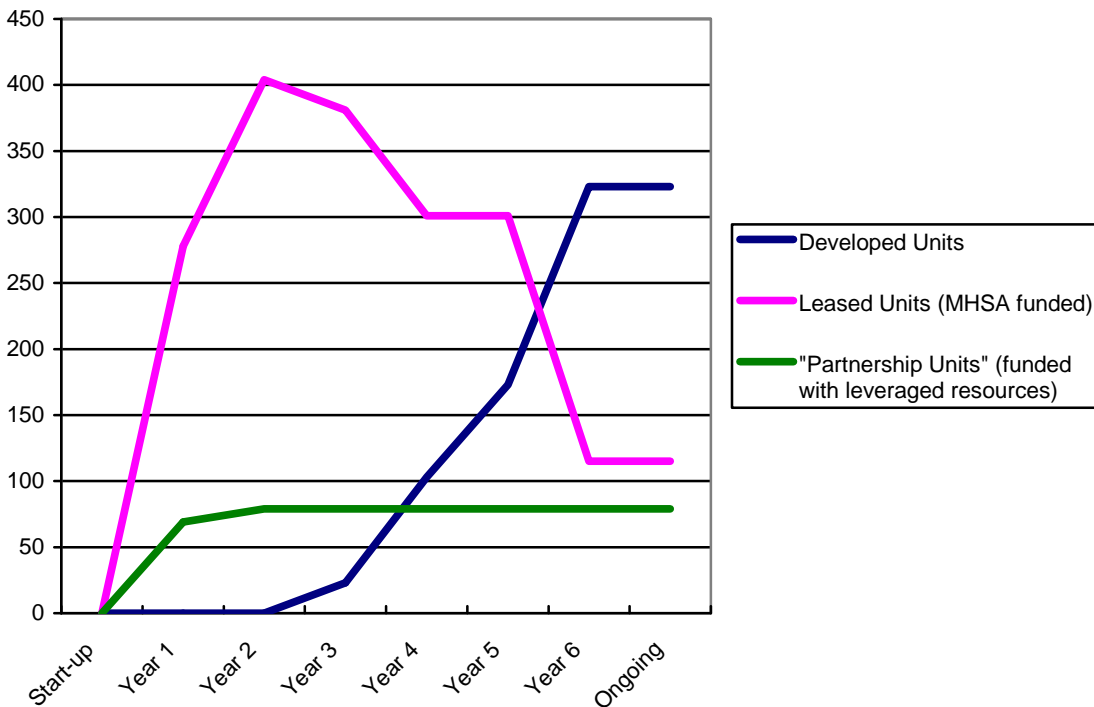
The shift of MHSAs tenants from leased units to new production units presents transition issues that are discussed elsewhere in this update and need to be carefully considered. Specific recommendations are outlined in the second year action plan to continue to ensure ongoing planning for the transition from leased units to developed units.

Table IX: Total MHSAs Scattered Site/Leased Units By Year

	FY 07-08	FY 08-09*	FY 09-10*	FY 10-11*	FY 11-12*	FY 12-13*	Total
Projected Leased Units	115	115	115	115	115	115	115
Actual Total	347 (start-up year)	483 (maximum)	373	300	230	160	160
Variance	232	368	258	185	115	45	45

*Reduction in "actual" units is anticipated due to projected production units coming on line.

The graph below represents the general trend of developed units coming on line over the next 5 years, the stabilization of the "partnership units," and the reduction in MHSAs funded leased units as the developed units are occupied. This is meant as a general representation based on the trends observed in the first year of the Plan's implementation. Note that following Year 6 of the Plan's implementation the ratio of developed units to leased units remains constant as the Plan's unit targets are achieved.



Partnership Units

MHSA staff and its contracted providers have worked collaboratively with housing providers in the San Diego region in order to ensure maximum leveraging of housing resources in the County. “Partnership Units” house FSP clients in affordable housing units that are funded exclusively through a source besides the Mental Health Services Act. In the first year of implementation of the MHSA Housing Plan, partnerships have developed resulting in 69 units of permanent supportive housing for MHSA clients funded entirely by \$272,000 annually in McKinney Vento subsidies. Services are provided to these tenants under the Full Service Partnerships. It is anticipated that it will be possible to secure some additional Partnership Units in subsequent years. However, the first year of Plan implementation is expected to represent the greatest gains in “Partnership Units” because housing providers will begin to access operating funding through the MHSA Housing Program.

The “Partnership Unit” subsidies bring a valuable ongoing resource to the MHSA Housing Program and represent a clear success in coordinated planning. It is important to note that one key challenge of utilizing McKinney Vento subsidies is the requirement that all potential tenants qualify as chronically homeless.⁹ While a portion of clients served under the Mental Health Services Act Full Service Partnership program have long term experiences of homelessness, not all of the FSP clients will meet this federal definition. It is essential that housing providers and the FSPs are aware of this definition to ensure that appropriate potential tenants are referred to these housing providers.

IV. Additional Factors Likely to Influence Completion of Planned Unit Goals

In addition to the factors noted above that have affected the Plan in its first year, a number of additional factors can also be expected to impact the unit projection going forward. These include:

- **Ease of use of statewide MHSA Housing Program:** As noted above, this program is in process of being rolled out and can provide funding for one-third the costs of MHSA units up to \$100,000/unit (unless waived by the County) in addition to capitalized operating reserves if other subsidies are not available. Once it has been fully introduced, the degree to which developers are able to successfully utilize this funding source will have a large impact on the production pipeline going forward.
- **Market for Low Income Housing Tax Credits:** The market for tax credits is currently very weak due to the condition of US capital markets and the economy as a whole. The financial model assumes that some 34% of the capital funding for the projected production units comes from this source. With pricing for credits currently well below the levels of a year ago, market shifts may have a major impact that may mean less capital availability from the Tax Credit program and greater pressure to fill

⁹ The Federal Department of Housing and Urban Development (HUD) defines “chronically homeless” as someone who has experienced one year of homelessness, or four episodes of homelessness in the last three years.

development “gaps” from local jurisdictions and redevelopment agencies. In addition, the extent to which the Qualified Allocation Plan published annually by the California Tax Credit Allocation Committee (TCAC) provides further incentives for the creation of permanent supportive housing will be significant to the incentive to create more MSHA units in future years.

- Future availability of statewide funding: Statewide funding sources, in particular the Multifamily Housing Program (MHP), are critical to the financing of supportive housing projects. The MHP program, initiated in 2007, is anticipated to run out of funds in 2009. The current budget climate makes it difficult to assess whether additional funding for this program, or a replacement program, is likely. Efforts to promote such funding will be critical to meeting the MSHA housing goals.
- Continued commitment of local jurisdictions: Local resources, such as HOME funds, are also significant sources of capital funding for supportive housing. The current economic climate makes the availability of these funds difficult to gauge. Additionally, the degree to which local jurisdictions, such as the Centre City Development Corporation, support the creation of MSHA units through incentives or actual requirements will play a significant role. Local funding sources are described in more detail below.
- Future availability of operating subsidies: While the MSHA Housing Program provides capitalized reserves of up to \$100,000 per unit, these resources are available on a limited basis and only to the extent that other subsidies are not available. There are clearly not enough MSHA operating funds to subsidize all anticipated units expected to receive capital funding under the program. As a result, the continued availability of operating sources from the federal level are significant in meeting the Plan’s unit goals.

Local Housing Funding Sources

Several local housing funding sources and opportunities are important to note in San Diego County. Many of these sources were not yet fully established at the time the Housing Plan was developed. These funds provide significant opportunities (or potential opportunities) for leveraging strategies for MSHA Housing.

- **Centre City Development Corporation (CCDC):** As described earlier, CCDC announced their commitment to ending homelessness in the downtown redevelopment area and pledged \$10 million for the creation of new permanent supportive housing along with \$10 million for other homeless initiatives as well as the development of 25 units of supportive housing on a site they currently own.
- **San Diego Regional Continuum of Care (CoC):** There is an ongoing opportunity to continue to collaboratively plan with the CoC to ensure the

2008 Continuum of Care submission will also include projects serving MHSA clients.

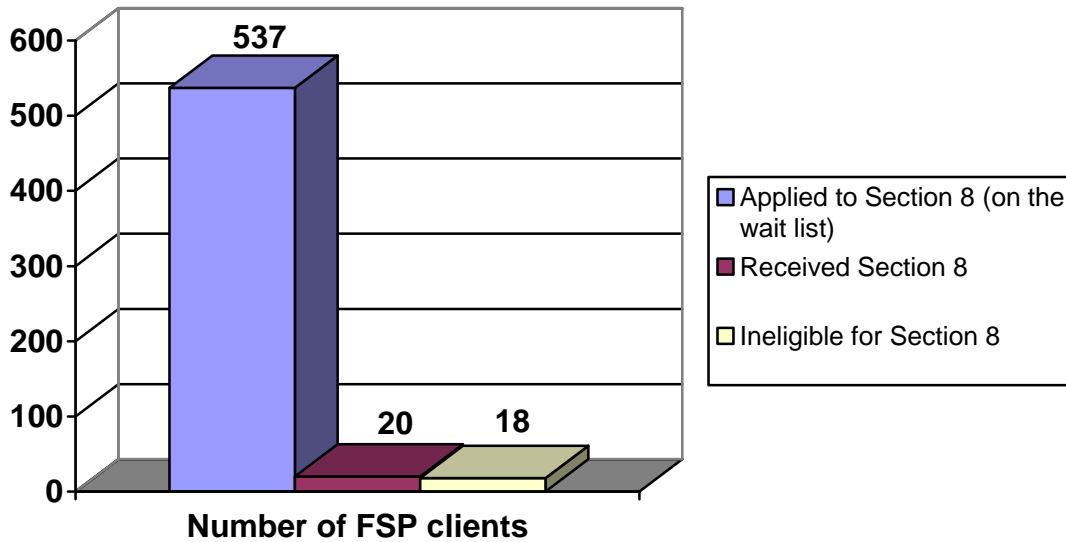
- **County Housing and Community Development (HCD):** On March 20, 2008, in partnership with SDMHS, County HCD issued a NOFA for \$3.24 million dollars of MHSA funds to finance the acquisition, rehabilitation, new construction and operation of permanent supportive rental housing including capitalized operating subsidies for projects serving individuals with mental illness and their families.
- **San Diego Housing Commission:** 100 Project Based Section 8 Vouchers were allocated in 2007 to four projects in the City of San Diego. Currently, there are no additional opportunities for Project Based Section 8 Vouchers; however, this will be a significant opportunity for operating subsidies if additional vouchers become available in subsequent years.

V. Summary/Conclusion

As the comparison of the Plan's original financial model to actual activities over the year demonstrates, there is both progress being made and some divergence from what was anticipated for numerous reasons described above. After one year, San Diego is between 7% and 19% of the way to its target in terms of production of new units. Given that some of this variance can be attributed to external changes, it is too early to determine if major changes to the model's assumptions or projections are needed to better predict the number and type of units and time frame in which they will be created. The Housing Council recommends continuing to track progress against the model over the coming year and to reexamine progress and assumptions a year from now to see if any policy or practical changes are needed to make the model more useful for targeting future development.

Section 8 Housing Resources

All clients enrolled in the Full Service Partnerships are encouraged to apply to the Section 8 Housing Program. The FSPs work closely with clients to ensure that they successfully complete the application and to ensure ongoing communication with the appropriate Section 8 housing agency. The following table illustrates the number of FSP clients as of June 2008 who have applied for Section 8 (and are on the waiting list); those who have Section 8 vouchers and are using them for housing; and those who are ineligible for Section 8 resources:



The Section 8 program is a key resource for FSP clients and the MHSA Housing Plan update will report annually on the status and experience of FSP clients on the Section 8 program. The Full Service Partnerships are working closely with FSP clients who are currently listed as "Ineligible for Section 8" to apply for a reasonable accommodation, where appropriate, to appeal their ineligible status if their ineligibility is determined to be related to their disability.

Inventory of Housing Currently Available For Mental Health Clients

The 2007 MHSA Housing Plan included an inventory of housing for people with serious mental illness. The following charts update the Housing Opportunities reported on in the Plan. In addition, included with this update is a more detailed inventory with addresses and contact information for all of the sites included.

Summary by Type of Housing Dedicated to Individuals with Serious Mental Illness

Table 5: Number of Beds *Dedicated* to Individuals with Mental Illness

Type of Housing	Number of Beds	% of Total Beds
Permanent Supportive Housing	320	15.6 %
Transitional Housing	231	11.3 %
Emergency Shelter	24	1.1 %
Crisis Residential Treatment	75	3.6 %
Licensed Board & Cares	1,396	68.2 %
TOTAL BEDS	2,046	

Summary by Region

Table 6: Distribution of *Dedicated* Beds across HHSa Service Regions

Region	Permanent Housing Beds	Transitional Housing Beds	Emergency Shelter Beds	Crisis Center Beds	Licensed B&C Beds	Totals
North Coastal	0	18	0	11	24	53
North Inland	39	0	12	0	200	251
East County	0	0	12	26	611	649
North Central	12	0	0	0	12	24
Central	269	213	0	26	450	958
South County	0	0	0	12	99	111
TOTALS	320	231	24	75	1,396	2,046

Additional Housing Resources Available but not Dedicated to Clients

Type of Housing	Number of Beds	% of Total Beds
Permanent Supportive Housing	120	5.2 %
Transitional Housing	1,185	51.0 %
Emergency Shelter	65	2.8 %
Sober Living Facilities	950	41.0 %
TOTAL BEDS	2,320	

Continuing to Identify and Address Additional Housing Needs

The Mental Health Housing Council has continued to prioritize the importance of meeting the housing needs of people with mental illness not served under the Mental Health Services Act. In 2007-2008 a number of initiatives are underway to address the unmet needs for clients not served by Full Service Partnerships:

Residential Care Committee: This Committee's goal is *to improve conditions in licensed Board & Cares and in Independent Living facilities* and has been actively working on several initiatives in 2007-08. The Residential Care Committee worked collaboratively with the County to ensure that all Board and Care information is easily accessible through the 211 information and referral service. In the coming year, the Committee will continue to work with 211 to ensure that the information given out to callers contains up to date information about bed availability. In addition, the Committee has been actively pursuing hospital discharge planning improvement; regulation of independent living facilities; improvement of licensed Board & Cares; and media expose of severe living situations.

Work and Training Opportunities: The County of San Diego Behavioral Health Services Division has implemented a needs assessment under the Workforce Education and Training component of the CSS Plan. The MHSA Workforce Education and Training component is currently allocated at \$8 million with an additional \$8 million allocated in the summer of 2008. This initiative will provide significant work and training opportunities for consumers. The assessment recommendations include the essential element that any Workforce Education and Training activities be consumer and family driven within an integrated service model. The Housing Council will continue to engage with this new MHSA funded component to increase work opportunities for people with serious mental illness in the County.

The Housing Council will continue to search for opportunities to address unmet needs, including providing housing support and education more broadly to mental health system clients; and increase access to affordable housing for all people with mental illness in the County.

Second Year Action Plan

Implement MHSA Housing Plan

In the second year: FY 08-09, SDMHS, CSH and the Housing Council will continue to implement the Plan's production goals for creating 438 units and to undertake activities to promote housing opportunities for all persons with mental illness. To facilitate the unit creation process the Updated Recommendations and Guidelines will be utilized to guide SDMHS investments in MHSA Housing opportunities.

Site projects and Build Capacity

The development of MHSA housing will depend on developers' ability to site projects across the County. SDMHS and CSH will continue to proactively provide assistance to sponsors in the siting of projects, including one-on-one technical assistance as well as training.

In addition, SDMHS, CSH and the San Diego Housing Federation will continue to reach out to sponsors to build capacity within the housing development industry in San Diego to ensure the creation of high quality supportive housing projects for people with mental illness. Strategies to build capacity include one-on-one technical assistance along with training, in order to build the knowledge, skills and resources to successfully house people under the MHSA program.

Coordinate Funding, Secure Expertise and Administer Local Housing Funds

As outlined in the first year action plan update, one key activity during the first year of the MHSA Housing Plan was the creation of a MOU between Mental Health Services Administration and the County of San Diego Housing and Community Development. This MOU explains the procedures to administer locally available one-time and ongoing housing funds. The MOU outlines the responsibilities of each organization, the resources that are available and their allowable uses, and the process by which organizations can apply for these funds.

In addition, SDMHS established a set of guidelines for application for developers who are seeking to apply for either the State CALHFA or local HCD administered housing funds. These guidelines set out a logical path for developers to follow in submitting requests for consideration to County MHS.

During the Second Year Action Plan, SDMHS in coordination with HCD with assistance from the Corporation for Supportive Housing, will review the current documents and create improvements to these documents, as needed. This review will include the active participation of input from the development community to ensure a more predictable and efficient process for the administration of housing funds.

Build a Regional Strategy in San Diego County

In order to achieve the unit creation goals identified in the MHSA Housing Plan, SDMHS, housing developers, Full Service Partnerships (FSPs) and the Corporation for Supportive Housing (CSH) need to create strong, supportive relationships with key public sector housing agencies throughout San Diego County. Public sector housing agencies, such as city level housing and redevelopment agencies, play a significant role in the creation and long term management of residential developments within their jurisdictions. Such agencies can benefit from the infusion of MHSA capital funds into projects to meet the localities' goals as set forth in their Housing Elements and Redevelopment Plan activities.

Activities to build and strengthen a regional strategy for the coming year include:

- Identify a list of key city-level and regional housing agencies throughout San Diego County that can assist in the achievement of the Plan's goals.
- Develop information targeted to these jurisdictional agencies which describes MHSA resources and the MHSA Housing Plan and its specific goals.
- Identify how localities can partner in the implementation of the MHSA Housing Plan, including: contributing project based operating subsidies; local "gap financing"; identifying a key staff person as the contact person for future MHSA discussions; participating in educational efforts of local decision makers and community based organizations; and supporting local preferences for special needs units.
- Meet with representatives of the identified agencies to explore collaborative strategies and encourage an exchange of ideas between the various key public agencies.

Assess Clients' Experience of MHSA Housing

The MHSA Housing Plan is envisioned as a living document that guides the creation of MHSA Housing opportunities in San Diego County. It is essential that the housing options provided to MHSA clients meet their needs using client-centered, recovery oriented strategies. In order to assess the effectiveness of the housing opportunities provided under the Mental Health Services Act, SDMHS in partnership with the Corporation for Supportive Housing, will organize and facilitate five focus groups with Full Service Partnership clients/tenants to document their experiences in MHSA supported housing and to analyze such elements as housing retention, accessibility of housing, integration of services and tenant satisfaction. Tenants are currently in leased apartments, and in future years will also include tenants in MHSA developed units. A summary report of the focus groups will be included in the next MHSA Housing Plan Update.

Address Transition Issues and the "Crosswalk"

Since the passage of the Mental Health Services Act in 2004, the State and counties have been implementing its various components in a phased roll out. The State Department of Mental Health required counties to submit plans for the usage of Community Services and Support dollars in 2005-06, and the County of San Diego began to implement services

under its approved CSS plan in June 2007. This Plan included the creation of the 5 Full Service Partnerships providing services, housing supports and “whatever it takes” to 691 underserved individuals and families with serious mental illness and unmet housing needs. As described elsewhere in this Plan Update, the State issued the guidance for the MHSA Housing Program in August 2007, after the County of San Diego had completed its MHSA Housing Plan to develop at least 438 housing units to serve persons in Full Service Partnerships.

Because of both the timing of the release of MHSA funds, and the nature of housing creation which generally takes several years from concept to occupancy, the first new units being developed in San Diego County for FSP participants using MHSA Housing development funds will likely open in the winter of 2009. MHSA projects and units will be coming on line over the next six years, and beyond if funds continue to be available. However, San Diego’s FSP programs are already in full operation and currently housing their participants in a variety of ways using CSS funds and other resources, primarily through MHSA-funded rental subsidies in the private rental market. Currently, 55% of FSP clients are housed in leased arrangements using MHSA housing funds or in “Partnership Units” with other providers, such as The Association for Community Housing Solutions (TACHS).

In addition, State funding for the local AB2034 program , the Downtown Impact II project, has ceased. A new MHSA FSP, Downtown Impact II will be established in the summer of 2008 with 250 clients. Downtown Impact II will have 100 dedicated Section 8 vouchers (a combination of project based and tenant based Section 8), along with 19 Safe Haven beds and 12 units of permanent supportive housing. New attention will need to be given to how MHSA can work to meet their housing needs starting in July 2008.

As the MHSA-dedicated units begin to come on line for occupancy, the County and its partners are faced with the two challenges:

- How to work with FSP operators and program participants to transition some portion of FSP-participants from receiving an MHSA funded ongoing rental subsidy to moving into MHSA-units
- Determining when and what amount of the CSS resources currently used by FSPs for rental subsidies can be reprogrammed once MHSA Housing units are on-line

What is required to address these issues is a strategy – a “crosswalk” plan -- that delineates how the County and its partners will move from the current unsustainable situation of allocating a combination of one-time MHSA funds along with \$1.6 million in ongoing annual funds for FSP rental subsidies to utilizing the housing stock developed with MHSA and other housing creation funds to meet the majority of MHSA housing needs. The MHSA Housing Plan anticipated that approximately 70% of FSP participants would be able to be housed in MHSA-created units by the time the plan is completed, but

that up to 1/3 of the units (projected to be 115 units) needed for FSP participants will continue to be leased in the private market.¹⁰

Because the opening of MHSA Housing projects and the implementation of the crosswalk has implications for clients, FSP agencies, housing developers, and the County, it is recommended that SDMHS develop strategies to identify the crosswalk issues and propose solutions that can be used to make the transition as smooth as possible. As it works to develop a plan, SDMHS in consultation with the FSPs should seek to develop a strategy that can:

- Create the least disruption for existing clients, in terms of continuity of services and preservation of important economic and social relationships
- Ensure that, as they come on line, MHSA housing units are occupied in a timely fashion by eligible tenants and that the services that tenants need are available
- Over time, reduce the amount of annual funding from MHSA dollars needed to provide rental subsidies for FSP participants
- Minimize any potential negative impact on FSP agencies and their partners from gradually reducing private market housing subsidy funds
- Preserve the principal of client housing choice
- Develop the most cost-effective long-term strategy for meeting diverse housing needs

Creating a practical crosswalk strategy will mean exploring potential tradeoffs between some of these principles, such as maximizing client choice and ensuring that limited housing resources are used to serve the most people over time in a fashion that is sustainable.

¹⁰ These numbers may need to be adjusted with the addition of the Downtown Impact Project to the FSPs, but the objective is still to reduce dependency on costly rental subsidies as much as possible.

Plan Implementation Summary Chart

	Action Step	Year 1 Actions Taken	Year 2 Actions Planned
1	Implement Recommendations Outlined in Housing Plan	23 units in the pipeline and 39 in early planning stages; Recommendations on types of projects to prioritize and fund implemented; Housing Council proposes revisions to guidelines	Move 39 units from planning stage into pipeline and cultivate at least 120 more units to seek MHSA funding; implement revised project guidelines.
2	Secure Expertise and Administration of Local Housing Funds	MOU with County HCD completed; NOFA for local MHSA funds issued; guidance for State MHSA Housing Program issued	Make funding commitments based on NOFA applications; continue to revise documents as needed.
3	Build the Housing Industry in San Diego	One-on-one technical assistance to 14 potential sponsors; 9 training opportunities provided.	Continue to provide one-on-one technical assistance and training.
4	Coordinate Funding	Funding being coordinated through MOU with HCD and relationships with CCDC and others	Continue to coordinate funding through a regional strategy.
5	Establish MHSA Housing Project Review Committee	Committee established and functioning under Project Guidelines; future activity in this area reported under Action Step number 1 above	
6	Assist the Siting of projects	Sponsors assisted on case by case basis to develop siting plans; training at May 2008 roundtable	Continue one-on-one assistance. One full day training session planned for 2008-2009.
7	Identify Additional Sources	\$5.2 million additional one-time and ongoing funds dedicated to MHSA Housing (Enhancement #2)	\$1 million additional sustainable funds dedicated to MHSA Housing (Enhancement #3)
8	Assess Client's Experience of MHSA Housing		Assess MHSA Housing experience of consumers and use to inform further planning
9	Address Transition Issues		Establish a committee to address transition issues and the Crosswalk to ensure smooth transition as units come on line

Annual Evaluation and Update Process

As outlined in the original MHSA Housing Plan, this document and its financial models are meant to serve as a living document that is updated annually to reflect progress toward the Plan's goals, and the changing dynamics in the County. To ensure that the document stays relevant and useful, SDMHS and the MHS Housing Council will review and evaluate the MHSA Housing Plan at the end of each fiscal year. This review process will include the following steps:

- The MHS Housing Council's ad hoc MHSA Housing Plan Review Committee will meet in April of each year to review progress made on the development of housing opportunities under the Mental Health Services Act. The committee will review the Plan's goals, timelines, and/or financial modeling and will recommend the information that will be included in the Annual Update to the Plan. The Annual Update will take the form of an additional document appended to the original MHSA Housing Plan.
- In its role as Housing Technical Consultant to County Mental Health, CSH will provide financial analysis; including updating the financial model used for this plan, and other relevant information to the ad hoc MHSA Housing Plan Review Committee and the MHS Housing Council will assist the review and update process.
- The MHSA Housing Plan Review Committee will present its findings and recommendations at the June MHS Housing Council meeting, and the MHS Housing Council will discuss the recommended revisions to the Housing Plan Update and then convey any additional comments to SDMHS as the Update is finalized.

Appendices

- A. Housing Inventory
- B. Description of Full Service Partnerships in San Diego County and clients housed
- C. Projects posted for 30 day review

APPENDIX A:

Housing Inventory

HOUSING INVENTORY
 Beds Dedicated to Individuals with Mental Illness in San Diego County

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	TOTAL SMI	REGION	CITY	PHONE
(LicensedBoard & Care)	Mesa Hills Residential Care Facility	Board & Care	6	Central	San Diego	(619) 472-2138
(LicensedBoard & Care)	Mona's Guest Home Facility	Board & Care	6	Central	San Diego	(619) 267-7184
(LicensedBoard & Care)	Mother of Perpetual Health Services Guest Home (MHP) Facility	Board & Care	10	Central	San Diego	(619) 696-9585
(LicensedBoard & Care)	Paradise Valley Board and Care Facility	Board & Care	6	Central	San Diego	(619) 479-4960
(LicensedBoard & Care)	Baker's B&C	Board & Care	8	Central	San Diego	(619) 239-2935
(LicensedBoard & Care)	Belton's B&C Home Facility	Board & Care	6	Central	San Diego	(619) 263-2629
(LicensedBoard & Care)	Brandeis Care Home Facility	Board & Care	6	Central	San Diego	(619) 266-2063
(LicensedBoard & Care)	Broadway Home, The	Board & Care	49	Central	San Diego	(619) 232-7406
(LicensedBoard & Care)	Broas Board and Care	Board & Care	6	Central	San Diego	(619) 264-2324
(LicensedBoard & Care)	Broas Guest Home	Board & Care	6	Central	San Diego	(619) 470-6644
(LicensedBoard & Care)	Carmen's Residential Board and Care	Board & Care	12	Central	San Diego	(619) 262-1470
(LicensedBoard & Care)	Chavez Residential Care Facility I	Board & Care	8	Central	San Diego	(619) 282-1370
(LicensedBoard & Care)	Chavez Residential Care Home	Board & Care	8	Central	San Diego	(619) 232-3716
(LicensedBoard & Care)	Chipper's Chalet Facility	Board & Care	45	Central	San Diego	(619) 234-5465
(LicensedBoard & Care)	Dillard HeightsBoard & Care Facility	Board & Care	6	Central	San Diego	(619) 470-0211
(LicensedBoard & Care)	ErnestoBoard & Care Facility	Board & Care	6	Central	San Diego	(619) 263-5283
(LicensedBoard & Care)	Family Values II Facility	Board & Care	6	Central	San Diego	(619) 265-2965
(LicensedBoard & Care)	Friendly Home Facility	Board & Care	14	Central	San Diego	(619) 237-0092
(LicensedBoard & Care)	Friendly Home II Facility	Board & Care	22	Central	San Diego	(619) 263-2127
(LicensedBoard & Care)	Friendly Home of Mission Hills Facility	Board & Care	31	Central	San Diego	(619) 297-1841
(LicensedBoard & Care)	Frison's Guest Home #1 Facility	Board & Care	11	Central	San Diego	(619) 464-0370
(LicensedBoard & Care)	Frison's Guest Home #3 Facility	Board & Care	8	Central	San Diego	(619) 469-7728
(LicensedBoard & Care)	Frison's Guest Home #4 Facility	Board & Care	8	Central	San Diego	(619) 589-2806

HOUSING INVENTORY
 Beds Dedicated to Individuals with Mental Illness in San Diego County

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	TOTAL SMI	REGION	CITY	PHONE
(LicensedBoard & Care)	Guiding Light Way Home #2 Facility	Board & Care	6	Central	San Diego	(619) 463-2602
(LicensedBoard & Care)	Guiding Light Way Home #3 Facility	Board & Care	6	Central	San Diego	(619) 589-0273
(LicensedBoard & Care)	Hall's Board &Care Facility #1	Board & Care	6	Central	San Diego	(619) 470-1016
(LicensedBoard & Care)	Joseph Young Residential Facility	Board & Care	6	Central	San Diego	(619) 264-8282
(LicensedBoard & Care)	Kelly Home & Care Facility	Board & Care	6	Central	San Diego	(619) 472-8948
(LicensedBoard & Care)	Mercy's Guest Home #2 Facility	Board & Care	6	Central	San Diego	(619) 479-9609
(LicensedBoard & Care)	Mullins Guest Home Facility	Board & Care	6	Central	San Diego	(619) 501-1238
(LicensedBoard & Care)	Mullins Guest Home II Facility	Board & Care	6	Central	San Diego	(619) 434-9756
(LicensedBoard & Care)	Nelson - Haven Facility	Board & Care	40	Central	San Diego	(619) 233-0525
(LicensedBoard & Care)	RodriguezBoard & Care Facility	Board & Care	10	Central	San Diego	(619) 544-8981
(LicensedBoard & Care)	Rodriguez Residential Care Facility #1	Board & Care	12	Central	San Diego	(619) 282-3921
(LicensedBoard & Care)	Rosie'sBoard & Care Facility	Board & Care	15	Central	San Diego	(619) 265-1676
(LicensedBoard & Care)	Ross House Facility	Board & Care	4	Central	San Diego	(619) 264-9083
(LicensedBoard & Care)	Taylor Home Care Inc. Facility	Board & Care	6	Central	San Diego	(619) 501-1238
(LicensedBoard & Care)	AGAPE Residential Care	Board & Care	4	Central	San Diego	(619) 234-2980
(LicensedBoard & Care)	Aida's Adult Care	Board & Care	5	Central	San Diego	(619) 475-1736
(LicensedBoard & Care)	Chavez Residential Care Facility II	Board & Care	6	Central	San Diego	(619) 283-3216
(LicensedBoard & Care)	Efren's Home Care Facility	Board & Care	6	Central	San Diego	(619) 267-3293
(LicensedBoard & Care)	Benedict Guest House	Board & Care	15	East County	Lemon Grove	(619) 466-3454
(LicensedBoard & Care)	Cactus Heights #2	Board & Care	6	East County	Spring Valley	(619) 479-8916
(LicensedBoard & Care)	Cactus Heights ARF Facility	Board & Care	6	East County	Spring Valley	(619) 475-4309
(LicensedBoard & Care)	Cal-Cris Lodge	Board & Care	10	East County	Lakeside	(619) 390-8501
(LicensedBoard & Care)	Carrasco Residential Care Facility #2	Board & Care	6	East County	La Mesa	(619) 461-9864

HOUSING INVENTORY
 Beds Dedicated to Individuals with Mental Illness in San Diego County

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	TOTAL SMI	REGION	CITY	PHONE
(LicensedBoard & Care)	Carroll's Community Care	Board & Care	70	East County	El Cajon	(619) 442-8893
(LicensedBoard & Care)	Casa de Oro Guest Home	Board & Care	24	East County	Spring Valley	(619) 670-6904
(LicensedBoard & Care)	Cavalaris Community Care Center	Board & Care	16	East County	Spring Valley	(619) 466-6759
(LicensedBoard & Care)	Cresta Loma Community Living Facility	Board & Care	14	East County	Lemon Grove	(619) 464-3488
(LicensedBoard & Care)	Davis Manor Facility	Board & Care	16	East County	Lemon Grove	(619) 469-9899
(LicensedBoard & Care)	Dillard's II Facility	Board & Care	6	East County	Spring Valley	(619) 479-7939
(LicensedBoard & Care)	Doubletree Guest Home Facility	Board & Care	6	East County	Spring Valley	(619) 660-2143
(LicensedBoard & Care)	Family Values Adult Residential Facility	Board & Care	6	East County	La Mesa	(619) 697-4685
(LicensedBoard & Care)	Fancor Guest Home Facility	Board & Care	41	East County	El Cajon	(619) 588-1761
(LicensedBoard & Care)	Heart Haven Facility	Board & Care	60	East County	El Cajon	(619) 793-5074
(LicensedBoard & Care)	Hilde's Heaven III Facility	Board & Care	6	East County	Spring Valley	(619) 469-0818
(LicensedBoard & Care)	N Mollison Ave Family Home Facility	Board & Care	6	East County	El Cajon	(619) 312-2910
(LicensedBoard & Care)	Orlando Residential Facility	Board & Care	32	East County	El Cajon	(619) 444-9411
(LicensedBoard & Care)	Rogers Serenity Villa Home Facility	Board & Care	6	East County	El Cajon	(619) 444-8934
(LicensedBoard & Care)	Sandos House Facility	Board & Care	6	East County	El Cajon	(619) 447-0049
(LicensedBoard & Care)	Turman's Guest Home #2 Facility	Board & Care	6	East County	El Cajon	(619) 444-8633
(LicensedBoard & Care)	Turman's Guest Home #3 Facility	Board & Care	13	East County	El Cajon	(619) 443-8714
(LicensedBoard & Care)	Turman's Guest Home #4 Facility	Board & Care	15	East County	Lakeside	(619) 561-0681
(LicensedBoard & Care)	VOA- Carlton G Luhman Center for Supportive Housing Facility	Board & Care	40	East County	El Cajon	(619) 447-2428
(LicensedBoard & Care)	VOA- Hawley Center for Supportive Living Facility	Board & Care	29	East County	El Cajon	(619) 561-9808
(LicensedBoard & Care)	VOA- Los Amigos Center for Supportive Living	Board & Care	37	East County	Brawley	(760) 344-4073
(LicensedBoard & Care)	VOA- Troy Center for Supportive Living Facility	Board & Care	40	East County	Spring Valley	(619) 465-8792
(LicensedBoard & Care)	North Cordoba Home Facility	Board & Care	6	East County	Spring Valley	(619) 670-5440

HOUSING INVENTORY
 Beds Dedicated to Individuals with Mental Illness in San Diego County

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	TOTAL SMI	REGION	CITY	PHONE
(LicensedBoard & Care)	Orange Wood Manor Facility	Board & Care	49	East County	El Cajon	(619) 440-0121
(LicensedBoard & Care)	Real Guest Home #1 Facility	Board & Care	6	East County	Lemon Grove	(619) 460-8280
(LicensedBoard & Care)	Real Guest Home #2 Facility	Board & Care	12	East County	Spring Valley	(619) 461-7913
(LicensedBoard & Care)	Lexington House Southpoint- Facility	Board & Care	12	North Central	El Cajon	(619) 593-7909
(LicensedBoard & Care)	Affinity Hills	Board & Care	6	North Coastal	Vista	(760) 917-1008
(LicensedBoard & Care)	Camelot	Board & Care	6	North Coastal	Vista	(760) 724-7898
(LicensedBoard & Care)	Downstown VII Facility	Board & Care	6	North Coastal	Vista	(760) 598-1668
(LicensedBoard & Care)	Villa Mar Board and Care Facility	Board & Care	6	North Costal	San Diego	(858) 271-5513
(LicensedBoard & Care)	Jacaranda's Home Care Facility	Board & Care	4	North Inland	Escondido	(760) 747-2240
(LicensedBoard & Care)	Sunrise Village Guest Home Facility	Board & Care	6	North Inland	Escondido	(760) 839-1678
(LicensedBoard & Care)	Avocado Guest Home Facility	Board & Care	12	North Inland	Escondido	(760) 747-2523
(LicensedBoard & Care)	Changing Options Inc Facility	Board & Care	30	North Inland	Ramona	(760) 789-7299
(LicensedBoard & Care)	Changing Options Inc - Farm	Board & Care	6	North Inland	Ramona	(760) 788-6989
(LicensedBoard & Care)	Heart Care Home Facility	Board & Care	5	North Inland	San Diego	(619) 690-5932
(LicensedBoard & Care)	Humdon Guest Home Facility	Board & Care	8	North Inland	San Diego	(858) 484-8934
(LicensedBoard & Care)	Petka's Guest Home Facility	Board & Care	12	North Inland	San Marcos	(760) 471-7298
(LicensedBoard & Care)	Quality Guest Home Facility	Board & Care	10	North Inland	Escondido	(760) 738-0126
(LicensedBoard & Care)	Rancho Verona Inc Facility	Board & Care	26	North Inland	Escondido	(760) 741-9990
(LicensedBoard & Care)	Real Guest Home of North County Facility	Board & Care	60	North Inland	Escondido	(760) 291-1349
(LicensedBoard & Care)	Stone Moutain Ranch Facility	Board & Care	15	North Inland	Ramona	(760) 789-4600
(LicensedBoard & Care)	Villa Esperanza II Facility	Board & Care	6	North Inland	Escondido	(760) 741-5424
(LicensedBoard & Care)	Joy's Home Care Facility	Board & Care	6	South County	National City	(619) 474-0198
(LicensedBoard & Care)	Ruff's Residential Care Facility	Board & Care	6	South County	Chula Vista	(619) 420-4247

HOUSING INVENTORY
 Beds Dedicated to Individuals with Mental Illness in San Diego County

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	TOTAL SMI	REGION	CITY	PHONE
(LicensedBoard & Care)	Arlene's Guest House	Board & Care	6	South County	National City	(619) 479-6723
(LicensedBoard & Care)	Azurin's Family Home facility	Board & Care	6	South County	San Ysidro	(619) 428-4141
(LicensedBoard & Care)	Broas Guest Home II	Board & Care	6	South County	Chula Vista	(619) 476-8234
(LicensedBoard & Care)	Cruz Home	Board & Care	6	South County	San Diego	(619) 429-6780
(LicensedBoard & Care)	GullasBoard & Care Home Facility	Board & Care	6	South County	Chula Vista	(619) 585-8474
(LicensedBoard & Care)	Ideal Residential Home Facility	Board & Care	6	South County	San Ysidro	(619) 428-0061
(LicensedBoard & Care)	Lyn's Home Care Facility	Board & Care	6	South County	Chula Vista	(619) 422-1181
(LicensedBoard & Care)	Lyn's Home Care II Facility	Board & Care	6	South County	Chula Vista	(619) 427-1830
(LicensedBoard & Care)	Malicos's Guest Home Facility	Board & Care	6	South County	National City	(619) 475-1674
(LicensedBoard & Care)	Rebecca A Fernandez Home Facility	Board & Care	6	South County	San Diego	(619) 781-8472
(LicensedBoard & Care)	Rosie'sBoard & Care I Facility	Board & Care	6	South County	Imperial Beach	(619) 575-5363
(LicensedBoard & Care)	Ruff's Residential Care Facility #2	Board & Care	3	South County	Chula Vista	(619) 427-8053
(LicensedBoard & Care)	Trinity Adult Residential Care Home	Board & Care	12	South County	Chula Vista	(619) 271-9409
(LicensedBoard & Care)	Rosie'sBoard & Care II Facility	Board & Care	6	South County	Chula Vista	(619) 422-1467
County Mental Health Services	Shelter Beds -EC	Emergency	4	East County	El Cajon	(619) 401-5500
Interfaith Community Services	Tikkun Home	Emergency	6	North Inland	Escondido	(760) 520-8309
Interfaith Community Services	17th Avenue Women's Shelter	Emergency	6	North Inland	Escondido	760-489-6380 x 247
Volunteers of America	Carlton G Luhnman Center for Supportive Living	Emergency	8	East County	El Cajon	(619) 447-2428
Pathfinders- San Diego Housing Commission	Grim Ave -- Shelter Plus Care	Permanent Supportive Housing	18	Central	San Diego	(619) 260-1605
Catholic Charities	Leah Residence	Permanent Supportive Housing	29	Central	San Diego	(619) 231-2828
Community Research Foundation	REACH	Permanent Supportive Housing	100	Central	San Diego	(619) 398-2156
Mental Health Systems Inc.	Boston Villas	Permanent Supportive Housing	9	Central	San Diego	(619) 697-2388
Pathfinders	Shelter Plus Care- Stream View Sponsor Based	Permanent Supportive Housing	15	Central	San Diego	(619) 260-1605

HOUSING INVENTORY
 Beds Dedicated to Individuals with Mental Illness in San Diego County

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	TOTAL SMI	REGION	CITY	PHONE
The Association for Community Housing Solutions (TACHS)	Del Mar Apartments- Shelter Plus Care	Permanent Supportive Housing	21	Central	San Diego	(619) 702-7481
The Association for Community Housing Solutions (TACHS)	Reese Village Apartments	Permanent Supportive Housing	18	Central	San Diego	(619) 303-0766
The Association for Community Housing Solutions (TACHS)	Reverend Glenn Allison Apartments	Permanent Supportive Housing	41	Central	San Diego	(619) 263-7321
The Association for Community Housing Solutions (TACHS)	The Cove Apartments	Permanent Supportive Housing	18	Central	San Diego	none yet
The Association for Community Housing Solutions (TACHS)	Paseo Glenn - Shelter Plus Care County of San Diego- Shelter Plus Care Tenant Based	Permanent Supportive Housing	12	North Central	San Diego	(619) 291-0638
Interfaith Community Services	ESB contract with County	Permanent Supportive Housing	6	North Inland	Escondido	(760) 520- 8309
Interfaith Community Services	Fairweather Lodge	Permanent Supportive Housing	6	North Inland	San Marcos	760-489-6380 x 264
Interfaith Community Services	Harmony Place	Permanent Supportive Housing	6	North Inland	Escondido	(760) 520-8309
Interfaith Community Services	Eagles Point Apartments (leased units)	Permanent Supportive Housing	4	North Inland	Escondido	(760) 520-8309
Community Research Foundation	Jay Barreto Crisis Center	Short term acute residential treatment	12	Central	San Diego	(619) 232-4357
Community Research Foundation	New Vistas Crisis Center	Short term acute residential treatment	14	Central	San Diego	(619) 239-4663
Community Research Foundation	Vista Balboa Crisis Center	Short term acute residential treatment	14	East County	San Diego	(619) 233-4399
Community Research Foundation	Halcyon Crisis Center	Short term acute residential treatment	12	East County	El Cajon	(619) 579-8685
Community Research Foundation	Turning Point Crisis Center	Short term acute residential treatment	11	North Coastal	Oceanside	(760) 439-2800
Community Research Foundation	Isis Center	Short term acute residential treatment	12	South County	San Diego	(619) 575-4687
Community Research Foundation	10th Avenue Apartments- Semi-Supervised Living Project	Transitional	31	Central	San Diego	(619) 233-7757
Episcopal Community Services	Downtown Safe Haven	Transitional	28	Central	San Diego	(619)238-8201
Episcopal Community Services	UpTown Safe Haven	Transitional	19	Central	San Diego	(619) 294-7013
Veterans Village of San Diego	Mahedy House	Transitional	14	Central	San Diego	(619) 497-0142

HOUSING INVENTORY
Beds Available but NOT Dedicated to Individuals with Mental Illness

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	BEDS	REGION	CITY	PHONE
Catholic Charities	Rachel's Night Shelter	Emergency	35	Central	San Diego	(619) 236-9074
Volunteers of America	Carlton G Lutman Center for Supportive Living	Emergency	8	East County	El Cajon	(619) 447-2428
Interfaith Community Services	Emergency Shelter	Emergency	10	North Inland	Escondido	(760) 489-6380
Ecumenical Council of San Diego	ISN Rot's Shlr- East County, North County Coastal, North County Inland,	Emergency	12	REGIONAL	REGIONAL	(619) 702-5399
St Vincent de Paul Village	Village Place	Permanent Supportive Housing	47	Central	San Diego	(619) 446-2100
St Vincent de Paul Village	Vilal Harvey Mandel	Permanent Supportive Housing	25	Central	San Diego	(619) 233-8500
Senior Community Centers of SD	The Potker Family Senior Residence	Permanent Supportive Housing	25	Central	San Diego	(619) 237-8004
SD LGBT Community Center 23	Sunburst Apts	Permanent Supportive Housing	23	Central	San Diego	(619) 255-7854
Crash, Inc	Golden Hill House 2	Residential drug & alcohol treatment	58	Central	San Diego	(619) 239-9691
Crossroads Foundation	3 homes	Residential drug & alcohol treatment	33	Central	San Diego	(619) 296-1151
Tradition One	Men's Facility	Residential drug & alcohol treatment	36	Central	San Diego	(619) 264-0141
House of Metamorphosis	Three house continuous program	Residential drug & alcohol treatment	33	Central	San Diego	(619) 236-9217
Carring Ministeries of San Diego		Residential drug & alcohol treatment	41	East County	Spring Valley	(619) 327-5400
Los Sauzales, Inc.	Rancho L'Abri	Residential drug & alcohol treatment	34	East County	Dulzura	(619) 468-9333
Alpha Project.	Casa Raphael	Residential drug & alcohol treatment	90	North Coastal	Vista	(760) 630-9922
Choices in Recovery	Hill house, New House, Humble House, Foundation House	Residential drug & alcohol treatment	40	North Coastal	Vista	(760) 945-5290
Group Conscience	Pemarro	Residential drug & alcohol treatment	10	North Inland	Ramona	(760) 789-8070
	One Day at a Time	Residential drug & alcohol treatment	90	North Inland	San Diego	(619) 379-3049
Bay Recovery	Bay Recovery	Residential drug & alcohol treatment	30	NorthCentral	San Diego	(658) 490-3460
Jeff's Place		Sober Living	4	Central	San Diego	(619) 952-7273
JLH Sober Living		Sober Living	10	Central	San Diego	(619) 892-0425
Madison Park Sober Living	Mission Hills Location	Sober Living	4	Central	Mission Hills	(619) 865-5611
	The Way Back	Sober Living	25	Central	San Diego	(619) 235-0592

HOUSING INVENTORY
 Beds Available but NOT Dedicated to Individuals with Mental Illness

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	BEDS	REGION	CITY	PHONE
Sober Living Homes Association of San Diego County	Heart & Soul Transitional Living (2 locations)	Sober Living	20	Central	San Diego	(619) 436-6747
Sober Living Homes Association of San Diego County	S.A.F.E. House City Heights	Sober Living	16	Central	City Heights	(858) 483-5866 x.4
Sober Living Homes Association of San Diego County	Home Stretch	Sober Living	23	Central	San Diego	(619) 287-2588
Sober Living Homes Association of San Diego County	Home of Hope (2 locations: Fall View, Montezuma)	Sober Living	34	Central	San Diego	(760) 294-1677
Mazie's Place		Sober Living	10	Central	San Diego	(619) 216-5355
Sober Living Homes Association of San Diego County	Next Step Sober Living II	Sober Living	16	Central	San Diego	(619) 991-3505
Sober Living Homes Association of San Diego County	Next Step Sober Living III	Sober Living	4	Central	San Diego	(619) 991-3505
Sober Living Homes Association of San Diego County	Next Step Sober Living IV	Sober Living	14	Central	San Diego	(619) 991-3505
Sober Living Homes Association of San Diego County	Next Step Sober Living IX	Sober Living	4	Central	San Diego	(619) 991-3505
Shepherd's Ranch		Sober Living	8	East County	Lakeside	(619) 807-8478
Fresh Start Sobriety House		Sober Living	10	East County	Lemon Grove	(619) 463-5418
Mountain High Sober Living		Sober Living	8	East County	Boulevard	(619) 444-3634
Sober Living Homes Association of San Diego County	Next Step Sober Living V	Sober Living	10	East County	Lemon Grove	(619) 991-3505
Sober Living Homes Association of San Diego County	Beachwalk Sober Living Home	Sober Living	8	North Coastal	Oceanside	(858) 483-5866 x.3
Sober Living Homes Association of San Diego County	Next Step Sober Living VIII	Sober Living	5	North County	San Diego	(619) 991-3505
Sober Living Homes Association of San Diego County	Home of Hope (3 locations: Date Street, Chestnut Street, Fifth Street)	Sober Living	42	North Inland	Escondido	(760) 294-1677
R&R Retreats		Sober Living	40	North Inland	Vista	(760) 758-8880
Sober Living Homes Association of San Diego County	People from Bondage	Sober Living	5	North Inland	Vista	(760) 716- 7277
Us in Recovery	Escondido Home	Sober Living	5	North Inland	Escondido	(760) 743-9993
Us in Recovery	Allison Home	Sober Living	6	North Inland	Escondido	(760) 743-9993
Us in Recovery	Chesapeake Home	Sober Living	6	North Inland	San Marcos	(760) 743-9993
Us in Recovery	San Marcos Home	Sober Living	6	North Inland	San Marcos	(760) 743-9993
Suzie's House		Sober Living	20	North Inland	Vista	(760) 631-4973

HOUSING INVENTORY
 Beds Available but NOT Dedicated to Individuals with Mental Illness

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	BEDS	REGION	CITY	PHONE
Sober Living Homes Association of San Diego County	Clairmont Women's Sober Living	Sober Living	4	NorthCentral	San Diego	(858) 483-5866 x2
Braveheart Recovery Home		Sober Living	7	NorthCentral	San Diego	(858) 733-0825
Madison Park Sober Living	Scripps Ranch Location	Sober Living	5	NorthCentral	Scripps Ranch	(619) 865-5611
Seek House	Soledad House Phase 1	Sober Living	6	NorthCentral	La Jolla	(858) 204-1304
Seek House	Soledad House Phase 2	Sober Living	6	NorthCentral	La Jolla	(858) 204-1304
Seek House	Clairmont location	Sober Living	12	NorthCentral	Clairmont	(858) 204-1304
Madison Park Sober Living	UTC Location State Licensed Recovery Home for Women	Sober Living	10	NorthCentral	San Diego	(619) 865-5611
ABC Soberliving	Men House in Clairmont and a Women's House on Mount Soledad	Sober Living	6	NorthCentral	La Jolla	(858) 204-1304
ABC Soberliving		Sober Living	6	NorthCentral	La Jolla	(858) 204-1304
Sober Living Homes Association of San Diego County	Villa Fontana	Sober Living	7	NorthCentral	San Diego	(619) 276-8764
Papi's Place		Sober Living	4	South County	National City	(619) 474-2390
Sober Living Homes Association of San Diego County	Next Step Sober Living VI	Sober Living	20	South County	National City	(619) 991-3505
Sober Living Homes Association of San Diego County	Next Step Sober Living VII	Sober Living	20	South County	National City	(619) 991-3505
Sober Living Homes Association of San Diego County	Next Step Sober Living X	Sober Living	5	South County	Chula Vista	(619) 991-3505
Sober Living Homes Association of San Diego County	Villa Costa Bella	Sober Living	4	South County	La Mesa	(619) 307-0146
Salvation Army	STEPS	Transitional	42	Central	San Diego	(619) 231-6000
San Diego Rescue Mission	Transitional Housing	Transitional	200	Central	San Diego	(619) 819-1826
SD Youth & Community Services	Take Wing	Transitional	50	Central	San Diego	(619) 221-8610 x6
St Vincent de Paul Village	Toussaint Academy of Arts and Science	Transitional	30	Central	San Diego	(619) 687-1080
St Vincent de Paul Village	Paul Mirabile Center	Transitional	350	Central	San Diego	(619) 233-8502
Senior Community Centers of SD	Transitional Housing	Transitional	35	Central	San Diego	(619) 235-6538
St Vincent de Paul Village	Joan Kroc Center	Transitional	68	Central	San Diego	(619) 233-8500
St Vincent de Paul Village	Bishop Maher Center	Transitional	150	Central	San Diego	(619) 233-8501

HOUSING INVENTORY
 Beds Available but NOT Dedicated to Individuals with Mental Illness

ORGANIZATION	PROGRAM NAME	PROGRAM TYPE	BEDS	REGION	CITY	PHONE
YMCA	Tommy's Place	Transitional	8	Central	San Diego	(619) 640-9774
YMCA	Turning Point	Transitional	16	Central	San Diego	(619) 640-9774
Veterans Village San Diego	Focus	Transitional	4	East County	El Cajon	(619) 444-9926
Crisis House	Adults with Disabilities	Transitional	12	East County	El Cajon	(619) 444-9926
Alpha Project	Casa Base	Transitional	30	North Coastal	Vista	(760) 630-9922
Community Housing Works	Centro	Transitional	28	North Coastal	Vista	(760) 432-6878
YMCA	Mary's House	Transitional	6	North Inland	Escondido	(760) 746-1944
Interfaith Community Services	Merle's Place	Transitional	44	North Inland	Escondido	(760) 489-6380
Interfaith / VVSD	New Resolve	Transitional	44	North Inland	Escondido	(760) 745-7829
Sylvia's Place	Sylvia's Place	Transitional	8		East of Downtown	(619) 461-8081
County of San Diego HHS&A & HCD	HOME Emancipated Foster Youth Transitional Housing - Scattered	Transitional	65	County-wide	County-wide	(619) 767-5460; (619) 767-5459
Trinity House	Four locations: 2 in San Diego, 1 in Lomita Village, 1 in Chula Vista	Transitional	43	South County	Chula Vista	(619) 397-1202
South Bay Community Services	Trolley Trestle	Transitional	17	South County	Chula Vista	(619) 628-2412

APPENDIX B:

Descriptions of Full Service Partnerships in San Diego County and clients housed

SAN DIEGO MHSA FSP CLIENTS

HOUSING SUMMARY of enrolled clients as of June 1, 2008

FSP Programs -- Housing Progress				Breakdown of Current Housing by Type									
FSP	Total FSP Client	Number of Client Goal in Housing*	% of Total Client Goal in Housing	EMERGENCY* (Less than 90 days)	#	TRANSITIONAL* (Between 90 days and 18 months)	#	PERMANENT* (No limit to length of stay)	#	FACILITIES (Cumulative of all FSPs)	#	OTHER (Cumulative of all FSPs)	#
CRF Impact (Adults)	224	184	82%	CRF Impact	3	CRF Impact	0	CRF Impact	163	Jail	17	Living with Family/Friends*	48
MHS Inc North Star (Adults)	100	82	82%	MHS Inc North Star	9	MHS Inc North Star	10	MHS Inc North Star	58	Hospital / Psychiatric	9	On Streets	26
MHS Inc Center Star (Criminal Justice)	100	81	81%	MHS Inc Center Star	1	MHS Inc Center Star	18	MHS Inc Center Star	54	Hospital / Medical	3	No contact with program	15
Providence Catalyst (TAY)	156	116	74%	Providence Catalyst	0	Providence Catalyst	35	Providence Catalyst	29	IMD / Long Term Care		OTHER	8
Heritage Clinic (Older Adults)	100	88	88%	Heritage Clinic	3	Heritage Clinic	5	Heritage Clinic	53	Skilled Nursing Facility*	13		
										Board & Care*	49		
TOTAL:	680	551	81%	TOTAL:	16	TOTAL:	68	TOTAL:	357	TOTAL:	91	TOTAL:	97
GRAND TOTAL of all Enrolled Clients: 629													

NOTE: 57% of all enrolled clients are in permanent hsg

* / Housing types marked by an asterisk (*) are included in the Clients Currently in Housing column.

APPENDIX C

Projects posted for 30 Day Review



County of San Diego
HEALTH AND HUMAN SERVICES AGENCY

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DIRECTOR

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June 3, 2008

NOTICE OF INITIATION OF 30-DAY PUBLIC REVIEW PERIOD

A 30-day public review and comment period is required for the County of San Diego Behavioral Health Services to submit an application to the State-administered Mental Health Services Act (MHSA) Housing Program for funding of any proposed housing development for the purpose of providing permanent supportive housing for mental health clients.

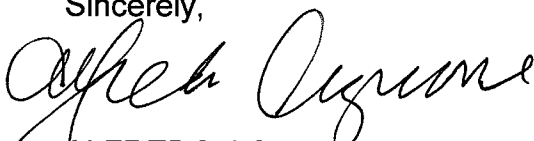
Comment on the proposed development attached must be received by the County by the end of the 30th day from the date on this notice to be considered for inclusion in the County's final analysis and certification of the application to the State.


The following attachment and sections of the application are attached for review and comment:

- Attachment I – Development Summary Form
- Section 4.2.1 – Project Overview
- Section 4.2.5 (D.1 through D.5) – MHSA Housing Program Supportive Housing and Services Information

Any comment or question may be directed to Kevine Ky, Administrative Analyst II, at Kevine.Ky@sdcounty.ca.gov.

Sincerely,


ALFREDO AGUIRRE, LCSW
Deputy Director


PIEDAD GARCIA, Ed.D., LCSW
Assistant Deputy Director

Attachments

**DEVELOPMENT SUMMARY FORM
MHSA Housing Program**

Development Information

County Mental Health Department: County of San Diego Mental Health Services

Name of Development: Cedar Gateway

Site Address: 1620 6th Avenue, San Diego, CA

Development Sponsor: Cedar Squier ROEM LLC

Development Developer: Cedar Squier ROEM LLC

Primary Service Providers: Community Research Foundation and Heritage Clinic

- New Construction
- Acquisition/Rehabilitation of an existing structure

Type of development: Rental Housing Shared Housing

Type of building: Apartment Building Single Family Home
 Condominium Other

Total number of units: 65

Total number of MHSA units: 23

Total cost of the development: \$27,683,000

Amount of MHSA funds requested: \$2,406,809 (Amount Includes Capital only)

Request MHSA Funds for Capitalized Operating Subsidies: Yes No

Other Rental Subsidy sources (list if applicable):

Target Population (please check all that apply):

- Adults (Age 25 to 59 years old)
- Transition-Age Youth
- Children
- Older Adults (Age over 59 years old)

County Contact

Name and Title: Kevine Ky, Administrative Analyst II

Phone Number: 619-563-2703

Email: Kevine.Ky@sdcounty.ca.gov

County of San Diego
Health and Human Services Agency, Mental Health Services

Section 4.2.1 – Project Overview

Cedar Gateway
San Diego, CA

Residential and Community Building Descriptions

Cedar Gateway is a planned 65 unit apartment building located on a 23,850 square foot site between 5th and 6th Avenues in the Cortez Hill neighborhood of Downtown San Diego. The development is of contemporary design consistent with many of the new buildings that have been developed downtown. The building ranges from three to seven stories over a concrete podium. Residents will enter the apartment building onto a plaza that opens out from the space between the chapel and the new building. On the plaza level there is a computer/after-school programs room, a community space and a leasing office. There will also be a 450 square foot office for use by service providers. Additional public space is located on the 5th floor 3,500 square foot landscaped “Eco-Roof” deck that will include seating, barbeques, tables and a view via Cedar Street up Cortez Hill.

In addition to the residential component, Cedar Gateway includes 7,900 square feet of ground floor neighborhood-serving retail space. Approximately 500 square feet of retail will be allocated to social services programs. The retail space includes the 4,000 square-foot steel-reinforced-concrete Bradley-Woolman Chapel, a designated historic structure. The Chapel will be conveyed to the Centre City Development Corporation (CCDC).

Tenant Characteristics and Housing and Service Goals of the Development

Cedar Gateway will include 42 units to be rented to qualified families from the general population at subsidized rates in compliance with the state Multi-family Housing Program (MHP) and the low income housing tax credit program. Additionally, 23 606-square-foot one-bedroom units reserved for homeless individuals eligible for supportive services under the Mental Health Services Act program (MHSA) will be distributed throughout the development. Approximately half of the MHSA-designated units will be occupied by individuals with a serious mental illness age 25 to 59, and the other half will be occupied by older adults age 60 and over.

The Sponsor, through its Resident Services Coordinator (RSC), will provide overall service coordination for Cedar Gateway. An RSC will be based on-site 40 hours per week, building a one-on-one relationship with each program resident and acting as a liaison with the sponsor, property management, all Cedar Gateway tenants and the two

primary Full Service Partners (FSPs), Community Research Foundation (CRF) and Heritage Clinic, to provide supportive services to their respective clients.

The goal for Cedar Gateway is to create a service delivery system that can adapt to the changing needs and circumstances of the residents throughout the life of the project.

Primary Service Providers

Although supportive services will be voluntary, residents in MHSA-designated units will be assertively and respectfully encouraged to participate. Supportive services will be provided by CRF and Heritage Clinic through existing contracts with the County of San Diego Mental Health Services. CRF will be responsible for providing Assertive Community Treatment (ACT), an evidenced based form of intensive case management that many of the MHSA residents may require. CRF will assign an ACT Team to each enrolled client within the age of 25 to 59 years old. That ACT Team will be responsible for structuring a service plan for each client and monitoring the client's progress. Heritage Clinic will assign clinicians to their clients aged 60 years old and over, who have psychiatric disabilities. Each clinician will be responsible for supporting the client in his or her progress toward recovery by creating a service plan for each client and monitoring the client's progress. Both CRF ACT Team and Heritage Clinic clinicians will be available on call 24-7.

Other Development Partners

Cedar Gateway is a partnership of Squier Properties and ROEM Corp. Squier has extensive experience in development of affordable rental housing throughout California. His projects include acquisition/rehabilitation and new construction. Squier has an ownership interest in over 2,000 publicly assisted rental units including housing for large families, senior, and special needs populations. His properties include a 217 unit supportive housing project for single adults in Fresno and a 65 unit supportive family project in Sacramento. ROEM is a developer of both market rate and subsidized, ownership and rental housing. ROEM has been actively building in Northern California since 1977. ROEM will be both a general partner and general contractor on this project, where it will apply high-end quality construction and innovation to the development

Development Financing

Financing for Cedar Gateway includes (approximately):

CCDC	\$	3,661,000
MHP Supportive Housing Funds	\$	3,556,191
MHSA Capital Fund	\$	2,406,809
Low Income Tax Credit Investment	\$	14,267,000
Conventional Loan	\$	1,756,000
Federal Home Loan Bank	\$	260,000
Proceeds from Sale of Retail Components	\$	1,682,000
Deferred Developer Fee	\$	94,000
TOTAL:	\$	27,683,000