



MADERA COUNTY BEHAVIORAL HEALTH SERVICES Administration

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Recommendation for MHSA Housing Program Assignment Agreement

Posted: March 13, 2008

Dear Community Stakeholder:

The California State Department of Mental Health (DMH), in accordance with the Mental Health Services Act (MHSA) Housing Program, Community Supports and Services (CSS) component, has identified funding to develop permanent supportive housing for consumers of mental health who are currently homeless or at risk of homelessness. Madera County's allocation is \$772,700 for operating subsidies and \$1,545,500 for acquisition or construction. The total county allocation is \$2,318,200.

The MHSA Housing Program funds are jointly administered by DMH and the California Housing and Finance Agency (CalHFA). Housing developers interested in using MHSA funds to build permanent supportive housing for this population in Madera must partner with Madera County Department of Behavioral Health Services and the proposed housing development must be approved by Madera's Board of Supervisors and Madera's MHSA Stakeholder Steering Committee. The Madera County Department of Behavioral Health Services must agree to partner with a housing developer and the Department must agree to provide the necessary supportive and mental health services for the targeted population to receive housing. Upon completion of those two steps, the housing developer will submit an application directly to CalHFA.

In order for DMH to transfer a county's housing funds to CalHFA, each County must approve an Assignment Agreement. The MHSA Housing Program funds can only be used to build permanent supportive housing in conjunction with CalHFA; they cannot be used for mental health services or for any other purposes. If Madera County chooses not to assign these funds to CalHFA through the Assignment Agreement, the county will lose \$2,318,200. These MHSA Housing funds are critical for Madera County's mentally ill homeless population.

The Assignment Agreement is considered an update to Madera County's CSS Three-Year Program and Expenditure Plan. In accordance with the California Code of Regulations, the Assignment Agreement will be posted for a 30-day public comment period on Madera County's Behavioral Health webpage (www.madera-county.com/mentalhealth/) from March 13, 2008 through April 12, 2008. Following this public comment period, the Assignment Agreement must be approved by Madera County's Board of Supervisors and submitted to DMH. Upon receipt of the Assignment Agreement, DMH will transfer the \$2,318,200 to CalHFA. Attached to this letter is a copy of the Assignment Agreement.

If you would like to comment on this recommendation, please contact us by e-mail, telephone, postal mail, or in person, using the contact information below.

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Attention: David Weikel
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Assignment Agreement

MHSA Housing Program Madera County

Madera County (the County) agrees to participate in the state-administered Mental Health Services Act (MHSA) Housing Program funded from the Community Services and Support Component of the MHSA. The MHSA Housing Program will be jointly administered by the Department of Mental Health (DMH) in conjunction with the California Housing and Finance Agency (CalHFA).

The County agrees that upon its approval of this Assignment, the State Fiscal Year 2007/08 Planning Estimate in the amount of \$2,318,200 specified for the MHSA Housing Program will be transferred by DMH on behalf of the County to CalHFA. Specifically, funds in the amount specified will be transferred from the Mental Health Services Fund to the State Operations portion of the DMH state budget, item 4440-001-0001 Program 10, State Operations. DMH will then transfer these funds to CalHFA for support of the MHSA Housing program.

CalHFA will hold the funds transferred in a county specific sub-account, invest the funds in an appropriate investment vehicle as determined by CalHFA, and credit the county sub-account with interest received on the investment. The County (and the project sponsor, if applicable) may access MHSA Housing Program funds only through a MHSA Housing Program Application approved by CalHFA and DMH.

CalHFA is responsible for the review of the application for all aspects of the project related to purchase, renovation and or construction of the housing development; underwriting of loans; disbursement of funds; all determinations regarding the use of operating subsidies for the development; and continued monitoring of the project.

DMH is responsible for review of the service related aspects of the application and for monitoring of the project to assure that appropriate supportive services continue to be provided. Nothing shall prohibit the County from using funds from other programs to supplement MHSA Housing Program funds, subject to requirements that may be applicable to use of such funds. This Assignment shall be effective only if the county has a fully executed MHSA Agreement with DMH.

Approved for County (by signature) <hr style="border: 0; border-top: 1px solid black; margin: 10px 0;"/>
Printed Name and Title: