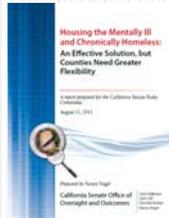


The Mental Health Services Act Housing Program

Recommendations from the November 17, 2011 Senate Report “Housing the Mentally Ill and Chronically Homeless: An Effective Solution but Counties Need Greater Flexibility”



Background

- **2006** - Executive Order S-07-06 sought to create 10,000 units of permanent supportive housing for individuals with serious mental illness and their families.
- **2007** - \$400 million in MHSA funds made available for the MHSA Housing Program.
 - To finance capital costs of development, acquisition, construction and/or rehabilitation of housing.
 - Implemented by CalHFA and DMH.

Background (cont.)

• **July 2011** – CalHFA and DMH presented to the Commission “Progress of the MHSA Housing Initiative.”

• **November 2011** – County representatives presented to the Commission their firsthand challenges and successes with the program. Also, Senate Office of Oversight and Outcomes (SOOO) presented a “Review of the Mental Health Services Act Housing Program: An Effective Solution, but Counties Need Greater Flexibility”.

- Report covered SOOO findings and recommendations.
- Chair Poaster asked Commissioners to consider the Report’s recommendations.

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S000 Recommendations

1. Give the 11 counties that each got less than \$1 million under the MHSA Housing Program the option – not the mandate – to work with CalHFA. Counties opting not to work with CalHFA would still be required to use MHSA Housing Program funds to house homeless clients, but would be allowed to pay long-term rent rather than build or renovate.
2. The CalHFA and DMH should continue to grant waivers on a case-by-case basis from the rule that restricts counties to spend no more than one third of their housing funds on rental subsidies.

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S000 Recommendations (cont.)

3. The CalHFA and DMH should inform all counties that such waivers are possible.
4. The State should consider easing the one-third cap on operating subsidies for counties that have spent at least 80 percent of their funds.

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Staff Analysis

- S000 Recommendations are intended to create flexibility for counties' implementation while preserving the goal of creating housing.
- Unfortunately, recommendation #1 is difficult to accomplish.
 - Counties irrevocably assigned funds for the MHSA Housing Program. Giving smaller counties the option not to work with CalHFA is not compatible with this irrevocable action.
- Recommendations #2, #3, and #4 can be accomplished administratively.

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Staff Recommendation

- Support the SOOO recommendations by asking CalHFA to implement recommendations two through four and work with DMH and the CMHDA on options for the eleven counties that each received less than \$1 million under the MHSA Housing Program.

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Proposed Motion

The MHSOAC adopts the following:

1. The MHSOAC supports SOOO's recommendations two through four as presented, and
2. The MHSOAC urges CalHFA to work with DMH and CMHDA on options for the eleven counties each receiving less than \$1 million under the MHSA Housing Program that would increase flexibility while still housing individuals who are seriously mentally ill and homeless.

The MHSOAC instructs the Executive Director to communicate the Commission's position to the CalHFA and DMH.

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