



## County of Santa Cruz Board of Supervisors

### Agenda Item Submittal

**From:** Human Services Department

**Subject:** Ratification of Supportive Housing Partnership Agreements

**Meeting Date:** June 10, 2025

**Formal Title:** Ratify five supportive housing partnership agreements, including four agreements executed in partnership with the Health Services Agency, and take related actions

### Recommended Actions

1. Ratify agreements for the Bienestar Plaza project including:
  - a. No Place Like Home Program (NPLH) Memorandum of Agreement (MOA) with MidPen Housing and its affiliates for Bienestar Plaza;
  - b. Rental Preference and Operational Agreement with MidPen Housing and its affiliates and the Central California Alliance for Health; and
  - c. Two estoppel certificates associated with the Rental Preference and Operational Agreement and the NPLH MOA.
2. Ratify No Place Like Home Program (NPLH) Memorandum of Agreement (MOA) with Eden Housing and its affiliates for 1482 Freedom Boulevard Housing, currently known as, "Tabasa Gardens";
3. Ratify No Place Like Home Program (NPLH) Memorandum of Agreement (MOA) with MidPen Housing and its affiliates for Sparrow Terrace Apartments;
4. Ratify No Place Like Home Program (NPLH) Memorandum of Agreement with MidPen Housing and its affiliates for Jessie Street Terrace Apartments; and
5. Ratify Housing for Health Partnership Continuum of Care Permanent Supportive Housing Memorandum of Agreement with SC Cedar Street Apartments, LP;
6. Authorize the Human Services Department (HSD) Director, Health Services Agency (HSA) Director, and their designees to make minor, non-substantive, and periodic updates, as needed, to these supportive housing partnership agreements with approval as to form from County Counsel.

### Executive Summary

The County Health Services Agency Behavioral Health Division has sponsored investments in new supportive housing units for individuals experiencing homelessness with serious mental health issues through the California Department of Housing and Community Development (HCD) No Place Like Home (NPLH) Program. This and other programs require that supportive housing unit referrals come through the U.S. Department of Housing and Urban Development (HUD)-required local coordinated entry system currently managed by the Housing for Health (H4H) Division of the Human Services Department (HSD). The agreements for these five housing projects outline the roles and responsibilities of HSD, Behavioral Health, Central California Alliance for Health, and the housing project owners and related entities.

## Discussion

Through prior Board action, the Board has approved support for NPLH Projects in Santa Cruz County as outlined in Table 1.

**Table 1: No Place Like Home Project Approval History**

Initial Project Name	Current Project Name	Developer	Board of Supervisors Authorization Date	Board Agenda Item
1500 Capitola Road	Bienestar Plaza	MidPen Housing	12/10/19	DOC-2019-970
1482 Freedom Blvd.	Tabasa Gardens	Eden Housing	11/17/20	DOC-2020-935
Miles Lane	Sparrow Terrace Apartments	MidPen Housing	12/8/20	DOC-2020-997
314 Jessie St.	Jessie Street Terrace Apartments	MidPen Housing	12/8/20	DOC-2020-997

These projects were supported with NPLH funding managed by HCD. To be eligible for this funding, housing developers must partner with local county Behavioral Health departments to receive commitments of supportive services for tenants and authorization to apply for funds. Applicants for this funding also commit to using the local HUD-mandated coordinated entry system currently managed by the H4H Division.

All projects receiving NPLH funds must have formal agreements in place outlining the roles and responsibilities of the parties involved in supporting these projects. The Central California Alliance for Health also provided funding to Bienestar Plaza and required coordinated entry system referrals as a condition of their funding. In addition, the Housing Authority of the County of Santa Cruz (Housing Authority) requires similar agreements before initiating project-based rental subsidies for specific units in a housing project. These four NPLH projects have executed agreements pending board ratification.

In addition to these NPLH projects, SC Cedar Street Apartments, LP, approached the H4H Division to develop a supportive service and coordinated entry referral agreement for designated supportive housing units in their development. As part of their agreements with the City of Santa Cruz and other project funders, the development team committed to receive referrals through the local coordinated entry system. The Housing Authority also required a written agreement for this project. This project has an executed agreement pending Board ratification.

Table 2 on the next page provides additional information on the size of the housing projects and the types of supportive housing units associated with each project.

**Table 2: Housing Project Overview Information**

<b>Current Project Name</b>	<b>Location</b>	<b>Total Units</b>	<b>Total Supportive Housing Units</b>	<b>Types of Supportive Housing Units</b>
Bienestar Plaza	1520-1550 Capitola Road., Santa Cruz (unincorp.)	57	15	*10 NPLH one bedrooms *5 Central California Alliance for Health one bedrooms
Tabasa Gardens	1482 Freedom Blvd., Watsonville	53	6	*6 NPLH one bedrooms
Sparrow Terrace Apartments	139-145 Miles Lane, Watsonville	72	6	*6 NPLH studios
Jessie Street Terrace Apartments	314 Jessie Street, Santa Cruz	50	35	*13 NPLH studios *22 VA Supportive Housing studios
Cedar Street Family Apartments	525 Cedar Street, Santa Cruz	65	17	*4 VA Supportive Housing one bedrooms *4 two bedrooms – coordinated entry referral *9 one bedrooms – coordinated entry referral

All five projects have leased or are in the process of leasing their supportive housing units through referrals from the coordinated entry system.

HSD and HSA are requesting Board authorization to make minor, non-substantive, and periodic updates, as needed to these supportive housing partnership agreements with approval as to form from County Counsel. Any future substantive updates to the agreements will be presented to the Board for ratification.

MidPen Housing went through a refinancing process for Bienestar Plaza in November. The new lender required the completion of estoppel certificates for loan closing that reaffirm the County commitments associated with the development. The estoppel certificates are included for Board ratification as well.

### **Financial Impact**

There is no financial impact associated with ratification of these supportive housing partnership agreements and estoppel certificates. Separate Board actions were previously taken related to funding and service commitments for the NPLH projects. Supportive service funding for Cedar Street Family Apartments is being leveraged from other funding sources and does not require County general funds.

### **Strategic Initiatives**

Operational Plan - Comprehensive Health & Safety

### **Submitted By:**

Randy Morris, Director of Human Services

**Recommended By:**

Carlos J. Palacios, County Executive Officer

**Artificial Intelligence Acknowledgment:**

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.