

STAFF REPORT

BOARD MEETING DATE: May 13, 2025

CATEGORY: Consent Calendar 10

SUBJECT: Approve and authorize the Health and Human Services Agency Director to sign a retroactive amendment to the revenue agreement with the City of Redding for utilizing Homeless Housing, Assistance, and Prevention Program round three funds (HHAP-3) to clarify payment provisions.

DEPARTMENT: Health and Human Services Agency-Economic Mobility

SUPERVISORIAL DISTRICT #: All

DEPARTMENT CONTACT: Christy Coleman, Acting HHSA Director, (530) 229-8746

STAFF REPORT APPROVED BY: Dwayne Green, HHSA Branch Director - Economic Mobility

<u>Vote Required?</u>	<u>General Fund Impact?</u>
Simple Majority Vote	No General Fund Impact

RECOMMENDATION

Approve and authorize the Health and Human Services Agency Director to sign a retroactive amendment effective July 30, 2024, to the revenue agreement with the City of Redding for the purpose of utilizing Homeless Housing, Assistance, and Prevention Program round three funds (HHAP-3) for rapid rehousing and street outreach; which amends Section 7.H.

DISCUSSION

On July 31, 2019, Governor Gavin Newsom authorized Assembly Bill 101 which established availability of Homeless Housing, Assistance, and Prevention Program (HHAP) grant funding to support regional coordination and expand or develop local capacity to address immediate homelessness challenges throughout the state. The allocation of funding criteria was based on the Point-In-Time Count (PIT) and proportionate share of the homeless population based on the 2019 PIT.

On February 8, 2022, the Shasta County Board of Supervisors (Board), adopted a resolution which certified the County's compliance with all HHAP rules and authorized the Director, or designee to sign (a) the HHAP-3 Standard Agreement No. 22-HHAP-10059 with the Business, Consumer Services and Housing Agency (BCSH) in an amount not to exceed \$975,867.82; and (b) an application and subsequent agreement on behalf of the County and the CoC in the aggregate amount, not to exceed \$3,903,471.29, as the Administrative Entity. On December 11, 2022, an agreement with the State of California Business, Consumer Services and Housing Agency for HHAP, round three – remainder of funds (22-HHAP-20059), was fully executed in the amount of \$2,927,603.47.

On April 27, 2023, the Shasta County Board of Supervisors voted unanimously to consolidate Shasta County Housing and Community Action Agency (SCHCAA) under the Shasta County Health and Human Services Agency (HHSA). This consolidation resulted in HHSA absorbing the responsibilities fulfilled by SCHCAA as the NorCal Continuum of Care (CoC) Applicant and Homeless Management Information System (HMIS) Administrator. On August 21, 2023, the HHSA Director notified all CoC members that Shasta County would no longer be the CoC Lead Agency effective December 31, 2023. Since the City of Redding is now the CoC Lead Agency as of January 1, 2024, the transfer of funds is required for them to continue administration and program operations.

On January 23, 2024, the Board approved two amendments with the State of California Business, Consumer Services and Housing Agency which required unspent funds totaling \$3,692,866.67 to be transferred to the City of Redding.

This revenue agreement, in the amount of \$905,686.19, is the remainder of the Shasta County Allocation.

This amendment modifies Section 7.H to include: "Notwithstanding the foregoing, in the event of any conflict between the terms

and conditions of the body of this Contract and the payment provisions contained in Exhibit F, the terms in Exhibit F shall prevail.”

This first amendment is retroactive due to necessary changes which the City of Redding required in order to provide advanced payments. All seven Counties involved need to complete an amendment before they can receive the advanced payment. On November 22, 2024, City of Redding Administrative Entity for the CoC notified County of the amendment to contract effective July 1, 2024. This amendment modifies Section 7.H to include, “Notwithstanding the foregoing, in the event of any conflict between the terms and conditions of the body of this Contract and the payment provisions contained in Exhibit B, the terms in Exhibit B shall prevail.” Since notice was received from City of Redding, HHSA Contracts Team has been working to complete this amendment, which required multiple internal and external review points, including but not limited to, Privacy and Security, County Counsel, County Administrative Office, Fiscal, and City of Redding. Once the amendment is approved, Shasta County can request 50% of the funding allocation instead of only being able to get funding on a reimbursement basis.

ALTERNATIVES

The Board of Supervisors could choose not to approve the amendment however, this is not recommended as the County would not be eligible for advance payment which would cause the County to incur costs prior to reimbursement.

OTHER AGENCY INVOLVEMENT

County Counsel has approved the agreement as to form. The County Administrative Office has reviewed the recommendation.

FISCAL IMPACT

There is no General Fund impact with this recommendation. The original agreement increased revenue to the Health and Human Services Agency’s Community Action Agency Budget (BU 590) by \$905,686.19.

ATTACHMENTS:

1: Amendment