



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

Mental Health Services Act (MHSA)
Fourth Annual Housing Plan Update

January 2012

About the Corporation for Supportive Housing

The Corporation for Supportive Housing (CSH) helps communities create permanent supportive housing with services to prevent and end homelessness. As the only national intermediary organization dedicated to supportive housing development, CSH provides a national policy and advocacy voice; develops strategies and partnerships to fund and establish supportive housing projects across the country; and builds a national network for supportive housing developers to share information and resources. From our New York headquarters to our 15 field offices located in 10 states, including California, Illinois, Michigan, Minnesota, Ohio, New Jersey, Connecticut, Rhode Island, Indiana, and Washington D.C., CSH works to reach every corner of the country. For more information, visit <http://www.csh.org>.

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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 is intended to guide the creation of housing opportunities for persons with mental illness in San Diego County, with a focus on developing at least 241 new units for MHSA-eligible clients with MHSA local and State housing funds. Three updates to the Plan have been published since the Plan was adopted, reflecting on both progress and challenges to meeting the goals.

This report is the fourth annual update to the Plan. The Update summarizes the achievements and challenges of the past year, 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 assesses progress made toward reaching the Plan's primary goals. The Update concludes with the proposed fifth year Action Plan, laying out the areas of focus for the 2011-2012 implementation year.

The MHSA Housing Plan and this Update were prepared for and reviewed by the Mental Health Housing Council and reflect the input of clients, family members, developers, service providers and County staff.

The National, State and Local Context

As reported in the past two updates, the national and State economy continue are still weak, though there are some signs of greater stability and recovery. The State of California budget crisis continues, however, and State and national resources for housing development continue to be scarce and threatened. Some challenges this year include:

- **California State Budget:** California and the nation are recovering from the longest and most severe economic downturn since the Great Depression. Weakness in the housing market continues to affect both the construction industry and the financial services sector. Unemployment in California has remained above 11 percent for over two years now and over one million jobs have disappeared from the state's economy since early 2008. The state's fiscal woes continue to have an impact on the funding available for housing and services for the lowest-income Californians.
- **Federal Budget:** The federal Fiscal Year 2012 budget for housing includes reductions to some programs including the HOME program and the Community Development Block Grant program, sources available to local governments for housing development activities.
- **Housing Affordability:** In 2011, the Fair Market Rent in San Diego County for a two-bedroom apartment is \$1,406. In order to afford this level of rent and utilities (without paying more than 30% of income on housing), a household must earn \$56,240 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a housing wage of \$27.04 which is the hourly wage

needed to afford a two-bedroom apartment at the fair market rent. In 2011, the monthly Supplemental Security Income (SSI) payments for an individual are \$845. For an individual whose only income source is SSI, a monthly rent of \$254 would be considered affordable, however, in San Diego County; the fair market rent for a one-bedroom apartment is \$1,149.

- **Increase in Homelessness:** The 2011 annual homeless count showed an increase in the number of homeless in San Diego County. Up almost six percent from the previous year and 19% since 2008, the number of homeless individuals and families in San Diego County continues to grow.

The following are some new or expanded resources that may support the development of MHSA-dedicated housing in the San Diego region:

- In 2010, the **State Multifamily Housing program (MHP)** issued what was reported as the final MHP Notice of Funding Availability (NOFA) and no new source had been identified. However, funds that the State received under the 2009 American Recovery and Reinvestment Act (ARRA) were used to assist many housing projects that were close to construction in lieu of MHP funds, allowing the State to reissue MHP NOFAs in 2011. The NOFAs included \$80 million for General MHP, \$65 million for Supportive Housing, \$12 million for Homeless Youth and \$3 million for the Governor's Homeless Initiative, which targets chronically homeless. Unless a new funding source is identified, however, this is expected to be the final funding round.
- **County Project-Based Section 8:** In 2011, the County of San Diego Housing and Community Development (HCD) Department issued a NOFA for 225 project-based Section 8 vouchers for special needs populations. Using these funds for operations will allow developers to leverage MHSA funds to develop additional MHSA units in the County.
- **National Housing Trust Fund:** Approved by Congress but still unfunded, the National Housing Trust Fund could at some point become a source for new affordable and supportive housing. At the time of this writing, however, funding did not appear likely.

Summary of Achievements: Year Four

The Plan Implementation Chart on pages 11 - 16 of this Update presents a summary of all of the Year Four action steps planned and taken since the last Update. Highlights of achievements in Fiscal Year (FY) 2010-11 include:

- **Development of MHSA Units:** As of the end of the fiscal year, 11 housing projects with 194 MHSA units are in the development pipeline, representing 80% of the Plan's development goal. The first San Diego MHSA development opened its doors in FY 2010-11. 34th Street Apartments, with five MHSA units, completed construction and occupancy in FY 2010-11. In FY 2010-11, three developments totaling 58 units had been approved by the California Housing Finance Agency (CalHFA)/State Department of Mental Health (DMH) for funding

and two of these projects totaling 48 units have begun construction. At the end of FY 2010-11, two projects, the Mason and 9th & Broadway, totaling 41 MHSA units, were awaiting approval by CalHFA/State DMH. Also at the end of FY 2010-11, one development had submitted an application to County HCD for local MHSA dollars. The remaining four projects are in various stages of predevelopment. A map of the MHSA pipeline developments can be found in Appendix A. Additionally, project summaries for developments that were posted in FY 2010 - 2011 can be found in Appendix B.

- **Leased, Partnership and Other Units:** Mental Health Systems, Inc. and Community Research Foundation secured 50 new sponsor-based subsidies from the San Diego Housing Commission for vulnerable homeless persons with mental illness in the City of San Diego's downtown. The housing subsidies allowed the two Full Service Partnerships (FSPs) to provide services and permanent supportive housing to an additional 50 homeless individuals with serious mental illness. In addition, the County partnered with the United Way of San Diego County, the City of San Diego, and local non-profit organizations to provide services for 20 mentally ill homeless individuals who are frequent users of public resources. In FY 2010-11, the County of San Diego Housing and Community Development Department prepared to issue a Notice of Funding Availability for project-based section 8 subsidies in the coming year. This provides an opportunity for MHSA developments in the County to leverage their capital dollars with much need operating subsidies.
- **Improvement in client satisfaction with housing and services:** Results from the 2010 focus groups and surveys were shared with the County and operators of Full Service Partnerships and used to improve the delivery of services and housing. The results from the 2011 focus groups indicated higher rates of satisfaction across the board with both housing and services.
- **Planning for project lease-up:** The County and its technical housing consultant, the Corporation for Supportive Housing (CSH), with input from the FSPs and the MHSA developers finalized and adopted the MHSA tenant application and referral process. Additionally, the County and CSH drafted a Memorandum of Agreement that will be used for all MHSA developments. It is an agreement between the County, developers, FSPs, and property management companies and it will serve as a guide for the collaborative partnerships of all parties to provide housing and supportive services to MHSA-eligible tenants. In FY 2010-11, the County and CSH established individual project planning committees (known as "Crosswalk" committees) for three new projects anticipated to open in FY 2010-11 or 11-12, Townspeople's 34th Street Apartments, Squier/ROEM's Cedar Gateway and Father Joe's Villages 15th and Commercial. The Crosswalk planning model has been successful and will continue to be used as new projects move close to completion and occupancy. The County and CSH have established a "model" planning process that is being replicated in other counties.

The County's goal is to have at least 85% of MHSA Full Service Partnership clients living in housing. As of July 1, 2011, the FSPs had over 90% of their clients housed. At

the end of the FY 2010-11, 67% of the clients were living in permanent supportive housing, which was a slight increase over the previous year where 66% of the clients were living in permanent housing. This includes the first five clients to move into developed MHSA units.

Table 1: FSP Clients Housing Situation as of July 1, 2011

<i>Permanent Housing</i>	Number	Percent of FSP clients
Developed MHSA Units	5	0%
MHSA Leased Units	259	26%
MHSA Partnership Units/Shelter Plus Care	109	11%
Clients with Project-Based Section 8	79	8%
Clients with Tenant-Based Section 8	36	4%
Clients in Other Affordable housing	41	4%
Clients without Subsidy	149	15%
Total Clients in Permanent Housing	678	67%
<i>Other Housing</i>		
Clients living w/ Family/Friends	54	5%
Clients living in Emergency Housing	11	1%
Clients living in Transitional Housing	79	8%
Clients living in Licensed Facilities (Board and Care, Long-Term Care Hospital, Assisted Living, etc.)	159	16%
Other (streets, unknown living situation, etc.)	34	3%
Total Clients in Other Housing Situations	337	33%
Total FSP Clients	1015	100%

Focus on Clients: 2011 Focus Groups

For the third year in a row, CSH conducted focus groups with participants in San Diego's MHSA-funded Full Service Partnerships. In 2011, five focus groups with housed clients were held which explored their satisfaction with their housing and support services. In addition to speaking in the facilitated groups, many clients also submitted written answers to the focus group questions. In total, 56 FSP clients participated in the focus groups. Below are highlights of the focus groups:

- **Housing satisfaction high:** A large majority of participants reported they were satisfied with their housing, and many reported being extremely satisfied. This was an increase over the rate of satisfaction reported in the previous year. In addition to things people reported in the past as positives, including having their own apartment, the location of their housing and the affordability of their housing, this year participants also mentioned specifically the benefits of being close to transit, liking their housemates, and being glad to be able to keep pets. A few participants reported they were dissatisfied with their housing due to a location felt to be in a high crime area, and a few complained about the management (one person felt the management was "in their business" while another felt they were inattentive). Others specifically praised management this year.
- **Housing choice valued:** Respondents were divided about whether they had been offered a choice in their housing arrangements. Many said they had been given significant choice about where to live and whether to live alone. But an equally significant number reported having limited choice in either their housing location or roommates. In some programs, clients were placed in shared housing initially, and as they progressed in the program they were offered the option of having their own apartment. Several clients noted that they were fine with that type of progression, but others were unhappy with the perceived need to earn the right to live alone.
- **Diversity of location and project types preferred:** Focus group participants again recommended that housing should be offered in a variety of locations across the County. Some specifically mentioned preferring larger buildings while others liked smaller complexes and single family homes. Many participants expressed that they wanted to be able to live without roommates. Additionally, many expressed that they wanted to be in a safe area, have sanitary housing, and wanted the ability to have pets.
- **Time to obtain housing varied:** The time participants reported that it took for them to get housed varied somewhat. Many remarked that an initial placement from the street to a hotel or SRO happened quickly, sometimes within days, but that getting their own apartment for some participants had taken some time. Some reported having to wait a year or more for a subsidized unit to become available, and a few reported finding housing on their own.

- **Services satisfaction very high:** The vast majority of participants expressed satisfaction with the services provided by their FSP program, and many of them said they were extremely satisfied and grateful. A few specifically mentioned noticing program improvement over time.

Further detail from the focus groups is included in Appendix D.

Annual Action Plan: Year Five

The Implementation Chart on pages 11 - 16 of this Update presents all of the planned Year Five action steps. Highlights of the Action Plan for FY 2011-2012 include:

- **Unit Creation:** Continue to focus on the development of projects to reach the unit creation goal of 241 units. This includes obtaining CalHFA/State DMH approval for The Mason and 9th & Broadway developments and submitting applications for approval for Comm 22, Connections Housing, and Atmosphere. Also obtain final commitment of local funds for N. Star Cottages and secure State funding to complete.
- **Continue to Implement Regional Strategy:** Further develop and implement MHSA regional strategy which includes securing the use of special needs set-aside requirement, tenant-based, project-based, and sponsor-based Section 8 set-aside, homeless preferences, special purpose vouchers, etc. for MHSA housing. Continue to work with the City of San Diego and the County of San Diego. Expand partnerships to include other local housing agencies and Public Housing Authorities.
- **Evaluating MHSA Pipeline Projects:** Monitor and evaluate MHSA Pipeline Projects. Monitoring shall include, but is not limited to, monitoring the timelines and progress of projects in predevelopment; monitoring the Memorandum of Agreements between the County, developers, FSPs, and property management companies; monitoring the process by which clients move into MHSA-developed housing, and evaluating the satisfaction of tenants living in MHSA-developed housing.
- **Continue Crosswalk Process:** Continue current transition planning for projects opening in the coming year. Form Crosswalk Committees for other MHSA housing developments as they get closer to lease-up including The Mason, Tavarua Senior Apartments, and Connections Housing. Continue to review and revise MHSA tenant application and referral processes as necessary. Execute final Memorandum of Agreements with developers, FSPs, and property managers.
- **Explore MHSA Shared Housing Model in San Diego:** A successful shared housing forum held in June 2011 led to the addition of a new goal to the MHSA Plan to explore the potential of shared housing to contribute units. This year the County and CSH will continue to outreach to organizations interested in developing MHSA Shared Housing, and provide technical assistance and training as needed.

Plan Implementation Summary Chart and New Action Steps

	Plan Goal	Year Four Action Steps FY 10-11	Year Four Actions Taken FY 10-11	Year Five Actions Planned FY 11-12
1	Implement Recommendations Outlined in Housing Plan	Complete 30-day posting for majority of the remaining MHSA pipeline projects and submit applications to CalHFA/State DMH for majority of the remaining MHSA pipeline units.	11 projects totaling 194 housing units are in the San Diego MHSA pipeline. One development with five MHSA units completed construction and occupancy in FY 10-11. Three developments totaling 58 units have been approved by CalHFA/State DMH (two of these projects totaling 48 units have begun construction). Two developments totaling 41 units are awaiting approval by CalHFA/State DMH. The remaining developments are in various stages of development. One development submitted an application to County HCD for local MHSA dollars. Completed 30-day postings and applications for the following MHSA developments: <ul style="list-style-type: none"> • The Mason • 9th and Broadway 	Receive CalHFA/State DMH approval for the following developments: <ul style="list-style-type: none"> • The Mason • 9th and Broadway Complete 30-day postings and applications to CalHFA/State DMH for the following MHSA developments: <ul style="list-style-type: none"> • Comm 22 • Connections Housing • Atmosphere
2	Secure Expertise and Administration of Local Housing Funds	Commit up to \$1,000,000 to local housing project to develop MHSA units.	Preliminary commitment of \$914,000 to N. Star Cottages MHSA housing development.	Final commitment of \$914,000 to N. Star Cottages upon approval by County HCD and approval of other capital financing, such as California Housing and Community Development Multifamily Housing Program funding.

	Plan Goal	Year Four Action Steps FY 10-11	Year Four Actions Taken FY 10-11	Year Five Actions Planned FY 11-12
3	Build the Housing Industry in San Diego	<p>Continue to provide one-on-one technical assistance and training on topics of interest to FSPs, housing entities, and housing developers.</p> <p>Secure funding for an Independent Living Facilities Project.</p> <p>CSH will actively coordinate and collaborate with the County's anti-stigma/discrimination contractor, Cook and Schmid, to increase support for housing for people with serious mental illness.</p>	<p>The Corporation for Supportive Housing (CSH) provided one-on-one technical assistance to 13 housing sponsors; 4 training opportunities provided.</p> <p>In FY 10-11, the County approved Innovations funding for the Independent Living Facilities (ILF) project which includes the development of a web-based directory of ILFs; membership association; education and training for tenants and operators; and development of standards for ILFs.</p> <p>CSH actively coordinated and collaborated with the County's anti-stigma/discrimination contractor, Cook and Schmid, to increase support for housing for people with serious mental illness. CSH actively participated on the anti-stigma/discrimination campaign Advisory Committee.</p>	<p>Continue to provide one-on-one technical assistance and training on topics of interest to FSPs, housing entities, and housing developers.</p> <p>Release Request for Proposal (RFP) for Independent Living Facilities Project and award project to successful proposer.</p> <p>CSH will continue to actively coordinate and collaborate with the County's anti-stigma/discrimination contractor, Cook and Schmid, to increase support for housing for people with serious mental illness.</p>

	Plan Goal	Year Four Action Steps FY 10-11	Year Four Actions Taken FY 10-11	Year Five Actions Planned FY 11-12
4	Coordinate Funding	<p>Further develop and implement MHSA regional strategy which includes, but is not limited to, securing the use of special needs set-aside requirement, tenant-based, project-based, and sponsor-based Section 8 set-aside, homeless preferences, etc. for MHSA housing.</p> <p>Continue work with City of San Diego and County of San Diego. Expand partnerships to include other local housing agencies and Public Housing Authorities.</p>	<p>Partnered with County HCD to apply for 40 vouchers dedicated to the Non-Elderly Disabled population.</p> <p>CSH provided technical assistance to County HCD as they developed project-based voucher program targeting special needs populations.</p> <p>Worked with Mental Health Systems, Inc. and Community Research Foundation as they secured 50 sponsor-based vouchers for clients identified as vulnerable with a serious mental illness.</p> <p>Partnered with the United Way of San Diego County, the City of San Diego, and local non-profit organizations to provide services for 20 mentally ill homeless individuals who are frequent users of public resources.</p> <p>The County and CSH met with County HCD and the San Diego Housing Commission to explore preference for MHSA clients in their Section 8 tenant-based housing programs.</p> <p>Partnered with the City of Carlsbad on the Tavarua Senior Apartments development.</p>	<p>Further develop and implement MHSA regional strategy which includes, but is not limited to, securing the use of special needs set-aside requirement, tenant-based, project-based, and sponsor-based Section 8 set-aside, homeless preferences, special purpose vouchers, etc. for MHSA housing.</p> <p>Continue work with City of San Diego and County of San Diego. Expand partnerships to include other local housing agencies and Public Housing Authorities.</p>

	Plan Goal	Year Four Action Steps FY 10-11	Year Four Actions Taken FY 10-11	Year Five Actions Planned FY 11-12
5	Establish MHSA Housing Project Review Committee Provide technical assistance to County's Mental Health Housing Council	Convene committee as needed. Review Project Exception Committee (PEC) procedures on a yearly basis and update as necessary. CSH will provide technical assistance to County's Mental Health Housing Council.	Convened committee as needed. Note that there were no PEC meetings in FY 10-11. Reviewed Project Exception Committee procedures and updated as necessary. In FY 10-11, CSH attended the monthly Mental Health Housing Council meetings and provided technical assistance and consultation to the Council.	Convene committee as needed. Schedule PEC meeting for Wakeland Housing to present the Atmosphere development. Review PEC procedures on a yearly basis and update as necessary. CSH will provide technical assistance to County's Mental Health Housing Council.
6	Assist with the siting of projects	Continue one-on-one assistance in developing siting plans, as requested.	CSH provided assistance to the Boulevard at North Park development.	Continue one-on-one assistance in developing siting plans, as requested.
7	Identify Additional Sources	Continue to monitor MHSA Housing Rental Assistance Program and work towards identifying other sources of funding and other long-term sustainable housing options.	Ongoing gap of \$1.2 million for MHSA Housing rental subsidies has been filled for FY 10-11, FY 11-12, and FY 12-13.	Continue to monitor MHSA Housing Rental Assistance Program and work towards identifying other sources of funding and other long-term sustainable housing options.

	Plan Goal	Year Four Action Steps FY 10-11	Year Four Actions Taken FY 10-11	Year Five Actions Planned FY 11-12
8	Assess Client's Experience of MHSA Housing (Goal added with first update)	Utilize information from 2010 focus groups to inform future efforts such as staff training, resource development, etc. Continue to assess MHSA Housing experience of consumers and use to inform further planning.	Results from 2010 focus groups were used to improve FSP delivery of services and housing. CSH facilitated five housing focus groups with MHSA clients. 56 clients participated in the focus groups and provided valuable feedback. CSH conducted focus group with Center Star program clients to receive input/feedback on the Connections Housing development.	Utilize information from 2011 focus groups to inform future efforts such as staff training, resource development, etc. Continue to assess MHSA Housing experience of consumers and use to inform further planning. Conduct focus groups for future MHSA developments including Tavarua Senior Apartments. Conduct outreach to solicit developer feedback on the MHSA Housing program.
9	Address Transition Issues (Goal added with first update)	Finalize MHSA tenant application and referral processes. Continue to review and revise application and processes as necessary. Continue to address transition issues as new projects come on line.	Finalized MHSA tenant application and referral processes. Three Crosswalk Committees have been established and meet monthly to discuss preparation for lease-up of MHSA developments. The three Committees are: <ul style="list-style-type: none"> • Townspeople's 34th Street Apartments • Squier/ROEM's Cedar Gateway • Father Joe's Villages 15th and Commercial 	Continue to review and revise MHSA tenant application and referral processes as necessary. Form Crosswalk Committees for other MHSA housing developments including: <ul style="list-style-type: none"> • The Mason • Tavarua Senior Apartments • Connections Housing
10	Establish standard criteria for evaluating existing and new MHSA pipeline projects (Goal added in third update).	Establish standard criteria by which existing pipeline projects and new potential projects are evaluated and progress monitored and apply criteria to both existing and new projects. Standard criteria will be shared with the community, including developers.	The County and CSH monitored and evaluated MHSA pipeline projects. Monitoring included, but was not limited to, monitoring the progress of projects in predevelopment; monitoring the Memorandum of Agreements between the County, developers, FSPs, and property management companies; monitoring the process by which clients move into MHSA-developed housing; and evaluating the satisfaction of tenants living in MHSA-developed housing.	Monitor and evaluate MHSA pipeline projects. Monitoring shall include, but is not limited to, monitoring the progress of projects in predevelopment; monitoring the Memorandum of Agreements between the County, developers, FSPs, and property management companies; monitoring the process by which clients move into MHSA-developed housing; and evaluating the satisfaction of tenants living in MHSA-developed housing.

	Plan Goal	Year Four Action Steps FY 10-11	Year Four Actions Taken FY 10-11	Year Five Actions Planned FY 11-12
11	Establish written guidelines for the MHSA Housing Rental Assistance Program (Goal added in third update).	Establish and implement written guidelines for the MHSA Housing Rental Assistance Program to ensure consistency across the County's FSPs and the provision of quality housing to MHSA clients.	CSH has begun research of guidelines for rental assistance programs.	Establish and implement written guidelines for the MHSA Housing Rental Assistance Program to ensure consistency across the County's FSPs and the provision of quality housing to MHSA clients.
12	Explore MHSA Shared Housing Model in San Diego (Goal added in fourth update).		CSH conducted MHSA Shared Housing Roundtable on June 6, 2011. More than 40 housing developers and other organizations participated.	Continue to outreach to organizations interested in developing MHSA Shared Housing. Provide technical assistance and training to County and developers as needed.

Appendices

- A: MHSA Pipeline Projects Map
- B: Project Summaries for projects posted in FY 2010-2011
- C: Results of Client Focus Groups on MHSA Developments
- D: FSP Housing Focus Group Summaries
- E: Summary of FSP Housing Survey Results
- F: 2011 MHSA Recommendations and Guidelines

APPENDIX A:

MHSA PIPELINE PROJECTS MAP

MHSA Pipeline Projects – As of July 2011

Map Legend:

- ★ Open
- ☑ CalHFA/State DMH Approved
- △ Posted for 30-Day Public Review
- ❖ County HCD Application Submitted
- 📍 Early Predevelopment Phase



APPENDIX B:

PROJECT SUMMARIES



NICK MACCHIONE, MS, MPH, FACHE
DIRECTOR

County of San Diego
HEALTH AND HUMAN SERVICES AGENCY

ALFREDO AGUIRRE
MENTAL HEALTH SERVICES DIRECTOR
(619) 563-2750/2700 • FAX (619) 563-2775/2705

JENNIFER SCHAFFER, Ph.D.
BEHAVIORAL HEALTH DIRECTOR

BEHAVIORAL HEALTH DIVISION
3255 CAMINO DEL RIO SOUTH, SAN DIEGO, CALIFORNIA 92108

SUSAN BOWER
ALCOHOL AND DRUG SERVICES DIRECTOR
(619) 584-5007 • FAX (619) 584-5080

June 9, 2010

NOTICE OF INITIATION OF 30-DAY PUBLIC REVIEW PERIOD

RE: Proposed 9th and Broadway Permanent Supportive Housing Development
for MHSA Housing Program Funding

A 30-day public review and comment period is required for the County of San Diego, Behavioral Health Services to submit applications for the State-administered Mental Health Services Act (MHSA) Housing Program. This public review pertains to the specific proposed housing development to provide permanent supportive housing for the County's 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 Mr. Kevine Ky, Administrative Analyst, at Kevine.Ky@sdcounty.ca.gov.

Sincerely,

for ALFREDO AGUIRRE, LCSW
Deputy Director

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

Attachments

**DEVELOPMENT SUMMARY FORM
MHTSA Housing Program**

Development Information

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

Name of Development: 9th & Broadway

Site Address: 901-921 Broadway and 917 9th Avenue

Development Sponsor: BRIDGE Housing Corporation

Development Developer: Broadway Tower Associates, L.P.

Primary Service Provider: Providence Community Services

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: 250

Total number of MHTSA units: 25

Total cost of the development: \$64,844,636

Amount of MHTSA funds requested: \$2,000,000

Request MHTSA Funds for Capitalized Operating Subsidies (COS): Yes No
(COS of up to \$108,000 per MHTSA unit to be determined by the State)

Other Rental Subsidy sources (list if applicable): Developer will apply for Section 8 vouchers

Target Population (please check all that apply):

- Adults
- Transition-Age Youth
- Children
- Older Adults

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 Administration**

Section 4.2.1 - Project Overview

**9th and Broadway
901-921 Broadway and 917 9th Avenue
San Diego, California**

9th & Broadway is a planned 250 unit affordable housing community located at the southeast corner of 9th Avenue and Broadway in downtown San Diego. The 25,000 SF site is owned by the Centre City Development Corporation (“CCDC”) and Broadway Tower Associates, L.P., an affiliate of BRIDGE Housing Corporation (“BRIDGE”), that will build and operate the housing development under a long term ground lease.

Housing and Service Goals

All units at 9th and Broadway will be offered at affordable rents to individuals and families earning 20% to 60% of the area median income (“AMI”). 25 of the units will be set aside for transition age youth (TAY) eligible for supportive services under the Mental Health Services Act program (“MHSA”). The remainder of the units will be open to families and individuals on an income-qualification basis.

The provision of safe, decent, and affordable housing is BRIDGE’s mission and part of CCDC’s goals for downtown San Diego.

Ranking among the most successful nonprofit affordable housing developers in the nation, BRIDGE has provided over 13,000 high-quality homes in over 80 developments throughout California since 1983. BRIDGE pursues an ambitious goal of “quality, quantity and affordability” while meeting the growing demand for affordable housing in high-cost California. BRIDGE provides well-designed housing for families and individuals in many settings and forms, from large-scale, mixed-use developments to low-rise apartment buildings designed to blend into their surrounding neighborhoods.

BRIDGE’s definition of quality livable housing encompasses a range of services and amenities that support its residents and their communities, such as recreation areas, green space, education resources, childcare facilities, and new community services. BRIDGE also looks at the big picture and advances innovative solutions to larger challenges that face urban and high-cost areas throughout the State. BRIDGE’s expanded development efforts bring jobs, economic activity, access to transportation, efficient land use, community connectivity, and an enhanced environment. From large scale, mixed-use urban infill developments to green building expertise, from senior services to after school programs, BRIDGE enriches the fabric of every community.

CCDC, the City’s downtown redevelopment agency, has facilitated development of nearly 15,000 homes in downtown San Diego over the last 35 years. One of CCDC’s goals is to ensure that downtown San Diego has housing options for all income levels and promotes income diversity within neighborhoods. As part of this goal, CCDC supports the development of projects that serve the special needs population and has committed to assist the development of affordable, permanent supportive housing in downtown and surrounding areas.

Tenant Characteristics and Primary Service Provider

As described, 225 units at 9th & Broadway will be available to families and individuals on an income-qualification basis and the remaining 25 units will be set-aside for Transition Age Youth (TAY) who are eligible for services under the MHSA program. Eligible MHSA residents will be referred by the Full Service Partnership (“FSP”) provider, Providence Community Services (“Providence”), and will typically be participants in Providence’s Catalyst Program. Participants will range in age from 18 to 25 and have been diagnosed with a serious mental illness and are homeless or at risk of becoming homeless.

The Catalyst Program, a recovery-focused Assertive Community Treatment (“ACT”) program, works to help TAY by improving mental wellness and helps them move towards a meaningful, self-sufficient future. One of the program’s goals is to find appropriate housing for the participants throughout all phases of the program. Participants are in need of permanent, subsidized supportive housing to toward independent living.

While living at 9th & Broadway, the Catalyst Program will provide participants access to a range of mental health services including assessment and evaluation, emergency assistance with food and clothing, individual goal/service planning, assistance in accessing mainstream benefits, case management, independent living skills development, transportation assistance, money management and financial education, medical assessment, treatment and referral, addiction disorder treatment, employment services and opportunities, crisis intervention, community building, and any other services as needed. MHSA residents may participate in supportive services on a voluntary basis and will be encouraged by Providence and property management staff to do so in order to promote successful tenancy.

Providence has provided quality mental health and substance abuse services for children, youth, adults, and families throughout Southern California since 1996. In September 2006, Providence implemented the Catalyst Program to provide full service partnership services to transition age youth throughout San Diego County.

Building Description

9th & Broadway will be a 17 story building with two levels of underground parking. There will be approximately 8,000 SF of ground floor retail fronting Broadway as well as 9th. Residents of the building will have access to three major common areas, all of which are integrated with the outdoors to take advantage of the San Diego climate. There will be an open common room (great room), kitchen, media room and outdoor space on the ground floor. On the fifth floor podium, there will be a laundry room, a supportive services office, a seminar room with a kitchen and outdoor space that will include barbeques and a resident garden. On the 15th floor there will be a terrace with great views of San Diego towards the Bay.

Development Financing

Total development costs for 9th & Broadway are estimated at \$64,844,636. The project will be financed by a variety of sources, including but not limited to, Mental Health Services Act funds, Affordable Housing Program funds, Multifamily Housing Program funds, tax credit equity, conventional financing, and CCDC funds. A summary of anticipated sources is provided below:

Sources of Funds	Permanent Period	Uses of Funds	Permanent Period
TBD - Conventional Lender	\$ 6,440,000.00	Acquisition / Site Work	\$ 1,042,000.00
TBD	\$ 3,706,475.00	Construction	\$ 48,125,215.00
MHP Gen + TAY	\$ 10,000,000.00	A/E, Permits	\$ 6,546,651.17
MHSA	\$ 2,000,000.00	Indirect Expenses	\$ 2,035,691.18
RDA Funds	\$ 21,873,000.00	Financing and Carry Costs	\$ 3,213,915.00
Deferred RDA Interest	\$ 340,000.00	Other	\$ 1,055,924.00
Deferred Developer Fee	\$ 500,000.00	Developer Fee	\$ 2,825,240.00
AHP	\$ 1,000,000.00	TOTAL USES	\$ 64,844,636.35
Investor Equity	\$ 18,985,161.35		
TOTAL SOURCES	\$ 64,844,636.35		



NICK MACCHIONE, MS, MPH, FACHE
DIRECTOR

JENNIFER SCHAFFER, Ph.D.
BEHAVIORAL HEALTH DIRECTOR

County of San Diego
HEALTH AND HUMAN SERVICES AGENCY

BEHAVIORAL HEALTH DIVISION
3255 CAMINO DEL RIO SOUTH, SAN DIEGO, CALIFORNIA 92108

ALFREDO AGUIRRE
MENTAL HEALTH SERVICES DIRECTOR
(619) 563-2750/2700 • FAX (619) 563-2775/2705

SUSAN BOWER
ALCOHOL AND DRUG SERVICES DIRECTOR
(619) 584-5007 • FAX (619) 584-5080

August 31, 2010

NOTICE OF INITIATION OF 30-DAY PUBLIC REVIEW PERIOD

RE: The Mason Permanent Supportive Housing Development
Proposed for MHSA Housing Program Funding

A 30-day public review and comment period is required for the County of San Diego, Behavioral Health Services to submit applications for the State-administered Mental Health Services Act (MHSA) Housing Program. This public review pertains to the specific proposed housing development to provide permanent supportive housing for the County's 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 attached Sections D.1 through D.9 (and related attachments) of the MHSA Housing Program Application provide details of the supportive housing development and services information for review and comment.

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

Sincerely,

ALFREDO AGUIRRE, LCSW
Deputy Director

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

Attachments

RENTAL HOUSING DEVELOPMENT SUMMARY FORM

County Mental Health Department: San Diego Mental Health Services Administration

Name of Development: The Mason

Site Address: 1345 Fifth Avenue (APN 533-453-02)

City: San Diego State: CA Zip: 92101

Development Sponsor: Affirmed Housing Group, Inc.

Development Developer: Affirmed Housing Group, Inc.

Primary Service Provider: Community Research Foundation (CRF).

New Construction Acquisition/Rehabilitation of an existing structure

Type of Building: Apartment Building Single Family Home
 Condominium Other

Total Development		MHSA Funds	
Total Number of Units:	17 (incl. 1 mgr)	Total Number of MHSA Units:	16
Total Cost of Development:	\$ 3,111,940	Amount of MHSA Funds Requested:	\$ 3,019,447
		Capital:	\$ 1,180,727
		Capitalized Operating Subsidies:	\$ 1,838,720

Other Rental Subsidy Sources (if applicable): n/a

Target Population (please check all that apply):

Adults Transition-Age Youth Older Adults

County Contact

Name and Title: Kevin Ky, Administrative Analyst II

Agency or Department Address: 3255 Camino del Rio South, San Diego, CA, 92108

Agency or Department Phone: 619-563-2703

Agency or Department Email: kevin.ky@sdcounty.ca.gov

Item D.2 Development Description

The Development Description should provide a narrative (approximately two pages) that includes:

1. Name and location of the proposed housing development;
2. Service goals of the development;
3. Characteristics of tenants to be served;
4. Type of housing to be provided (new construction or acquisition/rehab.);
5. How the building(s) in which housing and services will be provided will meet the housing and service needs of the MHSAs tenants (location, building type, layout, features, etc.);
6. Name of primary service provider, property manager, and other development partners; and,
7. Summary of the anticipated sources of development financing. (Name sources only, do not include dollar amounts.)

Response:**1. Name and location of the proposed housing development;**

The Mason. Located at 1345 Fifth Avenue, San Diego, CA, 92101

Mason History

The Mason is a turn of the century apartment building, approximately 17,740 square feet. Of the 17 total units, one is reserved for an onsite manager and 16 for individuals eligible for supportive services under the MHSAs program. In 2004 a fire significantly damaged The Mason's interior. Previously the property operated as a 27-unit SRO and lacked many of the amenities the proposed renovation will allow for. Working with local architect Dick Bundy, the building has been fully assessed for structural integrity and the fire damage repair will allow for complete rehabilitation of this wonderful city asset. The opportunity to use the existing structure will allow for expeditious and efficient construction, with anticipated completion is 2011.

2. Service goals of the development;**Housing and Service Goals**

The goal of The Mason MHSAs Housing Program is to provide safe, livable, affordable housing that is linked to client centered, voluntary, wraparound services to promote residential stability and self-sufficiency. The Mason, L.P. will retain Solari Enterprises, Inc. as the property management firm to partner with the County-contracted Full Service Partnership (FSP), Community Research Foundation (CRF). The property management firm will employ an on-site Resident Manager who reports to the Regional Manager. The Resident Manager will work closely with the FSP, meeting regularly to determine each of the tenant's service needs, discuss relevant client issues, coordinate on-site activities, and evaluate the supportive housing program. The rents at the project will be affordable based on San Diego County MHSAs guidelines. The tenant portion of the rent will be set at 30% of the current SSI/SSP grant amount for a single individual living independently, or 30% of total household income, whichever is higher (up to 30% of 50% of area median income). Rents at this level will be restricted for a term of 20 years.

3. Characteristics of tenants to be served;**Tenant Characteristics**

The sixteen MHSAs supported studio units will be designated for tenants who meet MHSAs Housing Program requirements. The Mason will serve the Adult population, ages 25-59, with income derived primarily from SSI/SSDI. Potential residents are homeless or at-risk of homelessness with a serious mental illness. The Redevelopment Agency of San Diego restricts tenants' income levels to 80% Area Median Income.

4. Type of housing to be provided (new construction or acquisition/rehab.):

Acquisition/Rehab

5. How the building(s) in which housing and services will be provided will meet the housing and service needs of the MHPA tenants (location, building type, layout, features, etc.):

The Mason is situated in San Diego's downtown core district, at the corner of 5th Ave. and Ash, just minutes from the I-163 and I-5 Freeways and surrounded by amenities and services utilized by the tenant population. Ample public transportation is within walking distance of The Mason, including major bus routes 3, 11, 810, 820, 850, and 860. Amenities within walking distance of the Mason include a pharmacy, urgent care, San Diego City College, Balboa Park, downtown library, convenience stores, banks, restaurants, gym, places of worship, medical and dental offices, central shopping mall (Horton Plaza), and grocery stores, providing residents convenient access to their community and regular destinations as well as potential employment opportunities.

Common area amenities at The Mason include interior common space for resident comfort and recreation, as well as an outdoor courtyard garden on the roof above the first floor level. All residents will have access to the secure, enclosed rooftop area where they can enjoy outdoor relaxation within the landscaped respite. Units at the interior of the building will enjoy views of the rooftop courtyard and every unit within the building will have ample natural light and ventilation with operable windows. Indoor community space on the ground floor gives residents access to a media lounge and computer café within close proximity of the building's management office.

The management area will include a private meeting room available to the Full Service Partnership (FSP) for providing effective on-site support services to the MHPA program tenants living at The Mason. In addition, The Mason has approximately 2,100 square feet of ground floor retail space available. The development has been underwritten with a triple net/zero lease, affording the development the opportunity to incorporate a non-profit or other complimentary use that enhances the resident living experience.

6. Name of primary service provider, property manager, and other development partners:Primary Service Provider: Community Research Foundation (CRF)

Supportive services will be provided on a voluntary basis and residents will be assertively and respectfully encouraged to participate in the supports and services available to them. Supportive services will be provided by CRF through existing contracts with the County of San Diego Mental Health Services. CRF will be responsible for providing Assertive Community Treatment (ACT), an evidence based form of intensive case management. For each MHPA eligible client, CRF will assign an ACT Team that is available 24-7. That ACT Team will be responsible for structuring a service plan for each client and monitoring the client's progress.

Property Management

The Mason will be property managed Solari Enterprises, Inc., an established company with which Affirmed Housing Group has worked with successfully. Solari Enterprises, Inc. is a full service property management organization specializing in multifamily affordable housing. Their portfolio includes affordable multifamily housing for families, seniors, special needs, and single room occupancy properties throughout California.

Development Partners

The borrower of MHPA funds, The Mason, L.P., will be organized as a single asset entity to own and operate the project. Co-general partners include HDP, a nonprofit organization, and Affirmed Housing Group, a private for-profit development corporation. HDP is the nonprofit applicant to MHPA Program and will act as the managing general partner of The Mason, L.P. Affirmed Housing Group will act as the administrative general partner of The Mason, L.P., and be responsible for developing the project, as well as overseeing ongoing operations.

7. Summary of the anticipated sources of development financing. (Name sources only, do not include

dollar amounts.)**Development Financing**

- MHSa
- Housing Development Partners Insurance Proceeds
- San Diego Housing Commission (SDHC)

Deal Terms

At concurrent closing in late 2010: (1) SDHC will make a \$1,3985,000 residual receipts loan (55 year term at three percent annual interest) to the Partnership; (2) MHSa will make a \$1,026,940 residual receipts loan (20 year term at three percent annual interest) to the Partnership; (3) The Redevelopment Agency will amend its existing residual receipts loan of \$885,944 extending its term to 55 years from the closing date at three percent annual interest; (4) SDHC will forgive its existing debt on the property, including the first and second SDHC loans and SDHC recoverable grant totaling approximately \$960,0000, and the land will be transferred from HDP to SDHC; (5) HDP will transfer ownership of the improvements to the Partnership; (6) SDHC will enter into a sixty-five year ground lease with the Partnership for an annual ground rent of four and one half percent of annual gross income as available from cash flow (the developer's proforma indicates zero residual receipts delivered until after the MHSa operating subsidy expires in year 20).

APPENDIX C:

RESULTS OF CLIENT FOCUS GROUPS ON MHSA DEVELOPMENTS

HOUSING CONNECTIONS FOCUS GROUP SUMMARY

On December 13, 2010, the Corporation for Supportive Housing (CSH), San Diego County Mental Health Services (SDMHS), PATH Ventures, Affirmed Housing Group, Family Health Centers of San Diego, Solari Enterprises, Inc., and Mental Health Systems, Inc. visited the proposed Housing Connections development, the site of the current World Trade Center in downtown San Diego. In attendance were several mental health consumers and family members. They toured the site, which is proposing to be rehabilitated to provide 150 interim housing beds, 73 permanent supportive housing units, and a one-stop service center that will provide services to residents and the downtown homeless community. Below is a summary of the feedback and questions that were raised at the site tour:

Livability

- A client of Mental Health Systems' Center Star program was asked if the proposed site would be a place that she would want to live and she responded that it is always good to have an array of options to present to consumers, but that she is happy living in her apartment in the City Heights area of town and that downtown San Diego is not her favorite place.

Amenities

- A consumer asked about whether or not there would be storage available to the residents of the permanent supportive housing units. He felt that it was important to have some type of space where residents could store some of their larger belongings that may not fit in their apartment.
- Attendees were informed that furnishings would be provided to the residents of the permanent housing and that they would not be allowed to bring their own furnishings.
- It was mentioned to the developers that bed bugs are an issue in supportive housing and that the developers and property managers should have procedures in place to help prevent and treat bed bugs.
- The question of parking was brought up and the group was informed that there would be no parking for residents of the permanent supportive housing units.
- One of the consumers suggested that it would be nice to have a room with exercise equipment to help the residents stay fit.
- The consumers felt that it was important that clients have space for their shopping carts.
- It was mentioned that there will be office space for clients and service providers to meet.
- It was stated that there will be meeting space available to the residents for meetings, events, etc.

- The permanent supportive housing residents will have a Tenant Advisory Council and the on-site Resident Services Coordinator will staff the Tenant Advisory Council.

Pets

- The question of pets was brought up. The developers mentioned that there would be a kennel in the ground floor for people's pets.

Smoking

- The question of smoking was brought up. The developers said that people would not be allowed to smoke in their housing units but that there would be common space outside the housing units where people could smoke. One of the consumers mentioned that there are ordinances that prohibit smoking in close proximity to living spaces.

Consumer Business

- One of the consumers mentioned that they would like to see a client run business on-site. Suggestions included food service, a coffee shop with space for performances and/or art shows, or donation services like AmVets.
- Family Health Centers stated that there will be housekeeping jobs available and that residents of the permanent supportive housing units would be given first priority for those jobs.

Green Space

- One of the consumers asked about green space and suggested that consideration be made to include green space throughout the building. He stated that a fountain with running water can be very soothing for people in recovery.

APPENDIX D:

FSP HOUSING FOCUS GROUP SUMMARIES

Summary of Responses for Heritage Clinic Focus Group

Date	April 18, 2011
Location	Heritage Clinic Office: 6160 Mission Gorge Rd.
Number of Attendees	15 individuals

1. Current Housing Satisfaction

Many participants reported being satisfied overall with their current housing. Those who were satisfied reported the following:

- Several participants felt their apartments were “nice” (layout, size, cleanliness, location, etc.)
- Several of the participants appreciated the amenities that were offered.
- Most participants were happy with the way the apartments were being managed. Their landlords were responsive to their needs.
- Some participants were happy with their current living situation because they came from homelessness and feel like they are in a better situation with housing.

Several participants reported concern related to their housing over the following:

- Several clients living in the Cove and La Mesa lodge expressed dissatisfaction with their housing.
- No mechanisms are in place for conflict resolution amongst neighbors in their housing development.
- Case Managers and staff are unresponsive to requests.
- Excessive noise, and failure of property manager to address maintenance issues.
- Several participants requested more oversight of property management and for the FSP to take a greater role in dispute resolution with property management.

2. Housing Choice

Many participants reported that they had few options presented to them when they were placed in housing, but several were given options. Following is a summary of the comments received:

- Counselor was very considerate and thorough
- One client stated that they were not provided with any options. “I feel stuck. I feel like I’m living in a closet.”
- One client stated they were provided with choices but they also feel that you have to do some of the work yourself
- Having pets limits your choices of apartments

3. Preferred Housing Options

The following is a summary of the participants preferred housing options:

- Most of the participants indicated that they preferred to live alone rather than share an apartment.
- Most of the participants desired a one-bedroom or 2-bedroom (for live-in caregiver) over a studio
- Several participants said they would like to live in a good neighborhood/quiet community.

- Several participants would prefer to be close to family.

4. Placement Process

- Most of the participants indicated that they are happy with the procedures and time it took to be placed in housing.
- Several participants have been frustrated that once they are in housing, they have little option to make changes to their housing situation.
- Participants reported that it took them from two days to three months to be placed in housing. Most felt this was a reasonable timeframe.
- Several felt that the housing process was not well communicated.
- Several were proactive in helping locate their own housing. Most of these participants expressed great satisfaction with their housing.

5. Services Satisfaction

- Most participants indicated a high degree of satisfaction with Heritage Clinic's services.
- Several participants would like to have some assistance with transportation.
- Several of the participants thought that the range of services available to them was not thoroughly explained.

6. Miscellaneous Comments

- A few participants indicated a lack of understanding of Section 8 and HUD housing.
- Some participants were concerned about the actions of other tenants in their properties when their mental illness was not being managed well.

**Summary of Responses for Community Research Foundation
IMPACT Program
Focus Group**

Date	April 19, 2011
Location	IMPACT Main Office 1202 Morena Blvd., 3rd fl.
Number of Attendees	9 individuals

“It took me a long time to get off the streets and with your help I am never going back.”

Focus Group Highlights

- Most of the participants were happy and grateful for their housing and felt that the program is being run and administered efficiently and effectively.
- Several clients felt that they had grown out of the housing situation that they were placed in upon entry into the program and didn't know the appropriate way to transition to the next level.

1. Current Housing Satisfaction

Most of the participants expressed overall satisfaction with their current housing. Those who were satisfied reported the following:

- Several participants reported good communication regarding their housing needs.
- Several reported living in a quiet and peaceful environment.
- Several reported that their housing is located in areas that are close to transportation, shopping and other community amenities.
- Several participants had good experiences moving to more stable living situations as they progressed with the IMPACT program.

Several participants reported some dissatisfaction related to their housing as follows:

- A couple of participants mentioned difficulty dealing with roommates.
- Several participants said they really like their apartment but not the onsite property management company.
- Some felt tenant complaints were not responded to in a timely manner.

2. Housing Choice

The availability of options during housing placement was positive overall. Following is a summary of the comments received:

- Several participants were offered choices in the type of housing.
- One participant said that her choices were limited due to program budget constraints and her preferences.
- Several said they were offered a good range of housing options.
- A few felt they were provided with some options but not all the options that were available to them.

3. Preferred Housing Options

The following is a summary of the participants preferred housing options:

- Most would like a house or a one-bedroom (vs. studio) by themselves.
- Several participants would like the option of having pets in their unit.
- Most said they would like a quiet area.
- Areas of interest included: North Park, College area, Escondido and Poway.
- A few clients indicated a desire to live in a LGBT community
- Most were satisfied with the locations of their housing.

4. Placement Process

- Most were moved into housing quickly after coming off the streets.
- ILFs and SROs were common starting places for housing with more options as they progressed in the program.

5. Services Satisfaction

- Most of the participants expressed their satisfaction with IMPACT's supportive services staff.
- Some participants would like to be closer to services as transportation was difficult for some participants.
- A few would like better feedback and timely responses to problems (better communication) from IMPACT staff and from property managers.
- Some had asked for help with their Board and Care or ILF, but were told the program could not do much to help them.

6. Miscellaneous Comments

- One participant stated, "Because of your program I have been given a chance to re-enter society. As a once homeless individual on the street I did not have hope of bettering my situation. Housing has helped me regain myself."
- Several participants expressed concerned that program funding may go away.
- Some participants would like a formal process for staff to look at and respond to complaints related to housing.
- One participant stated that Reverend Glen Allison apartments did not allow pets and that was a problem for them.

Summary of Responses for Mental Health Systems Center Star ACT Focus Group

Date	April 20, 2011
Location	Center Star Offices 4283 El Cajon Blvd., Suite 115
Number of Attendees	11 individuals

1. Current Housing Satisfaction

The majority of participants reported being satisfied with their current housing. Those who were satisfied reported the following:

- On client noted that they were very satisfied with their housing, “I live with a solid roommate. I live in City Heights. It’s not the greatest area but I haven’t had any problems.”
- On client noted that she loved the house that she was living in and that she is not able to have her pet dog live with her. She’s also happy that the program will help move her into a one-bedroom later in the year. She noted that she’s ready to live along again.
- Several clients noted that they were satisfied with their housing, roommates, amenities, ability to have a pet, and the neighborhood that they live in.
- One client noted that he is very satisfied with his housing. The program staff are nice and they work hard to please the clients. He also noted that he liked living in sober living.

A few participants reported concern related to their housing over the following:

- Some participants were dissatisfied with living in the City Heights area. They felt that it was dangerous.
- One participant was dissatisfied with their roommate who they suspected of dealing drugs.
- Other participants noted dissatisfaction with the plumbing, limited privacy, temperature of their unit (too hot), roommates, and no air conditioner.

2. Housing Choice

Some participants reported dissatisfaction with the housing options that were presented to them when they were placed in housing. Following is a summary of the comments received:

- Several participants reported that they little choice in the housing provided to them. For many of them, they were placed with roommates and reported that they were not given a choice to live on their own.
- Some reported that after being in the program for awhile they were offered the opportunity to have their own apartment.
- One client was told that there was no housing for women on their own, only men. She reported that the only option for women to live by themselves was in downtown and it was less than satisfactory.
- One client reported dissatisfaction in not being able to see the housing before they moved in.

Some of the participants indicated that they were satisfied with their housing options:

- A few clients reported that they were satisfied with the choices that they were provided.

- One client stated that Center Star provided them with whatever they wanted.

3. Preferred Housing Options

The following is a summary of the participants preferred housing options:

- Several of the participants indicated that they would like to live along.
- Some clients indicated that much of Center Star’s housing is in the City Heights area close to Center Star’s services and some of the clients stated that they would like more choice in the areas in which the housing is located. Some areas that clients indicated they would be interested in living in were Old Town, North Park, Golden Hills, Serra Mesa, San Carlos, and Del Cerro.
- One woman indicated that she would like to be able to live with her boyfriend of ten years. She would like them to have a place of their own with their dog. She would also like a pool for exercise, a large one-bedroom duplex, and transportation nearby.
- One gentleman indicated that he prefers a shared living environment.
- Some clients stated that they would like to be able to have a pet.
- A few clients indicated that they would like to live in Section 8 housing.
- A few clients indicated that they’re happy right where they’re at.
- One woman would like to live alone in a one-bedroom “cottage style” apartment with pets, laundry, gated parking, and carpet in the bedroom.
- One client said that they prefer clean and sober living.

4. Placement Process

- The length of time to get into housing varied but several clients indicated that they were placed into housing within a few days.
- One client said, “Center Star came to my rescue when I had no place to live.”
- One client indicated that it took them a month to get into housing while another client said that it took about one year.

5. Services Satisfaction

Most participants were very satisfied with services delivery from the FSP. Some comments received included:

- When asked about their satisfaction with services, one client said, “Absolutely. Center Star ACT has been a God-send. I’m completely satisfied with services.”
- One client said that they would like one-on-one counseling.
- One client stated that they need a safe place to live if they’re currently in an unsafe environment.
- One client indicated that their goal was to mainstream back to the workforce. They said, “I’m going to work. It may take awhile but I am going to work.”

6. Miscellaneous Comments

- I am sincerely grateful for all Center Star ACT has done for me.
- Sometimes they don’t know who’s using drugs in the house.
- One person said that he has cockroaches where he lives. He waited several months to tell the program staff about it because he felt guilty. He is so grateful for housing and didn’t want to appear ungrateful.

Summary of Responses for Mental Health Systems North Star ACT Focus Group

Date	April 21, 2011
Location	Escondido Clubhouse: 474 W. Vermont Ave.
Number of Attendees	9 individuals

1. Current Housing Satisfaction

Most participants reported being satisfied overall with their current housing. Those who were satisfied reported the following:

- Several participants were grateful for housing that gets them off the street.
- Most participants thought their contribution to their housing was reasonable.
- Several participants commented that they appreciate the location and proximity of their housing to services (close to bus, shopping, medical services).
- Several appreciated the new FSP Housing Coordinator and noted that he was very helpful. One gentleman stated, “He doesn’t talk down to you. He talks to you.”

A few participants reported concern related to their housing over the following:

- One individual noted that he is not happy with the quality of the property maintenance in his apartment building.
- The program’s roommate policy and practice has caused some dissatisfaction with housing.
- Some clients indicated that they did not receive adequate notice on the status of their housing. Some of the clients were waiting for Shelter Plus Care housing but were not clear on the process and how long they would have to wait.
- Some participants complained that laundry facility costs were exorbitant and they had to stop or seriously reduce their cleaning.

2. Housing Choice

Some participants reported dissatisfaction with the housing options that were presented to them when they were placed in housing. Following is a summary of the comments received:

- Several participants had bad roommate experiences and would like more control over choice of their roommate.
- Several clients indicated there was limited housing options in terms of location and housing type even when the client inquired about alternate housing options.
- Some clients had to move several times from initial placement.

Many of the participants indicated that they were satisfied with their housing options:

- Some noted that they didn’t like their roommates, but that the FSPs made an effort to accommodate them.
- Several indicated that the housing program has improved significantly over the last year.
- Several indicated that they were given a wide variety of options.

3. Preferred Housing Options

The following is a summary of the participants preferred housing options:

- Most of the participants indicated that they preferred to live alone rather than share an apartment.
- Some participants would like additional community amenities (weight room, pool, etc.).
- Several participants desired a wider range of locations within North County (e.g. Oceanside and Encinitas).
- Several requested locations free from drug culture.
- Some would like a greater sense of community through health/wellness programs, interaction etc.

4. Placement Process

- Most participants received help, but it took several weeks to come to fruition.
- Some indicated a poor transition into housing, but they were primarily clients that entered the program several years ago and many of them noted that the process has improved greatly since then.
- It took most participants an average of two to three weeks to get into housing.

5. Services Satisfaction

Most participants were satisfied with services delivery from the FSP. Some comments received included:

- Several participants indicated improvement over the last year.
- Some clients expressed a need for transportation assistance.
- Some clients would like more support for people to get to AA and NA meetings.
- One client indicated that the food has gotten better. They are now serving fruit and vegetables.

6. Miscellaneous Comments

- One person stated, “Since I got into the program I’ve been able to acquire nice things such as clothes and a computer.”
- Several participants were concerned about the cost of laundry facilities at their housing locations.
- Several participants were concerned about the costs of all the items that they paid for going up and putting a strain on their budgets.
- Several clients indicated a need for linkages to outside services/resources (e.g. CalFresh, Interfaith, Share, SVDP, 5th & Escondido, 211).
- Several wanted additional information about the Program Advisory Committee.

Summary of Responses for Providence Community Services Catalyst Focus Group

Date	April 21, 2011
Location	Providence's Offices 7155 Mission Gorge Rd
Number of Attendees	12 individuals

Focus Group Highlights

- Some of the Transition Age Youth expressed that they were dissatisfied living in Independent Living Facilities (ILFs). Some were particularly unhappy with the food and overcrowding.
- Some clients didn't feel they were given adequate choices for their housing.
- Some clients expressed the desire for additional employment services.

1. Current Housing Satisfaction

Many of the participants reported being satisfied with their current housing. Those who were satisfied reported the following:

- Several were able to have pets.
- Several participants appreciated the location, and services they receive at their ILF.
- Several participants appreciated the independence of living at an ILF, and the opportunity to grow.

A few participants reported being dissatisfied with their housing:

- Several participants would like more food options. A set menu is okay but they would like more variety in terms of food options. They would like to be able to provide a grocery list to the house manager.
- Several participants were dissatisfied with how the owners/managers of the ILFs operated the housing.
- Several participants had concerns with their roommates such as stealing of money, valuables, and food.

2. Housing Choice

Participants stated that the housing model for Catalyst is for participants to enter either a Board and Care or an ILF first and then they are able to move into their own apartment once they've reached certain benchmarks.

- Several participants said that they were not offered choices in their housing.
- Some participants said that they were given options in terms of location but not in terms of type of housing.
- Several participants would like greater control over roommates; especially since much of the dissatisfaction related directly to roommate behavior.
- Several participants were informed they would have more choice as they met their goals.

3. Preferred Housing Options

The following is a summary of the participants preferred housing options:

- Several participants expressed that they would like to live in an apartment with a roommate of their choice such as a friend.
- Some areas that participants would like to live in are: Normal Heights, North Park, University Heights, Paradise Hills, La Mesa, Oceanside, and Encinitas.
- One participant noted that he would eventually like to live alone but for now it's best that he is living in a community setting.
- Several said their ideal location is generally close to school and transportation.

4. Placement Process

- The majority of the participants expressed great satisfaction with the time that it took them to get into housing. For most participants, they were placed into an ILF within a matter of a few hours or a few days.
- One participant said it took over a year to get housing.
- Some participants reported going through a lot of ILFs to get to a good one.

5. Services Satisfaction

- Most of the participants indicated a high degree of satisfaction with their service.
- Several of the participants expressed that they would like more assistance with employment.
- Several participants wanted more assistance with applying for SSI benefits and with benefits advocacy.
- Some participants would like to see more targeted social activities like book clubs, sports, culinary training, and computer skills classes.

6. Miscellaneous Comments

- Several participants indicated they would like to resolve food issues and stability at ILFs.

APPENDIX E:

SUMMARY OF FSP HOUSING SURVEY RESULTS

Findings from the 2010 San Diego Mental Health Services Act Housing Satisfaction Survey

In January 2010, the Corporation for Supportive Housing developed a two-page written survey which was distributed to clients in the San Diego County's Mental Health Services Act (MHSA) Full Service Partnership (FSP) programs. The County has six FSPs who serve various target populations and/or geographic areas. All clients have been diagnosed with a serious mental illness and were either homeless or at-risk of homelessness prior to enrollment. Below is a summary chart of the FSPs, their target populations, geographic areas, and number of enrolled clients at the time of the survey.

Table 1: FSP Target Population and Geographic Area

Full Service Partnership/Program	Target Population Group	Geographic Area	Number of Clients Enrolled
Mental Health Systems Center Star	Adults (25-59, Justice System)	Countywide	111
Mental Health Systems North Star	Adults (25-59)	North Inland and North Coastal	98
Community Research Foundation Downtown IMPACT	Adults (25-59)	Downtown San Diego	254
Heritage Clinic FSP	Older Adults (60+)	Countywide	103
Providence Community Services Catalyst	Transition Age Youth (18-25)	Countywide	159
Community Research Foundation IMPACT	Adults (25-59)	Central and North Central	225
Total Number of Enrolled Clients			950

The purpose of the survey was to gather information on clients:

- Satisfaction with their current housing;
- Satisfaction with the services that they are receiving from the program;
- Housing options and choices that were provided to them;
- Housing preferences including location, type of housing and who they prefer to live with;
- Sense of security about remaining housed in the future;
- Length of time it took to obtain housing and length of time in their current housing situation; and
- Living situation prior to enrollment in the program.

Case managers at each of the six FSPs assisted in distributing and collecting the written surveys. A cover letter from the County accompanied the survey which encouraged clients to complete the brief survey but also informed them that the survey was anonymous and voluntary. The cover letter also provided the clients with a phone number to call should they have any questions about the survey or need assistance in completing the survey.

The FSPs were given approximately four weeks to distribute and collect the surveys. Clients were provided with a sealed envelope in which to insert their completed survey so that it would remain confidential.

Over 65% of the surveys were returned and analyzed (a total of 633). The response rate from the FSPs varied and the highest response rate was from Providence Community Services' Catalyst Program. Below is a chart which reflects the response rate for each of the FSPs:

Table 2: Survey Response Rates by FSP

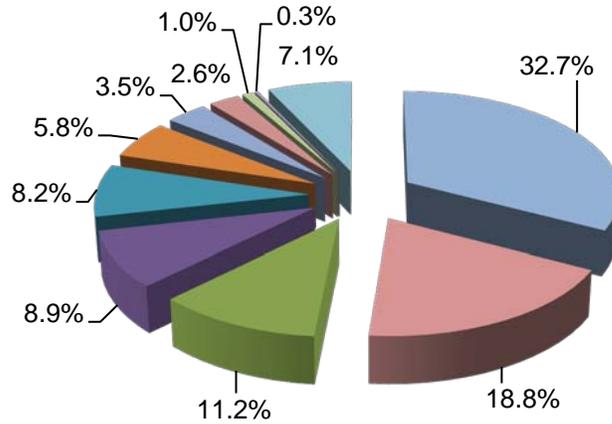
Full Service Partnership/Program	Number of Clients Enrolled	Number of Surveys Completed	Response Rate
Mental Health Systems Center Star	111	61	55%
Mental Health Systems North Star	98	61	62%
Community Research Foundation Downtown IMPACT	254	156	61%
Heritage Clinic FSP	103	60	58%
Providence Community Services Catalyst	159	127	80%
Community Research Foundation IMPACT	225	168	75%
Total	950	633	65%

The Survey Respondents

To protect privacy, the survey asked very little demographic information other than gender – 42% of the respondents are female and 58% are male. The survey, however, provided more detail about clients' current and previous housing history. These details are found in Chart 1 below:

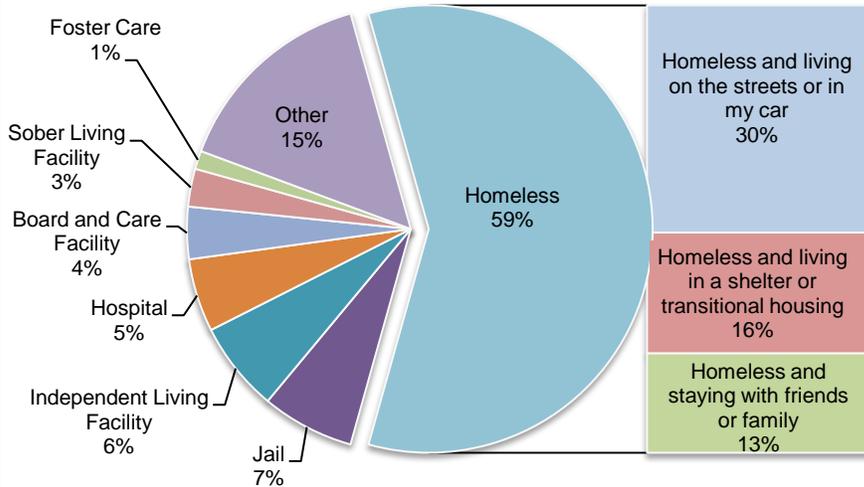
Chart 1: Current Housing Situation

- Rental Apartment/Condo/House Alone
- Independent Living Facility
- Rental Apartment/Condo/House with Roommate(s)
- Family or Friends
- Board and Care Facility
- Transitional Housing
- Sober Living Facility
- Emergency Housing (Shelter)
- Spouse/Partner
- Streets
- Other

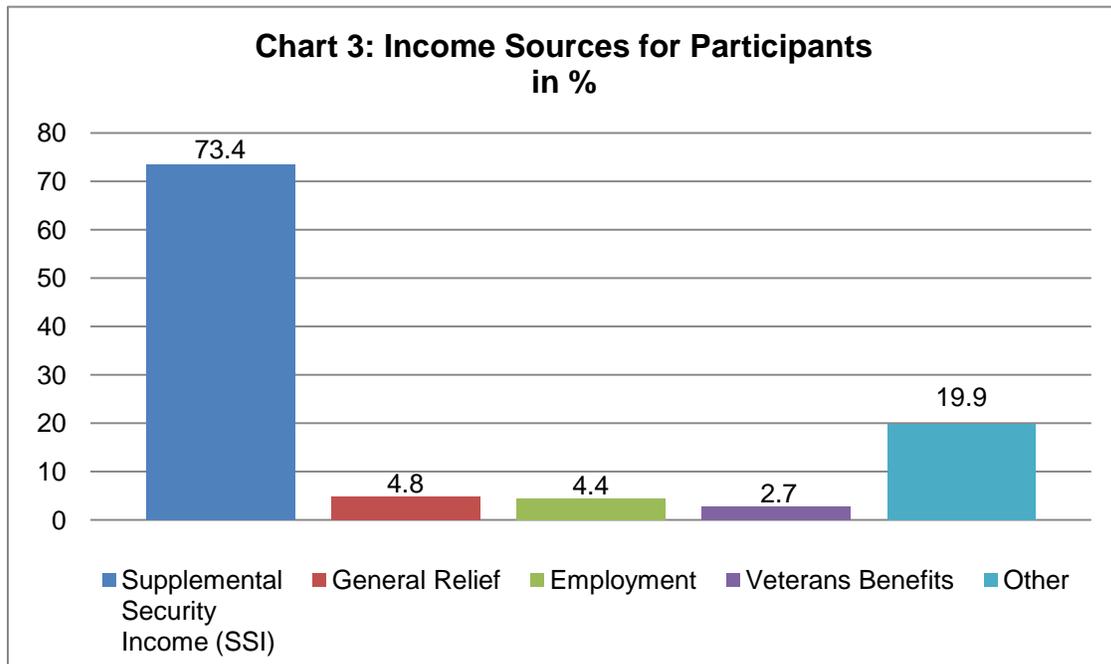


The largest proportion of program participants (approximately one-third or 32.7 percent) lived in a rental apartment alone and another 11 percent living in a rental apartment with a roommate. Close to one-fifth (18.8 percent) lived in Independent Living Facilities, 9 percent with family or friends, and 8 percent in Board and Care Facilities, dominated primarily by Transition-aged Youth. There were a small number of participants that were still without housing, either in emergency shelter (2.6 percent) or on the streets (.3 percent).

Chart 2: Housing Situation Prior to Entering Program



As seen in Chart 2 above, the large majority of clients (almost 60 percent) were homeless upon entry into the program – close to one-third (30 percent) were living on the streets or in their car, 16 percent were living in emergency or transitional housing and 13 percent were doubled-up/couch surfing with family or friends. A smaller number of participants came from other housing situations including institutions such as jails (7 percent) and hospitals (5 percent).



Close to three-quarters of participants (73.4 percent) were receiving income primarily from Supplemental Security Income (SSI), but some participants were receiving income from General Relief, employment, or veterans benefits (see Chart 3 above).

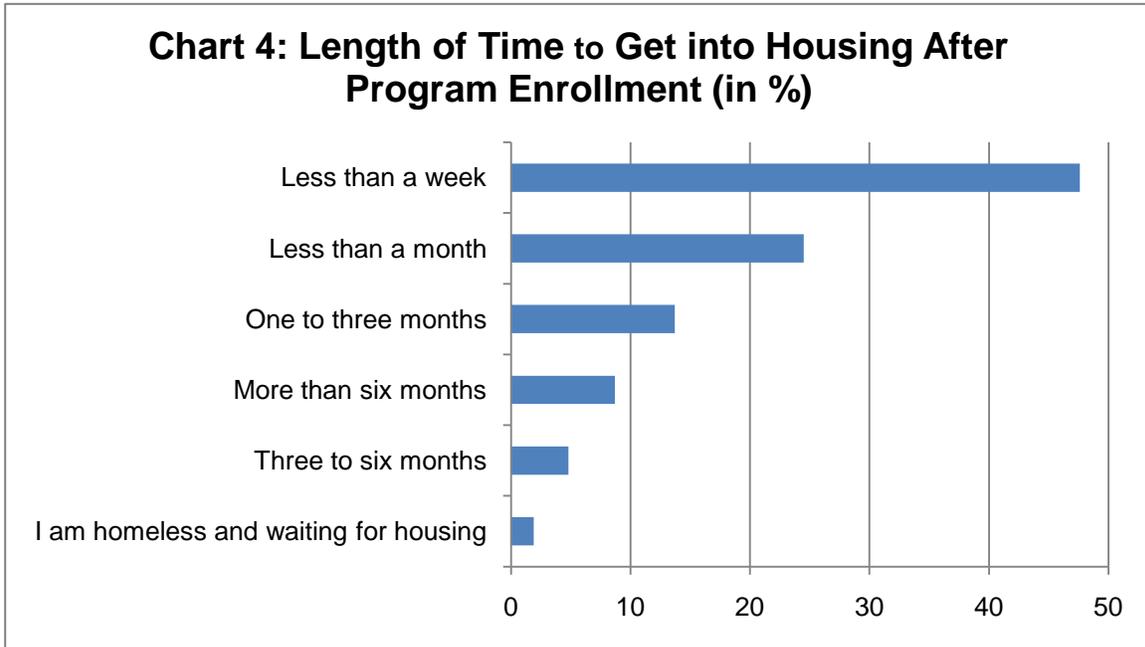
Findings from the Survey

The survey provided rich information about participants' satisfaction with their housing and the services they are receiving. The main findings from these efforts are outlined below.

- **For the most part, participants were able to find housing quickly once they started receiving services from their FSP provider.**

Close to half (47 percent) found housing in less than a week and another 25 percent found housing in less than a month. Only 9 percent of tenants reported that it took longer than six months to find housing (see Chart 4 below). Close to

90 percent of the participants that took the survey were wither satisfied or very satisfied as to how long it took the program to find them appropriate housing.



Tenure in their current housing situation varied considerably – 42 percent of the respondents have been in their current housing situation for six months or less and 13 percent have been there for over three years (see Table 3).

Table 3: Length of Time in Current Housing Situation

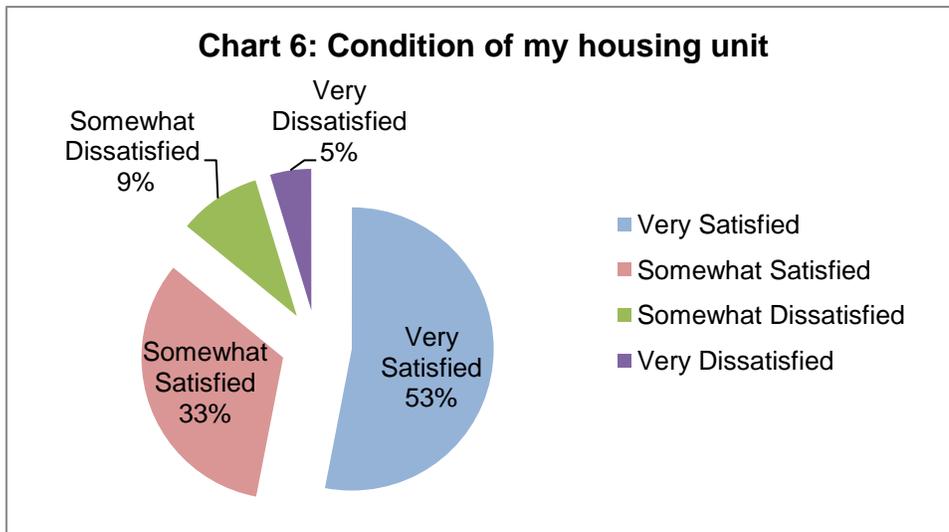
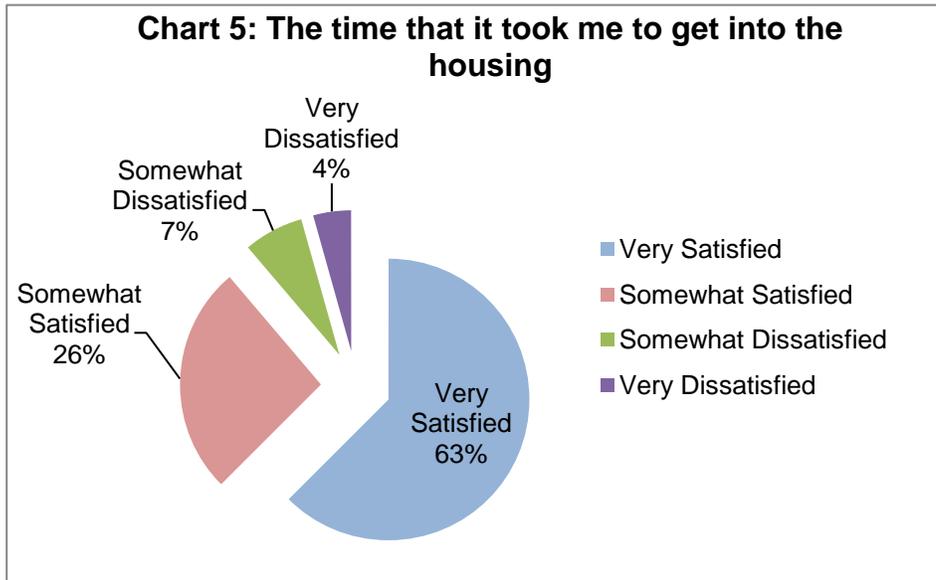
	Percent of Participants (#)
Less than one month	10.0% (62)
One to six months	31.9% (198)
Seven to twelve months	13.7% (85)
One to two years	20.6% (128)
Two to three years	12.1% (75)
Three to four years	5.6% (35)
Over four years	6.9% (43)

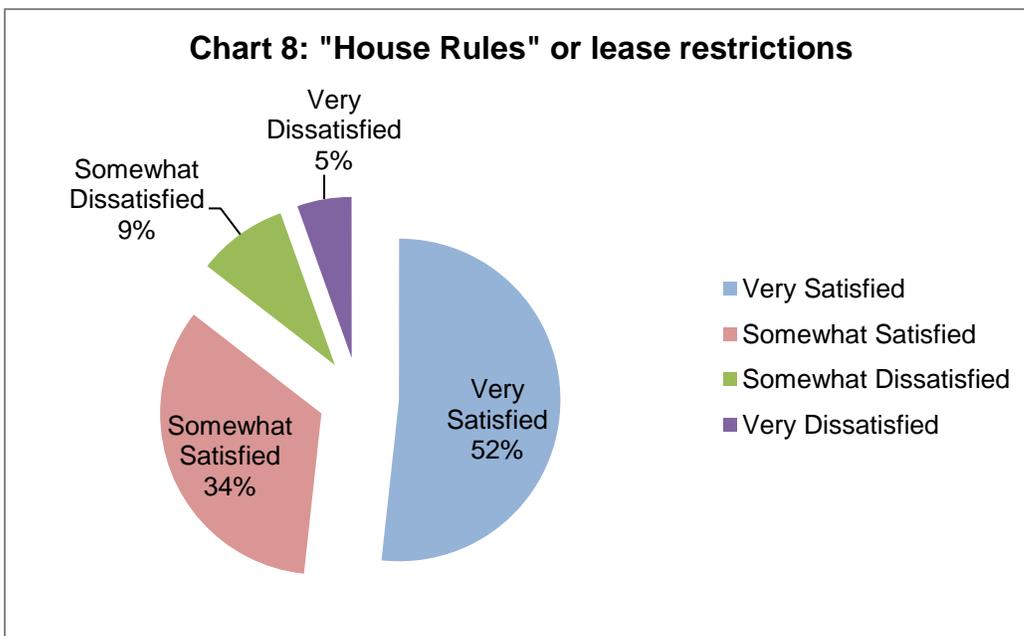
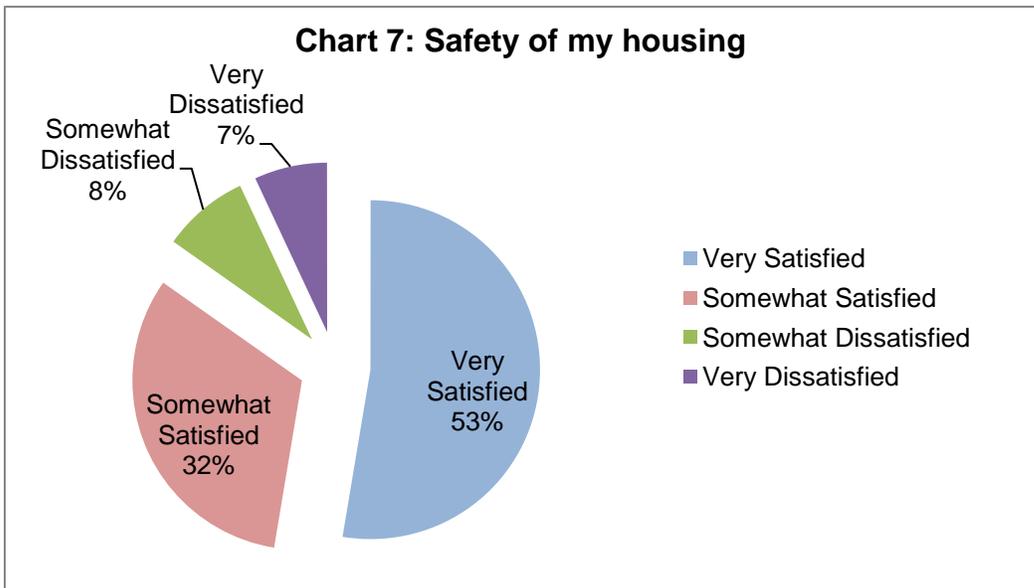
- **The large majority of participants were satisfied with their housing across a number of dimensions.**

Participants reported a fairly high level of satisfaction with both their housing and services, as shown in the charts below, and were fairly consistent about how they rated their satisfaction among a variety of different dimensions. Between 50 and

60 percent of participants were very satisfied along all the dimensions that the survey measured. Tenants were most likely to express dissatisfaction about the amount they pay for rent, the location of their housing, and the safety of their housing.

Charts 5 to 8: Participant Satisfaction with Their Housing



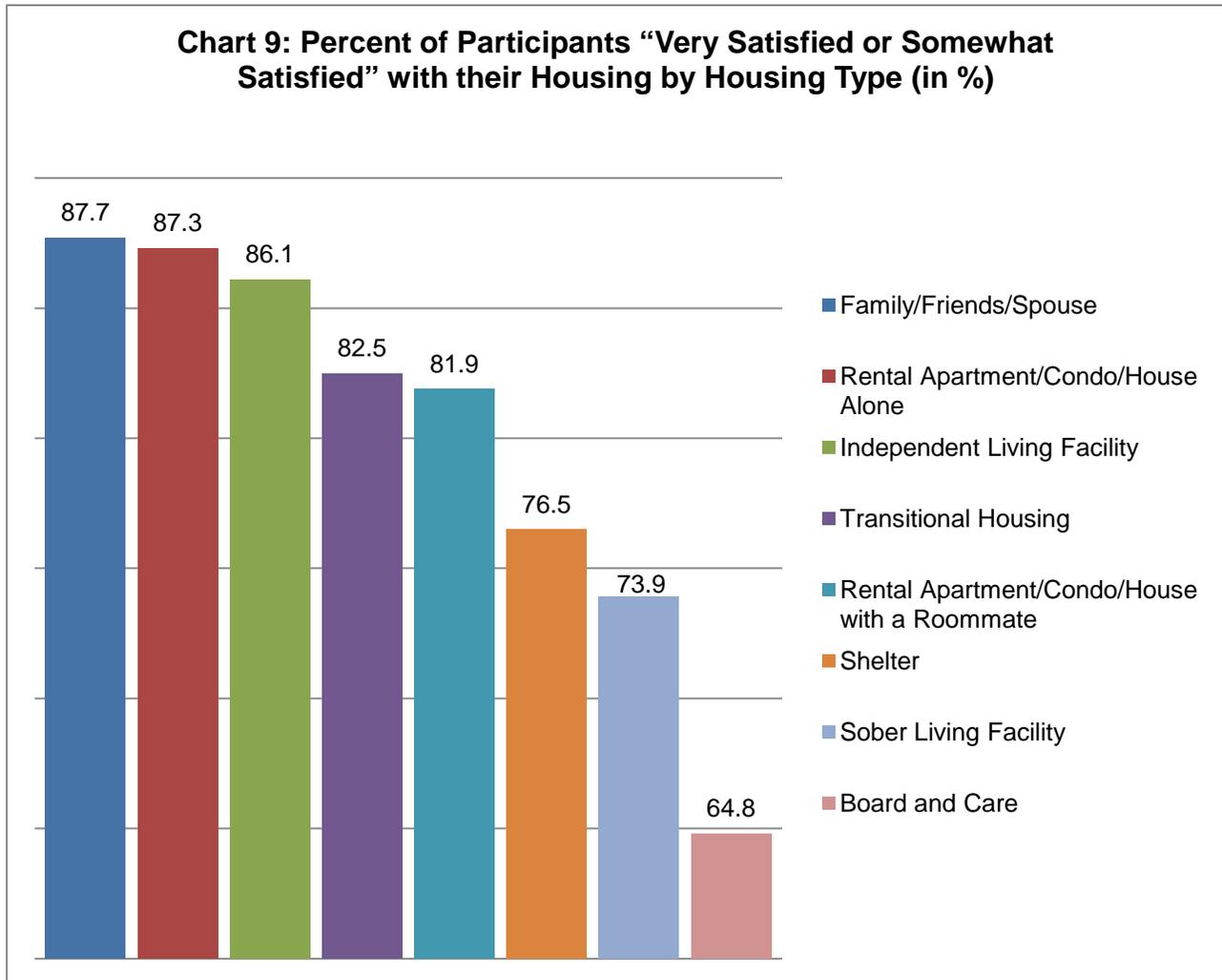


While levels of satisfaction were high for most tenants, the data shows some trends in terms of the factors that increase or decrease housing satisfaction.

- **Participants who were living with family/friends/spouse or in rental housing alone were most satisfied with their housing, and participants in Board and Care Facilities were least satisfied.**

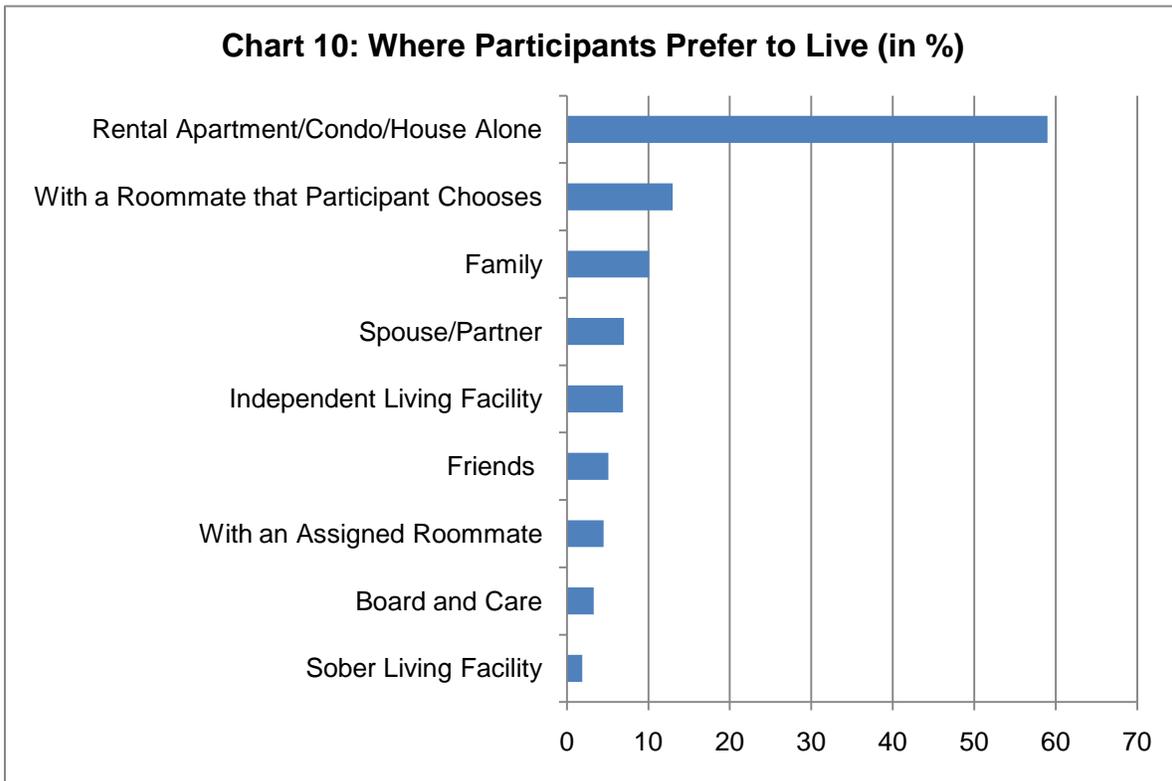
Close to 90 percent of the participants living with family, friends, or spouse and those living in a rental housing alone were either “very satisfied” or “somewhat satisfied” with their housing situation. Levels of satisfaction were also very high

for participants in Independent Living Facilities. While levels of satisfaction were high across all types of housing, satisfaction was lowest among participants in Board and Care facilities – only 65 percent of participants in these facilities said they were “very satisfied” or “somewhat satisfied” with their housing (see Chart 9).



Participants were also asked where they preferred to live, and the results are illustrated in Chart 10. Close to 60 percent of the participants said that they would prefer to live in their own apartment without a roommate. Fewer people wanted to live with family or friends, and even fewer were interested in living in an Independent Living or Board and Care Facility.

- **Having a choice about where they lived and who they lived with was very important to participants.**



Many of the participants were given some choice in terms of housing location and type of housing, but some reported having limited choice. Some participants were asked to live in shared housing initially and were offered the option of having their own apartment as they progressed in the program.

- **On average, tenants with a lower rent burden were more satisfied with their housing.**

The amount that tenants pay for rent was correlated to housing satisfaction. Of those who said they were somewhat or very dissatisfied with the amount they pay in rent, over half were also dissatisfied with their overall housing satisfaction. Fortunately, over half of the survey participants said that the program was helping them with their rent. Of those, over three-quarters said they would not be able to afford to stay where they were if the program was no longer able to help them pay rent.

- **Safety is an important issue for many tenants.**

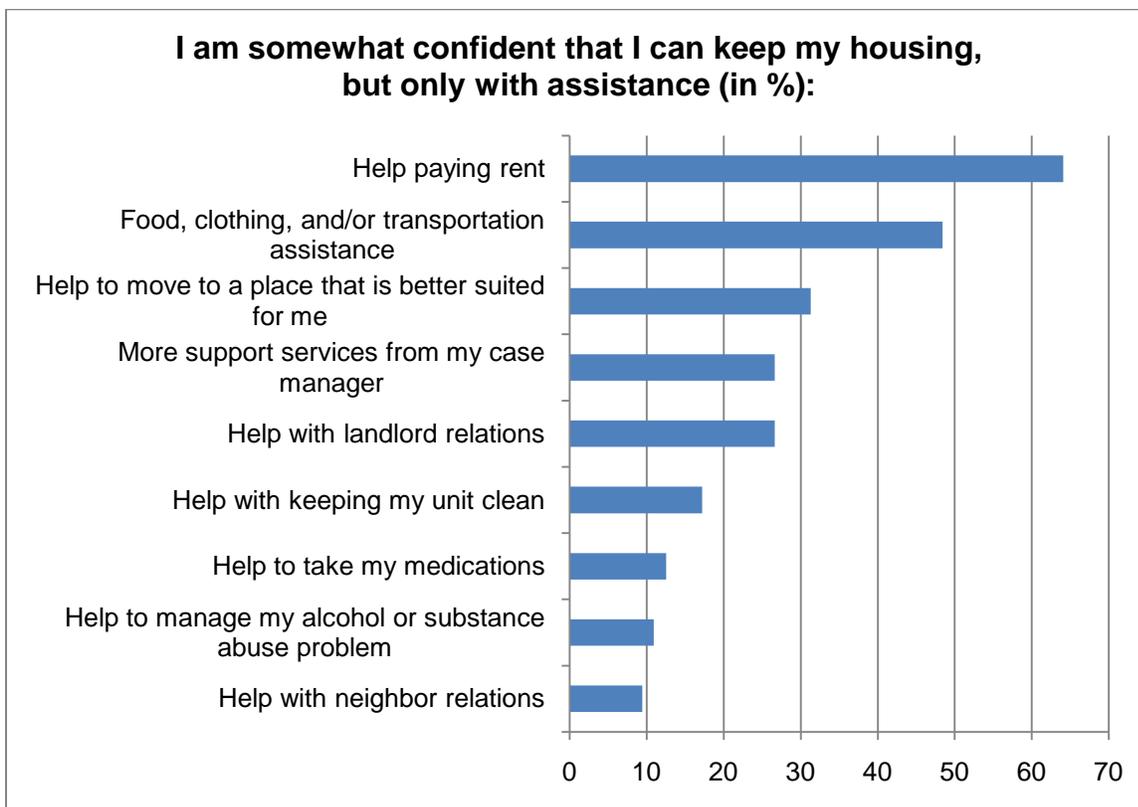
Satisfaction with the safety of participants' housing was strongly correlated with their overall housing satisfaction. Among those somewhat or very dissatisfied with the safety of their housing, close to 60 percent were also dissatisfied with their overall housing situation.

- **Participants were satisfied with the services they were receiving, but reported some unmet needs.**

Participants in the survey reported extremely high levels of satisfaction with the services that are provided as part of the program – close to three quarters (74 percent) reported that they were very satisfied, and only 5 percent reported being dissatisfied.

Survey participants were asked, “If you think that you may lose your housing, what do you think you need to be able to stay housed?” The results of this question are illustrated in Chart 11. Not surprisingly, help paying the rent was the most critical need, followed by help moving to a place that is better suited for them; help with food, clothing, and transportation; and help with landlord relations.

Chart 11. Service Needs for Participants that are in Danger of Losing their Housing



**2011 MHSA
RECOMMENDATIONS AND
GUIDELINES**

2011 – 2012 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 356 new housing opportunities for FSP clients in San Diego County (115 leased and 241 developed through new construction or acquisition/rehabilitation). To ensure long-term affordability, the majority of 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. 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.
5. Once the MHSA-developed housing units are created and leased-up, there still is 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 implement less intensive levels of care in the FSP program while ensuring the client retains housing and, for clients that can sustain housing on their own, explore graduation/exit strategies that allow clients to remain housed.

2011 – 2012 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).¹
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.²
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 that have more than 25 MHSA units, but the MHSA-dedicated units represent less than 10% of the total development, do not need to go through the Project Exception Committee. If the development has more than 25 units and it represents more than 10% of the total development, the project shall be evaluated under the process outlined in 8 below.³

¹CSS 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.

² The Mental Health Housing Ad Hoc Committee recommended removal of language that stated that shared housing for the transition-age youth (TAY) clients was not recommended. The idea of shared housing was discussed at all of the FSP client focus groups that were held in March 2009, including the TAY focus group. The results of the focus groups highlighted the importance of client choice, including both rental and shared housing. Although many clients expressed the desire to have their own apartment, some clients, including some TAY, did express a desire to share an apartment or house with a roommate, granted that they had their own bedroom. All shared housing will still go through the Project Exception Committee for review.

³ The Mental Health Housing Ad Hoc Committee recommended that instead of proposed projects with more than 25 units being evaluated by the Project Exception Committee, it is recommended that if the project has more than 25 MHSA units but they are less than 10% of the total development then the project does not need to go through the Project Exception Committee. This change was in consideration of larger developments where 25 units may represent a small percentage of the total units in a development.

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.⁴
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.
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.
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 planning process for all new MHSA projects. The Full Service Partnerships will organize client representatives and family members in a timely manner to provide feedback.⁵
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.
11. SDMHS reserves the right to establish standard criteria and timelines that projects must meet in order to remain in SDMHS' MHSA Housing Pipeline. SDMHS reserves the right to de-commit funding if there are delays in project implementation, changes to the financial structure, and/or changes to applicant status. Standard criteria will be shared with the community, including developers.

⁴ 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).

⁵ The Mental Health Ad Hoc Committee reinforced the importance of client feedback for all new MHSA housing projects.