

MEETING DATE: February 13, 2020 **AGENDA ITEM:** F

TO: BSCC Chair and Members

FROM: Colleen Stoner, Field Representative, colleen.stoner@bscc.ca.gov

SUBJECT: Adult Reentry Grant Program Rehab of Existing Property or Buildings Project, Funding Approval: **Requesting Approval.**

Summary

This agenda item requests Board approval to award the Adult Reentry Grant Program Rehabilitation of Existing Property or Buildings Project to the sole applicant, Epidaurus DBA Amity Foundation of Los Angeles. If the proposed award recommendation to this community-based organization is approved, the grant period would begin February 1, 2019 and end January 31, 2030. A description of the project recommended for funding by the Board's Scoring Committee (Attachment F-1) is provided in Table I below.

Background

The Budget Act of 2018 (Senate Bill 840, Chapter 29, Statute of 2018) established the Adult Reentry Grant Program and appropriated \$50,000,000 in funding (Attachment F-2). Pursuant to SB 840, the Board of State and Community Corrections is required to award competitive grants to community-based organizations (CBOs) to support offenders formerly incarcerated in state prison. Funding was to be awarded to CBOs for the three following project components:

- \$25,000,000 for rental assistance;
- \$9,350,000 to support the "warm hand-off" and reentry of offenders transitioning from prison to communities; and
- \$15,000,000 for the rehabilitation of existing property or buildings for housing offenders released from prison, which is the subject of this Board report.

On July 12, 2018, the Board appointed Board Chair Penner and then-Board Member Tournour as Co-Chairs of the Adult Reentry Grant Program of an Executive Steering Committee (ESC). It delegated authority to the Co-Chairs to work with BSCC staff to establish an ESC with relevant subject-matter expertise to develop a Request for Proposals (RFP) (Attachments F-3 and F-4 respectively).

The competitive-bid process for the first two components, Rental Assistance and Warm Hand-off Reentry Services, has concluded. On July 11, 2019 a total of 69 awards were approved by the Board for these two components (Attachment F-5).

This third component, Rehabilitation of Existing Property or Buildings, was pulled out of the larger grant development process to allow additional time for the BSCC to evaluate its responsibilities related to monitoring of, and adherence to, state housing laws and regulations.

On July 11, 2019, the Board approved a grant-development process that included drafting an RFP for the Rehabilitation of Existing Property or Buildings component. The RFP was then posted on the BSCC website for a 30-day public comment period. Following the end of the comment period, staff was authorized to review public comment, update of the RFP as needed, and return to the Board for approval.

Additionally, the Board authorized the convening of a Scoring Committee to rate the proposals and develop funding recommendations. It appointed Board Chair Linda Penner to chair this committee.

On September 12, 2019, the Board approved the release of the Adult Reentry Grant Program Rehab of Existing Property or Buildings Project RFP (Attachment F-6).

On November 20, 2019, the Scoring Committee read and rated the single proposal submitted to the BSCC. It is forwarded to the Board today with a recommendation to award a full \$5 million in funding to the Amity Foundation to rehab a four-story hotel in downtown Los Angeles. As a result of only one qualified bid, the remaining \$10 million that had been available will revert to the General Fund.

Key Grant Components

- Eligible applicants are CBOs registered to do business in the State of California that have been determined by the IRS to have 501(c)(3) status (i.e., nonprofit).
- Applicants will be allowed to request a minimum of \$3 million up to a maximum amount of \$5 million for their proposed project.
- Applicants must provide a cash match of 20 percent of the grant award.
- Applicants must have provided housing services to homeless or persons at risk of homelessness for a minimum of three years.
- Applicants must use grant funds solely for the purpose of rehabbing property or buildings to house persons formerly incarcerated in state prison.
- Eligible housing may include transitional housing, permanent housing and safe-haven housing.
- Successful applicants must agree to house the target population of individuals formerly incarcerated in state prison following completion of the project and for the duration of the grant period until January 20, 2035.
- Eligible applicants must own and hold title to the property in fee simple that is proposed to be rehabilitated.
- As a condition to receipt of the award, the applicant must execute and deliver a promissory note in the amount of the grant and secured by a deed of trust on the project property naming the BSCC as the beneficiary.
- Projects must not result in the displacement of tenants or businesses.
- Funded projects will be limited to those that have no significant effect on the environment and are statutorily or categorically exempt from the California Environmental Quality Act (CEQA) process.

Amity's Project Summary is included in Table I below.

Recommendation/Action Needed

On behalf of the Adult Reentry Grant Program Rehab of Existing Property Project Scoring Committee, staff recommends the Board take the following action:

- Fully fund the proposal for Epidaurus DBA Amity Foundation as listed in the Table I below
- Approve the Draft Notice of Exemption (Attachment F-7) and direct staff to finalize the Notice of Exemption and file it with the Office of Planning and Research

**Table I
Adult Reentry Grant Program Rehab of Existing Property Project
Grant Proposal Recommended for Funding**

Rank	Applicant	Main Office	County	Amount Requested	Recommended Allocation
1	Epidaurus DBA Amity Foundation	Los Angeles	Los Angeles	\$5,000,000	\$5,000,000
Summary	Rehabilitation of Amistad de Los Angeles Property: Amistad de Los Angeles (Amistad) is a 4-story former hotel building in downtown LA used for transitional housing (residential treatment and reentry services). This facility currently serves as a Male Community Reentry Program (MCRP), which is a Correctional Re-Entry Facility operating under the auspices of the California Department of Corrections and Rehabilitation (CDCR) to operate and administer the facility under contract with CDCR. The project function provides housing; rehabilitative services that assist with substance use disorders, employment, GED education, job seeking skills, family reunification, and arranges for community-based services regarding mental health care, medical care and social supports. The MCRP is designed to help participants successfully reenter the community from prison and reduce recidivism. The total scope of work for the Amistad project includes rehabilitation of 69 existing bedrooms and bathrooms, replacement of all existing plumbing, mechanical and electrical systems, replacement of all doors and windows, improvements to the fire alarm system, design and build of 3 bedrooms and a community restroom and shower in basement, rehabilitation of mop closets, conversion of community restrooms to electrical and storage rooms on each floor, and installation of floor coverings and painting in hallways and stairwells.				

Attachments

F-1: Adult Reentry Grant Program Rehab of Existing Property or Buildings Project Scoring Committee

F-2: Senate Bill 840

F-3 Adult Reentry Grant Program Executive Steering Committee

F-4 Adult Reentry Grant Program RFP for the Warm Hand-Off and Rental Assistance components)

F-5 Adult Reentry Awardees for the Warm Hand-Off and Rental Assistance components

F-6 Adult Reentry Grant Program Rehab of Existing Property or Buildings Project RFP

F-7 Draft Notice of Exemption