



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Community Services
Department No.: 057
For Agenda Of: Sept 10, 2024
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Jesús Armas, Community Services Director, (805) 568-2467
Director(s)
Contact Info: Joe Dzvonic, Deputy Director Housing and Community
Development (805) 568-3523

SUBJECT: Approval of Sub-Recipient Agreement and Amendment with People Assisting the Homeless (PATH) for General Fund Shelter Operations and Homeless Housing, Assistance and Prevention (HHAP) funding to address Shelter Operations

County Counsel Concurrence

As to form: *Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: *Yes

Recommended Actions:

- a) Approve, ratify, and authorize the Chair of the Board of Supervisors to execute a Shelter Operations General Fund Agreement with PATH to support and maintain service levels at the PATH Santa Barbara Emergency Shelter, for the period of July 1, 2024 through June 30, 2025, in an amount not to exceed \$149,890 (Shelter Operations Agreement).
- b) Approve and authorize the Chair of the Board of Supervisors to execute a First Amendment (Amendment) to the October 9, 2023 HHAP Subrecipient Agreement with PATH (HHAP Subrecipient Agreement) to modify the Scope of Services to include operational expenses and to add State-required shelter regulations language for compliance.
- c) Determine that the above-recommended actions are exempt from the California Environmental Quality Act (CEQA) pursuant to: CEQA Guidelines Section 15269(c); and finding that the actions consist of specific actions necessary to prevent or mitigate an emergency; Government Code Section 8698.4, finding that the County has declared a shelter crisis and the action includes leasing

of County-owned land for a homeless shelter and financial assistance; and direct staff to file a Notice of Exemption on these bases.

Summary Text:

Both the General Fund Shelter Program and the Homeless Housing Assistance and Prevention Program agreements with PATH Santa Barbara are requiring revisions to the Scope of Services in order to minimize loss of beds available. The actions do not modify the amount of funding. Since 2010 the Board has supplemented the cost of emergency shelters through a General Fund Contribution. The approved FY 2024-25 County budget, includes \$617,500 General Fund contributions distributed as follows:

- \$337,610 toward the operation of Bridgehouse Emergency Shelter, Santa Maria Emergency Shelter, and Family Shelter; and
- \$130,000 for the Freedom Warming Centers; and
- \$149,890 to support PATH Santa Barbara.

Ongoing General Fund Shelter grant amounts are determined by the number of bed nights provided in the prior fiscal year. Agreements for the other agencies have already been approved during the FY 2024-25 budget development ‘ongoing contracts’ process; however, changes to the PATH contract from prior year require a separate Board authorization at this time.

This board letter seeks authorization to amend the Scope of Services to clarify that General Fund contributions to PATH for FY24-25 will be used to support increased operational costs for the 23 beds reserved for use by three County departments: Probation, Social Services and Behavioral Wellness. (PATH has approximately 80 beds but the costs associated with the additional beds are supported by non-County sources). In previous years, General Fund Shelter contributions assisted with supporting all 100 beds provided at PATH. Staff is requesting a change in the Scope of Services such that this funding no longer support all beds at PATH, but rather is only used to offset increased costs for the 23 beds reserved by multiple County departments. This change in the Scope of Services is needed as costs for maintaining beds have increased significantly.

Also, in regard to PATH funding, the Santa Maria/Santa Barbara County Continuum of Care (CoC) identified the need to improve existing interim housing to enhance outcomes for shelter programs with HHAP Round 4 (HHAP-4) CoC funding in the Spring of 2023. In July 2023, the CoC Board approved \$638,581 funding for PATH for enhancements to interim housing by adding case management staff. On October 9, 2023, the County and PATH executed the Subrecipient Agreement for the approved amount of \$638,581. Upon further review, the CoC Board determined the availability of beds to be a higher priority than case management. As such, the CoC Board authorized staff to seek Board approval to modify the PATH’s subrecipient Agreement Scope of Services and use HHAP-4 funds to pay for shelter operation costs rather than additional case management staff. This change to the Scope of Services will allow PATH to minimize bed reductions. Approximately \$450,000 of the funds awarded are available to support approximately 15 beds over twelve months. While both uses are important, the CoC Board determined that keeping persons sheltered should receive funding priority over increasing case management staff.

- a) CSD staff is recommending the Board of Supervisors approve a \$149,890 agreement using General Funds, and an amendment to the scope of an existing agreement using HHAP-4 funds for operations of the PATH Santa Barbara Emergency Shelter.

Background:

General Fund

General Fund contributions for Good Samaritan Shelter and PATH Santa Barbara Emergency Shelter have been allocated on a pro rata basis according to the number of emergency shelter beds reported during the preceding fiscal year. Freedom Warming Centers also receive a General Fund contribution of \$130,000 each fiscal year. The table below shows the 2023-24 bed night data with percentage distribution resulting in the FY 2024-25 allocations for the four congregate emergency shelter locations (PATH Santa Barbara), as well as the Freedom Warming Centers. These yearly agreements are approved to be renewed as ‘ongoing contracts’ as long as they do not exceed a 10% increase in the previous amount or have changes to the Scope of Services. PATH’s agreement is before the Board for approval now because of the change in the Scope of Services as described above. Both recommended actions before the Board today are intended to realign both General Fund and HHAP-4 funding in a way that preserves as many beds as possible.

Table 1. Shelter Bed Night and Allocation Chart

Shelter	Operator	FY 23-24 Bed Nights	FY 23-24 % Shelter Beds	FY 24-25 Contract Amount
Bridge House Shelter, SM Shelter, Family Shelter	Good Samaritan Shelter	68,651	69.25%	\$337,610
PATH Emergency Shelter	PATH	30,479	30.75%	\$149,890
Freedom Warming Centers	Good Samaritan Shelter	N/A	N/A	\$ 130,000
TOTAL		99,130	100.00%	\$617,500

HHAP

The State of California has made significant investments in both housing and the reduction of homelessness. HHAP is a multi-round funding source allocated to 44 Continuums of Care, 13 large cities and 58 Counties. Allocations have been based on the Point in Time Counts of persons experiencing homelessness. The State awarded \$2,608,054 in HHAP Round 4 funding to the CoC, and \$2,446,918 in HHAP funding to the County of Santa Barbara, for a total of \$5,054,972.

The Board approved the HHAP Subrecipient Agreement with PATH on October 9, 2023. This First Amendment to the PATH HHAP Subrecipient Agreement is recommended to allow PATH to expend funds for operations of the shelter to minimize the reduction of beds lost. This action will not change the total amount of funding provided by the County under the PATH HHAP Subrecipient Agreement. In the original Scope of Services, the HHAP-4 funds were being used to enhance shelter services to improve outcomes.

Performance Measure:

The Shelter Operations Agreement and the HHAP Subrecipient Agreement each require PATH to provide quarterly reports to the County regarding services provided thereunder and the outcomes, or performance measures, which have been accomplished in accordance with the respective Scopes of Services and shown below for the General Funder Shelter Operations Agreement (Table 2) and HHAP Subrecipient Agreement (Table 3):

Table 2: PATH General Fund Shelter Operations Agreement Performance Metrics

PATH General Fund	Goal
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Total beds	23
Approximate number of bed-nights made available	8,395
Total unduplicated number of persons served	30
Percentage of participants will move into permanent housing at project exit	20%
Percentage of participants that move to other sheltered residential environments (transitional housing, long term care, SUD treatment, etc.)	30%
Percentage of adult participants gaining new or increasing existing cash income at project exit	10%
Percentage of adult participants will obtain non-cash benefits at project exit	10%

Table 3: PATH HHAP Subrecipient Agreement Performance Metrics

PATH HHAP	Goal
Total beds	15
Approximate number of bed-nights made available	5,475
Total unduplicated number of persons served	28
Percentage of participants will move into permanent housing at project exit	20%
Percentage of participants that move to other sheltered residential environments (transitional housing, long term care, SUD treatment, etc.)	30%
Percentage of adult participants gaining new or increasing existing cash income at project exit	10%
Percentage of adult participants will obtain non-cash benefits at project exit	10%

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

The General Funds to fund Shelter Operations Agreement in the amount of the \$149,890 (General Fund Shelter funds) and the HHAP funds to fund the HHAP Subrecipient Agreement are budgeted for the current fiscal year. The allocation of General Funds and the previously contracted HHAP funds will provide shelter operations and services to persons experiencing homelessness. Such General Fund Shelter funds and HHAP funds will be fully expended on or before June 30, 2025. The agreement with Good Samaritan Shelter for general fund shelter can be executed without Board action as there is not a change in their Scope of Services.

Key Contract Risks:

The County assumes responsibility for the administration of General Fund Shelter funds and HHAP funds in accordance with all State and federal requirements governing their use. In addition, the County would

be liable as a pass-through entity for repayment to the State and federal government if it, or any provider to which it sub-grants funds, is found not to comply with applicable funding program requirements. In this regard, the County is responsible for ensuring that such funds are only used to reimburse costs that are eligible for reimbursement under the HHAP program and documented in a manner that is acceptable to the administering State and Federal departments.

The General Fund Shelter Operations Agreement and HHAP Subrecipient Agreement (Agreements) are cost-reimbursement contracts. This allows CSD to disburse funds to PATH for eligible incurred costs to the extent prescribed by such agreements. The County will only reimburse PATH for costs that are eligible under the Agreements and documented in a manner that is acceptable to CSD. Staff will assess the performance of PATH to determine if the services provided are adequate and as outlined in the Agreements.

Staffing Impacts:

The current requested activity falls within currently budgeted staff duties.

Special Instructions:

- 1) Please return a copy of the Minute Order and signed agreements to Kimberlee Albers (kalbers@countyofsb.org) and email when ready for pick up.

Attachments:

- A) Operations General Fund Agreement with PATH Santa Barbara for Santa Barbara Emergency Shelter
- B) First Amendment to the HHAP Subrecipient Agreement with PATH for Interim Housing

Authored by:

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