



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:** December 3, 2024  
**Placement:** Administrative  
**Estimated Tme:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Jesús Armas, Community Services Director (805) 568-2467  
Director:  
Contact Info: Joseph Dzvonic, Deputy Director (805) 568-3523  
**SUBJECT:** Approval of Agreements to extend the Housing and Disability Advocacy Program (HDAP) in Santa Barbara County with Good Samaritan Shelter

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a. Approve a First Amendment for the subrecipient agreement with Good Samaritan Shelter (GSS) for HOME American Rescue Plan Act (HOME-ARP) funds for ongoing Housing Disability Advocacy Program (HDAP) Outreach, Case Management, and Housing Assistance and disability benefits advocacy;
- b. Approve, and authorize the Chair of the Board of Supervisors to execute the following subrecipient agreement for the distribution of Permanent Local Housing Allocation (PLHA) funds to GSS allocating \$327,000 for rental assistance for the period December 1, 2024 to September 30, 2025;
- c. Determine that the above recommended actions are exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) as the actions involve the creation of government funding mechanisms or other government fiscal activities which do not involve a commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:**

The Housing and Disability Advocacy Program (HDAP) offers outreach, case management, housing assistance, and disability benefits advocacy, including legal services. Following an initial allocation of HDAP funding, the California Department of Social Services (CDSS) notified HDAP counties that the Budget Act of 2024 redistributed FY 2021-22 funds and reduced FY 2022-23 funds, representing a loss of slightly more than \$1.1 million in HDAP funding available to the County.

Separately, the local HOME Consortium, comprised of the County and cities of Goleta, Lompoc, Santa Maria, and the CDBG Urban County (Buellton, Carpinteria, Solvang, and the Unincorporated County), committed HOME-ARP funds for homeless support services meant to ensure the needs of HDAP participants experiencing or at risk of homelessness are met so they can obtain and stay in affordable housing. The approved budget included ineligible costs and therefore is being amended to be compliant with all funding requirements and maximize program impact.

Staff recommends the following actions in order to maintain services and housing of current HDAP clients through the period beginning now and through June 30, 2024:

- HOME-ARP First Amendment including changes to the budget and performance measures (Attachment A); and
- Permanent Local Housing Allocation (PLHA) subrecipient agreement with GSS in the amount of \$327,000 for rental assistance (Attachment C).

**Background:**

HDAP was established to assist people experiencing homelessness who are likely eligible for disability benefits by providing advocacy for disability benefits as well as housing support. HDAP has four core requirements: outreach, case management, disability advocacy, and housing assistance. HDAP participants receive program services until a final disability benefits determination is made and the participant is stabilized in permanent housing. HDAP is intended to support participants in meeting two important program goals: securing disability benefits; and stabilizing in permanent housing. Priority is given to people experiencing chronic homelessness and those relying heavily on government services.

The State of California Budget Act of 2021 appropriated a total of \$175 million for HDAP in Fiscal Year (FY) 2021-22, administered to counties by California Department of Social Services (CA-DSS). In its County Fiscal Letter No. 21/22-75, dated February 10, 2022, CA-DSS allocated Santa Barbara County an initial award of \$1,526,720 in FY 2021-22.

On August 16, 2022 the Board approved subrecipient agreements and awarded funding to GSS and Legal Aid for specified services. Subsequently, CA-DSS allocated an additional \$1,526,720 in FY 2022-23 for an HDAP support services extension, and both subrecipients are currently providing these critically needed services as approved by the First Amendment to each agreement as authorized by the Board on January 10, 2023. More recently, CA-DSS allocated the County an additional \$243,546 in FY 2023-24.

On October 4, 2024, CA-DSS notified HDAP counties that the Budget Act of 2024 redistributed \$7 million in FY 2021-22 funds and reduced FY 2022-23 funds by \$50 million. Locally, this resulted in a reduction in the FY 2021-22 allocation from \$1,526,720 to \$1,242,850 and a further reduction in the FY 2022-23 allocation from \$1,526,720 to \$644,184, representing a loss of slightly more than \$1.1 million in HDAP funding available to the County.

To cover this unexpected and sudden reduction in HDAP funding from the State, CSD staff explored the use of other available funding sources to help fulfill our contracted service provider's obligations to clients currently enrolled in HDAP through June of 2025. Staff noted that in the 2021 Allocation Plan, the local HOME Consortium<sup>1</sup> committed \$680,000 in HOME American Rescue Plan (HOME-ARP) funds for

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<sup>1</sup> The County of Santa Barbara is also the lead entity of the County HOME Consortium, which is comprised of the unincorporated County and the cities of Buellton, Carpinteria, Goleta, Lompoc, Santa Maria, and Solvang. Each jurisdiction receives a distribution of HOME funds that may either be awarded to an eligible project or program in their respective

homeless support services meant to ensure the needs of HDAP participants experiencing or at risk of homelessness are met so they can obtain and stay in affordable housing.

To address the need for homelessness assistance and supportive services, in 2021 Congress appropriated \$5 billion in ARP funds to be administered through HOME to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations: (1) development and support of affordable housing, (2) tenant-based rental assistance (TBRA), (3) provision of supportive services, and (4) acquisition and development of non-congregate shelter units.

After a local Notice of Funding Availability (NOFA), HOME-ARP funds were contracted to GSS and Legal Aid to support HDAP by the Board on June 18, 2024. Subsequently, during one of our periodic expenditure reviews, staff determined the already approved budget included costs specifically for general rental assistance. As these are not eligible costs according to the local HOME-ARP 2021 Allocation plan, this budget is being amended to comply with funding requirements and maximize program impact. It is important to note this condition was identified and rectified before any funds were utilized for rental assistance purposes. This amendment will ensure such spending cannot, in fact, occur moving forward. These HOME-ARP funds can and will be used to cover provider staff costs for disability advocacy services, which constitute the majority of the HDAP expenses.

In order to directly address the shortfall in funding specifically needed for general rental assistance purposes, staff recommends the use of existing Permanent Local Housing Allocation (PLHA) funds. It should be noted PLHA regulations expressly allow the use of these funds to support rental assistance to eligible recipients. This funding source, in the amount of \$327,000, will replace the costs that are needed to cover the ineligible HOME-ARP funding.

Therefore, by directing services providers to use \$680,000 of already contracted HOME-ARP funds for disability advocacy services, and allocating \$327,000 in PLHA toward general rental assistance needs, the \$1.1M funding gap is adequately addressed to cover HDAP requirements through June 2025 in accordance with ongoing commitments from service providers.

The service impact of these HDAP reductions includes the need to immediately close enrollment of new clients in HDAP funded services and braid funding for these services to CalAIM, HOME Tenant Based Rental Assistance, and other sources, albeit to a lower level of service.

**Performance Measures:**

GSS will provide quarterly reports to the County regarding services provided and the outcomes, or performance measures. Table 1 summarizes the number of persons/households served as well as the performance measures for each funding source.

**Table 1: Goals and Performance Measures for GSS Shelter Outreach, Case Management and Housing Assistance associated with HDAP**

a. Goals

SUBRECIPIENT shall provide the following levels of services during the Term:

|  | Goal |
|--|------|
|--|------|

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communities; or, added to the County’s distribution and made available to projects and programs throughout the County. The County administers the HOME program on behalf of the Consortium.

|  |    |
|--|----|
| Number of participants enrolled                          | 38 |
| Number of individuals housed at program exit             | 38 |
| Number of individuals housed one year after program exit | 30 |

b. Performance Measures

SUBRECIPIENT shall meet the following performance measures during the Term:

|   | Goal |
|---|------|
| % of HDAP participants with a final disability benefit determination that receive an approval | 75%  |
| % of individuals successfully maintaining permanent housing                                   | 78%  |
| % of adult participants will obtain earned income at project exit                             | 10%  |
| % of adult participants will obtain cash/non-cash benefits at project exit                    | 90%  |

**Fiscal and Facilities Impacts:**

All FY 2023-24 and FY 2024-25 costs for work conducted by the subrecipients are budgeted within the CSD-HCD budget.

**Fiscal Analysis:**

| <u>Funding Sources</u> | <u>Current FY Cost:</u> | <u>Annualized On-going Cost:</u> | <u>Total One-Time Project Cost</u> |
|------------------------|-------------------------|----------------------------------|------------------------------------|
| General Fund           |                         |                                  |                                    |
| State: PLHA            |                         |                                  | \$ 327,000.00                      |
| Federal: HOME-ARP      |                         |                                  | \$ 680,000.00                      |
| Fees                   |                         |                                  |                                    |
| Other:                 |                         |                                  |                                    |
| Total                  |                         | \$ -                             | \$ 1,007,000.00                    |

CSD will track all expenditures and monitor subrecipient performance and compliance with applicable laws, regulations, program guidance, and evidence-based practices.

**Key Contract Risks:**

The County assumes responsibility for the administration of PLHA and HOME-ARP funds in accordance with all local, federal and State requirements governing the use of such funds. In addition, the County would be held liable if it or any provider to which it grants funds is found to be non-compliant with respect to applicable requirements. The subrecipient has successfully operated State and federally-funded projects in the past which have had similar regulatory and administrative requirements. The County will only reimburse GSS for costs that are actually incurred, eligible for reimbursement under the appropriate Agreements, and documented in a manner that is acceptable to CSD-HCD.

**Special Instructions:**

- 1) Please email an electronic copy of the Minute Order to Emily Allen at [ellen@countyofsb.org](mailto:ellen@countyofsb.org)
- 2) Please return copies of the fully executed amendment and subrecipient agreement

**3) Attachments:**

Agreements for Housing and Disability Advocacy with Good Samaritan

December 3, 2024

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Attachment A: GSS Shelter HOME-ARP First Amendment

Attachment B: GSS Shelter HOME-ARP Subrecipient Agreement (original)

Attachment C: Subrecipient Agreement with GSS for PLHA funding for rental assistance

**Authored by:** Emily Allen, Homelessness Assistance Program Manager (Interim), CSD