



**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 13, 2022  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

**TO:** Board of Supervisors  
**FROM:** Department George Chapjian, Community Services Director (805) 568-2467  
Director  
Contact Info: Dinah Lockhart, Deputy Director (805) 568-3523  
Laurie Baker, Grants Program Manager (805) 568-3521  
**SUBJECT:** **Approval and Execution of Fourth Amendment to Subrecipient Agreement with United Way of Santa Barbara County for continued administration and implementation of the Emergency Rental Assistance Program (“ERAP”) pursuant to allocation of U. S. Department of the Treasury (Treasury), Emergency Rental Assistance Round One (ERA 1), funds.**

**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Risk Management**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors (Board):

- a) Approve and authorize the Chair to execute a Fourth Amendment (“Fourth Amendment”) to the Subrecipient Agreement with United Way of Santa Barbara County, Inc. (“Agreement”), adding \$464,736.19, which increases the total amount of U.S. Treasury Emergency Rental Assistance Program (“ERA 1”) funding under the Agreement from \$16,478,948.68 to \$16,943,685.57, and continues administration and implementation of the ERA 1 Program funded under the 2021 Consolidated Appropriations Act (Attachment A); and
- b) Determine that the above recommended actions are not the approval of a project that is subject to environmental review under the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15378(b)(4), finding that the recommended action is a creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:**

Staff is recommending that the Board of Supervisors approve and authorize execution of a Fourth Amendment to the Subrecipient Agreement with United Way of Santa Barbara County, Inc. (“United Way”) for continued implementation of the Emergency Rent Assistance Program under ERA 1. ERA 1 is funded through the U.S Treasury Department pursuant to the Consolidated Appropriations Act of 2021 (“Act”), which was signed into law on December 27, 2020, and included \$25 billion in emergency rental assistance.

This Fourth Amendment increases the overall ERAP ERA 1 project budget by \$ 464,736.19, from \$16,478,948.68 to \$16,943,685.57. The County was notified of an award to fund the recommended increase on November 1, 2022, after submitting its 4<sup>th</sup> Request for Reallocated funds on September 26, 2022. The amended project budget incorporating this fourth reallocation is included as Attachment B to this Board Letter, and the associated Expenditure Summary and Payment Request Form (ESPR) is attached hereto as Attachment C.

**Background:**

The Consolidated Appropriations Act of 2021

The President signed the Consolidated Appropriations Act of 2021 on December 27, 2020, which included \$25 billion in ERA 1 funding. The County was initially allocated \$13,275,190 in Treasury ERA 1 funds, which United Way administers on behalf of the County.

Since receiving the initial allocation of ERA 1 funds, the County has received four additional allocations of ERA 1 funds from unused and returned funds by jurisdictions with less need for ERA 1 funds, increasing the total County allocation of ERA1 funds to \$ 16,943,685. The chart below shows the reallocation amounts requested and received by the County.

<b>Reallocation Request Submitted</b>	<b>Amount Requested</b>	<b>Amount Received</b>	<b>Board Approval of UW Amendment</b>
November 2021	\$37,180,125	\$1,156,932.68	4/19/22
January 2022	\$31,460,126	\$1,045,455.46	4/19/22
June 2022	\$22,549,568	\$1,001,370.54	9/13/22
September 2022	25,212,000.00	\$464,736.19	Today’s Recommendation
<b>TOTAL REALLOCATIONS</b>		<b>\$3,668,494.87</b>	
Initial Allocation		13,275,190.70	
<b>TOTAL ERA 1 AWARD</b>		<b>16,943,685.57</b>	

The increased ERA 1 reallocated funding subject to this Fourth Amendment allows United Way to continue to process payments to landlords for tenants who are in arrears in rent, utilities, and related housing costs resulting from COVID 19 emergency conditions.

The United Way application portal was initially opened to accept applications on February 16, 2021, and closed on March 31, 2022.

In addition, the State of California received an allocation of ERA 1 funds, of which \$14,287,321 was allocated to the County but administered directly by the State via the State’s Housing is Key program ([https://housing.ca.gov/covid\\_rr/dashboard.html](https://housing.ca.gov/covid_rr/dashboard.html)).

**American Rescue Plan Act**

The American Rescue Plan Act, passed into law on March 11, 2021, included \$21.6 billion for Emergency Rental Assistance (ERA 2). The County received \$16,610,602 in ERA 2 funds from the U.S. Treasury, which the United Way also administers on behalf of the County.

The State also received an allocation of ERA 2 funds, of which \$12,453,350 was awarded to the County. The County chose to directly administer these State ERA 2 funds as an “Option B” jurisdiction through a separate subrecipient agreement executed with United Way. The ERA 2 funds must be fully expended by December 30, 2024.

The Chart below only reflects current U.S Treasury ERA 1 and ERA 2 data, effective October 31, 2022.

<b>ERA Assistance Provided</b>	<b>ERA 1 2021-22</b>	<b>ERA 2 2021-22</b>	<b>Total 2021-2022 ERA1 &amp; ERA2</b>
Number of unique households that received their initial ERA Assistance:	1,821	715	2,536
Rent	1,644	689	2,333
Utilities/Home energy bills	863	339	1,202
Relocation/Hotel expenses	0	59	59
Total amount ERA award paid to participating households:	<b>\$ 16,198,312</b>	<b>\$ 11,633,232</b>	<b>\$ 27,831,544</b>
<b><u>Participant Households at certain income levels</u></b>			
Less than 30% of Area Median Income	0	0	0
Between 30% and 50% AMI	1,530	461	1,991
Between 50% and 80% AMI	130	34	164

4/3/22-11/5/2022

Average number of applications processed per month	57	118	175
Obligated Funds	\$ 16,554,122	\$ 12,931,365	\$ 29,485,488
Applications received	6,558	4,568	11,126
Applications Processed	1,850	1,184	3,034
<b>Total U.S. Treasury Allocations to County to date:</b>	<b>16,943,685</b>	<b>16,610,603</b>	<b>33,554,287</b>

**Performance Measure:**

For the term of this ERA 1 Fourth Amendment through December 29, 2022, the County shall provide and report in the federal Treasury ERAP Reporting Portal, and to State HCD, with requested data elements demonstrating performance in meeting federal and state guidelines and regulations related to ERA 1 and ERA 2 obligations and expenditures.

**Fiscal and Facilities Impacts:**

County general funds have been budgeted and are used for a portion of HCD’s overall administrative expenses; however, no County funds are being used to fund rental assistance payments under the Program.

**Fiscal Analysis:**

Federal					464,736.19
Other:					
<b>Total</b>	\$	-	\$	-	464,736.19

**Key Contract Risks:**

It is possible the U.S. Department of Treasury could require the County to repay ERA 1 federal funds expended for ineligible expenses. However, County staff meets weekly with the United Way to address questions and concerns related to ERAP, in addition to discussing ERA 2 Program-specific issues as they may arise. Moreover, for any inquiries that may require additional guidance and technical assistance, County HCD reaches out to federal and state partners for clarification and direction. In this context, County exposure to risk is ongoing and continual; it is also limited as a result of the aforementioned measures.

Additionally, funds are provided to United Way on a reimbursement basis after HCD staff has reviewed the payment requests and confirmed eligibility.

**Staffing Impacts:**

No new staffing impacts.

**Special Instructions:**

1. Please have the Board Chair sign TWO (2) originals of the 4th Amendment (Attachment A).
2. Please return one of the executed original documents and a copy of the Minute Order to Carlos Jimenez. Please email [cjimenez@countyofsb.org](mailto:cjimenez@countyofsb.org) or call ext. 83529 when ready for pick up.
3. Please retain one original of the executed original documents listed below for COB records.

**Attachments:**

- A: United Way Subrecipient Agreement Fourth Amendment
- B: ERA 1 Project Budget
- C: ERA 1 Expenditure Summary and Payment Request Form (ESPR)