



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:** October 5, 2021  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department George Chapjian, Community Services Director 805-568-2467  
Director(s)  
Contact Info: Dinah Lockhart, Deputy Director 805-568-3523

**SUBJECT:** 2020 and 2021 California Emergency Solutions Grant Program Funding  
Application and Agreements

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Select\_Other

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:** That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair of the Board of Supervisors to execute subrecipient agreements for the distribution of 2020 State of California Emergency Solutions Grant Program (State ESG) funds with the following providers in the specified amounts:
  - i) \$143,626 to Good Samaritan Shelter for the Emergency Shelter and Rapid Re-housing project (Attachment A);
  - ii) \$79,978 to NBCC dba New Beginnings Counseling Center for the Safe Parking, Rapid Rehousing and Homeless Outreach Program (Attachment B); and,
  - iii) \$79,710 to PATH Santa Barbara for the PATH Santa Barbara Emergency Shelter project (Attachment C).
- b) Authorize the Community Services Director or designee to submit a funding application in an amount not to exceed \$680,646.00 and all certifications, standard forms, and other related documents to the State of California Department of Housing and Community Development (State HCD) for the 2021 Emergency Solutions Grant (ESG) program competition;
- c) Adopt a Resolution authorizing the acceptance and administration of State ESG funds for 2021 (Attachment D);

- d) Authorize, unless otherwise ordered by the Board and as described in the attached Resolution, the Community Services Director, or designee(s), to execute all certifications, standard forms, and local grant agreement(s) in forms substantially similar to the FY2020 grant agreement(s) and other related documents required for the acceptance and administration of 2021 State ESG funds, subject to concurrence by Auditor-Controller, County Counsel and Risk Management;
- e) Determine that the recommended actions are not the acceptance and 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 project 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:**

On July 7, 2020 the Santa Barbara County Board of Supervisors approved an Authorizing Resolution for the Community Services Department to submit an application for the 2020 Emergency Solutions Grant (ESG) program. Community Services held a local funding competition and an impartial Review and Rank Panel of the Continuum of Care evaluated each application. The Board is being asked to approve and authorize the Chair to execute three 2020 State of California Emergency Shelter Grant (State ESG) Program subrecipient agreements with local homeless service providers. The recommended actions approve funding recommendations from the Santa Maria/Santa Barbara County Continuum of Care (CoC) Review and Rank Committee for the distribution of these funds. The recommendation action includes the execution of a subrecipient agreements with New Beginnings Counseling Center for the Safe Parking Rapid Rehousing and Homeless Outreach Program, Good Samaritan Shelter for the Emergency Shelter and Rapid Rehousing Program, and to PATH Santa Barbara for the Emergency Shelter Program for the 2020 ESG Program Funding.

The recommended actions also include actions required to apply for and receive the 2021 State ESG allocation. State HCD released their 2021 State ESG Notice of Funding Availability (NOFA) on August 17, 2021 with an October 19, 2021 deadline for submittal of the application to the State. ESG seeks to address the needs of individuals and families who are homeless or at risk of homelessness. The program essentially funds five areas of need: 1) street outreach (SO), 2) emergency shelter (ES), 3) rapid re-housing (RRH), 4) homelessness prevention (HP), and 5) Homeless Management Information System (HMIS).

The State requires that a signed Board of Supervisors Resolution accompany the funding application. Community Services Department (CSD) is requesting authorization to submit the application and accept a funding award in an amount not to exceed \$680,646. While the preliminary funding estimate for the Santa Maria/Santa Barbara Continuum of Care (CoC) provided by State HCD is \$340,323, State HCD advised the County, as the Administrative Entity (AE) for the CoC, to seek authorization to receive an award at least twice the preliminary estimate in the event that an unknown amount of recaptured funds is added to the CoC's 2021 State ESG award allocation after the application is submitted. State HCD provided similar guidance for the prior, 2020 State ESG application; however, no additional funding was awarded beyond the preliminary funding estimate for the 2020 program year.

It is anticipated that staff will request Board authorization to enter into 2021 State ESG subrecipient agreements with the selected service providers at a future meeting.

## **Background:**

### *Emergency Solutions Grant Program (ESG)*

ESG is a federally funded program that seeks to address the needs of individuals and families who are homeless or at risk of homelessness. HUD awards ESG funds on a formula basis to metropolitan cities, urban counties, states, and territories for five program components: street outreach (SO), emergency shelter (ES), rapid re-housing (RRH), homelessness prevention (HP), and Homeless Management Information System (HMIS). Metropolitan cities and urban counties may carry out eligible activities directly or subgrant all or part of their ESG funds to private nonprofit organizations to carry out such activities. States must subgrant all of their ESG funds, except for the amount allowed for administration, to units of general-purpose local government and/or private nonprofit organizations to carry out eligible activities.

### *State ESG*

State HCD distributes State ESG funds on a formula basis through two funding pools: (1) “Continuum of Care Allocation” for service areas that contain a city or county that receives ESG funds directly from HUD and (2) “Balance of State Allocation” for service areas that do not contain such a city or county. The Santa Maria/Santa Barbara Continuum of Care (CoC) Service Area, which is the geographic area located within the boundaries of Santa Barbara County, qualifies for the Continuum of Care Allocation.

Continuum of Care allocations from the State must be administered by an Administrative Entity (AE)—a unit of general-purpose local government approved by State HCD to administer State ESG funds. The Board of Supervisors accepted the original AE designation on May 3, 2016. As AE, the County is responsible for complying with federal and state requirements governing the administration of State ESG funds. The 2021 competition will be the sixth funding cycle for which the County is serving as the AE.

### *2020 Funding*

State HCD released their 2020 State ESG NOFA on February 28, 2020 with a May 28, 2020 deadline for submittal of the application to the State. Santa Barbara County was allocated \$312,096. CSD released a NOFA on May 20, 2020 for \$303,357, retaining \$8,739 for administration. The Santa Maria/Santa Barbara County Continuum of Care (CoC) Review and Rank Committee evaluated each application and formulated a recommendation for the distribution of these funds. The recommendation action includes the execution of subrecipient agreements with New Beginnings Counseling Center for the Safe Parking Rapid Rehousing and Homeless Outreach Program, Good Samaritan Shelter for the Emergency Shelter and Rapid Rehousing Program, and to PATH Santa Barbara for the Emergency Shelter Program for the 2020 ESG Program Funding. These agreements are the subject of Recommended Action A and are summarized in Table 2 below.

### *2021 Funding*

In August 2021, State HCD provided the County with an estimated 2021 ESG allocation of \$340,323. The State requires that a signed Board of Supervisors Resolution accompany the funding application. Community Services Department (CSD) is requesting authorization to submit the application and accept a funding award in an amount not to exceed \$680,646.

Of the estimated \$340,322, \$9,304 was earmarked for County for administration and the remaining \$331,019 was included in a local Notice of Funding Availability (NOFA) that CSD issued on August 26, 2021. Three eligible applications requesting a total of \$657,628 were submitted by the deadline of

September 9, 2021. On September 17, 2021 the Continuum of Care Review and Rank Panel met to formulate recommendations for the 2021 ESG allocation, which can be found on Table 1 below.

CSD convened the CoC Review and Rank Committee on September 17, 2021 to evaluate applications submitted in response to the NOFA and recommend applications for approval to the Board of Supervisors on October 5, 2021. The Committee’s recommendations are summarized in Table 2. Staff will return to the Board at a later date for approval of agreements in accordance with these recommendations.

**Table 1: 2021 ESG Program Funding Recommendations**

Applicant	Project Title	Component	Recommended Funding Amount
Good Samaritan Shelter	Emergency Shelter & Rapid Re-housing	Emergency Shelter	\$100,000
		Rapid Re-Housing	\$98,971
New Beginnings Counseling Center	Safe Parking and Homeless Outreach Program	Rapid Re-Housing	\$118,843
		Street Outreach	\$13,205
County of Santa Barbara	Administration	Administration	\$9,304
<b>2021 Total</b>			<b>\$340,323</b>

**Table 2: 2020 ESG Program Funding Recommendations**

Applicant	Project Title	Component	Recommended Funding Amount
Good Samaritan Shelter	Emergency Shelter & Rapid Re-housing	Emergency Shelter	\$82,963
		Rapid Re-Housing	\$60,663
New Beginnings Counseling Center	Safe Parking and Homeless Outreach Program	Rapid Re-Housing	\$60,663
		Street Outreach	\$19,315
PATH Santa Barbara	PATH Santa Barbara Emergency Shelter	Emergency Shelter	\$79,710
County of Santa Barbara	Administration	Administration	\$8,783
<b>2020 Total</b>			<b>\$312,097</b>

*Subrecipient Agreement*

The subrecipient agreement identifies the terms and conditions by which the State ESG funds must be administered. Section VI (“General Conditions”) the agreement indicates the subrecipient is subject to federal, state, and County requirements. The agreement also includes nine (9) attachments which detail the Scope of Services (Exhibit A), Budget and Payment Procedures (Exhibit B), Expenditure Summary and Payment Request (ESPR) (Exhibit C), Quarterly Status Report (Exhibit D), Federal Terms and Conditions (Exhibit E), Indemnification and Insurance Requirements (Exhibit F), Certification of Standards for Financial Management Systems (Exhibit G), Federal Award Identification Information (Exhibit H), and State Terms and Conditions (Exhibit I).

**Performance Measure:** The three subrecipients will provide quarterly reports to the County on services provided. The following tables summarize project outcomes according to goals and performance measures. Program design, funding allocations, and the characteristics of homeless individuals and households served by each subrecipient vary and impact the project outcome percentages and numbers of persons and households served. In addition, the implementation of the HUD-mandated CES means that ESG-funded rapid rehousing programs will be serving those individuals and households that are most vulnerable, have the greatest needs, and require the most intensive services to be successful in their housing placement. This may result in fewer households served, but higher levels of housing placement and retention.

**Table 3: Goals – Emergency Shelter, Rapid Rehousing, Street Outreach**

Goal	Good Samaritan Shelter	NBCC	PATH Santa Barbara
Total unduplicated number of persons served – Emergency Shelter (ES)	850		500
Total unduplicated number of households served – ES	485		500
Total unduplicated number of persons served – Rapid Rehousing (RRH)	35	18	
Total unduplicated number of households served – RRH	12	16	
Total unduplicated number of persons served – Street Outreach (SO)		150	
Total unduplicated number of households served - SO		100	

**Table 4: Performance Measures**

Measure	Good Samaritan Shelter	NBCC	PATH Santa Barbara
% of participants will move into transitional housing at project exit – ES	10		20
% of participants will move into permanent housing at project exit – ES	35		20
% of adult participants will obtain earned income at project exit – ES	20		60
% of adult participants will obtain cash/non-cash benefits at project exit - ES	60		20
% of participants who move into transitional housing or permanent housing will remain housed for 3 months - ES	70		95
% of participants will move into permanent housing at project exit - RRH	70	75	
% of adult participants will obtain earned income at project exit - RRH	20	5	
% of adult participants will obtain cash/non-cash benefits at project exit - RRH	40	20	
% of participants will remain in permanent housing for 6 months - RRH	75	85	
% of participants will move into emergency shelter at project exit		1	
% of participants will move into transitional housing at project exit		1	
% of participants will move into rapid rehousing at project exit		5	
% of participants will move into permanent housing (other than RRH) at project exit		10	
% of adult participants gaining new or increasing earned income at project exit		2	
% of adult participants will obtain cash/non-cash benefits at project exit		10	

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State	\$ 340,323.00		
Federal			
Fees			
Other:			
<b>Total</b>	<b>\$ 340,323.00</b>	<b>\$ -</b>	<b>\$ -</b>

**Narrative:**

The amount State HCD will allocate in 2021 State ESG funds to the CoC Service Area may be more than the preliminary estimate of \$340,323 because State HCD may include an unknown amount of recaptured funds in the 2021 State ESG competition. The State provided similar guidance for the 2020 State ESG program but no recaptures funds were ultimately included for the 2020 program year. Of the final allocation, the County will likely be able to retain 2.6% for the administration of State ESG. Providers selected for 2021 ESG funding will be required to submit documentation of eligible revenues and expenditures to substantiate the 100% ESG match requirement. The County will submit documentation of the 100% match requirement for administration funds.

**Key Contract Risks:** The County assumes responsibility for the administration of ESG funds in accordance with all state and federal requirements governing their use. In addition, it would be held liable if it or any provider to which it sub-grants funds is found to be non-compliant with applicable requirements. Good Samaritan Shelter, New Beginnings Counseling Center, and PATH Santa Barbara have all successfully operated State and/or federally-funded homeless assistance projects in the past which have had similar regulatory and administrative requirements.

The ESG Sub-recipient Agreements are cost-reimbursement contracts. This allows CSD/HCD to disburse funds to the aforementioned Sub-recipients for eligible incurred costs to the extent prescribed by the Agreement. The County will only reimburse Sub-recipients for costs that are eligible under the Agreements and documented in a manner that is acceptable to the CSD/HCD. CSD/HCD staff will assess the performance of the sub-recipients to determine if the services provided are adequate and as outline in the Agreement.

**Special Instructions:**

- 1) Please email an electronic copy of the Minute Order to Dinah Lockhart at [dlockhart@co.santa-barbara.ca.us](mailto:dlockhart@co.santa-barbara.ca.us).
- 2) Please email an electronic copy of the Minute Order to Jett Black-Maertz at [jblack@co.santa-barbara.ca.us](mailto:jblack@co.santa-barbara.ca.us).
- 3) Please execute three (3) original copies of each of the following documents and send to Jett Black-Maertz, ext 82484.

**Attachments:**

- A. \$143,626 to Good Samaritan Shelter for the Emergency Shelter and Rapid Re-housing project (Attachment A);
- B. \$79,978 to NBCC dba New Beginnings Counseling Center for the Safe Parking, Rapid Rehousing and Homeless Outreach Program (Attachment B); and,
- C. \$79,710 to PATH Santa Barbara for the PATH Santa Barbara Emergency Shelter project (Attachment C).
- D. Authorizing Resolution for the 2021 State Emergency Solutions Grant Program
- E. 2020 State Emergency Solutions Grant Agreement

**Authored by:** Jett Black-Maertz, Housing and Community Development Division

**cc:**