



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: Behavioral Wellness
Department No.: 043
For Agenda Of: March 10, 2020
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Dr. Alice Gleghorn, Director, Behavioral Wellness (805) 681-5220
Director(s) Pamela Fisher, PsyD., Deputy Director, Chief of Clinical
Contact Info Operations (805) 681-5220
SUBJECT: **Acceptance of State Homeless Emergency Aid Program (HEAP) Award of \$2.5 million for Multidisciplinary Approach to Housing the Most Vulnerable Homeless Program**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: County Executive Office

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve, ratify and authorize the Chief Executive Officer's acceptance of \$2.5 million in State Homeless Emergency Aid Program (HEAP) funds for the Housing Assistance for Vulnerable Emerging Neighbors - Engagement Service Team (HAVENEST) Program through June 30, 2021;
- B. Direct staff to allocate the HEAP funds to, and conceptually approve, the following HAVENEST Program Activities and estimated funding allocations:
 1. Multi-Disciplinary Team Staffing and Flex Fund ~ \$1 million;
 2. Overnight Parking Expansion ~ \$280,000;
 3. Acquisition and/or Rehabilitation Project for Permanent Supportive Housing ~ \$500,000; and
 4. Creation of a Navigation Respite Center on a to-be-identified South County site ~ \$720,000;
- C. Designate the Department of Behavioral Wellness (BeWell) as the programmatic lead for implementation of the HEAP HAVENEST funds and authorize the BeWell Director to reallocate funds between Program Activities if within 15% of the current estimated amount if significant barriers to implementation are encountered in order to utilize the funding and subject to the review and concurrence of the CEO's Office, Auditor-Controller, and the County Community Services Department (CSD);

- D. Direct staff to enter into a Memorandum of Understanding amongst the CEO's Office, CSD, and other relevant County departments for the administration of the HEAP funding for the Program Activities;
- E. Approve Budget Revision Request No. 0006743; and
- F. Determine that the proposed actions are exempt from the California Environmental Quality Act (CEQA) guidelines, pursuant to Section 15378(b)(4), finding that the actions are 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 impact on the environment.

Summary Text:

This item is on the agenda to request the Board of Supervisor (Board) to approve, ratify and authorize the County Executive Officer's acceptance of \$2.5 million in State HEAP funds for a modified version of the original \$6.3 million Multidisciplinary Approach to Housing the Most Vulnerable Homeless (HAVENEST) Program initially adopted by the Board on November 13, 2018. The County Executive Office initially coordinated the application for HEAP funds. Behavioral Wellness will now serve as the operational lead for the HAVENEST Program and the multidisciplinary teams. However, the Homeless Interagency Policy Council (HIAPC), led by the Assistant County Executive Officer, is coordinating all aspects of the HEAP implementation among the departments involved.

Staff is recommending the Board conceptually approve the HAVENEST Program, with its four Proposed Activities. State HEAP regulations require that all funds must be spent by June 30, 2021 or be forfeited back to the State. As a result of the time limitation of seventeen months, Staff are asking for approval of the Project Activities categories in concept. If unable to utilize funding for each concept category, Staff would adjust and enhance each activity based on ability to execute timelines, such as operational logistics or unanticipated barriers that present themselves in executing each element. This will ensure all funds are able to be drawn down within the time period.

Background:

The State HEAP program was established in 2018 as a flexible block grant to local Continuums of Care (CoC) to address homelessness. HEAP funds were distributed based on the numbers of homeless persons residing in a CoC geographic area, as determined by the 2017 Point in Time count. The County accepted the role of the Lead Agency for the Santa Maria/Santa Barbara County in March 2018, and is the 'Administrative Entity'(AE) for the HEAP program. As lead agency and AE, the County's role, with County's Community Services Department/Housing and Community Development Division (CSD/HCD) acting on its behalf, includes 1) issuing the NOFA (Notice of Funding Availability), 2) verifying projects meet basic threshold criteria, 3) training Rank and Review (R&R) members, 4) providing staff support to meetings of the CoC R&R Committee and CoC Board, and 5) administering the grants. The CoC board established local priorities for HEAP funding on August 28, 2018.

The original HEAP proposal was approved by the Board on November 13, 2018 and was submitted to the Santa Maria/Santa Barbara County CoC in response to a Notice of Funding Availability (NOFA) issued by the County's CSD/HCD for State HEAP funds. Over \$36 million grant requests were submitted for the \$8.9 million in State HEAP funds. The Rank and Review (R&R) Committee scored projects based on applicant capacity, project design, addressing local priorities, performance, need and collaboration.

The County's application was not selected for funding by the CoC's Rank and Review Committee at their meeting on November 28, 2018, but the County's proposal's score merited first consideration should supplemental funding become available. Other project proposals were selected by the Rank and Review Committee, including a proposal by the Salvation Army, which was conditionally awarded \$2.5 million

in HEAP project funds. On October 29, 2019 CSD/HCD was notified that Salvation Army would relinquish its HEAP capital funding award for \$2.5 million due to its inability to complete its project in a timeframe consistent with HEAP grant requirements.

In May 2019, the CoC board adopted rank and review policies to govern future funding opportunities, and outlined the process when supplemental project funding is available. The adopted process allows for the Competition Facilitator CSD/HCD to contact the unfunded applicant with the highest R&R score and discuss whether project application, as submitted, could move forward successfully with the amount of funding available.

These policies and a status report on all HEAP funded projects were reviewed and accepted at the CoC Board on October 28, 2019. Consistent with CoC board approved R&R policies governing the process when supplemental project funding is available, CSD/HCD notified the CEO's Office, as the next highest-ranking unfunded HEAP project application, about the availability of the \$2.5 million in HEAP funding relinquished by Salvation Army.

County HEAP Proposal:

The County's HAVENEST program was developed in coordination with the CEO, Public Health, Behavioral Wellness (BeWell), Public Defender, Probation, Sheriff's Office, and Social Services to create an integrated approach to addressing countywide homelessness, which includes on-going partnerships with homeless services and housing providers. The program includes the following key Program Activities and estimated funding allocations:

1. Funding for the creation of a Multidisciplinary Intensive Case Management Team to achieve emergency, transitional and permanent housing, to include flexible "whatever it takes" funding for items such as rents/temporary living payments, health and dental services, transportation ~ \$1 million;
2. Safe Parking Expansion ~ \$280,000;
3. Creation of a Permanent Supportive Housing unit in partnership with a local community-based agency ~ \$500,000; and
4. Capital funding for a Homeless Navigation Respite Center ~ \$720,000.

The \$280,000 funds for the Overnight Parking Expansion program was approved within CSD/HCD's FY 2019-20 budget and are not a part of the attached Budget Revision Request (BRR).

The need for a Multidisciplinary Intensive Case Management Team has become widely supported because households residing in existing and future permanent supportive housing (PSH) show greater success if housing is enhanced or has available wrap around case management services. This approach has been utilized effectively in various jurisdictions, most recently in Santa Barbara County in response to the Lompoc riverbed homeless effort, combined with emergency housing strategies, and the establishment of a low barrier shelter. Through intensive supportive outreach efforts, linked to needed resources provided by multidisciplinary case management partners, targeted clients will receive immediate and emergency assistance, with an emphasis on low barrier sheltering and intensive case management services to ultimately achieve stable housing through on-going support. These teams will provide linkage and service support to multiple capital units proposed or established via the HEAP and to other new county sponsored housing units to address critical service gaps. Overall, these teams will have the flexibility to conduct outreach throughout the county's entire housing continuum. \$1 Million of the HEAP HAVENEST funds will create the Team for one year with the intent to sustain staffing with other State or Federal homeless funding resources, such as the Homeless Housing, Assistance, and Prevention Program (HHAP), in the upcoming years.

A total of \$280,000 is proposed for safe parking expansion with housing focused case management. This funding would expand the overnight parking program by 80 spots and leveraged with other available funding, provides for three years of service expansion.

In addition, a one-time investment in housing development in an amount of up to \$500,000, is also proposed to expand beds to serve highly vulnerable persons. The County recently released a request for proposal to solicit projects for potential capital investment for projects that can be completed by early 2021. The purpose is to create permanent supportive housing for individuals experiencing homelessness by leveraging multiple funding sources including HEAP. Staff will return to the Board to provide further information once a project has been identified.

Housing opportunities, which the County can consider, include sheltering, master leasing, partnerships on acquisitions, scattered site housing, congregate living and temporary unit's capital funding for acquisition. One low barrier model being considered is development of a Homeless Navigation Respite Center (Center) in South County. The Center would provide immediate access to temporary shelter for thirty days to six months. The initial goal is to use County or other identified land in an area where the homeless population is in critical need of sheltering and a project is feasible.

The Center project is estimated to cost \$2.42 Million which is comprised of infrastructure, rehabilitation, and operational costs for two years. The initial investment of \$720,000 is being requested from HEAP and of the remaining budget of \$1.7 Million, \$1 Million is from HHAP County- and \$700,000 HHAP COC-funding. The COC opted to designate these funding recommendations at their February 6, 2020 meeting and BOS authorized County CSD/HCD on February 11, 2020 to apply for 2019 HHAP funding from the State of California Business, Consumer Services, and Housing Agency (BCSHA).

Performance Measure:

The County's original HEAP application had identified 150 persons to be served during the grant period from January 2019 through June 2021. This included 150 unduplicated homeless persons served, and over 13,000 instances of services provided. With the over 60% reduction in HEAP funding available for the County's project, and the accelerated timeframe for project implementation, project goal numbers are scaled back. Programmatic goals include:

1. To achieve emergency transitional and/or permanent housing for 20 of the most vulnerable homeless individuals in Santa Barbara County over a one-year period.
2. Develop a minimum of 7 beds, up to potential of 12 beds, of permanent supportive housing slots for residents of the South Santa Barbara region.
3. Create a Homeless Navigation Respite Center estimated at 30 units (turn over 2 times per year).
4. Provide engagement and connection services to 90 homeless individuals resulting in linkages to support systems within current County and community resources.
5. Provide safety to community members by expanding overnight parking options for 80 spaces per night.

The Project Activities improve the system of care performance in a variety of ways. By immediately providing housing to those currently experiencing homelessness, it allows individuals to stabilize and receive intensive services, which meet their unique needs. Further return to homelessness is diminished as multidisciplinary case managers can engage with many of the most impacted in our communities at a set address where a stable service plan can be employed. Service plans will also have components that focus on participant self-sufficiency through increasing employment and employment income at the appropriate time in their overall care and service plan.

The need for holistic case management and a "what-ever it takes" model of service cannot be overstated. Individuals experiencing severe mental illness and or substance abuse and addiction require multiple

interventions utilizing multiple strategies. Once trusting relationships are built, individuals are able to take the first positive step towards housing or treatment needs. These services range from basic health, human, and service needs (food clothing, hygiene, medical, and dental care), which will ensure individuals are prepared and ready for permanent housing. Services are not a condition of housing; however, housing provides the means for individuals to be receptive and able to take steps towards a healthy and stable living environment. Permanent housing placement and retention will occur as individuals’ progress in their treatment and service needs as they move forward on the path to self-sufficiency with the Multidisciplinary Intensive Case Management Teams’ support.

Fiscal and Facilities Impacts:

Board approval of the recommended actions authorizes planning of specific elements of Program Activities. Staff will return to the Board for approval of actions needed to implement specific program elements where needed.

Budgeted: Aside from the Safe Parking Program expansion approved within CSD/HCD’s FY 2019-20 budget, the Program Activities are not currently budgeted. (BRR attached.)

Fiscal Analysis:

The revised HAVENEST Program will utilize \$2.5 million in State HEAP funds, with all funds expended by June 2021. A match is not required for HEAP funding. New County-sponsored housing models require services to be provided to tenants. State homeless funding is a potential source for sustaining these services in upcoming years

<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	\$ 2,500,000.00		
Federal			
Fees			
Other:			
Total	\$ 2,500,000.00	\$ -	\$ -

Key Contract Risks:

The County assumes responsibility for the administration of HEAP in accordance with all State requirements governing HEAP funds and for compliance with grant requirements by the County and subgrantees. The County’s standard indemnity language will be included in all contracts for services funded through the HEAP HAVENEST grant.

Staffing Impacts:

The Multidisciplinary Intensive Case Management Team will be staffed via limited term positions and community-based organization supports due to the limited term of the funds. Continuation of services funded with HEAP will be evaluated throughout the term of funding and additional grant funds will be pursued for continuation of program services pending service outcomes. A salary resolution is not needed for the BeWell positions because there are adequate civil service positions currently open.

The composition of the Team includes:

- BeWell Housing Navigators – 1 FTE Case Worker civil service position and two .5 FTE extra help staff.
- BeWell Treatment Providers – 2 FTE Practitioner I/II civil service positions.
- BeWell Administrative Office Professional (AOP) - .5 FTE AOP I. This position will be hired as extra help to support operations of the Team.

- Public Defender Holistic Defense – .5 FTE Practitioner. This position will be hired as extra help.
- Public Health Social Worker – 1 FTE Social Worker. This position is an unfunded legal position within Public Health and a position reclassification will be submitted to initiate hiring.
- AmeriCorps Outreach Assistance – 2 FTE Outreach Representatives. These positions have been contracted via the United Way Northern’s services agreement.

Special Instructions:

Please return one (1) copy of the Minute Orders to Denise Morales at dmorales@co.santa-barbara.ca.us along with copies of the Minute Orders to bwellcontracsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: Budget Revision Request No. 0006743

Authored by:

L. Walter and L. Zeitz/dm