



**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:** May 16, 2023  
**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: Laurie Baker, Grants Program Manager (805) 568-3521  
**SUBJECT:** **Approval and Execution of Third Amendment to Subrecipient Agreement with United Way of Santa Barbara County to administer County’s direct allocation of U.S. Treasury Emergency Rental Assistance (ERA2) funds**

**County Counsel Concurrence**

As to form: Yes

**Risk Management**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors (Board):

- A. Approve and authorize the Chair to execute a Third Amendment to Subrecipient Agreement (Third Amendment), with United Way of Santa Barbara County to add funding in the amount of \$348,420.44, in third round reallocation American Rescue Plan Emergency Rent Assistance (ERA 2) funds for continued administration and implementation of an emergency rent assistance payment program (Attachment A); and
- B. 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:**

Staff is recommending Board approval of a Third Amendment to the ERA 2 Subrecipient Agreement with United Way for continued administration and implementation of the Emergency Rental Assistance

Program (ERAP). This Third Amendment increases County ERA 2 Treasury funding in the amount of \$348,420.44, for an increased total award amount of \$16,959,023.96. The additional funds are pursuant to a County application for third round reallocated ERA2, and enable United Way to continue to process ERAP payments that benefit qualifying households whose demonstrated loss-of-income during COVID has impacted their ability to pay rent, utilities and other related ERA 2-eligible expenses. These additional funds may assist up to forty-one households.

**Background:**

The American Rescue Plan Act of 2021 included provision of \$21.55 billion in emergency rental assistance, enabling tribal communities, U.S. territories, states (including the District of Columbia), and local governments with populations over 200,000 persons to receive Treasury ERA funds. Santa Barbara County received an initial ERA2 award of \$16,610,602.80, which was provided in a series of three tranches.

Treasury has since issued three announcements allowing local jurisdictions to apply for “reallocated” ERA 2 funds. These reallocated funds have either not been spent timely by participating jurisdictions and recaptured by Treasury or represent instances whereby some jurisdictions have opted to voluntarily return ERA 2 funds to Treasury. Santa Barbara County applied for but did not receive ERA 2 reallocated funds on two prior occasions: on July 21, 2022, for first round reallocated funds and on November 2, 2022, for a second round. On February 11, 2023, Treasury announced a third round of ERA 2 reallocated funds. Santa Barbara County applied and was awarded \$348,420.44; these reallocated funds are subject to this Third Amendment.

The additional ERA 2 funds allow United Way to continue to provide emergency rent and other housing cost assistance to remaining eligible households under ERAP. After opening on September 27, 2021, and may assist an additional forty-one households. United Way closed its ERAP application portal on March 31, 2022, and continues to process applicant payments. United Way anticipates that the program will wind down in the next few months.

The table below provides a summary overview of the ERA 2 funds that have been received by the County under the American Rescue Plan Act of 2021.

<b>Reallocation Request Submitted</b>	<b>Amount Requested</b>	<b>Amount Received</b>	<b>Board Approval of UW Amendment-subject to today’s Board Action</b>
July 2022	\$35,685,025	\$0	
November 2022	\$24,092,499	\$0	
February 2023	\$12,565,935	\$348,420.44	5/16/23
<b>TOTAL REALLOCATIONS</b>		\$348,420.44	
Initial Allocation		\$16,610,602.52	
<b>TOTAL ERA 2 AWARD</b>		<b>\$16,959,022.96</b>	

The following is provided for informational purposes showing reallocations received under the 2021 Consolidated Appropriations Act (ERA 1).

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

The ERA1 Award has been fully expended. A total of 1,830 persons have been assisted with rental and utility assistance, which assisted with eviction prevention and housing stability by households who had been severely impacted by the COVID pandemic. United Way worked closely with numerous non-profit and homelessness prevention entities to provide additional resources to individuals and families facing homelessness and provided other basic needs.

The Table below summarizes the State ERA 2 funding award amount. HCD Staff is evaluating whether additional tranches will be needed as United Way winds down the program.

<b>Amount Allocated</b>	<b>Amount Received</b>
\$12,266,550.64	\$4,981,340.37

**Performance Measure:**

United Way reviews income-qualification and related program requirements of households served to ensure that these households have incomes at or below 80% of the area median income (AMI), for Santa Barbara County, prioritizing households at or below 50% AMI for Santa Barbara County. United Way reports on the number of persons or households served on a monthly basis and must retain documentation for five years following the close-out of the program to indicate that the program was operated in accordance with the Treasury’s Regulations.

**Fiscal and Facilities Impacts:**

N/A

**Fiscal Analysis:**

N/A

**Key Contract Risks:**

It is possible the U.S. Department of Treasury and the State could require the County to repay federal funds expended for ineligible expenses with non-federal or non-state funds. However, County staff continues to work with United Way and State program staff to ensure that beneficiaries that have applied for ERAP funds are eligible to receive assistance and no duplication of benefits occur across ERA funding sources.

**Staffing Impacts:**

No new staffing impacts.

**Special Instructions:**

1. Please have the Board Chair sign TWO (2) originals of the Third Amendment (Attachment A).
2. Please return one set of the executed original documents and a copy of the Minute Order to Carlos Jimenez. Please email or call when ready for pick up: [cjimenez@countyofsb.org](mailto:cjimenez@countyofsb.org), Ext. 3529.
3. Please retain one set of the executed original documents listed below for COB records.

**Attachments:**

A: Third Amendment to United Way Subrecipient Agreement