



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: July 12, 2016
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

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: State of California Emergency Solutions Grants Program Funding
Recommendations and Documentation

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve recommendations for the distribution of State of California Emergency Solutions Grants Program (State ESG) funds to the following providers in the specified amounts:
 - i) \$280,000 to Good Samaritan Shelter for the Emergency Shelter and Rapid Re-housing project;
 - ii) \$160,000 to Transition House for the Emergency Shelter and Rapid Re-housing project
 - iii) \$110,516 to Carrillo Counseling Services, Inc. for the Safe Parking and Homeless Outreach Program; and
 - iv) \$110,000 to PATH Santa Barbara for the PATH Santa Barbara Street Outreach and Emergency Shelter project;
- b) Adopt a Resolution authorizing the acceptance and administration of State ESG funds (Attachment A);
- c) Approve and authorize the Chair of the Board of Supervisors to execute a Memorandum of Understanding (MOU) with the Santa Maria/Santa Barbara County Continuum of Care regarding the administration of State ESG funds (Attachment B);

Auditor-Controller Concurrence

As to form: Yes

- d) Authorize the County Executive Officer or her designee(s) to execute all agreements, certifications, standard forms, and other related documents required for the acceptance and administration of State ESG funds; and
- 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, and direct staff to file a Notice of Exemption (Attachment C).

Summary Text:

The State of California Department of Housing and Community Development (State HCD) receives an annual allocation of Emergency Solutions Grants Program (ESG) funds from the U.S. Department of Housing and Urban Development (HUD) to assist individuals and families who are homeless or at risk of homelessness throughout the state. Starting with the 2016 operating year, State HCD will distribute its allocation of ESG (State ESG) funds to qualifying cities and counties, such as the County of Santa Barbara (County), which will be responsible for administering State ESG funds for their respective service areas. For the 2016 operating year, State HCD will award the County \$679,210 in State ESG funds, of which \$18,694 will be retained by the County for administration. The Santa Maria/Santa Barbara County Continuum of Care (CoC) Review and Rank Committee has recommended the balance, or \$660,516, for distribution among four providers.

The Community Services Department (CSD) seeks approval from the Board of Supervisors on the distribution of State ESG funds among providers recommended by the CoC Review and Rank Committee (Recommended Action a), acceptance and administration of State ESG funds (Recommended Action b), and execution of a Memorandum of Understanding with the CoC regarding the administration of State ESG funds (Recommended Action c). In addition, CSD requests authorization to execute documents required for the administration of State ESG funds (Recommended Action d).

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 such as the County, states, and territories for five program components: street outreach, emergency shelter, rapid re-housing, homelessness prevention, 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

Prior to 2016, State HCD competitively awarded its allocation of ESG funds statewide to units of general purpose local government and private nonprofit organizations to support homelessness assistance and homelessness prevention projects located in non-entitlement areas, or areas not covered by a metropolitan city or urban county. A three-year funding history for projects located in Santa Barbara County is attached as Attachment D. Following a program re-design in 2016, State HCD will

distribute 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 County Continuum of Care (CoC) Service Area, which is the geographic area located within the boundaries of Santa Barbara County, qualifies under the Continuum of Care Allocation as the County receives an allocation of ESG funds directly from HUD.

Continuum of Care Allocations must be administered by an Administrative Entity (AE)—a unit of general purpose local government approved by State HCD to administer State ESG funds. On March 30, 2016, State HCD approved the County as the AE for State ESG funds for the CoC Service Area. The Board of Supervisors accepted the 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.

Funding Process

On behalf of the County as AE, CSD issued a Notice of Funding Availability (NOFA) (Attachment E) on May 9, 2016 to solicit applications for State ESG funds estimated to be available for the CoC Service Area. CSD held an applicant workshop in Santa Barbara on May 11, 2016 to provide interested applicants with an overview of State ESG requirements and funding process. Eight applications requesting a total of \$1,569,567 were submitted by the deadline of May 23, 2016; one application requesting \$100,000 was withdrawn after submission.

State HCD issued a memorandum to AEs on May 16, 2016, which was re-issued on June 2, 2016 with revisions, containing updated allocations for service areas qualifying under the Continuum of Care Allocation. The CoC Service Area has been allocated \$679,210, \$18,248 more than initially expected. Of that allocation, \$660,516 is available for distribution to providers for the delivery of emergency shelter (ES), street outreach (SO), rapid re-housing (RRH), and HMIS activities; at least \$264,206 must be spent on RRH activities. The balance of the allocation, or \$18,694, will be retained by the County for administration.

Pursuant to authorization granted by the Board of Supervisors, CSD convened the CoC Review and Rank Committee on June 3, 2016 to evaluate applications submitted in response to the NOFA and recommend applications for approval to the Board of Supervisors. The CoC Review and Rank Committee, a standing committee of the CoC that approves homelessness assistance projects for competitively-awarded federal funds under the Continuum of Care Program, is comprised of eight members identified in Table 1.

Table 1: CoC Review and Rank Committee Members

Name	Affiliation
Christie Alarcon	City of Lompoc
John Fowler	Peoples’ Self-Help Housing
Wayne Mellinger	Community Member
Nancy Madsen	Community Member
Michele Mickiewicz	Human Services Commission – County of Santa Barbara
Rosa Narez	City of Santa Maria
John Polansky	Housing Authority of the County of Santa Barbara
Phylene Wiggins	Santa Barbara Foundation

The CoC Review and Rank Committee evaluated applications in accordance with the criteria approved by the CoC Board and contained in Exhibit B of the NOFA (Attachment E). Recommended amounts are summarized by application in Table 2.

Table 2: Funding Recommendations by Application

Applicant	Project Title	Component	Request (\$)	Component Rec. (\$)	Applicant Rec. (\$)
Good Samaritan Shelter	Emergency Shelter & Rapid Re-housing	ES	200,000	170,000	280,000
		RRH	100,000	100,000	
		HMIS	20,000	10,000	
Transition House	Emergency Shelter and Rapid Rehousing	ES	94,200	90,000	160,000
		RRH	152,530	60,000	
		HMIS	13,400	10,000	
Carrillo Counseling Services, Inc.	Safe Parking and Homeless Outreach Program	RRH	207,468	110,516	110,516
		HMIS	16,000	0	
PATH Santa Barbara	PATH SB Street Outreach and Emergency Shelter	SO	20,000	0	110,000
		ES	180,000	110,000	
Legal Aid Foundation of Santa Barbara County	Emergency Shelter Legal Outreach & Homeless DV Client Emergency Assistance	ES	32,812	0	0
		RRH	69,874	0	
Santa Ynez Valley People Helping People	Mid Santa Barbara County Rapid Rehousing	RRH	100,000	0	0
The Salvation Army	The Salvation Army, Santa Barbara Hospitality House	SO	26,328	0	0
		ES	236,955	0	
Total			1,469,567	660,516	660,516

Recommended amounts are summarized by component in Table 3.

Table 3: Funding Recommendations by Component

Component	Request (\$)	Recommendation (\$)
Emergency Shelter (ES)	743,967	370,000
Street Outreach (SO)	46,328	0
Rapid Re-housing (RRH)	629,872	270,516
Homeless Management Information System (HMIS)	49,400	20,000
Total	1,469,567	660,516

CSD will submit State ESG award documentation to State HCD by the deadline of July 15, 2016. Award documentation required by State HCD includes (1) a list of providers and award amounts approved by the Board of Supervisors and (2) a resolution from the Board of Supervisors authorizing the acceptance and administration of State ESG funds (Attachment A). After State HCD approves the award documentation and enters into an agreement with the County for State ESG funds, CSD will return to the Board of Supervisors for the approval and execution of subrecipient agreements with selected providers.

Memorandum of Understanding between the County and CoC

State HCD requires AEs to collaborate with their respective Continuums of Care on the administration of State ESG funds. The roles and responsibilities of the AE and Continuum of Care must be

documented in a written agreement. CSD, in consultation with an ad hoc committee of the CoC Board, prepared a Memorandum of Understanding (MOU) (Attachment B) that sets forth the terms of agreement between the County and CoC regarding the administration of State ESG funds. The CoC Board approved the MOU on June 29, 2016.

Fiscal and Facilities Impacts:

Budgeted: Yes

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	\$ 46,000.00		
State	\$ 679,210.00		
Federal			
Fees			
Other:			
Total	\$ 725,210.00	\$ -	\$ -

Narrative:

State HCD has allocated \$679,210 in State ESG funds to the CoC Service Area for the 2016 operating year. Of that amount, \$660,516 will be distributed to providers for the delivery of eligible activities. The balance, or \$18,694, will be retained by CSD for administration. Pursuant to direction provided by the Board of Supervisors on May 3, 2016 and approval of the Fiscal Year 2016-2017 Recommended Budget, \$46,000 in General Fund contributions have been allocated to support CSD in its administration of State ESG funds.

Key Contract Risks:

The County, as AE, assumes responsibility for the administration of State ESG funds in accordance with all federal and state requirements governing their use. In addition, it would be held liable if it or any provider to which it sub-grants State ESG funds is found to be non-compliant with applicable requirements.

Special Instructions:

- 1) Please email an electronic copy of the Minute Order to A.J. Quinoveva at aquinoveva@co.santa-barbara.ca.us.
- 2) Please execute two (2) originals of the Resolution (Attachment A) and return one (1) original to A.J. Quinoveva (x1090).
- 3) Please execute four (4) originals of the Memorandum of Understanding (Attachment B) and return three (3) originals to A.J. Quinoveva (x1090).

Attachments:

- A. Resolution
- B. Memorandum of Understanding between County of Santa Barbara and Santa Maria/Santa Barbara County Continuum of Care
- C. CEQA Notice of Exemption
- D. State of California Emergency Solutions Grants Program Funding History for Santa Barbara County
- E. Notice of Funding Availability, State of California Emergency Solutions Grants Program

Authored by: A.J. Quinoveva, Housing and Community Development Division (805-560-1090)