



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: September 10, 2024
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Jesús Armas, Community Services Director (805) 568-2467
Director:
Contact Info: Joseph Dzvoniak, Deputy Director 805-568-3523
SUBJECT: Approval of Subrecipient Agreement for California Homekey Funds for Hedges House of Hope

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence:

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair of the Board of Supervisors to execute a subrecipient agreement for the distribution of California Homekey funding to Good Samaritan Shelter (GSS), subject to annual appropriations and budget approval in the amount of \$1,419,136 for Hedges House of Hope shelter operations and essential services; and
- b) Determine that the above recommended actions are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4) as the actions involve the creation of government funding mechanisms or other government fiscal activities which do not involve a commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The County of Santa Barbara was awarded \$6,995,093 in California Homekey (HK) funding for the acquisition, rehabilitation and operations of Hedges House of Hope (HHH). This new interim housing project opened in July 2021. HHH provides interim housing to persons experiencing homelessness. In the first three years of operation, HHH has sheltered 189 persons.

Staff is recommending approval and execution of the subrecipient agreement (Attachment A) with Good Samaritan Shelter (GSS) that provides \$1,419,136 of funding for operations and essential services over the period September 10, 2024 through March 31, 2026 for HHH.

Background:

On November 2, 2021, the Board of Supervisors approved the purchase of a building in Isla Vista to be used for the interim shelter of people experiencing homelessness. On January 4, 2022, the County was awarded \$6,995,093 in State HK dollars for the HHH interim housing project. This included \$5,575,957 for capital and \$1,419,136 in funding dedicated to operation costs. The project represented the introduction of interim housing beds in the Goleta – Isla Vista area.

GSS was selected as the operator of HHH after being the only respondent to a Request for Letter of Interest. GSS is a co-applicant/awardee for HK funding. Hedges has been in operation since July 1, 2021. The HK operations funding required local match. The first three years of operations for HHH was funded by a sub-recipient agreement with GSS using Emergency Solutions Grant Coronavirus (ESG-CV) funding followed by American Rescue Plan Act (ARPA) funds.

The building lacked a functioning kitchen at the time of purchase. The addition of a commercial kitchen and plumbing repairs continue on the building with all rehabilitation activities being managed by the County’s General Services Department. The rehabilitation has taken much longer than anticipated. During the construction, occupancy was reduced from 50 to approximately 35 beds per night. The projected date to complete the kitchen is this month (September 2024) and, when completed, GSS will launch a culinary arts program that provides meals to all of their south county interim housing projects. Also, the occupancy of the building will return to the 50-bed level that were anticipated at the time the building was originally purchased for this project.

Performance Measures:

In the first three years of operation, 189 persons have been sheltered with 35% of persons exiting HHH having entered into permanent housing. The goals and performance measures provided through the subrecipient agreement before the Board today are summarized below (Table 1). The Subrecipient will provide quarterly reports to the County regarding services provided and performance measures. Households will be enrolled in the Homeless Management Information System (HMIS) to capture progress and improve care coordination. HMIS is comprehensive database that collects client level data and provides aggregate data to measure housing placements, length of time homeless, housing retention, increases in income, and other measures.

Table 1. Goals and Performance Measures for Hedges House of Hope Project from September 10, 2024 through March 31, 2026.

Goals

Subrecipient will provide the following levels of services during the term of the Agreement:

	Goal
Total number of beds	50
Total number of bed-nights made available	18,250
Total unduplicated number of persons served	70

Performance Measures

Subrecipient will meet the following performance measures during the term of the Agreement:

Interim Housing

	Goal
% of participants will move into permanent housing at project exit	30%
% of adult participants gaining new or increasing cash at project exit	25%
% of adult participants will obtain non-cash benefits at project exit	25%
% of participants who move into transitional housing or permanent housing (including rapid rehousing) will remain housed for 1 year	85%

Fiscal and Facilities Impacts:

Budgeted: Yes

All current year costs for work conducted by the Subrecipient are budgeted within the Community Services Department, Housing and Community Development Division, budget.

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			
State			\$ 1,419,136.00
Federal			
Fees			
Other:			
Total		\$ -	\$ 1,419,136.00

Narrative: Distribution of HK funds in the amount of \$1,419,136 to GSS for at least 18 months of interim housing operations and essential services at HHH. When these HK funds are expended, however, GSS will work to extend HHH operations through CalAIM and/or behavioral health related funding. Expenses are described in the budget as part of the Subrecipient Agreement.

Key Contract Risks:

The County assumes responsibility for the administration of HK funds in accordance with all state requirements governing their use. In addition, County would be held liable if it or any provider to which it grants funds is found to be non-compliant with applicable requirements. GSS has successfully operated State and/or federally-funded projects in the past which have had similar regulatory and administrative requirements.

The subrecipient agreements are on a cost-reimbursement basis. This allows CSD to disburse funds for eligible incurred costs to the extent prescribed by the agreement. The County will only reimburse Subrecipient for costs that are eligible under the agreement and documented in a manner that is acceptable to the CSD. CSD staff will assess the performance of the agreement to determine if the services provided are adequate.

Staffing Impact

The current requested activity falls within currently budgeted staff duties.

Special Instructions:

Please distribute minute order and subrecipient agreement by email to Kimberlee Albers (kalbers@countyofsb.org) Community Services Department:

Attachments:

Attachment A: Subrecipient Agreement with Good Samaritan Shelter for Hedges House of Hope

Authored by:

Kimberlee Albers, Homelessness Assistance Program Manager