



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: June 4, 2024
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Jesús Armas, Community Services Director (805) 568-2467
Director(s)
Contact Info: Joe Dzvonic, Deputy Director Housing and Community
Development (805) 568-3523
SUBJECT: Subrecipient Agreements for California Encampment Resolution Funds to
Address Vehicle Encampments

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

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 with NBCC dba New Beginnings Counseling Center, a California nonprofit public benefit corporation (New Beginnings), using California Encampment Resolution Funding (CERF) funds for a total contract maximum amount not to exceed \$6,391,615 for street outreach and interim and permanent housing for people residing in vehicle encampments countywide outside of the City of Santa Barbara, including those near State rights-of-way (ROWs) for a term beginning June 4, 2024, and ending December 31, 2026 (New Beginnings Subrecipient Agreement) subject to finalizing the State Standard Agreement, annual appropriations and budget approval;
- b) Approve and authorize the Chair of the Board of Supervisors to execute a Subrecipient Agreement with the City of Santa Barbara, using CERF funds for a total contract maximum amount not to exceed \$1,488,820, for street outreach to people residing in vehicle encampments in the City of Santa Barbara, including those near (ROWs) for a term beginning June 4, 2024, and ending December 31, 2026 (City Subrecipient Agreement), subject to finalizing the State Standard Agreement, annual appropriations and budget approval;

- c) Determine that the recommended actions are not the 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:

This item is before the Board to approve two subrecipient agreements with New Beginnings and the City of Santa Barbara for outreach and housing assistance to persons living in vehicles utilizing recently awarded State California Encampment Resolution Funds Round 3 (CERF-3). The County and the City of Santa Barbara applied jointly in one application for this round of funding to improve our ability to achieve our fully desired budget as State funding for homelessness has become very competitive over this past year. The money allocated to the City of Santa Barbara through the subrecipient agreement proposed here will be used by the City to establish their own subrecipient agreements with New Beginnings and other service providers as they see necessary to address vehicle encampments within the city limits.

The number of persons living in vehicles across Santa Barbara County has been increasing each year, from 489 persons in the 2019 Point in Time Count (PIT) to 710 persons in the 2024 PIT. In 2023, County staff worked with service providers to finalize mapping of vehicles and vehicle encampments. Twenty-one (21) encampment areas of vehicle clusters that generally do not move during the day were identified to include in an application for CERF-3. On December 12, 2023, the Board of Supervisors approved submission of the CERF-3 application. On April 18, 2024, the State announced that Santa Barbara County was awarded a third CERF allocation of nearly \$8 million focused on resolving vehicular encampment areas. The award includes:

- \$3 million in Rental Assistance permanent housing flexible funds needed to transition 150 households into safe and stable permanent housing;
- \$3.9 million for a street outreach team paired with engagement tools, services coordinators, and permanent housing and retention specialists;
- \$700 thousand for interim sheltering through Safe Parking Program lots and interim housing including hotels;
- \$400 thousand for eligible administrative costs.

New Beginnings was included as the primary service provider in the application with 20 years of experience serving this population. Staff recommends approval of the two below CERF Subrecipient Agreements to expedite the resolving of vehicle encampment areas.

1. New Beginnings Subrecipient Agreement: \$6,391,615 (June 4, 2024 – December 31, 2026) for Street Outreach Personnel, Services Coordination Personnel, Permanent Housing Personnel, System/Data Support Personnel, Client Services and Direct Assistance Funds, Interim Sheltering Funds, Permanent Housing Flexible Funds, and Administrative Costs (Attachment A)
2. City of Santa Barbara Subrecipient Agreement: \$1,488,820 (June 4, 2024 – December 31, 2026) for Street Outreach Personnel, Services Coordination Personnel, Permanent Housing Personnel, System/Data Support Personnel, and Administrative Costs (Attachment B)

The County will retain \$94,945 to administer the above CERF Subrecipient Agreements. Funding can be spent from the date of the CERF award letter from the State (Attachment C). These Subrecipient Agreements make it possible for the Subrecipients to begin spending. Reimbursement will be subject to an executed Standard Agreement with the State of California.

Background:

The California Encampment Resolution Funding (CERF) program was established to fund local proposals that resolve the experience of unsheltered homelessness for people residing in encampments. The approval by the Board of Supervisors and implementation of the encampment resolution strategy and protocol has been instrumental in securing CERF awards. The Board directed resources for implementation of the encampment resolution strategy, including funding to provide the outreach services and operations of interim housing projects. On October 19, 2021, the encampment resolution strategy funding was included as part of the American Rescue Plan Act Health and Human Services - Housing and Homelessness COVID-19 Recovery Plan. The County of Santa Barbara has received three awards through the statewide competitive CERF process, totaling \$16.52 million:

- \$2.52 million (CERF-1) to resolve encampments along the transit corridor;
- \$6 million (CERF-2) to resolve encampments in waterways;
- \$8 million (CERF-3) to resolve vehicle encampment areas.

The CERF-3 project funding will bolster existing, successful models by: expanding vehicular-specific street outreach teams and housing navigation/retention staff, and expanding daytime and overnight Safe Parking program lots; interim sheltering as needed and will provide safe stable permanent housing through rental assistance for persons moving from vehicular encampments areas. An estimated 300 persons will be served in the 21 prioritized encampment areas.

New Beginnings has operated the Safe Parking Program since 2004 and their program is a proven strategy to engage persons living in vehicles. The program was the first of its kind and has served as a model for dozens of communities throughout the country. In the past 20 years, the Safe Parking Program has housed hundreds of individuals and provided safe overnight parking to thousands of homeless individuals and families. New Beginnings consistently meets program goals and continues to expand services to further support clients and the community. The New Beginnings Safe Parking Shelter and Rapid Re-Housing Program, provides safe overnight parking for persons living in their vehicles countywide including case management, street outreach, housing navigation and retention services, and financial assistance to transition to and maintain permanent housing. In the past fiscal year, New Beginnings served 647 unduplicated clients through the Safe Parking Program and housed 105 clients. Of the unduplicated clients served, 57% of clients were over 55 years of age, 20% had three or more disabling conditions, and 34% were chronically homeless.

Rental assistance in a rapid rehousing model is a proven strategy to permanently house persons living in vehicles in our community. New Beginnings consistently re-houses persons living in vehicles in private market rental units: service needs are tailored to the unique demographics, and most persons need a rental subsidy and do not need long term intensive supportive services. This funding will bridge to a longer-term voucher if needed, provided in the application by letters of support from both Public Housing Authorities. Flexible financial assistance funds will support the move from vehicular homelessness or interim housing

into permanent housing. The CERF award is critical as there are not currently enough rental assistance resources to address the prioritized encampments without CERF-3 funding support.

Table 1 shows the size and areas of the prioritized vehicle encampments. Approximately one-third of vehicle encampments in Santa Barbara County are located in the City of Santa Barbara; the City intends to manage a street outreach agreement with New Beginnings’ Safe Parking Program, using funds from the CERF-3 award and leveraging City resources including, but not limited to: Tenant-Based rental Assistance (\$100,000) and staff time.

Table 1: Size and Area of Prioritized Vehicular Encampments

Area/City	Number of Vehicles	Number of Prioritized Encampment Areas
Santa Barbara	127	6
Santa Maria	53	4
Goleta	50	2
Lompoc	31	3
Unincorporated South County	19	3
Isla Vista	15	2
Carpinteria/Summerland	5	1
Total	300	21

Performance Measure:

The goals and performance measures in Table 2 and 3 combined were part of the CERF-3 application. This project is about improving the quality of lives for individuals and families by transitioning them out of homelessness. The County’s role, when compared to that of the City of Santa Barbara, is more extensive as the County is responsible for administering all housing and operational funding for the entire grant. The goals, performance measures, and responsibilities are therefore reflected in the division of staffing funding between the City of Santa Barbara and County.

Table 2: New Beginnings Subrecipient Agreement Goals and Performance Measures

Goals

SUBRECIPIENT will provide the following levels of services during the term of the Agreements:

Street Outreach, Interim and Permanent Housing Funds

	Goal
Unduplicated number of homeless persons or persons at imminent or at risk of homelessness to be served	200
Number of unsheltered homeless persons entering shelter (interim housing)	100
Number of homeless persons entering permanent housing (placed into units)	100

Performance Measures

SUBRECIPIENT will meet the following performance measures during the term of the Agreements:

Street Outreach, Interim and Permanent Housing Flexible Funds

	Goal
Percentage of individuals successfully placed in permanent housing	50%

Percentage of adult participants gaining new or increasing cash income at project exit	50%
Percentage of adult participants increasing non-cash benefits at project exit	20%
Percentage of project participants who move into permanent housing remaining housed at 1 year	90%

Table 3: City of Santa Barbara Subrecipient Agreement for Street Outreach Funds

Goals

SUBRECIPIENT will provide the following levels of services during the term of the Agreements:

Street Outreach & Permanent Housing Flexible Funds

	Goal
Unduplicated number of homeless persons or persons at imminent or at risk of homelessness to be served	100
Number of unsheltered homeless persons entering shelter (interim housing)	50
Number of homeless persons entering permanent housing (placed into units)	50

Performance Measures

SUBRECIPIENT will meet the following performance measures during the term of the Agreements:

Street Outreach & Permanent Housing Flexible Funds

	Goal
Percentage of individuals successfully placed in permanent housing	50%
Percentage of adult participants gaining new or increasing cash income at project exit	50%
Percentage of adult participants increasing non-cash benefits at project exit	20%
Percentage of project participants who move into permanent housing remaining housed at 1 year	90%

Contract Renewals and Performance Outcomes:

N/A

Fiscal and Facilities Impacts:

As no CERF funds will be received from the State in this fiscal year, there is no impact to the current budget. A final budget adjustment will be processed for \$6,627,200 of CERF funds for allocation in the FY 2024-25 budget.

Fiscal Analysis:

Funding Sources	Current FY Cost:	Annualized On-going Cost:	Total One-Time Project Cost
General Fund			
State			\$ 7,975,380.00
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ 7,975,380.00

The fiscal chart shows the award amount of CERF State funding is providing as a 30-month one-time grant award with an anticipated start date of June 4, 2024 through December 31, 2026. The budgets,

included in today's recommended actions, are outlined in the Subrecipient Agreements (Attachments A and B) and detail specific interventions to be implemented for encampment resolution.

Key Contract Risks:

Funding can be spent from the date of the CERF award letter from the State. The Subrecipient Agreements provide for the subrecipients to begin spending immediately, upon approval of today's Recommended Actions. Reimbursement will be subject to an executed Standard Agreement with the State of California. The County assumes responsibility for the administration of CERF 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. CERF program guidelines indicate that failure to comply with program requirements may result in the County being required to repay such funds. New Beginnings and the City of Santa Barbara have successfully operated State and/or federally-funded projects in the past with similar regulatory and administrative requirements.

Funds are disbursed under the Subrecipient Agreements on a cost-reimbursement basis. This allows CSD to disburse funds for eligible incurred costs in accordance with the Subrecipient Agreements. The County will only reimburse Subrecipient for costs that are eligible under the Subrecipient Agreements and documented in a manner that is acceptable to the CSD. Staff will assess the performance of the contracts to determine if the services provided are adequate and as outline in the Subrecipient Agreements.

Special Instructions:

Please email an electronic copy of the Minute Order to Kimberlee Albers at kalbers@countyofsb.org

Attachments:

Attachment A: New Beginnings CERF Subrecipient Agreement

Attachment B: City of Santa Barbara CERF Subrecipient Agreement

Attachment C: State of California CERF 3 Award Letter

Authored by:

Kimberlee Albers and Lucille Boss, Housing and Community Development Division