



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
Department No.: 057
For Agenda Of: November 28, 2023
Placement: Administrative
Estimated Time:
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(s) Joe Dzvonik, Deputy Director, Division of Housing and
Community Development 805-568-3523
Contact Info: Laurie Baker, Housing and Programs Manager (805) 568-3521
SUBJECT: Approval of FY 2021 Action Plan Amendment and Execution of Amendments to
CDBG Subrecipient Agreements with Santa Barbara Neighborhood Clinics (D2)
and PATH (D1)

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize a Substantial Amendment to the 2021-22 Annual Action Plan (FY 2021 Action Plan Amendment) for submittal to HUD (Attachment A), increasing Community Development Block Grant (CDBG) funding to the Santa Barbara Neighborhood Clinics Goleta Clinic Septic System Abandonment and Public Sewage Facility Connection Project by \$40,000.
- b) Approve and authorize the Chair of the Board to execute a Third Amendment to the CDBG Subrecipient Agreement between the County and Santa Barbara Neighborhood Clinics (Third Amendment to SBNC Agreement, Attachment B) extending the term of the Agreement until March 31, 2024, and increasing the amount of the Agreement by \$40,000, for a total maximum contract amount of \$427,891.
- c) Approve and authorize the Chair of the Board to execute a Second Amendment to the CDBG Subrecipient Agreement between the County and PATH (Second Amendment to PATH Agreement, Attachment C) extending the term of the Agreement until March 31, 2024, and revising the Agreement's line item budget.
- d) Determine that the recommended actions are exempt from the California Environmental Quality Act (CEQA) guidelines, pursuant to Section 15378(b)(4), finding that the actions are 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:

The County's CDBG Subrecipient Agreement with Santa Barbara Neighborhood Clinics (SBNC) provides funding to replace the Goleta Clinic's failing septic system with a tie-in to the Goleta Sanitary District's sewage system. The Third Amendment to SBNC Agreement would increase the agreement amount by \$40,000, for a new total of \$427,891, to close a funding gap created by construction bids coming in over budget, and would extend the agreement's term by three months to allow sufficient time for the project's completion.

The County's CDBG Subrecipient Agreement with PATH provides funding for renovations to PATH's Santa Barbara shelter. The Second Amendment to PATH Agreement would extend the agreement's term by three months to allow sufficient time for the project's completion.

Background:

Santa Barbara Neighborhood Clinics – Goleta Clinic Septic System Abandonment and Public Sewage Facility Connection

On December 7, 2021, the Board of Supervisors approved execution of a CDBG Subrecipient Agreement with Santa Barbara Neighborhood Clinics in the amount of \$22,763 to carry out planning activities for abandonment of the existing septic facility at the Goleta Clinic located at 5580 Calle Real, Goleta, and tie-in to the Goleta Sanitary District's sewage system. The Board subsequently approved an amendment providing an additional \$365,128 to Santa Barbara Neighborhood Clinics to carry out the sewer tie-in and septic abandonment on December 13, 2022, for a total contract amount of \$387,891.

Planning activities for this project were carried out during 2022 and 2023. Bidding for the construction phase occurred in August-September 2023, and the resulting bids came in significantly over the estimated project budget. Santa Barbara Neighborhood Clinics will provide \$35,000 of its own funds to cover a portion of the increased cost and has secured a contribution of \$75,000 from the building's owner. Santa Barbara Neighborhood Clinics requests that the County provide \$40,000 in additional CDBG funds to cover the remaining funding gap, which would increase the total amount of CDBG funds committed to the project to \$427,891. This action also requires amending the County's FY 2021 Annual Action Plan to reflect the project's revised award amount.

The Third Amendment to SBNC Agreement also extends that Agreement's term by three months, to end on March 31, 2024. This will provide sufficient time for the construction phase of the project to be carried out.

Santa Barbara Neighborhood Clinics provides health services to primarily low-income, uninsured, underinsured, and homeless patients. The Goleta Clinic serves approximately 5,000 to 6,000 patients annually, and provides both primary medical care and behavioral health care. Services include care management, cancer screening, diabetes education, and linkage to community resources for social determinants of health such as lack of housing food, clothing, or transportation. All patients are screened

for eligibility for a sliding fee discount program, and patients enrolled in Medi-Cal, Covered CA, or other specialty programs are assisted by Health Promotion Services Wellness navigators. Santa Barbara Neighborhood Clinics provides services to patients regardless of their ability to pay.

PATH – Phase 3 Shelter Renovations

On December 13, 2022, the Board of Supervisors approved execution of a CDBG Subrecipient Agreement with PATH in the amount of \$290,448 for renovations to its Santa Barbara shelter located at 816 Cacique Street, consisting of remodel of the second-floor women's restroom, painting of the shelter's exterior, and installation of additional security cameras and a monitoring station. This project was delayed during early 2023, as a separate project to remodel the first-floor women's restroom was commencing, and both restrooms could not be closed simultaneously. Bid documents for the Phase 3 Shelter Renovations were published in October 2023, and it is anticipated that a contractor will be selected and work on the project will begin by early December. The term of County's Subrecipient Agreement with PATH currently ends on December 31, 2023. The Second Amendment to PATH Agreement extends the term by three months through March 31, 2024, which will allow sufficient time for the project to be completed. This amendment also revises the project's budget line items to permit expenditure of CDBG funds on soft costs including project management.

PATH's Santa Barbara Shelter provides 100 interim housing beds. In addition to shelter, residents receive case management, wraparound services, and an Individualized Service Plan addressing factors such as health and wellness, financial stability, employment, and overcoming barriers to retaining housing. While the shelter's primary service area is Santa Barbara County's South Coast (including Santa Barbara, Goleta, and the surrounding unincorporated areas), it provides services to any County resident who is currently experiencing homelessness or is at risk of becoming homeless. Through tandem programs such as rapid re-housing and permanent supportive housing, PATH's case managers help place residents in stable permanent housing County-wide.

Performance Measure:

While Santa Barbara Neighborhood Clinics and PATH will manage their respective projects, County Housing and Community Development Division (HCD) staff will monitor construction progress to ensure that each project is in line with its scope of work, schedule, and budget. Funds are disbursed on a cost-reimbursement basis with associated documentation confirming cost eligibility and compliance with funding regulations. Staff conducts annual monitoring of facilities assisted with CDBG funds for the HUD-required five-year minimum use period.

Contract Renewals and Performance Outcomes:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes

These funds are budgeted through the County's annual allocation of CDBG funds.

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			
Federal			\$ 40,000.00
Fees			
Other:			
Total	\$ -	\$ -	\$ 40,000.00

Key Contract Risks:

HUD could require the County to repay CDBG funds expended for ineligible expenses with non-federal funds. The Subrecipient Agreement specifies HUD-eligible expenses, and County staff will review each payment request submitted by Santa Barbara Neighborhood Clinics and PATH to ensure that expenses incurred were for eligible costs. CDBG funds will be provided to Santa Barbara Neighborhood Clinics and PATH on a reimbursement basis. County staff will conduct periodic monitoring to ensure that the projects are being administered in accordance with CDBG regulatory requirements.

Staffing Impacts: HCD staff will administer each of the subrecipient agreements and monitor the use of the respective facilities for approved purposes for a period of five years after completion of each project.

Special Instructions:

1. Please execute two originals of the Third Amendment to SBNC Agreement (Attachment B). Retain one original for COB records, and return one original to James Francis. Call for pick up at 83549.
2. Please execute two originals of the Second Amendment to PATH Agreement (Attachment C). Retain one original for COB records, and return one original to James Francis.
3. Please return one copy of the Minute Order to James Francis at jfrancis@countyofsb.org.

Attachments:

A: Substantial Amendment to the 2021 Annual Action Plan

B: Third Amendment to CDBG Subrecipient Agreement with Santa Barbara Neighborhood Clinics

C: Second Amendment to CDBG Subrecipient Agreement with PATH

D: Public notice of Action Plan amendment

Authored by:

James Francis, Senior Housing Programs Specialist