



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:**  
November 9, 2021  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**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:** Updated Resolution to Receive Additional State of California Emergency  
Solutions Grants CARES Act (ESG-CV) Program Funding

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**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) Adopt and authorize the Chair to execute a Resolution authorizing the acceptance and administration of an amount not to exceed \$12,238,938 in funds under the State Emergency Solutions Grant CARES Act (ESG-CV) program (Attachment A);
- b) Authorize the Community Services Director or designee(s) to execute all certifications, standard forms, and grant agreement in a form substantially similar to the ESG-CV standard agreement (Attachment B), and other related documents required for the acceptance and administration of additional State ESG-CV funds; and
- c) 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.

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**Summary Text:**

Santa Barbara County has been awarded two rounds (\$1,031,300 and \$6,119,469) of Emergency Solutions Grant CARES Act funding totaling \$7,150,769. The Board adopted a required Resolution authorizing the acceptance and administration of \$6,119,469 in ESG-CV2 grant funds. The recommended action is to adopt a new Resolution for the acceptance and administration of funds in an amount not to exceed \$12,238,938 so the County may receive additional funding, should it be awarded. The updated resolution amount includes the \$7.1M already awarded.

On October 20, 2020, the Board of Supervisors authorized the Community Services Director or designee to submit a funding application in an amount not to exceed \$12,238,938, and all certifications, standard forms, and other related documents to the State of California Department of Housing and Community Development for the Emergency Solutions Grant CARES act Round II (ESG-CV2) program. State HCD advised the County to seek authorization to receive an award at least twice the preliminary estimate in case an unknown amount of funds would be added to the State ESG-CV award after the application has been submitted. This Board letter authorizes a resolution that will be in alignments with the state's recommendation. On October 8, 2021, State HCD contacted the County with an opportunity to request additional ESG CV funding that could be expended by September 30, 2022.

The County Community Services Department (CSD) requested additional funding for Emergency Shelter, Rapid Re-Housing, Street Outreach and Administration based on existing projects that could utilize additional funding in the next 10 months. At this time, CSD requests the board adoption of a Resolution (Attachment A) authorizing the acceptance and administration of additional State ESG-CV funds (Recommended Action 'a') and authorize the Community Services Director or designee(s) to execute all certifications, standard forms, grant agreements in a form substantially similar to the ESG-CV standard agreement (Attachment B), and other related documents required for the acceptance and administration of State ESG-CV funds (Recommended Action 'b').

**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. Annually, HUD awards ESG funds on a formula basis to metropolitan cities, urban counties, states, and territories for five program components: street outreach, emergency shelter, rapid re-housing, homelessness prevention, and Homeless Management Information System (HMIS). Under the Coronavirus Aid, Relief, and Economic Stimulus (CARES) Act enacted by Congress on March 27, 2020, the Federal government allocated additional ESG funds with the goal of preventing, preparing for, and responding to coronavirus among individuals and families who are experiencing homelessness or receiving homeless assistance; and, supporting additional homeless assistance and homeless prevention activities to mitigate the impacts created by coronavirus.

*State ESG-CV*

Under the Coronavirus Aid, Relief, and Economic Stimulus (CARES) Act enacted by Congress on March 27, 2020, the State of California was awarded approximately \$253 million in federal funds for the ESG-CV Program. The goal of the program is to prevent, prepare for, and respond to coronavirus among

individuals and families who are experiencing homelessness or receiving homeless assistance; and, to support additional homeless assistance and homeless prevention activities to mitigate the impacts created by coronavirus. The Santa Maria/Santa Barbara Continuum of Care (CoC) Service Area, which is the geographic area located within the boundaries of Santa Barbara County, qualified for allocations totaling \$7,150,769 in ESG-CV funding from the State. Continuum of Care allocations from the State must be administered by an Administrative Entity (AE) a unit of general-purpose local government approved by State HCD to administer State ESG funds for a period of two years. The Board of Supervisors accepted the original AE designation on May 3, 2016, which was subsequently renewed by the State in 2018 and 2020.

All activities under the annual ESG allocations are eligible under the ESG-CV program. The focus of the funding is on preventing, preparing for, and responding to coronavirus among individuals and families who are experiencing homelessness or receiving homeless assistance; and, supporting additional homeless assistance and homeless prevention activities to mitigate the impacts created by coronavirus. Local projects are consistent with the objectives established by the COVID-19 Homeless/Housing Task Force (CV Task Force) and approved by the Santa Maria/Santa Barbara County Continuum of Care on April 2, 2020.

Sub-recipient agreements with service providers were approved by the Board of Supervisors on February 9, 2021, June 22, 2021 and August 17, 2021. A list of all ESG-CV local sub-recipients is included in Table 1 below.

**Table 1: ESG-CV List of Funding Recipients**

<b>Provider</b>	<b>Component Type</b>	<b>Award Amount</b>
Behavioral Wellness	Street Outreach	\$659,570
City Net	Rapid Rehousing	\$950,763
City Net	Street Outreach	\$1,099,242
Domestic Violence Solutions	Rapid Rehousing	\$167,866
Good Samaritan	Emergency Shelter	\$1,805,289
Good Samaritan	Rapid Rehousing	\$635,368
GSS Freedom Warming Center	Emergency Shelter	\$200,000
New Beginnings CC	Rapid Rehousing	\$395,018
PATH	Rapid Rehousing	\$195,017
SYV People Helping People	Rapid Rehousing	\$127,816
Good Samaritan	Temp. Emergency Shelter	\$603,900
Community Services	Administration	\$251,700
Community Services	HMIS	\$59,221
<b>TOTALS</b>		<b>\$7,150,769</b>

**New ESG Money Uses**

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Eligible projects that have been identified that could utilize additional funding and meet the tight spending and documentation deadlines including expenditure by September 30, 2022 include:

- Santa Maria Stabilization Center
- Lompoc Oak Street Shelter
- Hedges House of Hope
- Proposed Dignity Moves Bridge Housing
- Rose Garden Inn
- Encampment Outreach.

State HCD is most interested in funding projects that can expend funds immediately including the October - December 2021 quarter. The Board of Supervisors retains discretion on the final awards and allocations to projects and sub-recipients. ESG-CV funds may also offset shelter operations funding approved in Tranche 2A of the ARPA Health and Human Services Recovery Plan.

**Fiscal and Facilities Impacts:**

Budgeted: The precise award amount from the State has not been determined at this time. Therefore, staff will return with a Budget Revision Request to the Board upon notification of actual award amount from State HCD.

**Fiscal Analysis:**

Community Services has received positive feedback on its request from State HCD for additional funding. The updated Resolution for acceptance and administration of the additional ESG-CV funds will allow us to move forward to a potential award. If awarded additional funding, Community Services anticipates funding to be retained for grant administration. Should additional funding be received, funding allocated via ARPA to homeless strategies will be reevaluated and options for redirecting of funds will be developed for consideration. Staff will return to the Board with the Board Revision Request (BRR) and project plan. Projects selected for funding will be required to submit documentation of eligible expenditures. Additionally, ESG-CV funds may offset shelter operations funding approved in Tranche 2A of the ARPA Health and Human Services Recovery Plan.

**Key Contract Risks:**

The County, as AE, assumes responsibility for the administration of State ESG-CV funds in accordance with all federal and state requirements governing their use. In addition, the County would be held liable if it or any provider to which it sub-grants State ESG-CV funds is found to be non-compliant with applicable requirements. To mitigate risk, the State ESG-CV Program Subrecipient Agreements will be a cost-reimbursement contract. The County will only reimburse State ESG-CV Program Subrecipients for costs that are eligible under the Agreements and documented in a manner that is acceptable to CSD. CSD staff will assess the performance of the State ESG-CV Program Subrecipients. The County will only provide payment after demonstration that reimbursable services were provided.

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**Special Instructions:**

- 1) Please email an electronic copy of the Minute Order to Kimberlee Albers, kalbers@co.santa-barbara.ca.us.
- 2) Please execute two (2) originals of the Resolution (Attachment A) and return one (1) original to Kimberlee Albers.

**Attachments:**

- A. Resolution
- B. State ESG-CV Standard Agreement