



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: Behavioral Wellness
Department No.: 043
For Agenda Of: November 17, 2020
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Alice A. Gleghorn, PhD, Director
Director(s) Department of Behavioral Wellness (805) 681-5220
Contact Info: Pamela Fisher, PsyD, Deputy Director of Clinical Operations,
Department of Behavioral Wellness, (805) 681-5220
Laura Zeitz, RN, Division Chief, Housing, Placements and
Inpatient
Department of Behavioral Wellness, (805) 681-5220

SUBJECT: **Execution of Supportive Services Agreement with Housing Authority of the County of Santa Barbara for the provision of Department of Behavioral Wellness services to Homekey Program tenants Homekey Studios, an affordable rental housing development in Lompoc, California.**

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 the Chair to execute a Supportive Services Agreement (Attachment A) with the Housing Authority of the County of Santa Barbara for the Department of Behavioral Wellness to refer Homekey Program-eligible individuals for tenancy at, and provide supportive services to, Homekey Studios tenants of 117 North B Street, Lompoc, an affordable housing rental development, in connection with the award of \$270,000 in California Housing and Community Development Permanent Local Housing Assistance (PLHA) funds for the period of December 1, 2020 to November 30, 2025;
- B. Delegate to the Director of Behavioral Wellness or designee the authority to make immaterial changes to the Agreement without requiring a formal amendment to the Agreement, subject to the Board's ability to rescind this delegated authority at any time; and

- C. Determine that the above recommended actions are government fiscal activities or funding mechanisms, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4).

Summary Text:

The Housing Authority of the County of Santa Barbara (HACSB) proposes to develop fifteen (15) rental units using an office building that is located at 117 North B Street, in Lompoc (Homekey Studios or “the Project”). HACSB is currently in escrow with the County of Santa Barbara to purchase the building and escrow is anticipated to close on Dec. 22, 2020. Fourteen (14) of the units will be for eligible tenants, and one (1) unit is designated for an on-site property manager. The Project is targeted for persons who are homeless or are at-risk of homelessness with incomes at or below 15% area median income (AMI), which is \$12,500 for one person. The HACSB applied for competitive State of California Department of Housing and Community Development (State HCD) Homekey funds to help finance development of the project. On August 26, 2020, the HACSB was notified that State HCD completed its preliminary review of the HACSB’s Homekey application for the B Street project, that the project passed threshold and funds have been reserved, contingent upon additional information being submitted.

On October 13, 2020, the County of Santa Barbara Board of Supervisors (BOS) approved of and authorized a total commitment of \$270,000 in PLHA funds, to be conditionally allocated to the County over a five (5) year period, beginning December 1, 2020 until 2025, which will serve as supportive service funds required under the Homekey program. This funding will support the cost of one .50 FTE County Behavioral Wellness (BeWell) or BeWell contracted case worker to provide supportive services at the Project location for residents.

Approval of the recommended actions would authorize the Department of BeWell to refer Homekey Program-eligible individuals for tenancy at, and provide supportive services to, Homekey Studios tenants in connection with the award of PLHA funds.

Background:

PLHA

On September 22, 2020 the Board received a staff report in conjunction with a Board Letter from Housing and Community Development Department which provided details on the proposed operation and supportive services that will be available to residents at the Project. BeWell has determined that a 0.5 FTE Case Manager will be needed to provide services to Homekey tenants at the Project. BeWell will provide staff or contract staff for the case management supportive services. The cost of the supportive services is calculated to be \$270,000 total over a five- year period.

The PLHA program was signed into law in 2017 with the purpose of increasing the availability of affordable housing and services in California. An eligible use of this funding is to assist persons experiencing or at risk of homelessness. The County anticipates receiving an estimated \$419,182 in PLHA dedicated to assisting persons who are homeless or at risk of homelessness, which can be used for supportive/case management services to retain housing. The County has submitted all application materials and anticipates receiving a State PLHA standard agreement in the next month or so. The Board’s commitment of \$270,000 in PLHA funding for supportive services at B Street is a required submission in order for the State to issue a Homekey funding commitment for B Street.

In order to receive Homekey funding, the Housing Authority must show that there are on and off -site supportive services for this project for a minimum of five years. BeWell will offer the Supportive Services outlines in the Supportive Services Agreement (see Attachment A). The Housing Authority will reimburse BeWell for the supportive services provided using a PLHA grant. HCD and the Housing Authority will enter into a sub-recipient agreement in order for Housing Authority to receive these funds and reimburse BeWell.

County Housing Authority Homekey Application

On August 26, 2020, the County Housing Authority was notified by State HCD that the County’s B Street Homekey application had passed threshold and funds had been reserved. State HCD and the County Housing Authority are now in the process of executing their Standard Agreement. The B Street Homekey Studios site application requested \$2,608,639.37 in State Homekey funds, with a local County match not to exceed \$1,500,000. The final calculation of the County’s required match amount will be confirmed by State HCD. The County’s matching funds will come from County CARES Act funding, which is an eligible match source. The CARES Act requires that funds “support activities and expenses that promote public health and safety in response to the COVID-19 public health emergency” (State Budget Act of 2020, Section 11.90).

All Homekey project funds must be expended by December 30, 2020. State HCD has advised the Housing Authority that a key milestone in compliance with Homekey regulations is that at least a portion of the 14 program beneficiary housing units be completed and occupied before December 30, 2020.

Performance Measures:

The Project would provide fourteen (14) critical units of permanent supportive housing for persons experiencing homelessness or at risk of homelessness, and vulnerable to COVID-19. State Homekey regulations require that units be restricted to the target population for at least 20 years. The units must be restricted for 55 years as permanent affordable housing. The County is responsible for documenting the number of individuals experiencing homelessness or at imminent risk of homelessness served by the program funds.

BeWell is committing to a minimum of 20 hours a week of on and off- site supportive services, and Housing Authority will be reimbursing BeWell for services provided on a quarterly basis. Housing Authority will be receiving a PLHA grant from HCD in order to pay for the supportive services provided. BeWell will monitor the provisions of services to tenants as outlined in the Supportive Services Agreement with the Housing Authority. Also, on an annual basis, BeWell would submit data for each Homekey assisted unit in accordance with applicable law. This data may be, but is not required to be, gathered from the Santa Barbara County Homeless Management Information System. Increased service capacity, decreased unsheltered homeless persons, and any increase in the number of homeless persons entering permanent housing attributable to the Homekey Studios would be incorporated into the annual report.

The Housing Authority will submit an independent audit for Homekey Studios, prepared by a certified public accountant and in accordance with the requirements of the State’s current audit requirements.

Fiscal and Facilities Impacts:

Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY20-21 Cost:</u>	<u>FY 21-22 Cost:</u>	<u>FY 22-23 Cost</u>	<u>FY23-24 Cost</u>	<u>FY24-25</u> <u>Cost</u>	<u>Overall Contract</u> <u>Total</u>
General Fund						
State	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	
Federal						
Fees						
Other: In-Lieu						
Total	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	\$ 54,000.00	\$ 270,000.00

The Community Services Department will be the lead agency in the County for the Project. Behavioral Wellness will be reimbursed up to \$54,000 annually from December 1, 2020 to November 30, 2025 by journal entry for the Supportive Services provided to clients at the project.

Key Contract Risks:

Because PLHA funds will be provided directly to HACSB from State HCD, BeWell will need be reimbursed by HACSB for the provision of supportive services per the Supportive Services Agreement.

Therefore, there is a risk of non-payment by HACSB for services provided by BeWell. Should non-payment for services by HACSB occur, the County may terminate the Supportive Services Agreement (Attachment A).

Special Instructions:

Please email one (1) complete executed contract and one (1) minute order to cfoschaar@sbcbswell.org and bwelcontractsstaff@co.santa-barbara.ca.us.

Attachments:

Attachment A: HACSB FY 20-25 Supportive Services Agreement

Authored by:

N. Rossi/L. Walter/A. Foschaar