



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:
Department No.: 9/11/18
For Agenda Of:
Placement: Departmental
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department George Chapjian, Community Services Director, *2467
Director(s)
Contact Info: Dinah Lockhart, Deputy Director, *3523

SUBJECT: Homelessness Emergency Aid Program (HEAP)

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. Receive and file a report on the new State of California Homelessness Emergency Aid Program (HEAP) and the Santa Maria/ Santa Barbara County Continuum of Care (CoC) eligibility to receive up to \$9,385,186 in Homelessness Emergency Aid Program (HEAP) funding;
- B. Adopt a Resolution finding that a significant number of persons within the County's jurisdiction are without the ability to obtain shelter and that the situation has resulted in a threat to the health and safety of those persons and declaring the existence of a 'shelter crisis' in accordance with California Government Code Sections 8698-8698.2 (Attachment 1), which is a prerequisite for receiving HEAP program funding pursuant to Senate Bill 850; and
- C. Authorize the Community Services Director, or designee to submit a funding application and all certifications, standard forms, and other related documents to the State of California Business, Consumer Services, and Housing Agency (BCSHA) for 2018 HEAP Program funding;
- D. 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 mechanism 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:

The Board is asked to receive and file a report on the State of California Homelessness Emergency Aid Program (HEAP) that was included in the recently approved FY 18-19 California state budget. State senate bill 850 included \$500 million in Homeless Emergency Aid Program (HEAP) block grants, to be distributed to State recognized Administrative Entities, based on 2017 Point-in-Time count of homeless persons. The County is both the State recognized Administrative Entity on behalf of the Santa Maria/Santa Barbara County CoC (CoC) and the Lead Agency for the CoC, which enables the County to be the eligible applicant on behalf of the CoC to apply to the State for HEAP funds. HEAP will reimburse eligible costs associated with strategies which address immediate homelessness challenges, including, but not limited to, prevention, criminal justice diversion programs to homeless individuals with mental health needs, and emergency aid. An estimated allocation of \$9.385 million in HEAP funding is available for eligible homeless assistance within the jurisdictions served by the local CoC. All funds are to be expended by June 2021. In order to be eligible for program funds, Senate Bill 850 requires the governing body of each city and county within the local CoC to declare a ‘shelter crisis’, in order for that jurisdiction to be eligible to receive funding for homeless services through HEAP. State Government code 8698 defines a ‘declaration of shelter crisis’ as a “duly proclaimed existence of a situation in which a significant number of persons are without the ability to obtain shelter, resulting in a threat to their health and safety.”

Staff is recommending the adoption of a resolution that declares the existence of ‘an emergency shelter crisis’ in Santa Barbara County, and the County’s intent to apply for HEAP funds at the time the State issues the HEAP Notice of Funding Availability (NOFA) on September 5, 2018. The legislation states applications for the first round of funding are due to the state Business, Consumer Services and Housing Agency (BCSHA) on or before December 31, 2018 with a first round of awards made by January 31, 2019.

Background:

The recently approved California state budget provides significant investments to address homelessness, including \$500 million in Homeless Emergency Aid Program (HEAP) Block Grants. Senate Bill 850 established the HEAP program as a flexible block grant to local jurisdictions to address immediate homelessness challenges, including but not limited to, prevention, criminal justice diversion programs to homeless individuals with mental health needs, and emergency aid. The one-time funding projection for Santa Barbara County is \$9.385 million which requires 50 percent of the awarded funds be contractually obligated by January 1, 2020. Additionally, 100 percent of the funds must be expended by June 20, 2021.

The funds will be distributed through local homeless Continuums of Care (CoC), based on the numbers of homeless persons residing in local jurisdictions encompassed by the regional Continuums of Care in California. A Continuum of Care (CoC) is a regional or local planning body that coordinates housing and services funding for homeless families and individuals. Relevant organizations for CoC membership include nonprofit homeless providers, victims services providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, and organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless individuals. The County accepted the role of Lead Agency for the Santa Maria/Santa Barbara County CoC in March 2018, and is also the ‘Administrative Entity’ for the purposes of the HEAP program. Senate Bill 850 Section

50212(a) indicates that each jurisdiction (city, county, or city that is also a county) must declare a shelter crisis if the jurisdiction wishes to use or receive HEAP funding. The County can declare a shelter crisis for the unincorporated county areas, but cannot do so for the incorporated cities. HEAP funds cannot be expended for services in jurisdictions which have not declared a shelter crisis. In order to ensure that the entire County, including the unincorporated areas, and the cities of Santa Maria, Guadalupe, Lompoc, Buellton, Solvang, Goleta, Santa Barbara, and Carpinteria are eligible for HEAP funds, staff with the County's Community Services Department/Housing and Community Development Division (CSD/HCD) are in the process of meeting with local City Managers and city staff.

Program funds are to be expended on one-time uses that address homelessness, including, but not limited to, prevention, criminal justice diversion programs, mental health, 'rapid re-housing assistance' and emergency aid. Five (5%) percent of program funds (\$469,259) may be used for administrative costs. HEAP funding allocations are based on 2017 data collected on the number of sheltered and unsheltered homeless persons residing in the community, information collected as part of the HUD 2017 Point in Time (PIT) Count data.

In order to be eligible for the block grant funds, the CoC must demonstrate that the jurisdiction for which funding is requested has committed to local coordination and declared an emergency shelter crisis under Section 8698 of the California Government Code. Section 8698 defines a declaration of a shelter crisis as "the duly proclaimed existence of a situation in which a significant number of persons are without the ability to obtain shelter, resulting in a threat to their health and safety." The statute does not define what constitutes a "significant number" of person without the ability to obtain shelter. Other communities have declared an emergency shelter crisis on the basis of PIT counts and inventories of available shelter capacity. These cities and counties include Sonoma County, San Luis Obispo County, Los Angeles (City and County), City of Anaheim, and San Diego (City and County) among others. The Santa Barbara County 2017 PIT count reflected that 893 persons in the county were unsheltered on a single evening with a limited number of shelter beds unoccupied.

A State BCSHA issued Notice of Funding Availability (NOFA) with greater detail on eligible program activities is expected September 5, 2018. HEAP legislation states applications for the first round of awards must be due to the BCSHA on or before December 31, 2018 with a first round of awards made by January 31, 2019.

Discussion:

The attached Resolution Declaring the Existence of a Shelter Crisis identifies data sources which document Santa Barbara County's "shelter crisis" as required under SB 850. Data from the 2017 Point In Time count of homeless persons, found 1,860 homeless persons on January 26, 2017, the date of the bi-ennial PIT count. Of that number 893 persons (48%) were unsheltered and living in a space unfit for human habitation, including a vehicle. The 2017 Homeless Inventory County (HIC) of available beds for homeless persons, including emergency shelter, transitional, and permanent supportive housing beds found that there were 531 emergency shelter beds and 370 additional 'seasonal' beds for a total of 901 shelter beds available during the same time period as the PIT. Also included in the resolution are homeless fatality statistics reported by County Public Health in the 2017 Homeless Death review Team report, which reported there were forty four (44) deaths of homeless persons in 2016, which is an increase of 47% compared to thirty (30) deaths reported in 2011. The CoC's Homeless Management Information System

(HMIS) maintains a database of homeless persons assessed using the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT) and identified 62 ‘highly vulnerable’ homeless families, a total of 547 homeless persons, waiting for a permanent supportive housing unit under the Coordinated Entry System (CES). The resolution indicates that the ‘declaration of shelter crisis’ covers the unincorporated County. CSD/HCD staff made a presentation before local City Managers at their meeting on August 8, 2018 hosted by the City of Buellton. CSD/HCD staff have contacted individual City Managers to schedule appointments to explain HEAP requirements for each jurisdiction’s governing body and the importance to declare a ‘shelter crisis’ in order for HEAP funds to be expended for services provided within that jurisdiction. If a city does not adopt a declaration of shelter crisis resolution in a format similar to the sample resolution provided in the August 2018 HEAP program guidance, HEAP funding cannot be spent in that jurisdiction. A city or cities lack of participation in the HEAP program does not appear to reduce the funding to the remaining participating jurisdictions. The Cities of Buellton and Santa Barbara have scheduled the resolution for shelter crisis to be considered at their September 13 and 18 City Council meetings, respectively.

Once the State has issued the HEAP Notice of Funding Availability (NOFA) expected in the 3rd quarter of 2018, CSD/HCD staff will issue a local NOFA to local housing and homeless services providers, and to local jurisdictions which have executed “declaration of shelter crisis” resolutions. Staff further anticipates convening a non-conflicted application review panel of service providers, county staff, and representatives of local jurisdictions to review and rank project proposals. Staff will return to the Board at a future meeting for Board consideration of the proposals submitted for HEAP funding. There is no reference to matching requirements in HEAP program guidelines.

Performance Measure:

Senate Bill 850, the enabling legislation for the HEAP program requires award recipients to report to the BCSHA by January 1, 2020 on contract expenditures, the number of homeless individuals served by program funds, and progress toward state and local homelessness goals. Staff expects that the State HEAP NOFA will provide additional direction on program performance measures.

Contract Renewals and Performance Outcomes:

The HEAP program includes one-time fund for jurisdictions to address immediate homelessness challenges. Performance outcomes will be determined by the particular programs chosen for funding.

Fiscal and Facilities Impacts:

Approval of this Board action authorizes staff to apply for HEAP grant funds. Staff will return to the Board at a later meeting to review recommendations on subrecipient awards, and County staffing impacts.

Fiscal Analysis:

| Funding Sources | Current FY Cost: | Annualized On-going Cost: | Total One-Time Project Cost |
|------------------------|-------------------------|--------------------------------------|--|
| General Fund | | | |
| State | \$ 9,385,186.00 | | |
| Federal | | | |
| Fees | | | |
| Other: | | | |
| Total | \$ 9,385,186.00 | \$ - | \$ - |

Narrative:

Key Contract Risks:

There is no State contract for BOS consideration at this time.

Staffing Impacts:

Special Instructions:

For the Clerk of the Board to provide the fully signed original resolution to the attention of Dinah Lockhart, CSD/HCD, 805-568-3523, dlockhart@sbccsd.org

Attachments:

1. Declaration of Shelter Crisis Resolution

Authored by:

Dinah Lockhart, Deputy Director, Community Services Department/Housing and Community Development Division
Kimberlee Albers, Homeless Assistance Program Manager, Community Services Department/Housing and Community Development Division