



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:** August 18, 2020  
**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)  
Kimberlee Albers, Homeless Programs Manager (805-560-1090)  
**SUBJECT:** Execution of Sub-recipient Agreement Providing California Emergency Solutions and Housing Program (CESH) Funds to Partners In Housing Solutions for Flexible Housing Subsidy Pool Project

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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) Approve and authorize the Chair of the Board of Supervisors to execute a sub-recipient agreement for the distribution of \$229,777 of CA Emergency Solutions and Housing (CESH) program funds to Partners In Housing Solutions, for their Flexible Housing Subsidy Pool Project (Attachment A);
- b) Determine that the recommended action is 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.

**Summary Text:**

Staff is requesting that the Board of Supervisors approve and authorize the Chair to execute a sub-recipient agreement with Partners in Housing Solutions. The funding is provided by the California Emergency Solutions and Housing (CESH) Program. The State awarded the local Santa Maria/Santa Barbara County Continuum of Care (CoC) \$508,606 in 2019 California Emergency Solutions and Housing Program funds.

Of this amount, \$229,777 was made available for flexible Housing Subsidy Pool in the May 2020 NOFA that was issued by County HCD in its role as the administrative entity for the CoC. Partners in Housing Solutions, Inc. applied for and was awarded this funding for their Flexible Housing Subsidy Pool Project, which they will use to re-house individual or families through rental subsidies such as rental assistance. The term of the sub-recipient agreements begins on September 1, 2020; CESH program funds must be expended by June 30, 2022.

**Background:**

The 2018-19 California state budget provided significant funding to address homelessness. Senate Bill 850 established the CESH funding program guidelines. On March 21, 2019, the 2019 CESH NOFA was released for \$29 million. These funds came from revenue from the third and fourth quarters of 2018 deposited in the Building Homes and Job Act Trust Fund. The CESH program is administered by the State Department of Housing and Community Development (State HCD).

State HCD, through the California Emergency Solutions and Housing Program (CESH), has made funding available to provide grants to administrative entities to assist persons who are currently experiencing homelessness or are at risk of homelessness. The County of Santa Barbara, through its Housing and Community Development Division (County HCD), is the local administrative entity for CESH. The subrecipient will administer housing subsidy funds in close coordination with the Coordinated Entry System and collaborate with organizations serving persons experiencing homelessness that need a flexible rental subsidy to end their homelessness.

In coordination with the Santa Maria/Santa Barbara County Continuum of Care (CoC) and local stakeholders, this round of CESH funding is being prioritized for the development of a flexible housing subsidy pool (FHSP). FHSP funds will be used to re-house individual or families through rental subsidies such as rental assistance. FHSP resources will be distributed through referrals made from the Coordinated Entry System. Rather than allow permanent housing opportunities to be lost before an individual or family receives assistance, the Coordinated Entry System may offer the available resource to an individual or family prioritized for a housing intervention that can put the resource to use. FHSP will provide assistance for individuals and families that meet the definition of homelessness.

The mission of Partners in Housing Solutions (PHS) is to assist people who are experiencing homelessness in securing and retaining permanent housing through a network of private landlords. They fulfill their objectives by matching clients and landlords, providing rental assistance and case management to clients through collaborations with CalWORKs and social service agencies, and offering a 24-hour hotline. In addition, their risk reduction fund provides a financial safety net for landlords. Since their establishment in 2015, they have housed 557 individuals, and have now built their landlord network to 110 property owners.

**Discussion:**

Partners in Housing Solutions will provide quarterly reports to the County on services provided and the outcomes, or performance measures, which have been mandated by the State. Table 2 summarizes the number of persons/households served and instances of service. Table 3 summarizes outcomes/performance measures for the project.

**Table 1: Goals – Individuals/Households Served**

<b>Goal</b>	<b>Partners in Housing Solutions</b>
Unduplicated number of homeless persons or persons experiencing homelessness served	76
Number of instances of service (all services must be documented)	76

**Table 2: Performance Measures**

<b>Measure</b>	<b>Partners in Housing Solutions</b>
Number of participants exiting to permanent housing	76
% of adult participants who will obtain earned income at project exit	57%
% of adult participants who will increase cash/non-cash benefits at project exit	20%
% of project participants that will retain permanent housing at 1 year	93%

The sub-recipient agreement identifies the terms and conditions by which the CESH funds must be administered. On page 5, Section VI (“General Conditions”) the agreement indicates the sub-recipient is subject to applicable statutory and regulatory requirements. The agreement also includes seven (7) attachments which detail the Scope of Services (Exhibit A), Budget and Payment Procedures (Exhibit B), Expenditure Summary and Payment Request (ESPR) (Exhibit C), Quarterly Status Report (Exhibit D), s Indemnification and Insurance Requirements (Exhibit E), Certification of Standards for Financial Management Systems (Exhibit F), and State Terms and Conditions (Exhibit G).

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State	\$ 241,265.00		\$ 241,265.00
Federal			
Fees			
Other:			
Total	\$ 241,265.00	\$ -	\$ 241,265.00

The sub-recipient agreement for a 2-year period is for a total of \$229,777 in CESH funding for Flexible Housing Subsidy Pool funds and \$11,488.00 for staff administration costs. These funds are currently available for distribution to providers for the delivery of eligible activities.

**Key Contract Risks:**

The County assumes responsibility for the administration of CESH in accordance with all state requirements governing their use. In addition, it would be held liable if it or any provider to which it sub-grants funds is found to be non-compliant with applicable requirements.

The CESH Program Sub-recipient Agreement is a cost-reimbursement contract. This allows CSD/HCD to disburse state funds to the sub-recipient for eligible incurred costs to the extent prescribed by the Agreement. The County will only reimburse the sub-recipient for costs that are eligible under the Agreements and documented in a manner that is acceptable to the CSD/HCD. CSD/HCD staff will assess the performance of the sub-recipient to determine if the services provided are adequate and as outlined in the Agreement.

**Special Instructions:**

- 1) Please email an electronic copy of the Minute Order to Dinah Lockhart at [dlockhart@co.santa-barbara.ca.us](mailto:dlockhart@co.santa-barbara.ca.us).
- 2) Please execute three (3) original copies of each of the following documents and send to Dinah Lockhart (x3523).
- 3) Sub-recipient Agreement for \$229,777 to Partners in Housing Solutions for the Flexible Housing Subsidy Pool Project.

**Attachments:**

- A) Sub-recipient Agreement for \$229,777 to Partners in Housing Solutions for the Flexible Housing Subsidy Pool Project.

Authors: Kimberlee Albers, Homeless Programs Manager  
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