



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: October 5, 2021
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department George Chapjian, Community Service Director 805-568-2467
Director(s)
Contact Info: Dinah Lockhart, Deputy Director 805-568-3523
Kimberlee Albers, Homeless Assistance Programs Manager, 805-560-1090

SUBJECT: Homeless Housing, Assistance and Prevention (HHAP) Round 3 Acceptance and Administration of funds for the Santa Maria/Santa Barbara County Continuum of Care and the County of Santa Barbara

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) Authorize the Community Services Director, or designee, until otherwise ordered by the Board, to take the following actions required for the acceptance and administration of HHAP Round 3 funds allocated to the Santa Maria/Santa Barbara County Continuum of Care:
 - 1) Submit, by October 15, 2021, a Standard Agreement to Apply included as Attachment A and all certifications, standard forms, and other related documents required for the initial, 20% disbursement of HHAP Round 3 funds; and
 - 2) Submit, by June 30, 2022, a funding application that includes the County's Community Action Plan previously approved on February 23, 2021, and execute all certifications, standard forms and a grant agreement required for the remaining 80% disbursement of HHAP Round 3 funds. Such standard agreement shall be in a form substantially similar to

Attachment C and subject to concurrence by County Counsel, Risk Management and Auditor-Controller; and

- b) Authorize the Community Services Director, or designee, until otherwise ordered by the Board, to take the following actions required for the acceptance and administration of HHAP Round 3 funds allocated to the County of Santa Barbara:
- 1) Submit, by October 15, 2021, a Standard Agreement to Apply included as Attachment B and all certifications, standard forms, and other related documents required for the initial, 20% disbursement of HHAP Round 3 funds; and
 - 2) Submit, by June 30, 2022, a funding application that includes the County's Community Action Plan previously approved on February 23, 2021, and execute all certifications, standard forms and a grant agreement required for the remaining 80% disbursement of HHAP Round 3 funds. Such standard agreement shall be in a form substantially similar to Attachment D and subject to concurrence by County Counsel, Risk Management and Auditor-Controller; and
- c) Determine that the recommended actions are not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5) and 15378(b)(4), finding that the recommended actions consist of administrative or fiscal activities of governments that will not result in direct or indirect physical changes in the environment.

Summary Text:

State Assembly Bill 140 included \$1 million in one-time Homeless Housing, Assistance, and Prevention Program (HHAP) block grants that provides local jurisdictions with funds to support regional coordination and expand or develop local capacity to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing. The County and the Continuum of Care each receive an allocation of funding. The State is using a two-step process for the HHAP Round 3 allocations 1) a standard agreement for an initial disbursement in the amount of 20% of the total allocation; and 2) an application and grant agreement in early 2022 for the remaining 80% of the funds. The local allocations are:

- *Santa Maria/Santa Barbara County Continuum of Care* \$2,698,535 (20% = \$539,707); and
- *County of Santa Barbara* \$2,518,633 (20% = \$503,727).

CSD requests authorization to apply for and execute agreements for both the Santa Maria/Santa Barbara County Continuum of Care and the County of Santa Barbara HHAP Round 3 allocations. The authority requested will enable CSD to apply for and receive both the initial 20% allocation and the remaining 80% allocation for each entity. Together, these actions will allow \$5,217,167 in grant funds from the State of California to be used for eligible activities as defined by HHAP Round 3 authorizing legislation.

On September 15, 2021, the Business, Consumer Services and Housing Agency (BCSHA)/Homeless Coordinating and Financing Council (HCFC) issued a “Standard Agreement to Apply” (Attachments A and B) for applicants to apply for and receive the initial disbursement of Round 3 program funds. The Standard Agreement to Apply functions as the grant agreement for this initial disbursement. The Standard Agreement to Apply from an applicant is due to the council no later than 30 days from the date the council issues the standard agreement.

Applications for the remaining 80% are due no later than June 30, 2022 and must include a local homelessness action plan and specific outcome goals based on the Homeless Management Information System performance metrics. The County’s application will include the County’s Community Action Plan previously approved on February 23, 2021.

Background:

The 2020-21 California State Budget included significant investments in both housing and homelessness. HHAP Round 3 is a \$1 billion one-time investment allocated to the Continuums of Care, large cities, and Counties (Table 1). Allocations were based on the 2019 Point in Time Count of persons experiencing homelessness. HHAP-3 builds upon the investments made in previous rounds of HHAP funding and is a \$1 billion grant to support local jurisdictions to continue developing a unified regional response to homelessness. As with previous HHAP grants, HHAP-3 features broad, flexible eligible use categories to reduce barriers for entry and increase access to permanent housing. To complement this flexibility, HHAP-3 employs a new accountability framework that includes establishing specific and measurable performance goals and bonus funds for grantees that meet their goals. With the addition of HHAP-3, the state will continue to work with local jurisdictions on this effort and build upon the foundation established with past rounds of HHAP funding to build stronger collaboration and partnership in communities across the state. HCFC will release guidance in the coming weeks that will detail information on the different funding disbursements and the accountability requirements for HHAP-3.

Table 1: State HHAP Round 3 Funding Allocations

Eligible Applicant	Funded Amount	Funding Determination
Continuum of Care (CoC)	\$240,000,000	Based on each CoCs proportionate share of the state’s total homeless population based on the homeless point-in time count.
City/or City that is also a County, with a population of 300,000 or more, as of January 1, 2019.	\$336,000,000	Based on the city’s proportionate share of the total homeless population of the region served by the CoC within which the city is located, based on the homeless point-in time count.
County	\$224,000,000	Based on the county’s proportionate share of the total homeless population of region served by the CoC within which the county is located, based on the homeless point-in time count.

The County of Santa Barbara is both the State-recognized Administrative Entity on behalf of the Santa Maria/Santa Barbara County Continuum of Care (CoC) and the Lead Agency for the CoC. The County is the only eligible applicant on behalf of the CoC to apply to the State for HHAP Round 3 funds. A total allocation of \$2,698,535 in HHAP Round 3 funding is available for eligible homeless assistance activities within the jurisdictions served by the local CoC. A total allocation of \$2,518,633 in HHAP Round 3 funding is available for eligible homeless assistance activities within the County. Upon receipt of a “Standard Agreement to Apply,” 20% of the total allocations will be awarded. To receive the remaining balance of its round 3 program allocation, the County and Continuum of Care must submit an application by June 30, 2022, that includes a local homelessness action plan and specific outcome goals. Initial outcome goals must be met no later than June 30, 2024, and outcome goals shall be updated regularly, as funding continues. Grantees must administer programs in compliance with California’s Housing First Policy and may not supplant existing program funding. If the County and Continuum of Care meet the performance goals, there is a possibility of additional funding to be awarded from the State. The State is relying heavily on accountability measures with this round of HHAP.

The Phase II Community Action Plan to Address Homelessness community outreach involved feedback from over 400 community members, key stakeholder groups, and feedback during the Consolidated Plan process. Staff gathered funding amounts for housing and services dedicated to homelessness in Santa Barbara County for a 12-month period and analyzed recent state and federal investments to address homelessness. The housing and shelter needs identified were based on a gaps analysis conducted which included system modeling using data from the Homeless Management Information System (HMIS), the Coordinated Entry System (CES), Point in Time (PIT) Count and other data sources. This process was repeated in late 2020. These critical steps assisted both the CoC and County to identify eligible uses and meet threshold criteria for the CoC and County to apply for the HHAP funds.

Upon receipt of a standard agreement, 20% of the total allocation awarded to the County and Continuum of Care can be used for system improvements. Priority for initial funds shall be for systems improvement, including, but not limited to, all of the following:

1. Capacity building and workforce development for the jurisdiction’s administering staff and providers, including technical assistance to culturally specific providers.
2. Funding existing evidence-based programs serving people experiencing homelessness.
3. Investing in data systems to meet reporting requirements or strengthen the recipient’s Homeless Management Information System.
4. Improving homeless point-in-time counts.
5. Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.

The County and CoC have determined the following distribution of the initial funds (20%) for system improvements. These proposed uses address gaps in the homeless response system and strengthen current investments to address homelessness (Table 2).

Table 2: Proposed Uses for HHAP Round 3 20% Initial Allocation

Eligible Use	CoC	County	Total
Initial funds (20%)	\$539,707	\$503,727	\$1,043,434
Capacity building and workforce development for the jurisdiction’s administering staff and providers, including technical assistance to culturally specific providers.	\$150,000	\$53,727	\$203,727
Funding existing evidence-based programs serving people experiencing homelessness.	\$89,707	\$100,000	\$189,707
Investing in data systems to meet reporting requirements or strengthen the recipient’s Homeless Management Information System.	\$50,000	\$150,000	\$200,000
Improving homeless point-in-time counts.	\$50,000	\$50,000	\$100,000
Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.	\$200,000	\$150,000	\$350,000

Performance Measure:

Statewide, 80% is dedicated to jurisdictional allocations. In addition, up to 18% of the \$1 billion in funding each year is set aside for awarding bonus funds. If, by July 1, 2024, a recipient has met its outcome goals, as approved by the Council in the recipient’s application. that recipient shall be eligible for bonus funding. Applicants shall establish outcome goals that prevent and reduce homelessness over a three-year period, informed by the findings from the local landscape analysis and the jurisdiction’s base system performance measure from 2020 calendar year data in the Homeless Data Integration System. The outcome goals shall set definitive metrics, based on the United States Department of Housing and Urban Development’s system performance measures:

- Reducing the number of persons experiencing homelessness.
- Reducing the number of persons who become homeless for the first time.
- Increasing the number of people exiting homelessness into permanent housing.
- Reducing the length of time persons remain homeless.
- Reducing the number of persons who return to homelessness after exiting homelessness to permanent housing.
- Increasing successful placements from street outreach.
- Homeless Management Information System trackable data goals related to the outcome goals listed above as they apply to underserved populations and over-represented populations disproportionately impacted by homelessness.

Fiscal and Facilities Impacts:

Approval of this Board action authorizes staff to submit a funding application and execute all certifications, standard forms, and grant agreements for HHAP Round 3. When combining the CoC and County allocations, Community Services will administer \$5,217,167 in HHAP funding to address homelessness in Santa Barbara County. HHAP Round 3 is a multi-year grant of one-time funds. To receive

the remaining balance of the round 3 program allocation, staff will submit an application by June 30, 2022, that includes the local homelessness action plan and specific outcome goals and performance.

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			\$ 5,217,167.00
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ 5,217,167.00

Key Contract Risks:

CSD administers federal and state funding programs on behalf of the County and the CoC. As the recipient of state and federal funds, the County is responsible for ensuring that funds are used in accordance with all applicable requirements. HHAP Round 3 program guidelines indicate that failure to comply with program requirements may result in the County being required to repay funds.

Staffing Impacts:

Staff costs or other costs directly related to implementing or carrying out activities funded by the program allocation include Community Services.

Special Instructions: Please email an electronic copy of the Minute Order to Kimberlee Albers at kalbers@co.santa-barbara.ca.us

Attachments:

- A. 2021 State Homeless Housing, Assistance, and Prevention Round 3 Program Standard Agreement – County
- B. 2021 State Homeless Housing, Assistance, and Prevention Round 3 Program Standard Agreement – Continuum of Care
- C. Executed STD 213 Agreement Cover Page and Exhibits A-E County
- D. Executed STD 213 Agreement Cover Page and Exhibits A-E CoC

Authored by:

Lucille Boss, Housing and Community Development Division (805-637-5129)

cc: