



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:** July 12, 2022  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

---

**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:** 2022 California Emergency Solutions Grant Program Funding Application  
Resolution

---

**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk

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 to apply for and accept State ESG funds for 2022 in an amount not to exceed \$636,086 (Attachment A);
- b) Authorize the Community Services Director, or designee(s), to execute all certifications, standard forms, local grant agreement(s) in forms substantially similar to the FY2021 grant agreement(s), and other related documents required for the acceptance and administration of 2022 State ESG funds, subject to concurrence by Auditor-Controller, County Counsel, and Risk Management; and
- c) Determine that the above 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)(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:**

State HCD released its 2022 Balance of State ESG Notice of Funding Availability (NOFA) on June 13, 2022, with an August 17, 2022 deadline for submittal of applications to the State. ESG seeks to address the needs of individuals and families who are homeless or at risk of homelessness. The program essentially funds five areas of need: 1) street outreach (SO), 2) emergency shelter (ES), 3) rapid re-housing (RRH), 4) homelessness prevention (HP), and 5) Homeless Management Information System (HMIS).

The State requires that a signed Board of Supervisors resolution accompany the funding application. Community Services Department (CSD) is requesting authorization to submit the application and accept a funding award in an amount not to exceed \$636,086. While the preliminary funding estimate for the Santa Maria/Santa Barbara Continuum of Care (CoC) provided by State HCD is \$318,043, State HCD advised the County, as the Administrative Entity (AE) for the CoC, to seek authorization to receive an award at least twice the preliminary estimate in the event that an unknown amount of recaptured funds is added to the CoC's 2022 Balance of State ESG award allocation after the application is submitted. State HCD provided similar guidance for the prior 2021 State ESG application; however, no additional funding was awarded beyond the preliminary funding estimate for the 2021 program year.

### **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. HUD awards ESG funds on a formula basis to metropolitan cities, urban counties, states, and territories for five program components: street outreach (SO), emergency shelter (ES), rapid re-housing (RRH), homelessness prevention (HP), and Homeless Management Information System (HMIS). Metropolitan cities and urban counties may carry out eligible activities directly or subgrant all or part of their ESG funds to private nonprofit organizations to carry out such activities. States must subgrant all of their ESG funds, except for the amount allowed for administration, to units of general-purpose local government and/or private nonprofit organizations to carry out eligible activities.

#### *Balance of State ESG*

State HCD distributes State ESG funds on a formula basis through two funding pools: (1) "Continuum of Care Allocation" for service areas that contain a city or county that receives ESG funds directly from HUD and (2) "Balance of State Allocation" for service areas that do not contain such a city or county. The Santa Maria/Santa Barbara Continuum of Care (CoC) Service Area, which is the geographic area located within the boundaries of Santa Barbara County, qualifies for the Balance of State Allocation.

Within the Balance of State Allocation, CoCs may select providers to receive a portion of funds available locally on a noncompetitive basis. While these funds are not competitive at the state level, providers must still compete locally to have their applications submitted for funding. For Rapid Rehousing (RR) State HCD will administer these contracts with providers of RR services.

Remaining funds within the Balance of State Allocation will be divided into three regional allocations. The County of Santa Barbara is included in the Central and Imperial Allocation. CoCs will invite service providers to compete for these funds within their regional allocation under a Notice of Funding Availability (NOFA) issued by State HCD.

#### *2022 Funding*

In August 2021, State HCD provided the County with an estimated 2022 ESG allocation of \$318,043. The State requires that a signed Board of Supervisors resolution accompany the funding application. Community Services Department (CSD) is requesting authorization to submit the application and accept a funding award in an amount not to exceed \$636,086. Subject to the maximum number of applications, CoCs are responsible for recommending homeless service providers for noncompetitive Rapid Rehousing funds for a minimum of 40 percent up to a maximum of 50 percent of ESG funds in their Balance of State formula allocation as listed below.

2022 ESG Estimated Balance of State Allocation						
CoC #	CoC Name	2022 ESG Formula Allocation	40% for Rapid Rehousing	Regional Competition after 40% Rapid Rehousing	50% for Rapid Rehousing	Regional Competition after 50% Rapid Rehousing
603	Santa Maria/Santa Barbara County	\$318,043	\$127,217	\$190,826	\$159,022	\$159,022

**Fiscal and Facilities Impacts:**

Budgeted: N/A

**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	\$ 318,043.00		
Federal			
Fees			
Other:			
Total	\$ 318,043.00	\$ -	\$ -

**Narrative:**

The amount State HCD will allocate in 2022 State ESG funds to the CoC Service Area may be more than the preliminary estimate of \$318,043 because State HCD may include an unknown amount of recaptured funds in the 2022 State ESG competition. The State provided similar guidance for the 2021 State ESG program, but no recaptured funds were ultimately included for the 2021 program year.

**Key Contract Risks:** Local awardees will enter into contracts directly with State HCD. Contract administration and reimbursement will be done at the state level.

**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 email an electronic copy of the Minute Order to Jett Black-Maertz at [jblack@co.santa-barbara.ca.us](mailto:jblack@co.santa-barbara.ca.us).
- 3) Please execute three (3) original copies of each of the following documents and send to Jett Black-Maertz, ext 82484.

**Attachments:**

- A. Resolution approving an application for funding and the execution of a grant agreement and any amendments thereto from the 2022-23 funding year of the State ESG program, Balance of State Allocation.

**Authored by:** Jett Black-Maertz, Housing and Community Development Division

**cc:**