



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  
General Services

**Department No.:** 57  
**For Agenda Of:** 5/11/21  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department George Chapjian, Community Services Director (805) 568-2485  
Director(s) Janette Pell, General Services Director, (805) 568-2625

Contact Info: Dinah Lockhart, Deputy Director (805) 568-3523  
Kimberlee Albers, Grants and Programs Manager (805) 560-1090

**SUBJECT:** **Approval of Reallocation of Homeless Emergency Assistance Program (HEAP) Funds for Relocation of the Pallet Shelter Project to the County-owned Bridgehouse Shelter (Supervisorial District 4) from the Current Isla Vista Parks and Recreation Department Site in Isla Vista and a 3<sup>rd</sup> Amendment to License Agreement with Good Samaritan Shelter, Inc. for Modified, Continued use of the Bridgehouse Emergency Shelter Site.**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- A. Approve the reallocation and re-programing of up to \$350,000 in prior unexpended State HEAP funds from the County's Housing Assistance for Vulnerable Emerging Neighbors – Engagement Service Team (HAVENEST) Program for a new use by the County for costs associated with a Pallet Shelter Project at the County-owned Bridgehouse Shelter located at 2025 Sweeney Road, in unincorporated Lompoc Valley; and

- B. Authorize the Community Services Director, or their designee, to execute a budget modification and other related documents with the State necessary to reflect the reallocation and re-programming described in Recommended Action A;
- C. Approve a 3<sup>rd</sup> Amendment to the License Agreement for modified, continued use of the existing Bridgehouse Shelter site with Good Samaritan Shelter Inc., which allows for expanded use of the license area, placement of pallet homes on the project site, and extends the license Agreement term to June 30, 2026, with an option to extend another five (5) years upon mutual agreement of parties; and
- D. Pursuant to Public Contract Code Section 20128.5, authorize the Director of General Services, or their designee, to award job orders under existing job order contracts to prepare the Bridgehouse Shelter property for installation of the pallet homes, subject to: the authorized contract limits, the availability of HEAP funds as provided in Recommended Action A, and the provision of adequate bonds and other security for completing the project; and
- E. Determine that the recommended actions are exempt from the California Environmental Quality Act (CEQA) pursuant to: CEQA Guidelines Section 15269(c), finding that the actions consist of specific actions necessary to prevent or mitigate an emergency; Government Code Section 8698.4, finding that the County has declared a shelter crisis and the action includes leasing of County-owned land for a homeless shelter and financial assistance therefor; CEQA Guidelines Section 15303, finding that the actions consist of the construction and location of limited numbers of new, small facilities or structures; and CEQA Guidelines Section 15304, finding that the action consists of minor public alterations in the condition of land; and direct staff to file a Notice of Exemption on these bases.

**Summary Text:**

On March 10, 2020 the Board approved and ratified the County Executive Officer's acceptance of \$2.5 million in State HEAP funds for a modified version of the original \$6.3 million County *Multidisciplinary Approach to Housing the Most Vulnerable Homeless Program* (HAVENEST). HAVENEST combined the efforts of the CEO, Public Health, Behavioral Wellness, Public Defender, Probation, Sheriff's Office, and Social Services through an integrated program model for the provision of homeless and housing-related supportive services. Funding under HAVENEST included a "Multi-Disciplinary Team Staffing and Flex Fund, ("MDT Fund"). Other program elements included expansion of the Safe Parking Program, development of permanent supportive housing, and capital funding for a homeless navigation/ respite center. HEAP funds enabled implementation of HAVENEST under the modified program.

HEAP program regulations require that HEAP funding be expended by June 30, 2021. On March 10, 2020, the Board directed staff to allocate approximately \$1 million to the MDT Fund in support of the HAVENEST program. However, due to challenges in recruiting dedicated staff for HAVENEST-related positions, County staff projects that the MDT Fund will have an outstanding balance of unexpended funds in the estimated amount of \$350,000 by the June 30, 2021, HEAP expenditure deadline.

At its November 17, 2020 meeting, the Board approved the establishment of a temporary Pallet Shelter Program in Isla Vista through agreements with Good Samaritan Shelter, Inc. Good Samaritan has provided housing navigation services and operations support for this program utilizing twenty (20), pre-

fabricated pallet shelter units sited within the Isla Vista Recreation and Park District's (IVRPD) existing parking facility adjacent to the Isla Vista Community Center. In connection with this program, the Board approved entering into a license agreement with IVRPD for placement of the pallet units on the IVRPD's parking lot. The County's current agreements with Good Samaritan and IVRPD expire on June 15, 2021 and June 30, 2021, respectively.

Staff is recommending that remaining un-expended HEAP funds be re-programmed and reallocated to a Pallet Shelter Project proposed for the Bridgehouse Shelter site and seeks Board approval of the use of this site for relocation, placement and installation of the pallets structures currently located in Isla Vista. Specifically, staff requests that the Board approve a 3<sup>rd</sup> Amendment to License Agreement between County General Services and Good Samaritan Shelter, which will allow for use of the Bridgehouse Shelter site for this expanded pallet structure facility. The License Agreement will be amended to allow for adding approximately 8,800 square feet of licensee use area, extend the term of the agreement to June 30, 2026, and allow for placement of the pallet homes on the new area. Current beneficiaries of the Isla Vista pallet program will be provided housing options in either local shelters and/or motels as other permanent housing opportunities are identified and obtained. Good Samaritan Shelter will provide program administration and operations for the Pallet Shelter Project as it continues operations of the existing inventory of emergency shelter beds and programming at the site.

### **Background:**

Senate Bill 850 established the HEAP program. HEAP provides flexible block grants to local jurisdictions to address homelessness. HEAP funds are eligible to jurisdictions that have declared a shelter crisis. On September 11, 2018, the County adopted a Resolution declaring the existence of a shelter crisis. Eligible expenditures include, but are not limited to, homelessness prevention, criminal justice diversion programs for homeless individuals with identified mental health needs, and homeless emergency aid. The 2018 state budget provided significant funding to address homelessness, including \$500 million in HEAP in the form of Block Grants. Pursuant to this, the state allocated \$9,385,185 to the Santa Barbara County Continuum of Care (CoC). Of this amount, \$8,915,926 was made available to local non-profits and eligible entities through issuance of an October 2018 Notice of Funding Availability (NOFA). A CoC high priority for HEAP funding is the creation of new housing units and emergency shelter beds. A multi-departmental application coordinated by the CEO was subsequently submitted and approved for an award of state HEAP funding. Staff requests Board authorization for the director of Community Services, or designee, to execute a budget modification and related documents with the state, to reflect the reallocation and reprogramming of HEAP funds. On April 19<sup>th</sup>, 2021, the Continuum of Care Board took action allowing for reallocation of existing available HEAP funds in the estimated amount of \$350,000 from current unexpended HEAP Programming to the Pallet Shelter Project.

### **Isla Vista Pallet Shelter**

In November 2020, the State Coastal Commission granted an emergency waiver for the temporary pallet shelter program at the IVRPD site. Good Samaritan's current license agreement for operations and support of the pallet units requires that Good Samaritan remove and relocate them prior to June 15, 2021. The units were purchased and are owned by Good Samaritan, which utilized pass-through State grant funds awarded by the County.

Throughout the course of operations, the Isla Vista temporary emergency shelter program has provided shelter to forty (40), persons, including provision of case management and housing navigation services. As noted, the current Professional Services Agreement with Good Samaritan Shelter expires on June 15, 2021. The agreement also presupposes a 60- day “ramp down” period for termination of all services and rehousing of existing pallet residents; this timeline commenced on April 16, 2021. Current program clients will be provided replacement shelter options in either local shelters and/or motels, as permanent housing opportunities are identified. Existing pallet units located in Isla Vista will be transported and installed at the Bridgehouse shelter site. Each pallet unit will be inspected, cleaned, repaired and reconditioned as necessary prior to occupancy and use at the Bridgehouse site. A temporary modular restroom and shower facility will also be placed on the site to accommodate use by clients of the pallet structures, pending identification of site resource needs and improvement work needed to accommodate sewage and water facility uses over the longer-term.

### **Discussion**

Staff is recommending the Board approve the use of the County-owned Bridgehouse Shelter, at 2025 Sweeney Road in unincorporated Lompoc Valley, as a site for the installation of the twenty (20) pallet units currently sited in Isla Vista. The Third Amendment to the Licensing Agreement will add approximately 8,800 square feet of usable area, allow for placement and operation of the Shelter Pallet Homes, and extend the term to June 30, 2026 with a provision for a five-year term extension upon mutual agreement of the parties. It is anticipated that the emergency shelter pallet homes will be retained as available inventory of emergency shelter bed resources for homeless persons for at least a 10-year period.

The Bridgehouse Shelter site is 10.9 acres, and zoned AS-11-40. It has been used as a rehabilitation center and homeless shelter since 1980. Presently, there are three (3) structures on the site, including a 2-story dormitory building, and a 2-story multi-purpose building with a commercial kitchen, common dining area, restroom and shower facilities, and space utilized as a sleeping area for homeless persons. In 2019 the Board approved the purchase and installation of a modular building utilizing HEAP funding; this modular structure represents the third structure on the site and serves as additional office space for a “navigation center.” This navigation center is used for the provision of supportive services and case management services for homeless persons. Placement and use of the modular “navigation center” on the project site was subject to a 2<sup>nd</sup> Amendment to License Agreement between the county and Good Samaritan Shelter on July 16, 2019.

Each pallet structure is 64 sq. ft., and includes a bunk bed/desk, and electrical service connections; however, plumbing, water and sewer facility connections are not included. Individual units can accommodate occupancy of up to two (2), persons, and all are ADA-accessible. Placement of the units will be proximate to the existing multi-purpose building in order to accommodate program beneficiaries’ access to services and meals that are currently available. The pallet units will be clustered to connote a separate and distinct program from existing programming in the multi-purpose building. While the aggregated, maximum occupancy load for persons being housed in the inventory of twenty pallet structures is up to 40 persons, five to ten of the pallet structures may be prioritized for single persons in accordance with individual need. Pallet residents may be expected to reside in the shelter between 3-6 months until transitioned to permanent housing opportunities. In addition to shelter, on-site services will include housing navigation and supportive services, public health nurse visits, meals, showers, as well as access to bathroom and shower facilities. The project will be operated around-the-clock on a daily basis.

The Bridgehouse shelter site is also served by the City of Lompoc Transit (COLT) bus service, with a bus stop immediately outside the multi-purpose dormitory. The Lompoc Hospital, a grocery/convenience store and other community amenities' are readily accessible through existing public transportation.

Pursuant to consideration of the expanded use of the Bridgehouse Shelter site, General Services and HCD have been working with Planning and Development in order to determine Government Code 65402 General Plan Consistency for the pallet structure project's relocation to Bridgehouse. At its May 5, 2021 meeting, the Planning Commission took action confirming 65402 General Plan consistency.

### **Project Scope, Schedule and Budget**

County General Services will utilize existing Job Order Contract(s) to for the site improvements, which will involve ground-level grading and electrical connections to each unit. An independent cost estimate obtained by General Services for the scope of work is in the amount of \$350,000. In regard to project schedule, General Services projections indicate that all project work will be completed prior to the June 30, 2021 State HEAP expenditure deadline.

Not included in the General Services' project budget is the cost of disposition and transportation of the existing pallet structures from Isla Vista to Lompoc. Good Samaritan Shelter will underwrite these costs using existing agency resources.

### **Project Relationship to County's Phase II Community Action Plan to Address Homelessness**

The Board adopted the *Phase II Community Action Plan to Address Homelessness* (Plan) in February 2021. The Plan identifies as its first priority strategy, "to increase access to safe, affordable housing." The proposed pallet shelter project at the Bridgehouse shelter aligns with this priority by expanding the existing shelter system and continued identification and implementation of best management practices. Co-location of the pallet units at the Bridgehouse Shelter enables program clients to benefit from existing on-site support and housing navigation services, the goal of which is to provide an opportunity to move to permanent housing. Successful replication of the Isla Vista shelter program at the Bridgehouse will demonstrate how new innovative housing solutions can be integrated into existing housing and supportive service programming and provide greater benefit if left as stand-alone programs.

### **Amendment to License Agreement**

Good Samaritan has been operating the Bridgehouse Shelter since 2012 under a License Agreement that has been revised and amended twice to date. The most recent 2<sup>nd</sup> amendment was approved by the Board in 2019 and provided for the installation of the modular 'housing navigation' unit. This amendment also extended the term of the agreement through June 30, 2025 with an option to extend through 2030 upon mutual agreement. Prior to the start of the COVID-19 pandemic, the Bridgehouse Shelter had a maximum occupancy of 90 emergency shelter beds. During the pandemic, this occupancy has been reduced by half. The maximum additional number of persons accommodated by the pallet structures will be 40 persons, although as discussed above it is expected that anywhere between 5 to 10 of the pallet structures will be reserved to accommodate one occupant in accordance with need.

Staff proposes a 3<sup>rd</sup> Amendment to the existing Licensing Agreement between General Services and Good Samaritan Shelters. This 3<sup>rd</sup> Amendment to the License Agreement will increase the shelter's footprint, provide a site for the pallet structures and temporary modular restroom/shower facility. It will also address maintenance and operation responsibilities related to the Project.

**Performance Measure:**

The use of state HEAP funds for the Bridgehouse pallet shelter project is an eligible use for these funds. It is anticipated that up to 40 homeless households will initially be assisted by this project. The State will recapture unexpended HEAP funds if not expended on eligible costs having been incurred by June 30, 2021.

**Fiscal and Facilities Impacts:**

Not Applicable

**Fiscal Analysis:**

Not Applicable

**Key Contract Risks:**

The County assumes responsibility for the administration of HEAP in accordance with all State requirements governing their use. In addition, the County would be liable as a pass-through entity for repayment to the State if it or any provider to which it sub-grants funds is found not to comply with applicable requirements. All payments to contractors using HEAP funds will be done on a cost-reimbursement basis. This allows CSD/HCD to disburse state HEAP funds for identified, eligible incurred costs. In this regard, the County is responsible to use state funds for costs that are eligible under HEAP and documented in a manner that is acceptable to HCD.

**Staffing Impacts:**

The current requested activity falls within currently budgeted staff duties.

**Special Instructions:**

- 1) Please return two executed 3<sup>rd</sup> Amendment to License Agreement (Attachment A) and a copy of the Minute Order to Carlos Jimenez. Please email or call when ready for pick up ([cjimenez@co.santa-barbara.ca.us](mailto:cjimenez@co.santa-barbara.ca.us) Ext. 83529).
- 2) Please retain one executed 3<sup>rd</sup> Amendment to License Agreement for COB records.

**Attachments:**

- A. Amendment to License Agreement
- B. CEQA Notice of Exemption
- C. May 5, 2021, Planning Commission Staff Report, 65402 Consistency Determination