



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 12/15/2020	(3) CONTACT/PHONE Laurel Weir/805-781-1833	
(4) SUBJECT Request to approve an allocation award in the amount of \$392,218 of 2019 California Emergency Solutions and Homelessness (CESH) Grant funding to the Community Action Partnership of San Luis Obispo and its partner agencies for projects that assist persons experiencing or at-risk of homelessness in the County ; and 2) reallocation of \$150,000 from the in 2018 CESH program funds for updating the Ten Year Plan to End Homelessness, conducting equity analyses of homeless services, and strengthening coordinated entry services. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board 1) award \$392,218 under the 2019 California Emergency Solutions and Housing (CESH) program to the Community Action Partnership of San Luis Obispo and its partner agencies for projects that assist persons experiencing or at-risk of homelessness in the County and 2) reallocate \$150,000 in 2018 CESH program funds for updating the Ten Year Plan to End Homelessness, conducting equity analyses of homeless services, and strengthening coordinated entry services.			
(6) FUNDING SOURCE(S) California Emergency Solutions and Homelessness Grant	(7) CURRENT YEAR FINANCIAL IMPACT \$150,000	(8) ANNUAL FINANCIAL IMPACT \$542,218	(9) BUDGETED? yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>10/2/18, 4/23/19, 6/18/19</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Social Services / Laurel Weir/805-781-1833

DATE: 12/15/2020

SUBJECT: Request to approve an allocation award in the amount of \$392,218 of 2019 California Emergency Solutions and Homelessness (CESH) Grant funding to the Community Action Partnership of San Luis Obispo and its partner agencies for projects that assist persons experiencing or at-risk of homelessness in the County ; and 2) reallocation of \$150,000 from the in 2018 CESH program funds for updating the Ten Year Plan to End Homelessness, conducting equity analyses of homeless services, and strengthening coordinated entry services. All Districts.

RECOMMENDATION

It is recommended that the Board 1) award \$392,218 under the 2019 California Emergency Solutions and Housing (CESH) program to the Community Action Partnership of San Luis Obispo and its partner agencies for projects that assist persons experiencing or at-risk of homelessness in the County and 2) reallocate \$150,000 in 2018 CESH program funds for updating the Ten Year Plan to End Homelessness, conducting equity analyses of homeless services, and strengthening coordinated entry services.

DISCUSSION

The County has been awarded \$412,874 in 2019 California Emergency Solutions and Housing (CESH) program and \$727,047 in 2018 CESH funds from the State of California to address homelessness. CESH was authorized by California Senate Bill 850 (SB850) and signed into law by Governor Jerry Brown in June 2018. Although split into two awards by the State, CESH was authorized as a one-time program and funds will not be renewed in future years.

CESH is administered by the California Department of Housing and Community Development (HCD) and funded by revenues deposited in the Building Homes and Jobs Act Trust Fund (Trust Fund), created by Senate Bill 2. On August 15, 2018, HCD release a Notice of Funding Availability for 2018 CESH program funds. These funds were derived from a portion of the first and second quarters of Fiscal Year 2018-29 revenue deposited in the Trust Fund, and approximately \$25 million in unallocated California Emergency Solutions Grant (ESG) funds.

Eligible Uses

CESH may be not be used for capital projects but may otherwise fund a broad variety of activities to support efforts to address homelessness. Eligible activities include:

- Rental assistance, housing relocation, and stabilization services to ensure housing affordability to individuals experiencing homelessness or who are at risk of homelessness.
- Operating subsidies in the form of 15-year capitalized operating reserves for new and existing affordable permanent housing units for homeless individuals and/or families.
- Flexible housing subsidy funds for local programs that establish or support the provision of rental subsidies in permanent housing to assist homeless individuals and families.
- Operating support for emergency housing interventions including, but not limited to, the following:
 - Navigation centers that provide temporary room and board and case managers who work to connect homeless individuals and families to income, public benefits, health services, permanent housing, or other shelter.
 - Street outreach services to connect unsheltered homeless individuals and families to temporary or permanent housing.
 - Shelter diversion, including, but not limited to, homelessness prevention activities to connect individuals and families to alternate housing arrangements, services, and financial assistance.
- Systems support for activities necessary to maintain a comprehensive homeless services and housing delivery system, including Coordinated Entry System (CES) data, and Homeless Management Information System (HMIS) reporting, and homelessness planning activities.
- Development or update of a CES, if the CoC does not have a system in place that meets the applicable HUD requirements.
- Development of a plan addressing actions to be taken within the CoC service area if no such plan exists. If an applicant requests funding to develop a plan, the applicant shall submit the plan to HCD prior to the expiration of the contract executed with HCD.

2018 CESH Funds

Staff submitted an application to HCD for the 2018 CESH funds on October 15, 2018. The County received an award letter from HCD on January 11, 2019, for a total of \$727,047 in 2018 CESH funding. Five percent of that total allocation, or \$36,352 has been set aside for administration of the CESH Program. CESH funds must be expended within five years of the award. A total of \$540,695 was awarded through a local Request for Proposals process to a collaborative partnership of the Community Action Partnership of San Luis Obispo (CAPSLO), the El Camino Homeless Organization (ECHO) and the 5Cities Homeless Coalition to expand and strengthen their Coordinated Entry program. Funds under this contract will provide services from April 2020 through March 31, 2022.

HMIS

In addition to the amount awarded above, a total of \$150,000 was set aside from the 2018 CESH funding for possible migration of the County's Homeless Management Information System to another platform. In 2019, staff began research on alternatives and building a scope of work, working towards a planned Request for Proposals in the Spring of 2020. However, due to the onset of COVID, the U.S. Department of Housing and Urban Development announced that it will no longer provide technical support for HMIS migrations from one vendor to another during the current year and possibly in 2021. HCD requires that CESH funds be obligated by January 11, 2021. The County's Homeless Services Oversight Council met on September 16, 2020 and recommended that up to \$40,000 of the funds be reallocated to update the County's Ten-Year Plan to End Homelessness.

Racial Equity Analysis

On October 2, 2020, HCD released a Notice of Funding Availability (NOFA) for Round 2 of the Emergency Solutions Grant Program – Coronavirus (ESG-CV). Under this NOFA, the County will be eligible to receive approximately \$5.22 million. The Round 2 NOFA added a new requirement that recipient communities advance racial equity. This requirement includes analyzing and reporting on racial equity as well as addressing disparities in access to services, service provisions and outcomes. Quarterly reports will be required by HCD.

The Racial Equity requirement is similar to recommendations from the U.S. Department of Housing and Urban Development (HUD) for Continuum of Care grantees to examine racial equity in CoC-funded programs. In last year's Continuum of Care funding competition, HUD also awarded additional points to communities that had conducted a racial equity analysis and it is anticipated that this will be repeated in the next CoC funding competition.

To ensure compliance with grant requirements, staff recommend that up to \$49,000 in 2018 CESH funds be re-allocated from HMIS upgrades to engage a contractor to conduct a racial equity analysis, provide an action plan for addressing any disparities, and assist with monitoring progress as needed for grant reports.

In addition, staff recommend that the remainder of the \$150,000 that is not allocated for the Ten-Year Plan update or the racial equity efforts be reallocated from HMIS upgrades to the 2018 subrecipient agencies for use for their Coordinated Entry project.

2019 CESH Funds

A second round of CESH funding was announced on October 7, 2019. The County was awarded \$412,874, of which \$20,643 is set aside for grant administration and \$392,231 is available for awards to subrecipients. On August 14, 2020, the HSOC voted to prioritize 2019 CESH funds for Coordinated Entry and for capitalized operating subsidies.

In September 2020, the County released a Request for Proposals for the 2019 CESH funds. One application was received from the Community Action Partnership of San Luis Obispo (CAPSLO), on behalf of a collaboration between CAPSLO, the El Camino Homeless Organization (ECHO) and the 5Cities Homeless Coalition. The application requested the full amount available (\$392,218) and proposed to use the funds to extend their Coordinated Entry services funded by the first round of HEAP for an additional year (April 2022-March 2023).

Staff reviewed the application and determined it met the qualifying threshold standards. An ad hoc Grant Review Committee ('Committee') met on November 9, 2020 to discuss and recommend allocation of 2019 CESH funding. The Committee recommended the collaborative CAPSLO application for funding. The HSOC met on November 18, 2020, reviewed the recommendation of the ad hoc committee and voted to recommend the CAPSLO project to the Board of Supervisors.

OTHER AGENCY INVOLVEMENT/IMPACT

The Homeless Services Oversight Council was consulted, as was the Department of Building and Planning. The 2018 CESH subrecipient agencies were also consulted.

FINANCIAL CONSIDERATIONS

Should the Board approve the HSOC's recommendation for the 2019 CESH funds, it will result in \$392,231 being used to assist homeless persons in San Luis Obispo County. In addition, if the Board approves reallocation of the 2018 funds, it will help ensure the County remains eligible for \$5.22 million in ESG-CV funding.

RESULTS

The funding will result in:

- (1) At least 385 persons will be assisted with Coordinated Entry services.
- (2) The County's Ten-Year Plan to End Homelessness will be updated.

ATTACHMENTS

N/A