



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Housing



Date: June 9, 2016
Board Meeting Date: July 12, 2016
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Ken Cole, Director, Department of Housing

Subject: State of California Emergency Solutions Grant (ESG) Funds

RECOMMENDATION:

Adopt a resolution authorizing:

- A) The San Mateo County Department of Housing (DOH) to receive grant funds, in an amount not to exceed \$386,286, from the State, representing and certifying that all such funds will be used in a manner consistent and in compliance with all applicable state, federal and other statutes, rules and regulations, guidelines and laws ("rules and laws"), including without limitation all rules and laws regarding the ESG program, as well as any and all contracts that the County, on behalf of DOH, may have with the State; and
- B) DOH to use ESG funds for eligible activities as approved by the State and in accordance with all program requirements and other rules and laws, as well as in a manner consistent and in compliance with the standard agreement and other contracts between San Mateo County DOH and the State; and
- C) The DOH Director, or the Director's designee to execute the standard agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the program or the ESG grant award, including agreements with awardees selected through the Notice of Funding Availability (NOFA) for State ESG funds.

BACKGROUND:

The State of California Department of Housing and Community Development (State) administers the Emergency Solutions Grants (ESG) program with funding received from the U.S. Department of Housing and Urban Development (HUD). The federal ESG program provides funding to (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless

individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents; and (5) prevent families/individuals from becoming homeless.

In January 2016, the State of California released the Continuum of Care Allocation SOLICITATION OF INTEREST for Administrative Entities to identify local government entities that can act as Administrative Entities (AE) of State ESG funds through two allocations:

- Continuum of Care Allocation for Service Areas that contain a city or county that receives ESG directly from HUD; and
- Balance of State Allocation for Service Areas that **do not** contain a city or county that receives ESG directly from HUD.

In response to the SOLICITATION OF INTEREST, DOH submitted an Administrative Entity Response Form and was selected to serve as the Administrative Entity for State ESG funding allocated to San Mateo County.

On June 2, 2016, DOH issued a NOFA inviting applications from qualified service providers to provide eligible activities to address homelessness under the State Emergency Solutions Grant (ESG) program. A total of \$386,286 is available and includes two years of State ESG funding from 2015 and 2016. Funds awarded through this NOFA must be expended by June 30, 2018. Under State Regulation 8403(i) as an AE, San Mateo County is required to award no less than 40% of available State ESG funding to Rapid Rehousing. The remaining funds will be available to fund the following eligible activities: (1) program administration, (2) operation of emergency shelters for homeless individuals and families and/or (3) improvement of the number and quality of emergency shelters for homeless individuals and families.

State ESG funding will be allocated as set out in the table below:

Funding Category	Amount Available	
Shelter Services	\$221,342	DOH NOFA (Proposals due June 24, 2016)
Rapid Re-housing	\$154,514	Rapid Re-Housing Funding will be allocated through the HSA Rapid Re-Housing Request for Proposals (RFP) issued May 9, 2016 (Proposals due June 13, 2016)
Program Administration (2.7%)	\$10,430	
TOTAL State ESG Funding Available	\$386,286	

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DISCUSSION:

DOH currently administers ESG funding directly allocated to the County by HUD. The allocation of ESG funding has been done in collaboration with the Human Services Agency (HSA) of San Mateo to fund agencies and providers through a NOFA for the County's ESG Entitlement from HUD. HSA is the lead agency for the local Continuum of Care (CoC) and brings that group together to prioritize funding needs. DOH issues the NOFA, gathers responses and works with CoC through HSA to determine funding levels and recipients for funding. The methodology for the County's ESG Entitlement will be expanded to include State ESG funding as specified in the State of California's ESG Program Continuum of Care Allocation Solicitation of Interest for Administrative Entity.

DOH coordinated closely with HSA to prepare a response to the State to obtain authorization to serve as the AE for San Mateo County CoC. DOH and HSA prepared a NOFA to solicit proposals from local providers to deliver programs and services to meet the funding priorities of the State and of the local CoC. Furthermore, HSA released a Request for Proposals (RFP) on May 9, 2016 seeking provider(s) of Rapid Re-Housing (RRH) Programs for Homeless Individuals and Families. By statute, 40% of State ESG funds or \$154,415 is set aside for rapid re-housing. These funds will be allocated through the Rapid Re-Housing RFP issued by HSA.

This memo, and the accompanying resolution, have been reviewed and approved as to form by County Counsel.

Approval of these actions contributes to the Shared Vision 2025 of a Livable Community in that they provide funding for activities that work to prevent homelessness and provide assistance to those at risk of homelessness.

PERFORMANCE MEASURE(S):

Measure	FY 2016-17 Actual	FY 2017-18 Projected
# of homeless sheltered	N/A	1003
# of households re-housed	N/A	TBD

FISCAL IMPACT:

There is no net county cost. State ESG funds are a pass-through of federal funding that will be administered by DOH.