



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

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**DATE:** November 15, 2022

**05**

**TO:** Board of Supervisors

### **SUBJECT**

**APPROVAL OF ACTIONS RELATED TO THE SPENDING PLAN FOR THE AMERICAN RESCUE PLAN ACT PROGRAM FUNDS DIRECT STIMULUS PAYMENTS FOR POPULATIONS DISPROPORTIONATELY IMPACTED BY COVID-19 (DISTRICTS: ALL)**

### **OVERVIEW**

On June 8, 2021 (3), the San Diego County Board of Supervisors (Board) took critical action in advancing support to San Diego County residents by approving a framework for the use of American Rescue Plan Act (ARPA) funding. As part of this framework, under the Direct Stimulus Payments component, the Board approved Direct Cash Assistance for Populations Disproportionately Impacted by COVID-19. Approval of the ARPA framework was the first step toward getting needed support and resources on the ground across the region. On August 30, 2022 (20), the Board received an update on the existing framework and projected spending levels and approved an updated allocation of ARPA funding for this component. As part of this approved reallocation \$10 million was directed for Direct Cash Assistance for Populations Disproportionately Impacted by COVID-19. On October 25, 2022 (6) the Board approved a motion for County staff to return to the Board in 30 days with options to restructure the program, with a focus on one-time payments to families, senior citizens, or individuals vulnerable or at risk of becoming homeless, prioritizing the 39 Health Equity Impact zip codes.

Additional action is needed to begin to operationalize this effort to support San Diego County's most vulnerable communities who have been disproportionately impacted by the COVID-19 pandemic. Today's action requests the Board approve recommendations related to the spending plan for the Direct Stimulus Payments component of the approved ARPA framework. The recommendations include options to operationalize the program in accordance with the direction given by the Board on October 25, 2022 (6). Specifically, to execute a subrecipient agreement between the County of San Diego and Jewish Family Service of San Diego to administer a One-Time Direct Stimulus Payment Program.

This program will have a focus on payments to families, senior citizens, or individuals vulnerable or at risk of becoming homeless, prioritizing the 39 Health Equity Impact zip codes, and include an evaluation component to determine impact and outcome.

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Additionally, today's action requests authorization to transfer appropriations to the Health and Human Services Agency and utilize a lost revenue strategy under the final ARPA guidance, and requests authority for the Agency Director, Health and Human Services Agency, to apply for additional funding opportunities, if available, that address poverty and homelessness throughout the region.

This item supports the County of San Diego's vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind and disproportionately impacted by COVID-19, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished by providing access to cash assistance to address the lack of means to satisfy basic needs.

**RECOMMENDATION(S)  
CHIEF ADMINISTRATIVE OFFICER**

1. Authorize the Chief Administrative Officer, or designee, to execute a subrecipient agreement in the amount of \$10 million, subject to successful negotiations, between the County of San Diego and Jewish Family Service of San Diego to administer a One-Time Direct Stimulus Payment Program for an initial term of one year with one option year and up to six additional months if needed, and to amend the subrecipient agreement as necessary.
2. Direct the Chief Administrative Officer to utilize a lost revenue strategy under the final ARPA guidance and transfer appropriations of \$10 million from Finance Other, General Miscellaneous Expense, Other Charges, to the Health and Human Services Agency, Other Charges, based on American Rescue Plan Act (ARPA) Revenue. The \$10M under the lost revenue strategy will replace previously allocated General Purpose Revenue in the General Relief program which will be reallocated to fund the One-Time Direct Stimulus Payment Program.
3. Authorize the Agency Director, Health and Human Services Agency, to apply for future funding opportunities related to addressing poverty and homelessness throughout the region in the current and future fiscal years.

**EQUITY IMPACT STATEMENT**

In order to support the communities most impacted by COVID-19, an equity lens was used to prioritize the distribution of COVID-19 response and recovery funds. Zip codes with low employment and low household income coincide with the highest percentage of COVID-19 cases in the region. Those living within these 39 Health Equity Impact zip codes have been identified as the communities that have the highest need for support. The Direct Stimulus Payments are intended to balance equity for disproportionately impacted communities by reducing disparities and ensuring access through a fully optimized social service delivery system and upstream strategy of issuing these payments. The Direct Stimulus Payments will also create economic opportunity by dismantling barriers to expand opportunities to traditionally underserved low-income communities. The goal of the Direct Stimulus Payments is to accomplish this by providing families, senior citizens, or individuals vulnerable or at risk of

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becoming homeless with additional resources to help meet their basic needs as One-Time Direct Stimulus Payments can be utilized for critical components including housing, transportation, childcare, and food.

**SUSTAINABILITY IMPACT STATEMENT**

The proposed actions align with the County of San Diego’s Sustainability Goals of providing just and equitable access, specifically focusing on investing in chronically underserved communities. By directing ARPA funding toward addressing the most basic needs caused by poverty, such as food and housing, the Direct Stimulus Payments will help serve families, senior citizens, or individuals vulnerable or at risk of becoming homeless. By building in an evaluation component to better understand the root causes that result in such basic needs, these same dollars can contribute to building a foundation for long-term efforts that support self-sufficiency and outcomes, interrupting the cycle of poverty.

**FISCAL IMPACT**

Funds for this request are included in the Fiscal Year (FY) 2022-24 County of San Diego Operational Plan. If approved, this request will result in estimated total costs and revenue of \$10 million starting in FY 2022-23. The funding sources for this request are American Rescue Plan Act (ARPA) funding allocated directly to the County of San Diego and existing General Purpose Revenue budgeted in the Health and Human Services Agency. The use of ARPA is based on the utilization of the lost revenue strategy as described in the U.S. Treasury Department’s final ARPA guidance. As noted in Recommendation 2, \$10 million of appropriations will be transferred from Finance Other to the Health and Human Services Agency, based on ARPA Revenue. The \$10 million under the lost revenue strategy will replace previously allocated General Purpose Revenue in the General Relief program which will be reallocated to fund the One-Time Direct Stimulus Payment Program. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

Over the past several years, the San Diego County Board of Supervisors (Board) has demonstrated its commitment to protecting the health of the public and providing resources to individuals, families, and local businesses during the COVID-19 pandemic. On June 8, 2021 (3), the Board took critical action in advancing support to San Diego County residents by approving a framework for the use of approximately \$650 million in American Rescue Plan Act (ARPA) funding. The approved ARPA framework included an appropriation of funding for Direct Stimulus Payments for those disproportionately impacted by the COVID-19 pandemic. On August 30, 2022 (20), the Board received an update on the existing framework and projected spending levels and approved an updated allocation of ARPA funding. As part of this approved

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reallocation, \$10 million was directed for Direct Cash Assistance for Populations Disproportionately Impacted by COVID-19. On October 25, 2022 (6) the Board took further action to approve a motion for County staff to return to the Board in 30 days with options to restructure the program, with a focus on one-time payments to families, senior citizens, or individuals vulnerable or at risk of becoming homeless, prioritizing 39 Health Equity Impact zip codes. If approved, the requested actions will provide the authorization needed to move forward with implementing services related to the Direct Stimulus Payments Component of the approved ARPA framework.

The recommended spending plan for the approved ARPA framework provides \$10 million for direct cash assistance for populations disproportionately impacted by COVID-19. Today's action requests approval of the ARPA Direct Stimulus Payments for Populations Disproportionately Impacted by COVID-19 plan, by authorizing the Chief Administrative Officer, or designee, to execute a subrecipient agreement, subject to successful negotiations, between the County and Jewish Family Service of San Diego to administer a One-Time Direct Stimulus Payment Program for an initial term of one year with one option year and up to six additional months if needed, and to amend the subrecipient agreement as necessary.

Program selection will be randomized for an estimated 2,250 (\$9 million for direct payments) families, senior citizens, or individuals vulnerable or at risk of becoming homeless, under 200 percent of the Federal Poverty Level prioritizing the 39 Health Equity Impact zip codes, that will be selected to receive a \$4,000 One-Time Direct Stimulus Payment to help assist with basic needs including rent, food, child care, and transportation to and from work or school. Approximately 10% (\$1 million) will be required for administration of the Program. Various avenues of outreach will be carried out to these communities to ensure participant awareness and recruitment to this program. It is anticipated that the recommended actions will contribute to the prevention of poverty and homelessness. Families, senior citizens, and individuals will be selected to participate in the program through an equitable, diverse, and inclusive application and randomized selection process.

An impact evaluation of the program will be conducted by the County's Office of Evaluation, Performance, and Analytics, by comparing outcomes of the group that receives the ARPA Direct Stimulus Payments vs. a similar group that does not. Jewish Family Service of San Diego will work closely with the County's Office of Evaluation, Performance and Analytics to develop participant surveys, program evaluation criteria, and determine a randomized control group that will be used to evaluate the program.

In addition to authorizing this plan, today's actions request authorization to transfer appropriations to the Health and Human Services Agency and to utilize a lost revenue strategy available under the final ARPA guidance. According to the U.S. Treasury Department, lost revenue funds can be used to fund any service traditionally provided by a government. ARPA funds spent under government services are subject to streamlined reporting and compliance requirements and recipients are encouraged to report ARPA funding under the lost revenue category as appropriate. Today's actions will transfer appropriations of \$10 million to the Health

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and Human Services Agency based on ARPA revenue under the lost revenue strategy to fund costs in the General Relief program, replacing previously allocated General Purpose Revenue. The General Purpose Revenue will be reallocated to fund the One-Time Direct Stimulus Payment Program. Today's actions also request authority for the Agency Director, Health and Human Services Agency, to apply for additional funding opportunities, if available, that address poverty and homelessness throughout the region.

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Equity (Health and Economic Opportunity) and Sustainability (Economy and Resiliency) initiatives in the County of San Diego's 2022-2027 Strategic Plan by improving the quality of life for residents disproportionately impacted by COVID-19.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

**ATTACHMENT(S)**

N/A