



Legislation Details (With Text)

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Title: SET MATTER 11:00 AM - MSA

County Executive Officer and Director of Health and Human Services request direction and possible action regarding the Tobacco Master Settlement Agreement (MSA) and General Fund (hereinafter, "Enhanced MSA") grant award process for Fiscal Year 2022-2023, as follows:
1. Confirm that the total amount of funding available will be \$2.1M available for competitive awards for Fiscal Year 2022-2023, and for two subsequent fiscal years through Fiscal Year 2024-2025 for a total of \$6.3M available;
2. Adopt the Enhanced MSA grant application process; and
3. Initiate the grant application process.

Sponsors:

Indexes:

Code sections:

Attachments: 1. MSA Grant Application, 2. MSA Grant Application Schedule, 3. Correction Memorandum (added after meeting)

Date	Ver.	Action By	Action	Result
3/8/2022	1	Board of Supervisors		

TO: Board of Supervisors
FROM: Jennifer Yasumoto, Health & Human Services Agency
REPORT BY: Gaby Angeles, Staff Services Analyst II
SUBJECT: Enhanced Master Settlement Agreement Grant Process for Fiscal Year 2022-2023

RECOMMENDATION

SET MATTER 11:00 AM - MSA

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available;

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EXECUTIVE SUMMARY

The need for safety-net services in Napa County continues as we slowly emerge from COVID-19 and its impacts to those most vulnerable in our community. The County's prior commitment to this need was seen through the past two fiscal years of enhanced MSA funding amounting to an additional \$1.0M allocation of funding bringing the total fiscal year funding for grant awards to \$2.1M. To that end, the County prioritized for funding the areas of food insecurity, housing instability, behavioral healthcare, and physical healthcare for those who are vulnerable (older adults, those with underlying health conditions, or those who otherwise lack access to critical care).

Recently, the County committed to dedicating \$3.0M of General Fund operational revenues to the MSA grant process to continue enhanced funding to this annual competitive process. Considering this significant commitment, staff are recommending the following process for the Enhanced MSA grant awards for Fiscal Year 2022- 2023:

1. Approve the use of \$2.1M (\$1.1M in MSA funds and \$1.0M in one-time General Fund operational revenue) for competitive multi-year awards in FY 2022-2023.
2. Establish that up to 70% of the funds may be applied to multi-year grant awards with at least 30% single-year grant awards to ensure funding availability for future awards during this period of enhanced funds.
3. Within the available funding and the distribution of multi-year and single-year awards, confirm that there will be no maximum or cap set on proposals, awards, or organizations.
4. Confirm the continuation of the four priority areas for funding - food insecurity, housing instability, behavioral healthcare, and physical healthcare.
5. Approve the application process in Attachment A and the schedule in Attachment B.
6. Confirm the appointment of two members of the Board of Supervisors to serve on the review panel with the County Executive Officer and the Director of Health and Human Services Agency.

PROCEDURAL REQUIREMENTS:

1. Staff presentation
2. Public comment
3. Motion, second, discussion and vote on the item

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Funding is from the National Tobacco Master Settlement Agreement and general government services operational revenues. The revenue and expenses are budgeted within the General Fund.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Approval of the requested action is discretionary because there is no mandate to distribute either of these funds through a grant award process and/or to community providers. Such granting occurs at the discretion of the County in accordance with the Board’s direction to staff.
Is the general fund affected?	Yes
Future fiscal impact:	Grants will be awarded for Fiscal Year 2022-2023 only with commitments for up to two subsequent fiscal years through agreements with automatic renewals, where applicable.
Consequences if not approved:	MSA funds will not be distributed to nonprofit community-based organizations for the provision of safety-net services.
County Strategic Plan pillar addressed:	Healthy, Safe, and Welcoming Place to Live, Work, and Visit

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

For over two decades, the Board of Supervisors has made the MSA funds the County receives available for grant awards to support community health. Commencing with Fiscal Year 2006-2007, the Board assigned responsibility for administration of the MSA grant process to Health and Human Services Agency (HHSA), although the MSA funds reside in the Napa County general government services operating budget. Each year, HHSA returns to the Board to make recommendations and receive direction from the Board both about the process and how these funds can be targeted to meet the community’s needs.

The last two years highlighted the need for the County to continue focusing the MSA grant awards on a broad array of safety-net services. The County’s commitment was evidenced through enhanced MSA funding made available in both Fiscal Year 2020-2021 and currently in 2021-2022, which brought the funding from \$1.1M to \$2.1M in both years. Recently, the Board of Supervisors indicated interest to supplementing the MSA process an additional three years with non-MSA funds, thereby allowing for the continuation of an enhanced grant award process.

To provide for sustained funding in a stable and thoughtful way, staff recommends the County apply available one-time General Funds thereby enhancing the existing MSA grant award process by an additional \$1.0M each

year over three fiscal years. This will allow for the seamless continuation of enhanced grant funds for another three years, resulting in a total of five consecutive years of enhanced funding - from \$1.1M to \$2.1M - from Fiscal Year 2020-2021 through Fiscal Year 2024-2025; after which time this grant award process is expected to return to \$1.1M each fiscal year. This funding will be available within the General Fund because support of Health and Human Services Agency operations will occur with a complimentary use of one-time “standard allowance” funds under the American Rescue Plan Act.

Staff recommend continuing to prioritize funding projects in the broad area of needs, including food insecurity, housing instability, behavioral health, and physical healthcare (for older adults, those with underlying health conditions, or those who otherwise lack access to critical care) with a consideration of the most impactful projects, the financial sustainability through current leveraging and braiding of funding, and/or future sustainability based upon an objective assessment of the broader financial landscape and array of funding opportunities.

To allow for maximum flexibility and impact in grant proposals, staff recommend that up to 70% of grant awards may be multi-year terms with at least 30% reserved for single year awards. Staff also recommends that no maximum amount or cap be applied to proposals, awards, or organizations. These two features will support more stability in the provision of services, encourage new and innovative services, and promote consideration of longer-term sustainability. At the same time, by establishing a minimum percentage of single-year awards, the County maintains the flexibility to fund new and different projects or services in subsequent years.

Staff also recommend the Board consider supporting the application process set forth in Attachment A, including a coversheet, narrative not to exceed two pages, minimum qualifications attestation, one-page budget information, and panel presentations. In addition, staff recommend approving the creation of an ad hoc committee of the Board of Supervisors for the review panel including two Board members, the County Executive Officer and Director of Health and Human Services. Finally, staff recommend the Board approve staff initiating the grant schedule set forth in Attachment B.