

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

April 23, 2024

FROM

CARRIE HARMON, Director, Community Development and Housing Department

SUBJECT

Proposed Program Year 2024-25 United States Department of Housing and Urban Development Annual Action Plan

RECOMMENDATION(S)

1. Conduct a public hearing to obtain citizens' comments on the proposed Program Year 2024-25 United States Department of Housing and Urban Development Annual Action Plan for the application of \$11,208,852 from the Community Development Block Grant, HOME Investment Partnerships Program, and Emergency Solutions Grant, including the list of recommended projects that best meet identified community development needs under the three grant programs.
2. Consider any necessary changes to the proposed Program Year 2024-25 United States Department of Housing and Urban Development Annual Action Plan and direct Community Development and Housing Department staff to return on May 7, 2024, with the final Program Year 2024-25 United States Department of Housing and Urban Development Annual Action Plan for consideration prior to submittal to the United States Department of Housing and Urban Development.

(Presenter: Carrie Harmon, Director, 382-3983)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

Provide for the Safety, Health and Social Service Needs of County Residents.

Pursue County Goals and Objectives by Working with Other Agencies.

FINANCIAL IMPACT

This item will not result in the use of Discretionary General Funding (Net County Cost). San Bernardino County's (County) 2024-25 United States Department of Housing and Urban Development (HUD) estimated grant entitlement allocation is \$11,208,852. Of this amount, \$6,859,659 is for the Community Development Block Grant (CDBG) program, which includes the allocation for both the County and Cooperating Cities, \$3,735,287 is for the HOME Investment Partnerships Program (HOME), and \$613,906 is for the Emergency Solutions Grant (ESG) program.

Grant Fund	2023-24 Estimated Allocation
CDBG	\$6,859,659
HOME	\$3,735,287
ESG	\$613,906
Total	\$11,208,852

BACKGROUND INFORMATION

Since 1975, the County has qualified to receive federal housing and community development grant funds from HUD. The County uses the funds to develop viable communities by providing decent housing, suitable living environments, and expanded economic opportunities, principally for low and moderate-income persons.

This Program Year (PY) 2024-25 HUD Annual Action Plan is intended to recognize and accept the new PY 2024-25 allocation of HUD CDBG, HOME, and ESG funding and allocate these funds to activities that will address the strategies and objectives identified in the County's 2020-25 HUD Consolidated Plan that was adopted by the Board of Supervisors (Board) on April 21, 2020 (Item No. 25).

In order to receive federal funding from HUD, the County must submit an Annual Action Plan that identifies the proposed activities and federal and non-federal resources that will be used to address the priority needs and specific goals identified in the County's 2020-25 HUD Consolidated Plan.

For PY 2024-25, the County anticipates receiving approximately \$6,859,659 in CDBG funds, \$3,735,287 in HOME funds, and \$613,906 in ESG funds. Subject to limitations imposed by federal regulations, CDBG, HOME or ESG funds may be used for emergency shelter, homelessness prevention, housing preservation, capital improvements, public services, housing development, fair housing, and program management. The County will ensure alignment with the Homeless Strategic Action Plan for all ESG-funded activities. During the PY, additional resources, such as program income from CDBG and HOME, may become available and be allocated to eligible CDBG and HOME activities. Any activities identified to receive substantial additional CDBG or HOME resources will be brought to the Board for approval.

The County is classified by HUD as an Entitlement Urban County (Urban County) which includes the unincorporated areas of the County and cities that choose to participate in the County's CDBG, HOME, and ESG program. Participating cities enter into cooperation agreements with the County for three-year periods. There are currently 13 Cooperating Cities under the County's 2020-25 HUD Consolidated Plan which include the cities of Adelanto, Barstow, Big Bear Lake, Colton, Grand Terrace, Highland, Loma Linda, Montclair, Needles, Redlands, Twentynine Palms, Yucaipa, and the Town of Yucca Valley. The cities of Chino Hills and Rancho Cucamonga have chosen to only participate in the County's HOME program. The 13 Cooperating Cities, plus these two cities, are referred to as the HOME Consortium.

The CDBG allocation for projects is proportionately split between the Cooperating Cities and the County's unincorporated area. The Cooperating Cities' allocation is approximately \$2.8 million and functions as a pass through in which each city receives an individual disbursement based on a formula driven by current census data. The County's share of funding is approximately \$3.0 million. CDBG funds are used for public facility and street infrastructure improvement projects, homelessness prevention, transitional housing services, food distribution, transportation, childcare, and job training for eligible youth, senior, and veteran populations.

HOME and ESG funds are allocated to the County and deployed through partnerships with housing developers, non-profits, and County departments. Available funds are awarded to select service providers through a procurement process to ensure services are made available countywide. HOME program funds are utilized to help finance the new construction, acquisition, and rehabilitation of affordable housing, as well as Tenant Based Rental Assistance for low- and very low-income families in the HOME Consortium and unincorporated areas of the county. Eligible ESG activities are categorized under five program components: Street Outreach, Emergency Shelter, Rapid Re-housing, Homelessness Prevention, and the Homeless Management Information System.

In accordance with the County's Citizen Participation Plan, a public hearing needs to be conducted to obtain citizens' comments on the proposed PY 2024-25 HUD Annual Action Plan. To meet this requirement, the County published a 30-day public notice in the following publications: Big Bear Grizzly, Daily Press, Hi-Desert Star, Inland Valley Daily Bulletin, La Prensa Hispana, and The Sun. The County also posted notices and applicable supporting documentation on the County's CDH website for over 30 days.

The public comment period began on March 22, 2024, and will conclude once all comments pertaining to the County's PY 2024-25 HUD Annual Action Plan are received at the April 23, 2024, public hearing before the Board. Any comments pertaining to the County's PY 2024-25 HUD Annual Action Plan received prior to the close of the public hearing will be considered for inclusion in the County's PY 2024-25 Annual Action Plan.

Any proposed amendment to the PY 2024-25 HUD Annual Action Plan that is considered a "substantial amendment" is subject to the full Citizen Participation Plan process, which requires formal action by the Board and approval by HUD. A 30-day public notice for actions impacting the PY 2024-25 HUD Annual Action Plan is published to provide the opportunity for the public to review and comment on the proposed substantial amendments.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs, Deputy County Counsel, 387-5455) on March 20, 2024; Finance (Christopher Lange, Administrative Analyst, 386-8393) on April 8, 2024; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on April 8, 2024.