

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

September 27, 2022

FROM

MARTHA ZEPEDA, Deputy Executive Officer, Community Development and Housing Department

SUBJECT

Program Year 2021-22 United States Department of Housing and Urban Development Consolidated Annual Performance and Evaluation Report and 2020-25 San Bernardino County Consolidated Plan

RECOMMENDATION(S)

1. Conduct a Public Hearing to:
 - a. Report on the accomplishments and progress toward completing the 2020-25 San Bernardino County Consolidated Plan goals.
 - b. Accept public comments on the appropriateness of the County's Program Year 2020-25 Consolidated Plan priority needs and goals.
2. Approve the Program Year 2021-22 United States Department of Housing and Urban Development Consolidated Annual Performance and Evaluation Report.
3. Authorize the Chief Executive Officer or the Deputy Executive Officer of Community Development and Housing, upon consultation with County Counsel, to make any necessary minor adjustments to the Consolidated Annual Performance and Evaluation Report should any revisions be required by the United States Department of Housing and Urban Development and resubmit the document to the United States Department of Housing and Urban Development.
4. Direct the Chief Executive Officer or the Deputy Executive Officer of Community Development and Housing to transmit all related documents to the Clerk of the Board within 30 days of execution.

(Presenter: Martha Zepeda, Deputy Executive Officer, 387-4351)

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.

FINANCIAL IMPACT

Approval of the Program Year (PY) 2021-22 Consolidated Annual Performance and Evaluation Report (CAPER) and receipt of public comments on the priority needs of the 2020-25 San Bernardino County (County) Consolidated Plan will not result in the use of Discretionary General Funding (Net County Cost). Activities listed in the attached CAPER are supported by federal block grant funds provided by the United States Department of Housing and Urban Department (HUD).

BACKGROUND INFORMATION

On April 21, 2020 (Item No. 25), the Board of Supervisors (Board) approved the 2020-25 Consolidated Plan and directed Community Development and Housing staff to submit the plan

to HUD, including any comments received during the public comment process (heard on April 7, 2020, Item No. 63). On an annual basis, the County must report on the progress it has made in meeting its priority needs and goals listed in its 2020-25 Consolidated Plan. The PY 2021-22 CAPER describes the accomplishments achieved from July 1, 2021 through June 30, 2022 using Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships (HOME) funds received from HUD. The CAPER is required for receiving HUD funding and is due to HUD within 90 days after the close of the grantee's program year (e.g., September 28, 2022).

As a result of this one-year assessment, the County is in the position to meet its PY 2020-25 Consolidated Plan goals and objectives by June 30, 2025. More specifically, ESG funds spent to address homelessness also met the County Homeless Strategic Framework goals and objectives.

As a prelude to the development of the County's PY 2023-24 Annual Action Plan, the County must assess its 2020-25 Consolidated Plan priority needs and goals and make any necessary adjustments to ensure the County's Consolidated Plan remains relevant and effective. A public hearing is required to allow the public to participate in this process and comment. Any comments received during this public hearing will be considered and reported in the public hearing of the County's PY 2023-24 Annual Action Plan, which will take place in Spring 2023.

CAPER Accomplishments

The following information is a summary of accomplishments for the use of CDBG, HOME, and ESG funds for the period of July 1, 2021, through June 30, 2022.

CDBG Accomplishments

A total of \$7,709,757 in CDBG funds were expended to provide various activities throughout the County. Of these funds, \$1,552,678 was expended to support reasonable administrative and planning costs (e.g., general management, oversight and coordination, fair housing activities, plan development, indirect costs, and submission of applications for federal programs) and \$6,157,079 was expended to assist with the following projects:

- **CDBG Public and Neighborhood Facilities:** \$4,594,145 was expended to acquire, improve, and rehabilitate 41 public facilities. These improvements provided low-to-moderate income residents with increased access to community and senior centers, parks, museums, and other recreational facilities. Newly improved public and neighborhood facilities include but are not limited to: the Yucaipa Senior Center - Kitchen Floor, Redlands Joslyn Senior Center - Rehabilitation Project, Twentynine Palms Multi-purpose Center - Improvements, Barstow Lillian Park - Rehabilitation and American with Disabilities Act (ADA) - Improvements, County Guasti Regional Park - ADA Improvements, County Bloomington - Construction of Ayala Park, and Yucaipa Regional Park - ADA Improvements at the Recreational Vehicle Parking Area.
- **CDBG Public Works Projects:** \$1,129,033 was spent on 32 public infrastructure projects. The projects included curb, gutter, street, and sidewalk improvements that upgraded and increased access for residents in low-to-moderate income neighborhoods. Newly improved public works projects include but are not limited to: the Adelanto Sidewalk and Road Crossing project, Colton Alley Improvements at 7th and Oak, Highland Del Rosa Area Street Improvements, Loma Linda Street and Sidewalk Improvements, and County Unincorporated Montclair ADA Street and Sidewalk Improvements.
- **CDBG Public Service:** \$340,239 was spent on 68 public service projects with

agencies receiving funding to provide services to 37,627 low-to-moderate income County residents, including seniors, children/youth, and disabled persons. Types of services included adult literacy, emergency food distribution, transportation, tenant/landlord counseling, fair housing education and referrals, health services, and childcare for children of women who are victims of domestic violence. The following public service activities supported during PY 2021-22 include but are not limited to Countywide Fair Housing and Tenant/Landlord Mediation Services, Barstow Desert Sanctuary Child Care Program, Colton Homeless Solutions Program, Grand Terrace Senior Meals and Coordinator Program, and Redlands Victims of Violence Supportive Services Program.

- **CDBG Community Projects:** \$93,662 was spent on community code enforcement. Code Enforcement activities help improve the health, safety, and quality of life for residents and resulted in over 575 code enforcement related inspections. Activities supported during the PY 2021-22 include but are not limited to the Highland Neighborhood Revitalization Program – Code Enforcement and Montclair Enhanced Code Enforcement Program.

A complete list of activities accomplished during PY 2021-22 can be found in the CAPER, Appendix B – PR 26 – CDBG and CDBG-CV Financial Summary Reports.

HOME Accomplishments

A total of \$7,831,278 in HOME funds were expended on affordable housing development throughout the County. Of these funds, \$320,371 was expended to support reasonable administrative and planning costs (e.g., general management, oversight, and coordination, reporting on the program, submission of applications for State and Federal programs and indirect costs) and \$7,510,907 was expended to assist with the financing of the following projects:

- The Arrowhead Grove Phase II (Crestview Terrace) affordable housing development created a total of 184 housing units (147 affordable housing, 35 market rate and two manager units). Construction of the project was completed in December of 2021.
- The Bloomington III affordable housing development resulted in 98 housing units (of which 20 units have been designated apartments reserved for special needs residents through direct referrals from the County of San Bernardino Department of Mental Health and the Inland Empire Health Plan) and a 7,700 square foot community center. Construction of the project was completed in November of 2021.
- The Las Terrazas Apartment community will consist of 112 affordable units and a 2,500 square foot preschool building located in the unincorporated area near the City of Colton. The Las Terrazas Project will also include 12 permanent supportive housing units for homeless and special needs clients with mental health conditions for whom the Department of Behavioral Health will provide supportive services. The Las Terrazas Project construction began in Fall 2020 and is scheduled to be complete by Fall of 2022.
- The Rialto Metrolink South Project is an affordable apartment complex currently in development in the City of Rialto. The development will consist of 55 total units: twenty-three – one-bedroom, fifteen – two-bedroom, and seventeen – three- bedroom. The Rialto Metrolink South Project began construction in Spring of 2022 and completion is scheduled for Fall of 2024

Further information about the above-mentioned HOME projects completed during PY 2021-22 can be found in the CAPER Section CR-20 - Affordable Housing 91.520(b) .

ESG Accomplishments

In line with the County's Homeless Strategic Action Plan approved June 14, 2022 (Item No. 112) and 2020-25 Consolidated Plan goals and objectives for addressing homelessness, a total of \$67,691 was expended to expand homeless prevention and housing programs to provide early intervention. Of these funds, \$20,362 was expended to support reasonable administrative and planning costs (e.g., general management, oversight, and coordination, reporting on the program, submission of applications for State and federal programs and indirect costs).

During the PY 2021-22, one ESG service provider assisted approximately 28 extremely-low-income homeless individuals and persons at risk of becoming homeless by providing rapid re-housing services.

Further information about the above mentioned ESG accomplishments can be found in the CAPER Section CR-65 - Persons Assisted and CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes.

CARES Act Reporting Requirements and Deadlines

On May 19, 2020, (Item No. 109), August 25, 2020 (Item No. 75), and January 26, 2021, (Item No. 73) the Board approved substantial amendments to the County's 2015-20 Consolidated Plan and PY 2019-20 Annual Action Plan to receive \$13,103,922 HUD Coronavirus Aid, Relief, and Economic Security (CARES) Act (CV1, CV2 and CV3) funding to respond to and prevent the spread of the Coronavirus among low- and moderate-income residents and to support a variety of homeless prevention, economic development, and public service activities to mitigate the impacts of COVID-19.

CDBG-CV Accomplishments

A total of \$3,356,154 of CDBG-CV funds were expended to provide various activities throughout the County to prevent, prepare for, and/or respond to the spread of the Coronavirus. Of these funds, \$187,760 was expended to support reasonable administrative and planning costs and \$3,168,394 was expended to assist with the following projects:

- **CDBG-CV Economic Development: Direct Financial Assistance to For-Profit Business:** \$6,260 was spent to provide loan to grants to small businesses in Yucaipa. A total of two full-time equivalent jobs were preserved due to the investment in these small businesses.
- **CDBG-CV Public Service:** \$1,185,568 was spent on 28 public service projects with agencies receiving funding to provide services to 1,216 low-to-moderate income County residents, including seniors, children/youth, and disabled persons. Types of services included food distribution, mortgage assistance, and homeless assistance.
- **CDBG-CV Housing Rehabilitation:** \$1,976,566 was spent on converting a church site into interim housing for the homeless or at risk of homeless population called Pacific Village in San Bernardino/Highland. 28 families will be housed by this project.

A complete list of activities accomplished during PY 2021-22 can be found in the CAPER Appendix B – PR 26 – CDBG and CDBG-CV Financial Summary Reports.

CDBG-CV funds are one-time funding sources from HUD, which the County has six years to expend.

ESG-CV Accomplishments

A total of \$445,296 of ESG-CV funds were expended to provide services to individuals and families who are homeless or at risk of homelessness to prevent, prepare for, and respond to the spread of coronavirus. Of these funds \$266,096 was expended to support reasonable administrative and planning costs (e.g., general management, oversight, and coordination, reporting on the program, submission of applications for State and federal programs and indirect costs).

During PY 2021-22, nine ESG service providers assisted approximately 729 homeless individuals and persons at risk of becoming homeless by providing street outreach, emergency shelter, rapid rehousing housing and homelessness prevention services.

Upon the Board's consideration and approval of this document, the County will submit the PY 2021-22 CAPER to HUD by September 28, 2022, of which HUD may require minor revisions. Recommendation No. 3 would allow the Chief Executive Officer or the Deputy Executive Officer of Community Development and Housing, upon consultation with County Counsel, to make any necessary adjustments to the CAPER and resubmit the document to HUD.

2020-25 San Bernardino County Consolidated Plan Priority Needs and Goals

As part of the development of the 2020-25 Consolidated Plan, a considerable amount of public outreach (e.g. to County residents, businesses, non-profit organizations, CDBG Cooperating Cities, HOME Consortia members and County Departments), a needs assessment (completed as a study to help the County assess its affordable housing and community development needs) and a market analysis were conducted to identify the County's priority needs and develop goals that would serve as a set of guidelines for the use of the federal funds from HUD. The needs assessment and market analysis focused on the areas of affordable housing, community development and homelessness, was approved by the Board on April 21, 2020 (Item No. 25), and resulted in the following 2020-25 Consolidated Plan goals:

Goal #1: New Construction/Acquisition/Rehabilitation of Housing for Persons who are Elderly, Disabled, or Homeless: Expand the supply of rental housing (including permanent supportive housing) that is accessible to persons with disabilities, including housing located near services, job centers, and other community amenities.

Goal #2: Rehabilitation of Existing Housing: Extend the useful life of existing affordable rental housing through repair and rehabilitation projects.

Goal #3: Acquire/Construct/Rehabilitate Public Facilities and Infrastructure: Fund public facility improvements in unincorporated San Bernardino County areas that benefit low-income households and persons, and persons with special needs to include senior centers, neighborhood facilities, youth centers, childcare centers, health facilities, handicapped centers, abused and neglected children facilities, parks and recreational facilities, and other facilities; fund non-housing community development proposals in unincorporated San Bernardino County that eliminate a threat to public health and safety to include water/sewer improvements, flood/drainage improvements, sidewalks, street improvements, and other infrastructure improvements.

Goal #4: Provide Support for Emergency Housing and Supportive Services for the Homeless: Assist persons who are homeless through the development and rehabilitation of transitional

housing; fund projects that provide supportive services and shelter to persons who are homeless.

Goal #5: Cooperating Cities Provide Funding Support to Organizations Addressing the Public Service Needs of the County for Low-Income and Special Needs Individuals and Households: Fund projects in Cooperating Cities that provide recreational activities, educational opportunities, and job skills to youth; supportive services to low-and moderate-income households and persons with special needs; assistance to businesses to create and/or retain jobs for low and moderate-income persons; and support for job training, continuing education, and employment services designed to assist low-and moderate-income persons obtain jobs.

Goal #6: Promote Fair Housing: Accessibility improvements, fair housing enforcement, and education.

Goal #7: Provide Administrative Structure for Planning, Implementation, and Management of CDBG, HOME, and ESG Programs: Funding for the planning and administration of the CDBG, HOME and ESG programs, as well as other housing, community development and homelessness programs.

To ensure that the County's 2020-25 Consolidated Plan goals remain relevant, and the use of HUD funds continue to address the County's greatest priority needs for housing, community development and homelessness, a public hearing is required to accept public comments on the above-mentioned goals. At this time the County will also review the Consolidated Plan goals and objectives to ensure that they are in line with the goals and objectives of the County Homeless Strategic Action Plan.

All public comments will be taken into consideration. Any proposed and/or significant adjustments to the County's 2020-25 Consolidated Plan goals will be addressed at the public hearing and Board meeting of the development of the PY 2023-24 Annual Action Plan (Spring 2023).

Public Hearing Notice

To meet notice requirements, the County published a 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 any applicable supporting documentation on the County's website at <http://sbcountycdha.com> for no less than 15 days. The public comment period began on September 12, 2022 and will conclude once all comments are received at today's Board meeting. Any comments received during today's public hearing will be considered and included in the County's CAPER submittal to HUD.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on August 29, 2022; Finance (Christopher Lange, Administrative Analyst, 386-8393) on September 1, 2022; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on _____.