

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

September 12, 2023

FROM

CARRIE HARMON, Director, Community Development and Housing Department

SUBJECT

2022-23 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 2020-25 Consolidated Plan priority needs and goals.
2. Approve the 2022-23 United States Department of Housing and Urban Development Consolidated Annual Performance and Evaluation Report.
3. Authorize the Chief Executive Officer, Assistant Executive Officer, or Director 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, Assistant Executive Officer, or Director of Community Development and Housing to transmit all related documents to the Clerk of the Board of Supervisors within 30 days of execution.

(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.

FINANCIAL IMPACT

Approval of this item will not result in use of Discretionary General Funding (Net County Cost). The 2022-23 Consolidated Annual Performance and Evaluation Report (CAPER) and receipt of public comments on the priority needs and goals of the 2020-25 San Bernardino County (County) Consolidated Plan are funded by federal block grant funds provided by the United States Department of Housing and Urban Department (HUD).

BACKGROUND INFORMATION

On an annual basis, the County must report on the progress it has made in meeting its priority needs and goals listed in the 2020-25 Consolidated Plan. The 2022-23 CAPER describes the accomplishments achieved from July 1, 2022 through June 30, 2023, 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 within 90 days after the close of the grantee's program year (e.g., September 28, 2023).

On April 21, 2020 (Item No. 25), the Board of Supervisors (Board) approved the 2020-25 Consolidated Plan and directed Community Development and Housing Department (CDH) to submit the plan, including any comments received during the public comment process (heard on April 7, 2020, Item No. 63).

To evaluate progress in meeting the goals of the Consolidated Plan, staff complete a one-year assessment of current and projected deliverables. Per this assessment, the County is in position to meet its 2020-25 Consolidated Plan goals and objectives by June 30, 2025.

As a prelude to the development of the County's 2024-25 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 County's 2024-25 Annual Action Plan, which will be drafted in Spring 2024.

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, 2022, through June 30, 2023.

CDBG Accomplishments

A total of \$10,709,870 in CDBG funds were expended to support projects benefitting low-income communities and residents countywide. Of these funds, \$9,114,221 (85%) was expended on community infrastructure and public service projects which support the delivery of social services. These projects included the following:

- **CDBG Public and Neighborhood Facilities:** \$3,501,638 was expended to acquire, improve, and rehabilitate 18 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 Floor Rehabilitation, Redlands Joslyn Senior Center - Rehabilitation Project, Twentynine Palms Multi-purpose Center – Improvements, Barstow Lillian Park - Rehabilitation and American with Disabilities Act (ADA) – Improvements, Colton Fleming Park - Improvements, Yucca Valley North Park – Improvements, County Glen Helen Regional Park - ADA Improvements, and County Prado Regional Park – ADA Improvements.
- **CDBG Public Works Projects:** \$4,479,280 was spent on 21 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 Target Area Road Rehabilitation, County Big Bear (Sugarloaf) – Baldwin Lane Sidewalk, Colton Alley Improvements - 6th and Pennsylvania, Highland Street Improvements Including McKinley, Yucaipa Adams Street Rehabilitation, and County Unincorporated Montclair ADA Street and Sidewalk Improvements.
- **CDBG Public Service:** \$552,479 was spent on 40 public service projects with agencies receiving funding to provide services to 37,155 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

2022-23 include but are not limited to: Countywide Fair Housing and Tenant/Landlord Mediation Services, Adelanto Food and Clothing Distribution, Barstow New Hope Village – Housing and Services, Colton Homeless Solutions Program, Grand Terrace Senior Meals and Coordinator Program, Highland Family YMCA Scholarships, Loma Linda Adult Literacy Program, Montclair Graffiti Abatement, and Redlands Legal Services – YMCA of the East Valley Program.

- **CDBG Community Projects:** \$580,824 was spent on community code enforcement and community fire trucks. Code Enforcement activities help improve the health, safety, and quality of life for residents and resulted in 2,421 code enforcement related inspections. Fire trucks provide increased fire protection to the low- and moderate-income communities. Activities supported during 2022-23 include but are not limited to: the Highland Neighborhood Revitalization Program – Code Enforcement, Montclair Enhanced Code Enforcement Program, and fire trucks purchased for the unincorporated communities of Joshua Tree and Yucca Valley.

In addition to direct project costs, \$1,595,649 supported 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).

A complete list of activities accomplished during 2022-23 can be found in the CAPER, Appendix B – PR 26 – CDBG and CDBG-CV Financial Summary Reports.

HOME Accomplishments

A total of \$7,266,881 in HOME funds were expended on affordable housing development throughout the county. Of these funds, \$6,158,170 (85%) was expended to assist with the financing of the following projects:

- **HOME Project – Bloomington Grove III:** \$350,000 was spent in FY 2022-23 for final payment on the Bloomington Grove III project, an affordable apartment complex in Bloomington. The development consists of 98 affordable units and a 7,700-square-foot community center. Twenty units are reserved for special needs residents through direct referrals from the County of San Bernardino Department of Mental Health and the Inland Empire Health Plan. Construction of the project was completed in November 2021. The project is fully occupied, and units were available in PY 2022-23.
- **HOME Project – Las Terrazas:** \$750,690 was expended in FY 2022-23 on the Las Terrazas Apartment community project consisting 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 also includes 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. Construction of the project began in Fall 2020 and was completed in June 2022. The project is fully occupied, and units were available in 2022-23.
- **HOME Project – Rialto Metrolink South Apartments:** \$2,025,000 was expended FY 2022-23 on the Rialto Metrolink South Project, an affordable apartment complex currently in development in the City of Rialto. The development will consist of 55 total units: 23 one-bedroom, 15 two-bedroom,

and 17 three-bedroom. The Rialto Metrolink South Project began construction in Spring 2022 and completion is scheduled for Fall 2023.

- **HOME Project – Liberty Lane:** \$3,032,480 was spent in FY 2022-23 to construct the Liberty Lane Project, an affordable apartment complex in the City of Redlands. The development will consist of 80 total units: 60 one-bedroom, 19 two-bedroom, and 1 three-bedroom manager unit. Construction of the Liberty Lane Project began in June 2023 and completion is scheduled to be completed in the Spring 2024.

The remaining \$1,108,711 supported 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 other indirect costs).

Further information about the above-mentioned HOME projects completed during 2022-23 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 \$183,782 was expended to expand homeless prevention and housing programs to provide early intervention.

During 2022-23, four ESG service providers assisted approximately 538 homeless individuals and persons at risk of becoming homeless. Categories of services include:

- **ESG Emergency Shelter:** A total of 97 individuals were served by Lutheran Social Services and Salvation Army. \$48,938 was spent to provide these types of services including case management, meals and clothing, supportive services, childcare and transportation.
- **ESG Rapid-Rehousing:** A total of 69 individuals were served by Inland Temporary Homes. \$102,834 was spent to provide these types of services including housing search and placement services, landlord recruitment and retention services and coordination with homeless service agencies.
- **ESG Homeless Management Information System (HMIS):** All individuals served are required to provide data for the HMIS system. \$20,000 was expended to update the system and assist ESG providers.
- **ESG Street Outreach:** A total of 372 individuals were served by Mercy House in 2022-23. Requests for payment will be paid in 2023-24. Types of services provided include engagement, case management, transportation, services to special populations, emergency health and mental health services.

Of the total ESG funds expended, \$12,010 supported 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 other indirect costs).

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 2019-20 Annual Action Plan to receive HUD Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. This CARES funding was titled: Community Development Block Grant-COVID (CDBG-CV) and Emergency Solutions Grant-COVID (ESG-CV) and includes a current total allocation of \$13,103,922. This funding continues to fund the response to and prevent the spread of COVID 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.

CDBG-CV Accomplishments

A total of \$5,969,166 of CDBG-CV funds were expended since FY 2019-2020 to provide various activities throughout the County to prevent, prepare for, and/or respond to the spread of COVID. Of these funds, \$5,495,396 (92%) was expended to assist with the following projects:

- **CDBG-CV Economic Development Direct Financial Assistance to For-Profit Business:** \$137,423 was spent to provide loans to small businesses in Yucaipa, which were converted to grants once requirements were fulfilled by each business. A total of 10 full-time equivalent jobs were preserved due to the investment in small businesses.
- **CDBG-CV Public Service:** \$3,216,314 was spent on 29 public service projects to agencies providing services to 14,439 low-to-moderate income residents, including seniors, children, and disabled persons. Types of services included food distribution, youth programming, mortgage assistance, and homeless assistance.
- **CDBG-CV Facility Rehabilitation:** \$2,141,659 was spent on three facility rehabilitation projects to prevent, prepare, and/or respond to the spread of COVID-19. Low- and moderate-income persons were assisted by these projects such as Redlands and Colton Senior Centers – Construction of Outdoor Dining Areas and Pacific Village - Rehabilitation of previous facilities to a temporary homeless shelter.

Of the total CDBG-CV funds expended, \$473,770 supported reasonable administrative and planning costs.

A complete list of activities accomplished during 2022-23 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, ending October 22, 2026.

ESG-CV Accomplishments

A total of \$1,984,524 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 COVID-19.

During 2022-23, seven ESG service providers assisted approximately 2,026 homeless individuals and persons at risk of becoming homeless by providing street outreach, emergency shelter, rapid re-housing, and homelessness prevention services.

- **ESG-CV Street Outreach:** 722 individuals were served by Mercy House and Lutheran Social Services. \$20,897 was spent to provide these types of services including engagement, case management, transportation, services to special populations, emergency health and mental health services.

- **ESG-CV Emergency Shelter:** 389 individuals were served by Victor Valley Family Resource Center, Family Assistance Program, Lutheran Social Services, Salvation Army, and Inland Temporary Homes. \$351,238 was spent to provide these types of services including case management, meals and clothing, supportive services, childcare, and transportation.
- **ESG-CV Rapid-Rehousing:** 854 individuals were served by Victor Valley Family Resource Center, Mercy House, Salvation Army, Inland Temporary Homes, and Housing Authority of the County of San Bernardino. \$1,370,809 was spent to provide these types of services including housing search and placement services, rental assistance, landlord recruitment and incentives and retention services and coordination with homeless service agencies.
- **ESG-CV Homelessness Prevention:** 61 individuals were served by the Housing Authority of the County of San Bernardino. \$85,552 was spent to provide these types of services including housing relocation and stabilization services, short – and/or long-term rental assistance and financial assistance.
- **ESG-CV Homeless Management Information System (HMIS):** All individuals served are required to provide data for the HMIS system. \$73,942 was expended to update the system and assist ESG-CV providers.

Of the total ESG-CV funds expended, \$82,086 supported 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 other indirect costs).

Upon the Board's consideration and approval of this document, the County will submit the 2022-23 CAPER to HUD by September 28, 2023, of which HUD may require minor revisions. Recommendation No. 3 would allow the Chief Executive Officer, Assistant Executive Officer, or Director of Community Development and Housing Department, 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, a needs assessment (, and a market analysis were conducted to identify the County's priority needs and develop goals to 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, and was approved by the Board on April 21, 2020 (Item No. 25) and resulted in the 2020-25 Consolidated Plan goals listed below.

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 when the 2024-25 Annual Action Plan in Spring 2024 is developed.

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 August 29, 2023, 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 21, 2023; Finance (Christopher Lange, Administrative Analyst, 386-8393) on August 14, 2023; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on August 28, 2023.