

**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 Act, 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) 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 Act (HOME) program, and \$613,906 is for the Emergency Solutions Grant (ESG) program.

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

## **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) because it includes several cities that choose to cooperate with the County and receive CDBG, HOME, and ESG funds through the County. The Urban County configuration is determined by cities entering into cooperation agreements with the County for three-year periods. The current three-year Urban County qualification period covers years 2024-25, 2025-26, and 2026-27. The 13 Cooperating Cities under the County's 2020-25 HUD Consolidated Plan are 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.

CDBG and ESG funds are used to support eligible projects and activities in the unincorporated communities and 13 Cooperating Cities (Attachment – PY 2024-25 HUD Annual Action Plan). HOME funds are used to support affordable housing activities within the HOME Consortium.

The Cooperating City's CDBG allocation is a pass through as part of the HUD's County Urban County Cooperation Agreements. The 13 cities' share of the CDBG total allocation is approximately \$2.8 million. This allocation is distributed to each city and is based on a formula share using census information similar to how HUD allocates to all grantees nationally. The Cooperating Cities' CDBG projects have been recommended by the Cooperating Cities through a County Notice of Funding Availability (NOFA) process and will be incorporated in the Action Plan submittal to HUD. The County's share of funding is approximately \$3 million. The selected County CDBG projects have been identified through the County's CDBG Capital Improvement Projects (CIP) group. The CIP group is currently comprised of the following County departments: Real Estate Services, Project and Facilities Management, Public Works, Regional Parks, and the County Administrative Office. CIP-selected projects are reviewed by the County Administrative

Office and added to the proposed PY 2024-25 HUD Annual Action Plan for consideration by the Board.

In making awards of the ESG funds, a Request for Proposals (RFP) was released on February 22, 2024, to select service providers throughout the County, ensuring access to ESG-funded services countywide. The RFP will be conducted on an annual basis. Recommendations from the review process are used by the Community Development and Housing Department (CDH) to develop a list of funded projects.

HOME Program funds are utilized to help finance the new construction, acquisition, and rehabilitation of affordable housing for low- and very low-income families. The County periodically issues a NOFA for HOME funding, on an as needed basis and is anticipated to release a new NOFA this Spring and will return to the Board for approval once projects are selected.

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 these requirements, 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 no less than 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 (Suzanne Bryant, Deputy County Counsel, 387-5455) on -----; Finance (Christopher Lange, Administrative Analyst, 386-8393) on -----; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on -----.  
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