

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

July 23, 2024

**FROM**

**CARRIE HARMON, Director, Community Development and Housing**

**SUBJECT**

Substantial Amendment to the 2019-20 Annual Action Plan, 2020-25 Consolidated Plan, and 2020-25 Citizen Participation Plan

**RECOMMENDATION(S)**

1. Conduct a Public Hearing to obtain citizen comments on the substantial amendment to the 2019-20 Annual Action Plan, 2020-25 Consolidated Plan, and 2020-25 Citizen Participation Plan.
2. Approve the substantial amendment to the 2019-20 Annual Action Plan to adjust funding for Community Development Block Grant-Coronavirus activities and allocate budgets to new or existing activities.
3. Approve the substantial amendment to the 2020-25 Consolidated Plan to add a new strategic goal and use of funding to include Tenant-Based Rental Assistance.
4. Approve the substantial amendment to the 2020-25 Citizen Participation Plan to modify procedures for Public Hearings, Substantial Amendments, and Performance Reporting.
5. Authorize the Chief Executive Officer, Assistant Executive Officer, or Director of Community Development and Housing to execute all documents necessary for the administration and implementation of Community Development Block Grant Single Family Rehabilitation Home Loans.

(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 and Stakeholders.**

**FINANCIAL IMPACT**

This item does not impact Discretionary General Funding (Net County Cost). As part of the 2019-20 Annual Action Plan, the U.S. Department of Housing and Urban Development (HUD) issued Community Development Block Grant-Coronavirus (CDBG-CV) funding through the federal Coronavirus Aid, Relief, and Economic Stimulus Act for a total amount of \$8,906,464 to fund a variety of activities in response to the Coronavirus pandemic. Also, as part of the 2024-25 Annual Action Plan, of the 2020-25 Consolidated Plan, HOME Investment Partnerships (HOME) was allocated \$2,000,000 and CDBG \$300,000, for a total of \$2,300,000, toward a Tenant-Based Rental Assistance (TBRA) program. Adequate appropriation and revenue have been included in the Community Development and Housing Department's (CDH) 2024-25 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

Since 1975, San Bernardino County (County) has received Community Planning and Development (CPD) grant funding from HUD, specifically for the CDBG, HOME, and Emergency

Solutions Grant (ESG) programs. To acquire these funds, the County must submit a Consolidated Plan to HUD detailing community needs, establishing priorities, and proposing activities over a five-year period. The 2020-25 Consolidated Plan is supplemented annually by an Annual Action Plan outlining the specific projects and activities projected to receive CPD funding in that program year. The 2020-25 Citizen Participation Plan (CPP), a component of the Consolidated Plan, outlines the County's policies and procedures for public involvement in planning, development, implementing, and evaluating CPD fund usage.

Occasionally, substantial amendments to these plans may be necessary to address changing needs or priorities. A substantial amendment is required when adding a new activity, significantly modifying existing activities, or implementing other administrative actions. HUD requires that any substantial amendments undergo the full citizen participation process, receive formal action by the Board of Supervisors (Board), and obtain HUD approval. The proposed substantial amendments will enable the County to revise its 2019-20 Annual Action Plan, 2020-25 Consolidated Plan, and 2020-25 Citizen Participation Plan as outlined below.

The proposed amendment to the 2019-20 Annual Action Plan will add, modify, or cancel existing Participating CDBG Cities' CDBG-CV funded activities due to lack of activity or duplication of program services and redirect these funds to new or existing activities of greater demand. These amendments will ensure the continued effectiveness of the Participating CDBG Cities CDBG-CV funded activities in preventing, preparing for, and responding to the economic impacts of COVID-19 within their communities. The deadline to fully utilize CDBG-CV funds is October 22, 2026. All proposed activities have been reviewed and are expected to meet the expenditure deadline. The proposed funding adjustments for the cities of Adelanto, Big Bear Lake, Grand Terrace, Highland, Montclair and Yucaipa are detailed in Attachment A.

The proposed substantial amendment to the 2020-25 Consolidated Plan will add a new strategic goal focused on providing TBRA through two programs, HOME in the amount of \$2,000,000, and CDBG in the amount of \$300,000, for program administration. TBRA is a rental subsidy program designed to aid homeless and low-income households in meeting housing expenses, including rent and security deposits. The two TBRA programs will help the County achieve the goal outcomes of providing rapid rehousing and housing for homeless by serving approximately 100 households. This adjustment will enable the County to develop and implement a TBRA program to support the transition of homeless individuals and families from emergency shelters to market rate housing. The program goals are outlined in Attachment B.

The proposed substantial amendment to the 2020-25 CPP will modify the County's current requirements for public hearings and Board approvals, particularly for substantial amendments and the Consolidated Annual Performance and Evaluation Report (CAPER) submission. The following proposed modifications comply with HUD's regulatory requirements and will improve the efficiency and timeliness of program execution, ensuring continued program compliance. The complete revised sections can be found in Attachment C.

The County's current CPP provides for a 30-day public comment period and public hearing for substantial amendments. However, a public hearing is not required and often delays the execution of programs and activities. Therefore, to improve efficiency, and as recommended by HUD, the proposed amendment will modify this process by eliminating the public hearing requirement thereby allowing the substantial amendments to be placed on the agenda as a consent item. This will assist the County to meet HUD's grant program timelines. This approach still provides the mandatory 30-day public comment period and Board approval to ensure opportunity for public review and input.

Under the CPD grant programs, HUD requires that the County must hold a minimum of two Public Hearings in a grant program year. Per HUD's requirement, the first Public Hearing must be conducted prior to the final draft of the next grant program year's Annual Action Plan. This allows CDH to receive public comments before the completion of the next program year's Annual Action Plan.

As part of the current CPP, CDH included the CAPER in its first Public Hearing for Board approval. However, HUD's requirement does not necessitate that the CAPER be a part of a Board-approved Public Hearing. The CAPER must be made available for review by notifying the public through a 15-day public advertisement and made accessible at CDH's office and website for a 15-day public comment period. Due to HUD's requirements and deadlines, it is recommended to amend the CPP to exclude the CAPER as part of a Public Hearing. This would improve the grant implementation process and would allow CDH to receive public comment and meet HUD's deadlines.

HUD requires local governing bodies to delegate signature authority to administer and implement grants efficiently and effectively. The signature authority for the CPD grants is periodically reviewed and updated. Any change to the signature authority requires formal Board action.

Recommendation No. 5 updates the delegated signature authority, approved by the Board on May 7, 2024 (Item No. 23), to add delegated signature authority to the Chief Executive Officer, Assistant Executive Officer, or Director of CDH to execute all documents necessary to administer pre-existing CBDG Single Family Home Rehabilitation Loans including but not limited to: Loan Forgiveness, Subordinations, Substitutions of Trustee, Deeds of Reconveyance, Annual Affidavit Letters, Requests for Full Reconveyance, Loan Modifications, Notices of Default, and all procedures to ensure the County's security interests are protected.

Per HUD requirements and the CPP, the proposed substantial amendment underwent a 30-day public review period beginning on June 21, 2024. 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. Any comments received during the public comment period will be considered and included in the County's Substantial Amendment 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 June 5, 2024; Finance (Christopher Lange, Deputy Director, 386-8393) on June 26, 2024; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on June 26, 2024.

**ATTACHMENT A**  
**2019-20 Annual Action Plan Amendment**

**CDBG-CV Canceled Activities:**

#	Activity	Funding	Activity Status
1	Adelanto: Emergency Rental and Mortgage Assistance	\$100,000	Canceled
2	Adelanto: COVID-19 Stadium Kitchen Rehab for Food	\$128,857	Canceled
3	Adelanto: COVID-19 Senior Center Kitchen Rehab	\$128,857	Canceled
4	Big Bear Lake: ADA Touchless Features for Public Restrooms	\$123,292	Canceled
5	Grand Terrace: Emergency Homeless & Rental Housing Assistance	\$125,010	Canceled
6	Highland: Rent Subsidy Program	\$112,854	Canceled

**CDBG-CV Modified Activities:**

#	Activity	Modification	Previous Funding	New Funding
1	Adelanto: Emergency Utility Assistance Program	Increase Funding	\$148,068	\$505,782
2	Montclair: Food Program	Decrease Funding	\$223,607	\$101,520
3	Montclair: Homeless Outreach Program	Increase Funding	\$189,750	\$311,837
4	Yucaipa: COVID-19 Rent-Mortgage and Utility Assistance	Decrease Funding	\$255,786	\$29,740

<b>Target Area:</b>	City of Adelanto
<b>Project Name:</b>	Adelanto: Emergency Utility Assistance Program
<b>Funding:</b>	\$505,782
<b>Description:</b>	Public Service - The City of Adelanto will provide an emergency utility assistance program to defray the cost of utility payments for up to 3 months, up to \$400 each month, to approximately 100 COVID-19 negatively affected and qualified low-income households residing in the City of Adelanto.
<b>Goals Supported:</b>	Public Service Needs of Low-Income/Special Needs
<b>Estimated Served:</b>	350 people
<b>Location:</b>	Citywide

<b>Target Area:</b>	City of Montclair
<b>Project Name:</b>	Montclair: Food Program
<b>Funding:</b>	\$101,520
<b>Description:</b>	Public Service- The City of Montclair will buy and deliver food to low to moderate-income persons, with particular emphasis on senior citizens
<b>Goals Supported:</b>	Public Service Needs of Low-Income/Special Needs
<b>Estimated Served:</b>	104 people
<b>Location:</b>	Citywide

<b>Target Area:</b>	City of Montclair
<b>Project Name:</b>	Montclair: Homeless Outreach
<b>Funding:</b>	\$311,837
<b>Description:</b>	Public Service - The City of Montclair will operate a homeless outreach program to prevent the spread of COVID-19 by providing people who are homeless with hotel/motel vouchers and case management services.
<b>Goals Supported:</b>	Public Service Needs of Low-Income/Special Needs
<b>Estimated Served:</b>	150 people
<b>Location:</b>	Citywide

<b>Target Area:</b>	City of Yucaipa
<b>Project Name:</b>	Yucaipa: COVID-19 Rent-Mortgage and Utility Assistance
<b>Funding:</b>	\$29,740
<b>Description:</b>	Public Service - The City of Yucaipa will provide a retroactive COVID-19 rental, mortgage, and utility assistance program to assist those experiencing financial hardship due to COVID-19 for up to 6 consecutive months to approximately 25 COVID-19 negatively affected and qualified low-income households residing in the City of Yucaipa.
<b>Goals Supported:</b>	Public Service Needs of Low-Income/Special Needs
<b>Estimated Served:</b>	25 people
<b>Location:</b>	Citywide

**CDBG-CV New Activities:**

#	Eligible Activity	Proposed CDBG-CV Funding
1	Big Bear Lake: Senior Food Program	\$123,292
2	Highland: Senior Center HVAC Upgrades	\$122,854
3	Grand Terrace: Senior Center and Petta Park Improvements	\$51,000
4	Grand Terrace: Senior Emergency Food Supply Kits	\$80,965
3	Yucaipa: Scherer Senior Center HVAC Upgrades	\$246,519

<b>Target Area:</b>	City of Big Bear Lake
<b>Project Name:</b>	Big Bear Lake: Senior Food Program
<b>Funding:</b>	\$123,292
<b>Description:</b>	Public Service – Bear Valley Meals on Wheels, under contract with the City of Big Bear Lake, will provide mobile meals to approximately 40 seniors affected by COVID-19.
<b>Goals Supported:</b>	Public Service Needs of Low-Income/Special Needs
<b>Estimated Served:</b>	40 people
<b>Location:</b>	Citywide

<b>Target Area:</b>	City of Highland
<b>Project Name:</b>	Highland: Senior Center HVAC Upgrades
<b>Funding:</b>	\$122,854
<b>Description:</b>	Construction – CDBG-CV funds will be used to upgrade the HVAC system at the Highland Senior Center. The upgrades will include increased airflow and air filters to ensure a safe and healthy environment for senior residents.
<b>Goals Supported:</b>	Acquire/Construct/Rehabilitate Public Facilities
<b>Estimated Served:</b>	2,800 people
<b>Location:</b>	3102 E. Highland Ave., Patton, CA 92369

<b>Target Area:</b>	City of Grand Terrace
<b>Project Name:</b>	Grand Terrace: Senior Center and Petta Park Improvements
<b>Funding:</b>	\$51,000
<b>Description:</b>	Construction – The City of Grand Terrace is installing outdoor exercise equipment at the Senior Center. This will allow seniors to access recreational activities while maintaining social distancing.
<b>Goals Supported:</b>	Acquire/Construct/Rehabilitate Public Facilities
<b>Estimated Served:</b>	200 people
<b>Location:</b>	22627 Grand Terrace Rd., Grand Terrace, CA 92313

<b>Target Area:</b>	City of Grand Terrace
<b>Project Name:</b>	Grand Terrace: Senior Emergency Food Supply Kits
<b>Funding:</b>	\$80,965
<b>Description:</b>	Public Service – The City of Grand Terrace Senior Center will provide emergency food kits for seniors negatively affected by COVID-19.
<b>Goals Supported:</b>	Public Service Needs of Low-Income/Special Needs
<b>Estimated Served:</b>	200 people
<b>Location:</b>	22627 Grand Terrace Rd., Grand Terrace, CA 92313

<b>Target Area:</b>	City of Yucaipa
<b>Project Name:</b>	Yucaipa: Scherer Senior Center HVAC Upgrades
<b>Funding:</b>	\$246,519
<b>Description:</b>	Construction - The City of Yucaipa will use CDBG-CV funds to upgrade the existing HVAC systems at the Scherer Senior Center, including making the system more energy efficient and increasing the airflow.
<b>Goals Supported:</b>	Acquire/Construct/Rehabilitate Public Facilities
<b>Estimated Served:</b>	7,500 people
<b>Location:</b>	12202 First Street, Yucaipa CA, 92399

**ATTACHMENT B**  
**2020-25 Consolidated Plan Amendment**

<b>Goal Name</b>	<b>Category</b>	<b>Geographic Area</b>	<b>Needs Addressed</b>	<b>Funding</b>	<b>Goal Outcomes</b>
Provide TBRA*/Rapid Rehousing	Affordable Housing	Countywide	Affordable Housing	HOME**: \$2,000,000	Serve 100 Households
Add Housing for Homeless	Affordable Housing	Countywide	Affordable Housing	CDBG***: \$300,000 (for program administration)	Serve 100 Households

\*Tenant-Based Rental Assistance  
\*\*HOME Investment Partnerships Program  
\*\*\*Community Development Block Grant

**ATTACHMENT C**  
**2020-25 Citizen Participation Plan**

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**THE CITIZEN PARTICIPATION PLAN ELEMENTS**

**Public Hearings**

The County must conduct at least two (2) public hearings per year to obtain the views and comments of residents, service providers, government agencies, and other stakeholders regarding the HUD-funded programs implemented within the County's HUD program area. The hearings generally address housing, social, and community development needs, proposed activities, and reporting of program performance. At a minimum, the hearings will be conducted at the two (2) different stages of the program year:

- The first Public Hearing of the Program Year will be held between October/November to report on the County's performance over the prior Program Year and to gather public input for consideration in drafting the Consolidated Plan and/or Annual Action Plan for the upcoming Program Year.
- The second Public Hearing of the Program Year typically occurs in March or April after conclusion of the Public Comment Period on the draft Consolidated Plan and/or Annual Action Plan for the coming Program Year, providing the public a final opportunity to comment on the draft plan(s) before they are adopted by the Board of Supervisors and submitted to HUD.

Citizens must be given adequate notice of all hearings through advertisements in one of the County's adjudicated newspapers and/or other publications of general circulation, serving the community of affected citizens. Public hearings will be advertised at least 15 calendar days in advance of the hearing and/or at the beginning of the official public comment period, whichever occurs first. Public notice shall indicate the date, time, place, and purpose(s) of the hearing as well as disclose information that will contribute significantly to the public's understanding of the issues to be discussed at the hearings. The notices will also be posted on the Community Development and Housing website (<https://cdh.sbcounty.gov>.) Additional means of advertising will be utilized, as appropriate, including, but not limited to: mailing flyers, distributing or posting notices at libraries, parks, and other public areas; placing radio public service announcements; developing press releases; social media; and sending notices to community organizations. In areas where the County has determined that there is a substantial non-English-speaking population within its jurisdiction, the hearing or meeting notice will be published in English and in the appropriate other language(s) specified in the County's Language Access Plan.

The County will also follow the above 15-day public notification process for other actions for HUD programs that do not require public hearings and that are proposed for consideration by the Board of Supervisors.



The hearings will be held at times and locations convenient to potential and actual beneficiaries, with accommodation for persons with disabilities, when the need is anticipated, or it is requested, and language translation services shall be made available.

Table A, at the end of this document, summarizes the public notice requirements for the various reports and documents.

The cooperating cities that participate in the County's program are required to conduct their own Citizen Participation activities for their residents, especially low- and moderate-income residents. At a minimum, these cities will publicly notice and hold at least one Community Meeting to discuss proposed uses of the City's Community Planning and Development grant fund allocation. Cities are required to submit copies of public notices, agendas, and minutes of such meetings to the County as part of the Annual Action Plan process.

### **Substantial Amendments**

From time to time, it may be necessary for the County to process a "substantial amendment" to the Five-Year Consolidated Plan or an Annual Action Plan to allow for new CDBG, HOME, or ESG-funded activities; modification of existing activities or other program administrative actions.

Any proposed amendment that is considered a "substantial amendment" is subject to the full Citizen Participation process, requires formal action by the Board of Supervisors, and approval by HUD. A thirty (30) day public notice is published to provide the opportunity for the public to review and comment on the proposed substantial amendments. The County will consider all comments or views received from the public concerning proposed substantial amendments in accordance with 24 CFR Part 91.105 (c)(3). A summary of these comments and views, including comments or views not accepted (and the reason why), shall be attached to the substantial amendment.

San Bernardino County is required by HUD [24 CFR Part 91.505 (b)] to identify the criteria to be used in determining if a proposed action will be considered a *Substantial Amendment*. The following criteria will be used by the County – if any one criterion applies, a substantial amendment will be required:

1. A new activity not previously listed and described in the Consolidated Plan/Annual Action Plan;
2. When a proposal is made to amend the description of an existing activity in such a way that the newly described purpose, scope, location, or beneficiaries differ significantly from the original activity's purpose, scope, location, or beneficiaries;
3. An increase in the amount of HUD federal funding allocated to an existing activity when the following apply:
  - a. an increase in funding for a CDBG public service-type activity in an amount greater than \$75,000 over the current funded amount; or,

- b. an increase in funding for an Emergency Solutions Grant activity in an amount greater than \$100,000 over the current funded amount; or,
- c. an increase in the funding for other activities (public facility improvements, code enforcement, acquisition, etc.) in an amount greater than \$500,000 over the current funded amount; or,
- d. an increase in the funding for HOME eligible activity in an amount greater than \$1,000,000 over the current funded amount.

Table B, at the end of this document, summarizes the Substantial Amendment criteria.

4. In an effort to efficiently utilize CDBG and HOME funds, the County will consider the reprogramming of unspent CDBG and HOME balances from completed and canceled CDBG- and HOME-funded activities to other eligible activities. Activities under the stated thresholds may be canceled for cause and funds reprogrammed without resulting in a substantial change. Examples of cause are:
  - a. Cancellation requested by the subrecipient.
  - b. Determination of CDH that insufficient funding prevents accomplishment of the activity.
  - c. Determination by CDH that the project cannot be carried out in a timely or eligible manner.

In the event that any of the above “administrative” reprogramming actions are over the threshold limits, and come under the “substantial amendment” criteria, the proposed actions are subject to the Citizen Participation process and will require formal action by the Board of Supervisors, and notification to HUD.

Substantial amendments will generally be considered only twice in each program year, typically in the Spring and Fall. However, as necessary to meet County objectives and needs, HOME funding proposals may be considered throughout the year and may cause the substantial amendment criteria to be triggered at other points in the program year.

### **Performance Reports**

Each fiscal year the County is required to prepare and submit a performance report to HUD for the previous program year. The information compiled in this document is necessary to assess the progress on funding received by the County, Cooperating Cities, subrecipients, and other agencies or organizations. Data collected in the compilation of the performance report will be used to supply information to HUD and the public on the accomplishments and services provided. The information will include the number of people served, ethnicity, income category, objective and outcome, and type of service received, as well as the current status on housing, public facilities and improvements, and other projects. The information is also used to determine future funding considerations. The Consolidated Annual Performance Evaluation Report (CAPER) will be made available for public review and comment for no less than a fifteen-day period prior to submission to HUD. A copy of the

CAPER will be available at CDH for review and can be located on the following web site: <https://cdh.sbcounty.gov/community-development-and-housing-department/hud-plans-reports/> The CAPER shall be submitted to HUD within ninety (90) days after the end of the program year. Final reporting documents will also be made available to any interested parties upon request.

The County will conduct the first required public hearing before the County Board of Supervisors to report on the County's performance over the prior Program Year and to gather public input for consideration in drafting the Consolidated Plan and/or Annual Action Plan for the upcoming Program Year. The hearing will be advertised in one of the County's adjudicated newspapers and/or other targeted publications of general circulation in English and Spanish at least 30 days in advance of the hearing so that citizens will be provided reasonable notice to review and present comments on performance.

**TABLE A**

<b>CDBG PUBLIC NOTICE SUMMARY</b>				
<b>Type of Document</b>	<b>Public Hearing</b>	<b>Hearing Notice</b>	<b>Public Comment Period</b>	<b>Notices in Public Areas</b>
<b>Citizen Participation Plan</b>	2 (can be concurrent with a public hearing associated with another plan or document)	Run a display notice in newspapers at least 15 calendar days prior to the hearing or at the beginning of the public comment period whichever is first.	30-day public comment period ending upon Board approval of the item.	Post notice identifying purpose of hearing, comment period, & location of draft for public review and comment.
<b>Consolidated Plan and/or Annual Action Plan</b>	2 (one during development of the plan and one at the conclusion of the public comment period)	Run a display notice in newspapers at least 15 calendar days prior to <u>each</u> hearing or at the beginning of the public comment period whichever is first.	30-day public comment period ending upon Board approval of the item.	Post notice listing all meetings/hearings for the planning/adoption phase with enough detail for the public to recognize the purposes of the meetings, draft document locations and dates for comment periods.
<b>Substantial Amendments to Citizen Participation Plan, Consolidated Plan and/or Annual Action Plan</b>	N/A	N/A	30-day public comment period ending upon Board approval of the item.	Post notice describing amendment items and location of drafts for public review & comment.
<b>Annual Performance Report/CAPER</b>	N/A	N/A	15-day public comment period prior to HUD submission.	Post notice identifying comment period, & location of drafts for public review and comment.
<p>► Display ads will be run in one of the County’s adjudicated newspapers in key publications in the impacted areas.</p> <p>► Documents and drafts for public comment will be available on the CDH Website, which will also provide updates to the process and links to other information.</p>				

**TABLE B**

<b>SUMMARY OF SUBSTANTIAL AMENDMENT CRITERIA</b>	
1) An activity not previously listed or described in the Consolidated Plan or Annual Action Plan.	
2) Amending an existing activity so that the new purpose, scope, location, or beneficiaries differ significantly from the original activity.	
3) For a funding change or cancellation to an existing <b>CDBG</b> public service activity	An increase of more than <b>\$75,000</b>
4) For a funding change or cancellation of an existing <b>CDBG</b> activity such as code enforcement, public facilities improvements	An increase of more than <b>\$500,000</b>
5) For a funding change or cancellation of an existing <b>ESG</b> activity	An increase of more than <b>\$100,000</b>
6) For a funding change or cancellation of an existing <b>HOME</b> eligible activity	An increase of more than <b>\$1,000,000</b>