

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

August 25, 2020

FROM

GARY HALLEN, Director, Department of Community Development and Housing

SUBJECT

Substantial Amendment to the United States Department of Housing and Urban Development Fiscal Year 2019-20 Annual Action Plan

RECOMMENDATIONS

1. Conduct a public hearing to consider and accept the Emergency Solutions Grant – Coronavirus 2 funding in the amount of \$6,401,870 and approve the proposed revisions to the County of San Bernardino’s 2019-2020 Housing and Urban Development Department Annual Action Plan.
2. Authorize the Chief Executive Officer or Director of Community Development and Housing upon award from the U.S. Department of Housing and Urban Development to accept and sign the grant agreement and all other subsequent documents related to the acceptance of the grant, upon review and approval of County Counsel.
3. Authorize the Chief Executive Officer or Director of Community Development and Housing upon award from the U.S. Department of Housing and Urban Development, after review and approval of County Counsel, to accept the grant, to sign the grant agreement and all other subsequent documents related to the acceptance of the grant.
4. Direct the Chief Executive Officer or the Director of Community Development and Housing to transmit all documents and amendments in relation to this grant award to the Clerk of the Board of Supervisors within 30 days of execution.
5. Authorize the Auditor-Controller/Treasurer/Tax Collector to post appropriation adjustments to the Community Development and Housing Agency 2020-21 budgets in the amount of \$6,401,870 as detailed in the Financial Impact section. (Four votes required.)

(Presenter: Gary Hallen, Director, 387-4411)

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

Approval of this item will not result in the use of any Discretionary General Funding (Net County Costs). Federal block grant funding in the amount of \$6,401,870 has been made available through the passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act, which has been allocated to San Bernardino County (County) to address the Coronavirus pandemic (COVID-19).

The U.S. Department of Housing and Urban Development (HUD) has awarded the County a second round of Emergency Solutions Grant – Coronavirus (ESG-CV2) totaling \$6,401,870 to fund a variety of activities in response to COVID-19. The funds will be allocated in the following ways:

Funding Type	HUD Fiscal Year	Type of ESG Use	Proposed Amount
ESG-CV2	2019-20	Emergency Shelter	\$125,000
		Rapid Rehousing	\$4,572,000
		Homeless Prevention	\$210,000
		Street Outreach	\$353,000
		Administration	\$641,870
		HMIS	\$500,000
TOTAL:			\$6,401,870

All funding must be used to respond to and prevent the spread of the Coronavirus among individuals and families who are homeless or receiving homeless assistance and support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

Budget Adjustments

Approval of Recommendation No. 5, authorizes the Auditor-Controller/Treasurer/Tax Collector to post the following budget adjustments necessary to authorize expenditures:

Cost Center	Commit. Item / GL	Description	Action	Amount
6210002483	53003205	Public Assistance	Increase	\$5,761,851
6210002483	55405018	Internal Cost Allocated Out	Increase	\$640,019
6210002483	40509094	Federal Grants	Increase	\$6,401,870

BACKGROUND INFORMATION

The HUD Five Year Consolidated Plan is a strategic plan and combines all HUD grant sources into one comprehensive document. The current HUD Five-Year Consolidated Plan was adopted by the Board on May 2, 2015 (Item No. 20) and covers the years 2015-2020. The 2019-20 HUD Annual Action Plan that covers the fifth-year installment of the HUD approved 2015-2020 HUD Consolidated Plan was adopted by the Board on April 30, 2019 (Item No. 35). The First substantial Amendment to the United State Department of Housing and Urban Development Consolidated Plan for Fiscal Years 2015-20 and Annual Action Plan for Fiscal Year 2019-20 was adopted by the Board on May 19, 2020 (Item No. 109). From time to time, it may be necessary for the County to process a Substantial Amendment to its Five-Year Consolidated Plan(s) or Annual Action Plan(s). A Substantial Amendment may include significant revisions to Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), or Emergency Solutions Grant (ESG) funded activities (addition of new or modification to existing activities); changes in programmatic budgets; and/or other program administrative actions. The recommended amendment includes proposed activities to address the response to and prevention of the spread of Coronavirus to our homeless and/or at risk of becoming homeless populations.

Under the County’s current HUD Citizen Participation Plan, a Substantial Amendment to the County’s HUD Consolidated and/or Annual Action Plan(s) is required when significant revisions to the currently approved documents occur. Significant revisions may include addition of new or modifications to existing activities, changes in programmatic budgets, and/or other program administrative actions

HUD has recently made available a second allocation of ESG-CV2 (approximately \$6.4 million) funding to the County. To receive these funds from HUD the County must substantially amend its FY 2019-2020 Annual Action Plan to authorize the use of these funds toward activities that will respond to and/or prevent the spread of Coronavirus among the homeless and persons at risk of becoming homeless.

Typically, the County must conduct a thirty (30) day public comment period and public hearing, receive formal action by the Board, and approval by HUD. However, due to the declared state of emergency associated with the COVID-19, the required thirty (30) day public notice requirement was decreased to five (5) days to provide the public an opportunity to review and comment on the proposed Substantial Amendments, the public notice must be published using communication outlets accessible to the public.

To meet these 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/community-development-and-housing-department/hud-plans-reports/> for no less than 5 days, as authorized under the CARES Act. The public comment period began on August 19, 2020 and will conclude once all comments are received at the August 25, 2020 Board meeting. Any comments received during today's public hearing will be considered and included in the County's Substantial Amendment submittal to HUD.

In order for the Community Development and Housing Department (CDH) to expeditiously gain access to the proposed ESG-CV2 funding to address the impacts of COVID-19, CDH recommends that the Board to approve the Substantial Amendment to the 2019-20 Annual Action Plan and direct CDH to submit the Substantial Amendment to HUD.

Proposed ESG-CV2 Activities

The County is considered an Urban County under the HUD Community Planning and Development (CPD) Program that manages the use of all federal community and economic development and housing funding sources (including ESG-CV2 funds). Under the above-mentioned Consolidated Plan, the areas served by the proposed use of ESG-CV2 funds will serve clients Countywide through the use of the County's Coordinated Entry System (CES).

All ESG-CV2 funds must be used to prevent the spread of and respond to Coronavirus among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19. The following activities have been proposed to address the impacts from the COVID-19 throughout the County which include rapid rehousing, emergency shelter, homelessness prevention, street outreach and data collection via the Homeless Management Information System (HMIS) system. A more specific description of proposed activities is listed in Attachment A.

Delegate Signature Authority as Required by HUD

Periodically, the signature authority for the HUD CPD grants is reviewed and updated. This action delegates signature authority to the Community Development and Housing Agency (CDHA) Deputy Executive Officer or the Director of CDH for the administration and implementation of CPD grants from HUD. Any change to the signature authority requires a formal Board action.

The County receives annual and special emergency allocations from HUD for CDBG, HOME and ESG funding. These grants are entitlement grants appropriated by Congress to local governmental entities which are implemented by the CPD Division of HUD. HUD requires local governing bodies to delegate signature authority to a staff member(s) in order to administer/implement grants in an efficient and effective manner. This signature authority

includes but is not limited to the signing of documents relating to: HUD Certifications, SF-424 Forms, Consolidated/Annual Action Plans, Consolidated Annual Performance and Evaluation Reports, Environmental Assessments, computerized software programs such as Integrated Disbursement and Information Systems and Disaster Recovery Grant Reporting, and various other reports, correspondence and related documents, as required by HUD.

CDH will continue to submit any regional policy and planning documents (including any substantial amendments of these documents) to the Clerk of the Board for public review 30 days prior to their consideration by the Board, unless a more streamlined process is allowed by HUD.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on August 14, 2020; Auditor-Controller, Treasurer, Tax Collector (Erika Gomez, General Accounting Manager, 382-3196) on August 18, 2020; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on August 17, 2020; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on August 18, 2020.

Attachment A

Proposed ESG-CV2 Activities

- 1) AP 35 and AP 38: Description of proposed ESG-CV2 Activities

Emergency Solutions Grant – COVID-19 (ESG-CV2)

AP-35 Projects – 91.220(d)

Introduction

Projects planned for the upcoming year are identified in the table below. Additional details are provided in Section AP-38.

#	ESG Projects /Emergency Solutions Grant – COVID 19 (ESG-CV2)
1.	Countywide: ESG-CV2 Administration and Activities

AP-38 Projects Summary

1	County Log #	CNTY19AD-004		
	Project Name	Countywide-ESG-CV2 Activities and Administration		
	Target Area	Countywide		
	Goals Supported	Emergency Housing and Supportive Services and Administration		
	Needs Addressed	Emergency Housing and Supportive Services and Administration		
	Funding: ESG	Prior Year: \$ 0	Current Year: ESG-CV2 FY 2019-20 \$6,401,870	Total: \$6,401,870
	Description	<p>ESG-CV2 activities funds will be used to prevent, prepare for, and respond to COVID-19 such as:</p> <ul style="list-style-type: none"> • Emergency Shelter – \$125,000 • Rapid Rehousing - \$4,573,683 • Homeless Prevention - \$210,000 • Street Outreach- \$353,000 • Administration-\$640,187 and HMIS - \$500,000 <p>For all federal programs the Community Development and Housing Department will apply the 10% de minimis rate for indirect costs.</p>		
	Target Date	6/30/2022		
	Estimate the number and type of families that will benefit from the proposed activities	<p>1,065 Individuals</p> <p>Funding will focus on long-term Rapid Rehousing for COVID clients in non-congregate housing</p>		
	Location Description	385 N. Arrowhead Avenue, San Bernardino, CA 92415		
Planned Activities	Program management, monitoring and evaluation of the Emergency Solutions Grant ESG- CV2 Program Projects			
Contingency	Funding is subject to change based on final HUD allocation.			