

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

March 15, 2022

FROM

GARY HALLEN, Director, Community Development and Housing

SUBJECT

Emergency Solutions Grant Contracts for Homeless Services in San Bernardino County

RECOMMENDATION(S)

1. Approve **Contracts** with the following providers for the provision of immediate emergency assistance for a combined not to exceed amount of \$3,562,419, for a period beginning February 1, 2022, as follows:
 - a. Lutheran Social Services in the amount of \$250,000, for the contract period of February 1, 2022 to October 26, 2023. **Contract No. 22-173.**
 - b. Inland Temporary Homes, dba Inland Housing Solutions, in the amount of \$742,312, for the contract period of February 1, 2022 to October 26, 2023. **Contract No. 22-174.**
 - c. Mercy House in the amount of \$432,927, for the contract period of February 1, 2022 to October 26, 2023. **Contract No. 22-175.**
 - d. Family Assistance Program in the amount of \$551,160, for the contract period of February 1, 2022 to September 30, 2022. **Contract No. 22-176.**
 - e. Salvation Army in the amount of \$333,620, for the contract period of February 1, 2022 to October 26, 2023. **Contract No. 22-177.**
 - f. Victor Valley Family Resource Center in the amount of \$1,252,400 for the contract period of February 1, 2022 to October 22, 2022. **Contract No. 22-178.**
2. Authorize the Chief Executive Officer or the Deputy Executive Officer of Community Revitalization to execute any subsequent, non-substantive amendments in relation to the contracts, subject to review by County Counsel.
3. Direct the Director of Community Development and Housing to transmit all documents and amendments in relation to the contracts to the Clerk of the Board of Supervisors within 30 days of execution.

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

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

Create, Maintain and Grow Jobs and Economic Value in the 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.

Focus on Recovery and Resiliency Following Major Emergency Responses such as the December 2, 2015 Terrorist Attack (SB Strong) and the Global COVID-19 Pandemic.

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FINANCIAL IMPACT

This item will not result in the use of any Discretionary General Funding (Net County Cost). The total cost for services from providers for the provision of immediate emergency assistance will not exceed \$3,562,419 and will be funded by the State of California, California Emergency Solutions Grant (ESG) and United States Department of Housing and Urban Development (HUD) ESG Coronavirus (CV) Aid, Relief, and Economic Security (CARES) Act funding, known as ESG-CV1 and ESG-CV2 (collectively ESG-CV). A combination of State and Federal CV, ESG State and Federal funds will be used to reimburse costs incurred from February 1, 2022 through October 26, 2023. The Federal and State CV funds are anticipated to be fully expended by September 30, 2022. The State ESG allocation is expected to be fully expended by July 7, 2022, and the Federal ESG allocation by October 26, 2023. Adequate appropriation and revenue have been included in the Community Development and Housing (CDH) 2021-22 budget (621-2482, 621-2483, 621-2484, 621-2488) and will be included in future recommended budgets.

BACKGROUND INFORMATION

CDH receives State, Federal, and local funding for the purpose of addressing homelessness in all cities and unincorporated areas of San Bernardino County (County). Homeless services promote housing stability through the provision of emergency shelter, homelessness prevention, housing/rental assistance, rapid re-housing, case management, housing search and stabilization, street outreach, and related essential services.

In response to the coronavirus pandemic, Congress authorized additional ESG funds, enacted through the CARES Act, to provide services under five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and to fund the Homeless Management Information System (HMIS). As a result, HUD awarded the County \$2,192,210 in round one (ESG-CV1), approved by the Board of Supervisors (Board) on May 19, 2020 (Item No. 109), and \$6,401,870 in a second round of ESG funding (ESG-CV2), approved by the Board on September 14, 2021 (Item No. 59), for a total of \$8,594,080 in ESG-CV funds.

To provide services for homeless or persons at-risk of homelessness in need of street outreach, emergency shelter, rapid re-housing, and homelessness prevention services, HUD funded the 2020 ESG allocation in the amount of \$635,741 (HUD Contract No. E-20-UC-06-0503) to the County on October 23, 2020, previously approved by the Board on April 21, 2020 (Item No. 25), and funded the 2021 ESG allocation in the amount of \$633,286 (HUD Contract No. E-21-UC-06-0503) on October 27, 2021, previously approved by the Board on May 4, 2021 (Item No. 27).

Under the CARES Act, Public Law 116-132 of the Emergency Solutions Grant, the State of California Housing and Community Development (HCD) awarded the County \$1,246,600 in round one funding, approved by the Board on January 5, 2021 (Item No. 11), and \$3,000,000 in round two funding, approved by the Board on October 27, 2021 (Item No. 29), for the total amount of \$4,246,600. HCD allocated 20-21 ESG funds on September 9, 2021, in the amount of \$299,449 to provide services for homeless or persons at-risk of homelessness in need of street outreach, emergency shelter, rapid rehousing, and homeless prevention services.

State ESG and Federal ESG funds are utilized for eligible clients, including individuals and families who are homeless, chronically homeless, or at-risk of homelessness. ESG-CV funding will also be used to further street outreach and emergency shelter activities in light of the COVID-19 health crisis through the funding of items, such as: vehicles, mobile bathrooms, mobile showers, and the installation and maintenance of handwashing stations for people

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experiencing unsheltered homelessness. The funding shall provide additional support for emergency shelter services to prevent the spread of coronavirus to other shelter occupants or household members, homeless assistance, and prevention activities to mitigate the impacts created by COVID-19.

The funding will allow the County to further its efforts to address homelessness by providing funding to: 1) improve the number and quality of emergency shelters for homeless individuals and families; 2) help operate current emergency shelters and temporary emergency shelters; 3) provide essential services to shelter residents; 4) rapidly re-house homeless individuals and families; and 5) prevent families/individuals from becoming homeless. ESG funding supports the County's Homeless Strategic Framework in addressing the root causes of homelessness by increasing the supply of housing opportunities for at-risk populations.

Any monies not expended by the October 26, 2023 deadline are subject to recapture by HUD and HCD. The funding recommended in this item will be used for previous expenses incurred from February 1, 2022 to March 15, 2022, and future expenses incurred until October 26, 2023, for the continued support of homeless activities specifically related to rapid rehousing, homelessness prevention, street outreach, housing search and placement, and emergency shelter. A retroactive contract start date allows the County to capitalize upon and benefit from the services already being rendered by the service providers and meet aggressive expenditure deadlines. In addition, the County will be able to count the clients already served in the County's overall performance measures. The County's current Benchmark for CV funds are as follows:

- HUD may recapture up to 80% of the County's total award if at least 80% of Federal ESG award has not been expended by July 30, 2022.
- HUD and HCD may recapture up to 100% of the County total award if 100% of both Federal and State ESG CV awards have not been expended by July 30, 2022 for HCD and September 30, 2022 for HUD.

Other Federal ESG funds that will be utilized to fund some of the recommended contracts have an expenditure deadline of October 26, 2023. In addition, the contracts will be retroactive to allow HUD and HCD to maintain funds within the County, if the funds are under contract prior to identified benchmarks. Based on the Notice of Funding Availability (NOFA), a procurement process was initiated, and providers submitted a spending plan with services that will achieve a spending rate to meet expenditure dates.

County ESG program funds were previously restricted for use in the County ESG Service Areas of Adelanto, Barstow, Big Bear Lake, Colton, Grand Terrace, Highland, Loma Linda, Montclair, Needles, Redlands, Twentynine Palms, Yucaipa, Yucca Valley, and unincorporated areas of the County; however, in accordance with the HUD mandate to implement a centralized and coordinated assessment system (HUD Notice CPD-17-01), the County implemented and utilizes the Coordinated Entry System (CES) to assess and prioritize the most vulnerable of the homeless population. The use of CES makes the use of County ESG Funds allowable throughout the entire county and ESG funds are no longer restricted by area.

PROCUREMENT

On November 17, 2021, CDH issued a NOFA, referred to internally within the County as a Request for Proposals, to solicit interested and qualified organizations to provide homelessness prevention, street outreach, rapid re-housing, emergency shelter, HMIS, housing search, and placement to eligible homeless or individuals at-risk of homelessness who reside in the County.

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The NOFA was publicly advertised through direct email to over 500 community-based organizations, service providers, and other interested parties, and was advertised on the CDH website. The NOFA closed on December 20, 2021, with the intent to award contracts in January, but more time was required to review and approve budgets.

The evaluation committee was comprised of four individuals, with representation from County CDH and Community Revitalization, who reviewed and evaluated the proposals based on the criteria referenced in the NOFA, including, but not limited to: demonstrated ability to serve the target population, proposed program services and strategies, demonstrated ability to serve the number of unduplicated participants, readiness to provide services, experience, staffing levels and qualifications, appropriateness of facility, the completeness of the submittal, and ability to service specific geographic area(s).

Ten proposals were received in response to the NOFA by the established deadline. Based on the evaluation results of the proposals, CDH is recommending the County award contracts to six providers for the amounts and services listed below. The proposals submitted indicated these agencies will provide the most adequate and appropriate services and are ready to provide the services by the contract start date. All agencies not recommended for contract award were notified by email and advised they were able to submit a formal written protest to CDH based on the criteria in the NOFA. No protests were received.

Agency	Services	Amount	Start Date	End Date	Funding Source
Lutheran Social Services	Emergency Shelter, Street Outreach, HMIS, Admin	\$250,000	2/1/2022	10/26/2023	<ul style="list-style-type: none"> • State ESG CV • Federal ESG CV • Federal ESG 2021
Inland Housing Solutions	Rapid Rehousing, Emergency Shelter, HMIS, Admin	\$742,312	2/1/2022	10/26/2023	<ul style="list-style-type: none"> • State ESG 2020 • State ESG CV • Federal ESG CV • Federal ESG 2021
Mercy House	Rapid Rehousing, Street Outreach, HMIS, Admin	\$432,927	2/1/2022	10/26/2023	<ul style="list-style-type: none"> • State ESG CV • Federal ESG CV • Federal ESG 2021
Family Assistance Program	Rapid Rehousing, Street Outreach, Emergency Shelter, HMIS, Admin	\$551,160	2/1/2022	9/30/2022	<ul style="list-style-type: none"> • State ESG CV • Federal ESG CV
Salvation Army	Rapid Rehousing, Homeless Prevention,	\$333,620	2/1/2022	10/26/2023	<ul style="list-style-type: none"> • Federal ESG CV • Federal ESG 2020 • Federal ESG

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Agency	Services	Amount	Start Date	End Date	Funding Source
	Emergency Shelter				2021
Victor Valley Family Resource Center	Rapid Rehousing, Homeless Prevention, Street Outreach, Emergency Shelter, HMIS	\$1,252,399.16	2/1/2022	10/22/2022	<ul style="list-style-type: none"> • Federal ESG CV • Federal ESG 2020
Total of Contracts		\$3,562,418.16			

Each contractor will receive a mixture of funding allocations based on spending plans submitted during the NOFA review. Funding sources, timelines, expenditure dates and performance expectations are identified in each contract. The contract timelines are based on the funding sources provided for each contract. Federal and State ESG CV funds must be expended by the expiration date of September 30, 2022. The State ESG 2020 allocation must be expended by the expiration date of July 7, 2022. Federal ESG 2020 funds must be expended by the expiration of October 22, 2022, and Federal ESG 2021 funds by the expiration of October 26, 2023. Each contractor’s proposal outlines the timeframe each service could be provided, and the number of clients they could serve during the timetable. Those proposals dictated the year of funding and type of funding that would align to meet the demands of the homeless services required. Contractor’s agreements outline benchmarks and timeliness of services delivered, which corresponds to the funding type that meets that timetable.

CDH will monitor the contractors’ performance on a regular basis to ensure compliance standards are met. Contract monitoring is inclusive of, but not limited to, site visits, assessments of policy, procedures, process implementation and service delivery components to ensure compliance with contract and applicable laws and regulations.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on February 28, 2022; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on March 1, 2022; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on March 1, 2022; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on March 1, 2022.

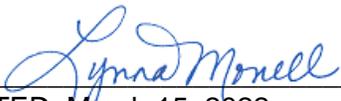
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Janice Rutherford Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: March 15, 2022



cc: CDH- Hallen w/agree
Contractor- CDH w/agree
File- w/agree
LA 03/16/2022