

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

January 27, 2026

FROM

CARRIE HARMON, Director, Community Development and Housing Department

SUBJECT

Amendment to Property Management Agreement with Quality Management Group, Inc. for the Homekey Program Pacific Village Project

RECOMMENDATION(S)

Approve **Amendment No. 5 to Property Management Agreement No. 21-132** with Quality Management Group, Inc., to continue to provide operating and management services for the Homekey Program Pacific Village Project for an additional 50 days, for a total period of February 9, 2021 through March 31, 2026, with no change to the agreement amount of \$5,459,133.

(Presenter: Carrie Harmon, Director, 382-3983)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

Operate in a Fiscally-Responsible and Business-Like Manner.

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

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Amendment No. 5 (Amendment) to Property Management Agreement No. 21-132 (Agreement) does not include a change to the agreement amount of \$5,459,133, which is funded by the Permanent Local Housing Allocation Program from the California Department of Housing and Community Development. Adequate appropriation and revenue have been included in the Community Development and Housing Department (CDH) 2025-26 Budget.

BACKGROUND INFORMATION

CDH works to strengthen communities by expanding access to affordable housing, enhancing neighborhood infrastructure, and supporting programs that promote housing stability, self-sufficiency and community well-being. CDH administers a diverse portfolio of programs addressing homelessness, housing insecurity, and long-term community revitalization.

As part of its role in implementing interim and permanent housing solutions, CDH is responsible for procuring qualified third-party operators to ensure the safe and effective operation of County-funded housing programs. For interim housing and shelter projects, this involves engaging professional property management firms to handle day-to-day operations, including on-site staffing, safety and security, and facility maintenance.

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In 2020, the County applied for funding through the State of California's Homekey Grant Program to acquire a 6.2-acre parcel of land located at 2626 Pacific Street in the City of San Bernardino and owned by The Salvation Army for the development of interim housing. After acquisition, this parcel became known as the Pacific Village Campus (Campus), on which the County developed the Pacific Village Homekey Interim Shelter Project (Project). The Project consists of 28 units of interim housing to serve individuals experiencing homelessness and housing instability.

Project accomplishments include:

- Provided housing and supportive services to 34 participants since opening in 2021
- Three program participants have demonstrated measurable progress toward stability and self-sufficiency.
- One participant graduated from the program and earned a GED through consistent coursework, tutoring support, and sustained personal commitment.
- A single mother of two, successfully completed the program and transitioned into permanent supportive housing, providing long-term stability for her family.
- The average property management cost per unit is \$1,075. Beyond traditional property management such as landscaping, utilities, and maintenance, the contractor provides expertise in working with special needs populations, including trauma-informed interactions, 24-hour security, and crisis response. This includes close collaboration with Department of Behavioral Health (DBH) and the Department of Aging and Adult Services (DAAS), organizing support group activities, and ensuring that residents receive the care, support and guidance they need in achieving overall well-being.

The Project has evolved into a multi-departmental partnership led by CDH, with supportive services provided by the DBH and the DAAS. DBH and DAAS provide coordinated services tailored to participant needs including behavioral health services, case management, benefits navigation, and connections to health care, housing, and other stabilizing resources. This integrated service model intends to stabilize participants, improve health and wellness outcomes, and support successful transitions to permanent housing.

Building on the existing investment, the County is advancing a Phase II expansion (expansion) of the Campus that will transform it into a comprehensive, service-rich continuum of care. Upon completion of this expansion, the existing interim housing units will be replaced with permanent housing units, reflecting a shift from temporary shelter to long-term, service-enriched housing. The department will procure property management services through a competitive procurement process.

Phase II, currently under construction, will ultimately include 58 permanent supportive housing units (including 30 units for seniors), 32 recuperative care beds, and a 16-bed residential treatment facility for adults, along with on-site physical health care, behavioral health services, and supportive social services.

On February 9, 2021 (Item No. 33), the Board of Supervisors (Board) approved the Agreement with Quality Management Group, Inc. to provide property management services for the Project. This Agreement was for the period of February 9, 2021 through February 9, 2023, at a cost not to exceed \$800,000. The Agreement included a maximum of three successive one-year extensions. All extensions have been exercised and the Agreement will reach its maximum five-year term on February 9, 2026.

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On January 24, 2023 (Item No. 20), the Board approved Amendment No. 1 to the Agreement, increasing the annual operating cost from \$400,000 to \$800,000, for a total of \$1,600,000, and extending the term for one year, for a total period of February 9, 2021 through February 9, 2024. The item also approved the Disbursement Account Control Agreement (DACA) No. 23-49, which outlined the process for using the escrow account for the disbursement of funds.

On February 6, 2024 (Item No. 17), the Board approved Amendment No. 2 to the Agreement, extending the term for one additional year, from February 9, 2024 through February 9, 2025, and increasing the amount by \$800,000, for a total of \$2,400,000.

On February 27, 2024 (Item No. 22), the Board authorized the Chief Executive Officer to approve the expenditure of the remaining California Emergency Solutions and Housing Round 1 funds in the amount up to \$900,000 and California Emergency Solutions and Housing Round 2 funds in the amount of up to \$626,809, for a total of \$1,526,809.

On April 23, 2024 (Item No. 25), the Board approved Amendment No. 3 to the Agreement, extending the term for one additional year, from February 9, 2025 to February 9, 2026, and increasing the amount by \$1,526,809 for a total of \$3,926,809. This item also approved Amendment No. 1 to the DACA Agreement, allowing additional funds to be released to the disbursement account and outlined the terms to disburse funds to Quality Management Group.

On February 25, 2025 (Item No. 12), the Board approved Amendment No. 4 to the Agreement, to continue to provide operating and management services for the Homekey Program Pacific Village Project, increasing the amount by \$1,532,324, for a total of \$5,459,133 and Amendment No. 2 to the DACA No. 24-123 to hold operating funds of \$1,532,324.

Approval of the Amendment will extend the Agreement through March 31, 2026, to ensure continuity of operations during the final transition phase of the Pacific Village interim housing program. The extension will allow sufficient time to complete the safe and phased decommissioning of the existing interim housing while maintaining appropriate on-site oversight and security.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on January 5, 2026; and County Finance and Administration (Christopher Lange, Deputy Director, 386-8393) on January 9, 2026.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.
Absent: Col. Paul Cook (Ret.)

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: January 27, 2026



cc: CDH - Harmon w/agree
 Contractor - c/o CDH w/agree
 File - w/agree
MBA 02/2/2026