

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

August 22, 2023

**FROM**

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

**SUBJECT**

Grant Agreement with the California Department of Housing and Community Development for the Support of Homeless Activities

**RECOMMENDATION(S)**

1. Accept and approve the **Agreement No. 23-918** (State Standard Agreement No. 22-ESG-17013), including non-standard terms, for the 2022-23 State Emergency Solutions Grant Program under the Continuum of Care Administrative Entity Allocation, with the California Department of Housing and Community Development, for the support of homeless activities, in the amount of \$280,769, effective upon execution through December 27, 2024.
2. Authorize the Chief Executive Officer, Assistant Executive Officer, or the Director of the Community Development and Housing Department to execute and submit the Agreement (State Standard Agreement No. 22-ESG-17013) for the 2022-23 State Emergency Solutions Grant Program under the Continuum of Care Administrative Entity Allocation, and any subsequent non-substantive amendments, subject to review by County Counsel.
3. Direct the Director of the Community Development and Housing Department to transmit the Agreement (State Standard Agreement No. 22-ESG-17013) for the 2022-23 State Emergency Solutions Grant Program under the Continuum of Care Administrative Entity Allocation, and any subsequent non-substantive amendments, to the Clerk of the Board of Supervisors within 30 days of execution.

(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). The 2022-23 State Emergency Solutions Grant (ESG) Program under the Continuum of Care Administrative Entity Allocation (CoC) (Grant) award has a match requirement of 100% (\$280,769), which will be met by the service provider awardees, through in-kind services and the use of other eligible non-federal funds for services contracted. This Grant also includes \$8,261 for administration costs. Adequate appropriation and revenue have been included in the Community Development and Housing Department (CDH) 2023-24 budget and will be included in the 2024-25 recommended budget.

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**BACKGROUND INFORMATION**

The ESG Program is a federal program operated by the United States Department of Housing and Urban Development (HUD) to make grants available to states, local governments, and territories for the purposes of funding activities that directly serve individuals experiencing homelessness, including people at risk of homelessness. The California Department of Housing and Community Development (HCD) is a direct recipient of ESG from HUD, and administers an annual allocation of the ESG, including the ESG Program Grant.

On April 12, 2022 (Item No. 12), the Board of Supervisors (Board) approved the submission of the response to the Solicitation of Interest from HCD for the Grant. This item also designated San Bernardino County as an Administrative Entity for the CoC, for a two-year period and made the County eligible to apply for and receive an estimated allocation of approximately \$325,000 of ESG funding, to provide homeless services to eligible persons within the county.

On August 9, 2022 (Item No. 16), the Board authorized the submission of a grant application for the Grant to HCD, in an amount not to exceed \$562,000. This item also approved Resolution No. 2022-172 (Resolution) and authorized the Chief Executive Officer (CEO) or the Deputy Executive Officer of Community Revitalization to submit the grant application and execute the grant agreement if the application was approved. During the application process, HCD advised that the initial award amount of \$562,000 may change and required applicants to indicate the amount in the Resolution as twice the preliminary award amount. CDH submitted the County's application to HCD by the August 17, 2022 deadline. On May 9, 2023, HCD provided CDH an award letter for the Grant.

On August 2, 2023, HCD provided CDH State Standard Agreement No. 22-ESG-17013 (Agreement) in the amount of \$280,769, for the Grant, which includes \$8,261 in administration costs. The effective date is upon HCD approval and execution of the Agreement through December 27, 2024, with an expenditure deadline of November 7, 2024. The County may incur eligible grant costs as of the date of the award letter. The funding from the Grant is being awarded to the County as the allocation to the Administrative Entity for the CoC.

The Agreement is the State's Standard Agreement for the acceptance of the Grant funding and includes the following terms that differ from the standard County contract terms:

1. HCD may terminate the Agreement with 30 days' notice.
  - County standard termination clause states that the County reserves the right to terminate the contract for convenience with 30 days' notice.
  - Potential Impact: The Agreement is to accept grant funds from HCD and not being able to terminate the Agreement means that the funds must be obligated and spent. If the County does not sign the Agreement, the grant funds would not be received.
  
2. The County must indemnify HCD.
  - The County standard indemnification clause states that the contractor agrees to indemnify the County in accordance with County Policy 11-07.
  - Potential Impact: By agreeing to indemnify HCD, the County would be responsible to defend and indemnify HCD, but the County will be sub-contracting these funds to service providers and will ensure that the County's standard indemnity clause is included in those contracts to reduce any liability that the County could face with this non-standard language. The State is not indemnifying the County.

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CDH recommends approval of the Agreement with HCD, including non-standard terms, to allow CDH to continue to support providers working with those that are homeless or at risk of homelessness with the Grant funds.

The State Grant Award program, administered by HCD and funded by HUD, provides funding to: 1) engage homeless individuals and families living on the street; 2) provide essential services to shelter residents; 3) rapidly re-house homeless individuals and families; and 4) prevent families/individuals from becoming homeless.

The Grant funding supports the County's Homeless Strategic Framework in addressing the root causes of homelessness by increasing sheltering and housing opportunities for at-risk populations. Any monies not expended by the November 7, 2024, deadline are subject to recapture by HCD. The funding recommended in this item will be used for future expenses, which can be incurred until October 31, 2024, for the continued support of homeless activities specifically related to rapid rehousing, emergency shelter, and the Homeless Management Information System (HMIS).

CDH is requesting approval to accept the Grant, with funds to be used as shown below.

<b>Eligible Activity</b>	<b>2022-23 Grant Award</b>
Emergency Shelter	\$ 135,258
Rapid Rehousing	\$ 110,000
HMIS	\$ 27,250
Administration	\$ 8,261
<b>Total</b>	<b>\$ 280,769</b>

Pursuant to authority granted by the Resolution, Recommendation No. 2 authorizes the CEO, Assistant Executive Officer (AEO) or Director of CDH, to execute and submit the Agreement and any subsequent amendments accordingly, as required by HCD. Following the execution of the recommended Agreement, CDH may request necessary changes to the Resolution to revise the signature authority, as needed. The County must accept the Grant award and obligate the funds before September 9, 2023.

**PROCUREMENT**

No procurement is required to execute the contract with HCD. CDH will obligate the funds before September 9, 2023, through subcontractors selected pursuant to County and Purchasing Department policies.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on August 11, 2023; Risk Management (Paul Kiehl, Deputy Director, 386-8710) on August 15, 2023; Finance (Christopher Lange, Administrative Analyst, 386-8393) on August 14, 2023; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on August 14, 2023.

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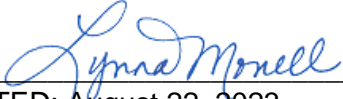
Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY

  
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DATED: August 22, 2023



cc: CDH - Harmon w/agree for sign  
Contractor - c/o CDH w/agree  
File - w/agree  
CCM 08/28/2023