

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

February 9, 2021

FROM

CASONYA THOMAS, Assistant Executive Officer, Human Services

SUBJECT

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

RECOMMENDATION(S)

1. Approve Property Management **Agreement No. 21-132**, along with exhibits which include Supportive Service and Participation Selection Plans, with Quality Management Group, Inc. to provide leasing and management services for the 28 Homekey units at the Pacific Village Project to assist in interim to permanent housing of individuals experiencing homelessness or at risk of homelessness and impacted by COVID-19, under the California Department of Housing and Community Development Homekey Program, effective upon execution for a two-year period through February 9, 2023, with up to three additional successive one-year extensions.
2. Authorize the Chairman of the Board of Supervisors or the Chief Executive Officer to execute any subsequent amendments or modifications in relation to this agreement on behalf of the County, subject to review by County Counsel.
3. Direct the Chairman of the Board of Supervisors or the Chief Executive Officer to transmit all documents and amendments in relation to this agreement to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: CaSonya Thomas, Assistant Executive Officer, 387-4717)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

**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 Discretionary General Funding (Net County Cost). The leasing and management services provided through this Property Management Agreement is funded through the Memorandum of Understanding (MOU No. 20-938) between the County of San Bernardino, LaBarge Industries, LLC, (LaBarge), and Quality Management Group, Inc. (QMG) with an estimated \$400,000 for operating costs in 2020-21, previously committed under the State Permanent Local Housing Allocation program. Additional operating funding will be appropriated in future year budgets to carry out the additional years of the agreement.

BACKGROUND INFORMATION

The California Department of Housing and Community Development (State) Homekey Program provides funding to rapidly sustain and expand the inventory of housing to individuals experiencing homelessness or at risk of homelessness and impacted by COVID-19. The

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County and LaBarge are co-applicants on the Pacific Village Project submitted to the State for the Homekey Program grant funds. QMG was included in the State Homekey Program application to provide property management services. The Property Management Agreement is required by the State to outline the roles and responsibilities of the property manager and the County for the Pacific Village Project.

Pacific Village has a physical mailing address of 2626 Pacific Street, Highland, however is located within the city limits of the City of San Bernardino, and will provide interim/permanent housing for individuals and families who are at-risk of or experiencing homelessness that will include case management and supportive services for 28 individuals or households. Under the terms of the Property Management Agreement, QMG responsibilities will include final verification of tenant eligibility in accordance with the State guidelines, executing participant agreements, and providing on-site property management services and maintenance. The County is responsible to fund the property operation services and conduct inspections on a regular basis to meet State Homekey program guidelines. The agreement is contingent upon funding and may be terminated by the County immediately with cause or with 90 days' written notice without cause. The Property Management Agreement provides that, in the event of an action between the County and QMG about the property, the prevailing party will be entitled to recover attorneys' fees and costs. This term is consistent with the Consulting and Development Services Agreement for Pacific Village which was approved by the Board on October 27, 2020 (Item No. 48).

On September 15, 2020 (Item No. 40), the Board of Supervisors (Board) approved Capital Improvement Program (CIP) Project 21-109 in the amount of \$200,000 for Real Estate Services Department to provide property acquisition services for Pacific Village.

On October 6, 2020 (Item No. 33), the Board approved Purchase and Sale Agreement No. 20-932 for the acquisition of the property in the amount of \$2,700,000 plus escrow and title fees estimated to be \$6,000, and a budget adjustment of \$2,700,000 under CIP Project 21-109, increasing the project budget from \$200,000 to \$2,900,000 for the acquisition of the property.

On September 29, 2020 (Item No.30), the Board approved MOU No. 20-938 between the County, LaBarge, and QMG outlining the respective roles and responsibilities of the parties for the Pacific Village Project to provide interim to permanent housing to individuals experiencing homelessness or at risk of homelessness and impacted by COVID-19, under the State's Homekey Program.

On October 27, 2020 (Item No. 48), the Board approved Amendment No. 1 to MOU No. 20-938 between the County, LaBarge, and QMG to include \$400,000 of operating costs and the Capital Improvement Program - Pacific Village Project CIP 21-157, in the amount of \$3,193,500, for the rehabilitation of Pacific Village.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on February 1, 2021; Community Development and Housing Agency (Dena Fuentes, Deputy Executive Officer, 387-4411) on February 1, 2021; Finance (Christopher Lange, Administrative Analyst, 386-8393 and Kathleen Gonzalez, Administrative Analyst, 387-5412) on February 1, 2021; and County Finance and Administration (Tanya Bratton, Deputy Executive Officer, 388-0332) on February 1, 2021.

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: February 9, 2021



cc: HS - Hernandez w/agree
Contractor - C/O HS w/agree
File - w/agree

CCM 02/19/2021