



**City of San Bernardino  
Request for Council Action**

**Date:** September 18, 2024

**To:** Honorable Mayor and City Council Members

**From:** Rochelle Clayton, Acting City Manager;  
Gabriel Elliott, Director of Community Development and Housing  
Department

**Department:** Community Development and Housing

**Subject:** **Approval of the Draft Fiscal Year 2023-2024 Consolidated Annual Performance and Evaluation Report to the US Department of Housing and Urban Development (All Wards)**

**Recommendation**

It is recommended that the Mayor and City Council of the City of San Bernardino, California:

1. Conduct a public hearing on the draft Fiscal Year 2023-2024 Consolidated Annual Performance and Evaluation Report (FY23-24 CAPER); and
2. Authorize its submission to the United States Department of Housing and Urban Development.

**Executive Summary**

Each year, the City of San Bernardino is required to submit its accomplishment data for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), and Emergency Shelter Grant (ESG) programs to the Department of Housing and Urban Development (HUD) via the Consolidated Annual Performance and Evaluation Report (CAPER) report. The submission of the accomplishments must be approved by the Mayor and City Council and a public hearing conducted. This has no impact on General Fund.

**Background**

Every year the City receives CDBG, HOME, and ESG program funds from HUD. The purpose of the funds is to assist the City in meeting the affordable housing and community development goals and objectives, in the City's Five-Year Consolidated Plan, particularly for persons and families of low- to moderate-income.

In order to identify the areas of greatest need and highest priorities in the community, the City undertakes a planning process known as the Consolidated Plan Cycle. Three reports document this process:

1. One Five-Year Consolidated Plan;
2. Five annual Action Plans (AAP); and
3. Five annual CAPERs.

### **Consolidated Plan**

The Consolidated Plan serves four primary functions:

1. It is a planning document for the community that is built upon public participation and input.
2. It serves as the application for HUD's formula grant programs (CDBG, HOME, and ESG) which focus on providing decent housing, suitable living environments, and expanded economic opportunities for low- and moderate-income families.
3. It identifies the City's needs in the areas of housing, homelessness, community development, and economic development, and puts forward the City's strategies and timetables for addressing those needs; and
4. It serves as a five-year planning document for the use of HUD funds and the implementation of programs that will meet local needs. The current Five-Year Consolidated Plan covers July 1, 2020, through June 30, 2025.

### **Annual Action Plan**

On June 21, 2023, the Mayor and City Council approved the 2023-2024 AAP. The 2023-2024 AAP was the fourth of five Annual Action plans under the current Consolidated Plan. The 2023-2024 AAP described the specific projects and activities the City intended to undertake, as well as the financial resources it would use to meet the Consolidated Plan objectives.

### **CAPER Report**

The Consolidated Annual Performance and Evaluation Report (CAPER) is an annual report that provides information on how well a grantee is meeting a program's goals and objectives. As an entitlement city and direct recipient of Community Planning and Development formula grants, the City must provide HUD with an annual report detailing its performance in meeting the housing and community development goals and objectives outlined in the approved Five-Year Consolidated Plan. (24 CFR 91.520)

### **Discussion**

#### **CAPER Summary**

This report is the fourth year CAPER under the current Consolidated Plan. It outlines the City's actual accomplishments from July 1, 2023, through June 30, 2024. It also describes the City's progress in meeting the goals and objectives outlined in the City's Five-Year Consolidation Plan.

## **CDBG, ESG, and HOME Programs**

During the FY 2023-24 reporting period, the City of San Bernardino allocated a total of \$6,420,424 available HUD funds, which include the City's FY 2023-24 allocation of \$4,677,346 and reprogrammed funds from prior fiscal years in the amount of \$1,743,078. The FY 2023-24 implemented funds for each grant are as follows:

- CDBG: \$2,942,853 with an additional \$1,627,000 reprogrammed funds.
- HOME: \$1,460,936 and no reprogrammed funds.
- ESG: \$273,557 with an additional \$116,078 reprogrammed funds.

The City continues to make progress toward meeting its long-term Consolidated Plan goals. The FY23-24 CAPER contains detailed descriptions of annual goals and accomplishments.

City staff continues to endeavor to meet the goals and objectives of the Consolidated Plan. Staff's assessment of the FY23-24 CAPER indicates there was activity in fair housing/landlord-tenant assistance, micro-enterprise development, assistance, homeownership education, emergency shelter, rapid re-housing homelessness prevention, HOME compliance, and improvement of facilities and infrastructure.

## **CDBG Funds**

In FY 2023-24, the City committed CDBG funds to support various community programs. These programs included services related to fair housing/landlord-tenant assistance, micro-enterprise assistance, and homeownership education. The CDBG funds were distributed among multiple organizations, including the Inland Fair Housing Mediation Board (IFHMB), Asociacion de Emprendedor@s (ADE), and Neighborhood Housing Services of the Inland Empire (NHSIE). IFHMB received and expended their allocation of \$77,000 servicing a total of 1,281 individuals, of which 195 were related to Fair Housing, and 1,086 received landlord-tenant services. ADE received an allocation of \$35,000, of which they expended \$23,333.77, 67% of their total allocation, and successfully reached a total of 17 microenterprises through their programs. Additionally, NHSIE fully expended their allocation of \$90,000 and reached 12 individuals through various educational forums to assist with homeownership and financial literacy.

The City invested and expended \$1,549,974.82 of CDBG funds for street improvements. The City successfully completed three street improvements in FY2023-24, though they were identified in FY2022-23. Those three street improvements included:

1. 10th between F Street and G Street (1st Ward)- Multiple APN- 30,000 SF
2. 49th Street between Sepulveda Avenue and End (4th Ward)- Multiple APN- 65,000 SF
3. Rialto Avenue from Mt. Vernon and Muscott to Bridget (3rd Ward) Multiple APN- 180,000 SF

The City continues to plan for more improvements and rehabilitation projects throughout the City.

### **ESG Funds**

During FY 2023-24, San Bernardino's ESG program supported six projects across three primary HUD-approved fund activities. The Emergency Shelter component was the most extensive, with four projects serving 481 individuals from 340 households. Additionally, one Rapid Re-Housing project assisted 17 individuals from 7 households, while a single Homelessness Prevention project aided 25 individuals from 6 households. Notably, no Street Outreach or Day Shelter projects were reported for this period.

ESG funds were allocated among various organizations, with the following expenditures reported: Community Action Partnership of San Bernardino County fully expended its allocation of \$60,000; Family Service Association of Redlands spent \$54,544 out of an allocated \$70,455, leaving \$15,911 unspent, accounting for 77% of their budget; Lutheran Social Services of Southern California fully utilized its \$114,834 allocation; and Salvation Army expended its full allocation of \$123,829.

### **HOME Funds**

The HOME funds were allocated to affordable housing projects within the City. The housing staff works with non-profits and developers to establish viable projects that adhere to the HOME requirements. The City's Housing Compliance Specialist performs HUD monitoring and conducts annual inspections of rental units. Annually, the City completes a monitoring and inspection schedule. A full report of PY 2023-24 is attached in the CAPER. The City has 17 housing developments containing 728 HOME-assisted units. Visual inspections were conducted on 15 units in 3 of those developments in PY 2023-2024.

### **Citizen Participation**

Federal HUD regulations require that the FY23-24 CAPER be made available to citizens for public comment and to be considered by the City Council at a public hearing. In accordance with HUD guidelines, a notice was published in El Chicano on August 29, 2024, and in the San Bernardino Sun on September 2, 2024, inviting the public to comment on the draft CAPER. The CAPER was also made available on the City's website, the City's Information Center, the City's Housing Division office, and the Feldheim Library.

### **2021-2025 Key Strategic Targets and Goals**

The authorization for submittal of the FY23-24 CAPER to HUD meets Key Target 3: Improved Quality of Life, specifically Goal 3a: Reduce the burden of the unsheltered through engagement, collaboration, and partnerships with other entities.

### **Fiscal Impact**

The submission of the CAPER does not impact the City's General Fund. The activities described in the CAPER were funded entirely with federal funds from HUD. However, the

submission of the CAPER is a condition for the City to continue receiving federal funds.

**Conclusion**

It is recommended that the Mayor and City Council of the City of San Bernardino, California:

1. Conduct a public hearing on the draft Fiscal Year 2023-2024 Consolidated Annual Performance and Evaluation Report (FY23-24 CAPER); and
2. Authorize its submission to the United States Department of Housing and Urban Development.

**Attachments**

Attachment 1	FY 2023-2024 Consolidated Annual Performance Evaluation Report
Attachment 2	FY 2023-2024 Annual Action Plan
Attachment 3	The 5-Year Consolidated Plan
Attachment 4	Public Notice Verification- English
Attachment 5	Public Notice Verification- Spanish

**Ward:**

All Wards

**Synopsis of Previous Council Actions:**

April 15, 2020	The 5-Year Consolidated Plan
June 21, 2023	FY 2023-2024 HUD Annual Action Plan