



DISCUSSION

City of San Bernardino Request for Council Action

Date: December 7, 2022

To: Honorable Mayor and City Council Members

From: Robert D. Field, City Manager;
Nathan Freeman, Agency Director of Community, Housing, and
Economic Development

Department: Community, Housing, & Economic Development (CED)

Subject: **Receive and file update on the former American Sports
University student dormitory located at 340 West
4th Street.**

Recommendation:

Staff recommends that the Mayor and City Council of the City of San Bernardino, California, receive and file an update on the former American Sports University student dormitory located at 340 West 4th Street.

Background

American Sports University (ASU), founded in 2006, was a private sports university located in downtown San Bernardino. Several buildings that comprised the former ASU campus were previously owned by the San Bernardino Sun. With the closure of the school, due to a lack of accreditation and financial woes, and at the onset of the pandemic, the property owner illegally converted the student dormitory into an apartment complex for low-income individuals.

On September 30th, the City obtained a Temporary Restraining Order (TRO) against the property owner, which required the property owner, among other things, to notify all occupants about the court order, pay relocation benefits, and vacate the property within 21 days (October 24, 2022).

On December 8, 2022, the City will be filing an emergency Receivership Order with the San Bernardino County courts. Assuming the emergency Receivership Order is approved, the appointed Receiver will, acting as the property owner, be responsible for conducting a thorough inspection of the property; conducting an inventory of the remaining occupants; securing the subject property; vacating the remaining occupants in compliance with the TRO; potentially performing a rehabilitation of the subject

property or facilitating its demolition; and potentially conducting an “as-is” sale of the subject property.

Discussion

Since the issuance of the TRO, Community & Economic Development (CED) staff and numerous housing service providers have worked tirelessly to identify alternative housing for the occupants of the former student dormitory facility. As a result of staff's efforts, over 100 individuals were connected with alternative housing; however, staff continues to face challenges due to the following:

- The property owner has not adhered to the TRO,
- Previously relocated occupants have moved back into the facility for a variety of reasons,
- The property owner has continuously allowed new occupants into the facility,
- Numerous existing occupants have been reluctant to accept alternative housing,
- Staff have encountered several animals abandoned by their owners,
- The property owner has attempted to submit plans to rehab the former student dormitory, and
- The property owner recently hired private security to attempt to forcibly evict current occupants from the building in violation of the TRO.

In response to the aforementioned, staff has performed the following:

- Held a resource event on November 2, 2022, which included Mary's Mercy Center, Key's Non-Profit, Lighthouse Social Services, Operation Grace, Community Action Partnership, San Bernardino County Community Development and Housing, Searchlight Society, and San Bernardino County Probation,
- Boarded up vacant rooms and added “no-entry” signage on vacant units to deter re-entry,
- Homeless Services, Code Enforcement, and Animal Control divisions visit the property daily to engage with the remaining occupants, re-board compromised doors, and address abandoned animals,
- Extended Searchlight's contract to continue to provide services to the remaining occupants, and
- Engaged with Burrtec, which has agreed to empty on-site trash bins 3-4 times per week.

Additionally, staff has also:

- Solicited several firms to potentially provide on-site security,
- Sent a letter on November 3, 2022, to the property owner detailing steps needed to bring the student dormitory into compliance,
- Worked with the City Attorney's Office (CAO) to issue a TRO Compliance Demand Letter that was issued on November 1, 2022,
- Receivership proceedings:
 - Staff has worked with the CAO to file an application for an emergency Receivership Order for the subject property. At the time of the writing of this report, the CAO has prepared a proposed Receivership Order to be submitted to the County of San Bernardino courts on December 8, 2022.

- Should the Receivership Order be approved by the judge, a receiver will be appointed for the subject property. The appointed receiver would then, acting as the owner of the subject property, be responsible for the following:
 - Conducting a thorough inspection of the subject property.
 - Conducting an inventory of the remaining occupants.
 - Securing the subject property.
 - Vacating the subject property of the remaining occupants in compliance with the TRO.
 - Potentially performing a rehabilitation of the subject property or facilitating its demolition.
 - Potentially conducting an “as-is” sale of the subject property.

In the meanwhile, staff will continue to re-board rooms should they become compromised and coordinate with service providers to hold additional resource events for remaining occupants.

Lastly, at the request of the City Council, staff has also investigated how the City could potentially reduce the number of occupants by providing funding for 1st and 2nd month’s rent payments to qualified individuals, the cost of which is estimated to be \$100,000 - \$150,000.

2021-2025 Strategic Targets and Goals

The receive and file update on the former American Sports University student dormitory, located at 340 West 4th Street, aligns with 2021-2025 Strategic Target 3: Improved Quality of Life, and, more specifically, 3A: Reducing the burden of the unsheltered through engagement, collaboration, and partnerships with other entities.

Fiscal Impact

There is no fiscal impact associated with this report to the General Fund.

Conclusion

It is recommended that the Mayor and City Council of the City of San Bernardino, California, receive and file an update on the former American Sports University student dormitory located at 340 West 4th Street.

Attachments

Attachment 1	Aerial Site Map
Attachment 2	American Sports University Student Dormitory Presentation

Ward:

First Ward

Synopsis of Previous Council Actions:

None.