



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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First District

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Second District

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Third District

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Fourth District

JIM DESMOND
Fifth District

DATE: May 19, 2026

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TO: Board of Supervisors

SUBJECT

AUTHORIZE ACTIONS NECESSARY TO IMPLEMENT PRIOR BOARD DIRECTION ON UNLOCKED RESERVE FUNDS: AWARD AND AMEND GRANTS AND CONTRACTS, INCLUDING AUTHORIZATION OF A-87 EXEMPTION TO COMPETITIVE PROCUREMENT TO APPROVE SINGLE SOURCE CONTRACT WITH CITY HEIGHTS COMMUNITY DEVELOPMENT CORPORATION (DISTRICTS: ALL)

OVERVIEW

On September 9, 2025 (23), the Board of Supervisors (Board) amended the San Diego County Administrative Code relating to General Fund Balances and Reserves, freeing up fund balance for one-time use (Unlocked Reserves). The Board's September 9th action further provided that the Board may, under certain criteria, use up to 25% of the County's Unlocked Reserves in a given fiscal year where the use meets certain Board-established criteria noted in the County Administrative Code.

On January 28, 2026 (21), the Board directed the Chief Administrative Officer to develop proposals for the use of FY 2025-26 Unlocked Reserves, in coordination with and with the guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee), for the Board's consideration. Subsequent to January 28, 2026, staff received guidance from the Subcommittee for proposed uses of Unlocked Reserves. Staff returned to the Board on March 3, 2026 (13) for consideration of the proposals developed with the Subcommittee's guidance.

On March 3, the Board considered those proposals and subsequently appropriated a total of \$56.2 million of the Unlocked Reserves balance. \$8.8 million of the Unlocked Reserves were appropriated to address conditions in the Tijuana River Valley and \$47.4 million was appropriated to support the County of San Diego's efforts in the areas of housing, vulnerable populations, sustainability, and infrastructure. Staff took that direction and returned to the Subcommittee for further coordination and guidance on how to operationalize those appropriations. Based on Board direction and the advice and guidance of the Subcommittee, additional Board action is required to implement March 3, 2026 action. Today's item seeks the Board's authority in order to implement \$15,425,000 of the previously appropriated \$47.4 million in Unlocked Reserves through contracts with two community organizations and grants to six other community organizations and public

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entities. Items that received appropriations on March 3, 2026, and already have existing authority to initiate contract extensions or amendments are not included in today's recommendations.

**RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER**

1. In accordance with Board Policy A-87, Competitive Procurement, and Administrative Code Section 401, authorize the Director, Department of Purchasing and Contracting to enter into negotiations with the San Diego LGBT Community Center and subject to successful negotiations and a determination of a fair and reasonable price, amend contract No. 569539 to extend the term by two years utilizing \$3,200,000 in Unlocked Reserves, to provide case management and assistance through flexible funding and connections to housing resources, and up to an additional six months if needed, subject to the availability of funds; and to amend the contract as required to reflect changes to services and funding allocations, subject to the approval of the Director, Housing and Community Development Services.
2. In accordance with Board Policy A-87, Competitive Procurement approve and authorize the Director, Department of Purchasing and Contracting to enter into negotiations with City Heights Community Development Corporation and subject to successful negotiations and a determination of a fair and reasonable price, award a contract for Coordinated Eviction Prevention System services for an initial term of two years utilizing \$3,600,000 in Unlocked Reserves, with one option year and an additional six months if needed, and to amend the contract as needed to reflect changes to requirements and funding, subject to the approval of the Director, Housing and Community Development Services, Office of Homeless Solutions.
3. Pursuant to Government Code section 26227, find that the grant programs authorized in the following recommendations are necessary to meet the social needs of the County's population in the areas of health, law enforcement, public safety, rehabilitation, welfare, education, and legal services. Authorize the Chief Administrative Officer, or designee, upon successful negotiations, to execute a subrecipient grant agreement in the following amounts for the following organizations:
 - a. \$600,000 with the University of San Diego to fund tenant legal services for eligible residents with complex immigration and documentation status.
 - b. \$350,000 with the Urban League of San Diego County to fund the Housing Financial Assistance Program to provide rental or mortgage relief to eligible residents at risk of homelessness, and to execute any subsequent amendments thereto.
 - c. \$5,000,000 with the Partnership for the Advancement of New Americans (PANA) to fund the development of the Refugee and Immigrant Cultural Hub and Affordable Housing space in Mid-City/City Heights, with payment contingent upon PANA demonstrating that it has secured financing for the

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project by June 30, 2027. Further authorize the Chief Administrative Officer or designee, upon successful negotiations, to execute any amendments to the agreement with PANA to provide up-to an additional \$15,000,000 in funding for the same purpose, for a total agreement amount not to exceed \$20,000,000, subject to the County identifying funding and the Board appropriating the funding for this use.

- d. \$1,500,000 to amend the subrecipient grant agreement with the City of San Diego for the domestic violence shelter-based services to victims and their children actively fleeing or escaping domestic violence, or in imminent danger of domestic violence, survivors of human trafficking and survivors of sexual assault, residing within San Diego county up to an additional year and up to an additional six months if needed, and to execute any subsequent amendments thereto.
- e. \$175,000 with the Union of Pan Asian Communities (UPAC) for the Community Violence Intervention program, to provide immediate and long-term crisis and community intervention and support to individuals impacted by violence, and to execute any subsequent amendments thereto.
- f. \$1,000,000 with the San Diego Food Bank, to support inventory for food distribution and mobile pantries, and to execute any subsequent amendments thereto.

EQUITY IMPACT STATEMENT

Unlocked Reserves are designed to function as a strategic, one-time fiscal tool in periods of heightened uncertainty, particularly when federal or State actions threaten County of San Diego administered programs. Such periods of heightened uncertainty have the potential to exacerbate existing inequities and inequalities, widening the gap between essential goods and services and the people who need to access them. To address continued changes in the financial landscape, on March 3, 2026 (13), the Board of Supervisors directed the use of Unlocked Reserves to expand housing supports, services for vulnerable populations, and sustainability and infrastructure solutions. Today's action ensures the expenditure of the appropriated funds to reduce access gaps to critical resources, for the benefit of the public good.

SUSTAINABILITY IMPACT STATEMENT

If approved, today's actions will sustain funding for the implementation of critical programs and services that advance many of the County of San Diego (County) Sustainability Goals: provide just and equitable access to County services and resource allocation in support of sustainable communities; and protect health and wellbeing. Specifically, the expenditures would help invest in building resilience in vulnerable populations in partnership with community organizations, protect the availability of housing supports, and protect access to healthy, sustainable, and local food.

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FISCAL IMPACT

Funds for the actions requested are included in the Fiscal Year (FY) 2025-26 Operational Plan in the Health and Human Services Agency, the Public Safety Group Executive Office, and the Office of Economic Development & Government Affairs based on use of Unlocked Reserves as approved by the Board of Supervisors on March 3, 2026 (13). If approved, these Recommendations for related contract changes and grant agreements would implement one-time costs totaling \$15,425,000, as identified in Attachment A, funded with unlocked reserves in the current fiscal year as approved by the Board on March 3, 2026. Funds will carry forward as needed to support services during the negotiated grant and contract periods in future years, as applicable. There will be no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

On September 9, 2025 (23), the Board of Supervisors (Board) adopted updates to the San Diego County Administrative Code relating to General Fund Balances and Reserves. These changes were designed to implement one-time resources to mitigate potential current and future budget impacts. The Administrative Code limited how much of the Unlocked Reserves can be used in a single fiscal year to 25% of the total amount determined at the time the Unlocked Reserves were established, which was \$381 million. This equates to \$95.4 million of Unlocked Reserves available for use in Fiscal Year (FY) 2025-26.

In the FY 2025-26 First Quarter Operational Plan Status Report, at the Board's direction, \$14.2 million was appropriated for one-time lump sum payments, leaving a remaining balance of Unlocked Reserves for FY 2025-26 of \$81.2 million.

On January 28, 2026 (21), the Board directed the Chief Administrative Officer to develop proposals, in coordination with and with the guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning (Subcommittee), for the use of FY 2025-26 Unlocked Reserves for the Board's consideration. Subsequent to January 28, 2026, staff received guidance from the Subcommittee for proposed uses for \$56.2 million of the remaining balance of \$81.2 million in Unlocked Reserves. Staff returned to the Board on March 3, 2026 (13) for consideration of the proposals developed with the Subcommittee's guidance.

On March 3, the Board considered those proposals and subsequently appropriated a total of \$56.2 million of the Unlocked Reserves balance. \$8.8 million of the Unlocked Reserves was appropriated to address conditions in the Tijuana River Valley (Recommendation 17) and \$47.4 million was

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appropriated to support the County's efforts in the areas of housing, vulnerable populations, sustainability, and infrastructure (Recommendation 19). Staff took that direction and returned to the Subcommittee for further coordination and guidance on how to operationalize those appropriations. After that direction, staff began operationalizing and planning for the appropriated funds where it already had the authority to do so and required no immediate additional Board action. A balance of \$25.0 million of Unlocked Reserves remained available in FY 2025-26 after the March Board action.

Today's item seeks the Board's authority to put to use \$15,425,000 of the previously appropriated \$47.4 million in Unlocked Reserves through a variety of grant agreements or contract options with community organizations specified in the March 3, 2026 (13), Board action. Additionally, based on further advice and guidance of the Subcommittee, a grant to the University of San Diego (USD) to fund tenant legal services for eligible residents with complex immigration and documentation status is recommended for a portion of the amount previously approved for Tenant Legal Services. Items that received appropriations on March 3, 2026, and already have existing authority to initiate contract extensions or amendments, are not included in today's recommendations as further Board action is not needed at this time. Recommendations to advance the remaining items are detailed as follows:

Contract Recommendations

1. Extend the existing contract with the San Diego LGBT Community Center to support housing assistance and services through the LGBTQ+ Affirming Homelessness Prevention & Housing Support Program.
 - Board authority is required to initiate an extension to continue the program for an additional two years. This program provides case management and assistance with housing stabilization through flexible funding and connections to housing resources and supportive services. Services are tailored to each individual participant and interventions vary based on each person's unique set of needs. The LGBTQ+ program is operating since 2023 and serving regionwide individuals who are at risk or experiencing homelessness.
2. Initiate a Single Source Contract with City Heights Community Development Corporation to provide rental assistance services.
 - This program would offer a range of services to prevent eviction among eligible low-income households in the region. Types of services would include financial support, case management and wrap around supportive services to stabilize households and prevent evictions before the legal notice would be issued. City Heights Community Development Corporation administered the County of San Diego's Coordinated

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Eviction Prevention Program from 2023 to 2025 assisting housing unstable low-income households regionwide.

- This qualifies as a single source in accordance with Board policy A-87, 3A(3) Continuity – The procurement is for services where continuity of providers will allow the County an opportunity to leverage previously initiated work, benefit from efficiency, and benefit from critical knowledge that would require substantial re-work to perform. City Heights Community Development Corporation was the County’s coordinated eviction prevention program contractor through December 2025 via contract 568257. Through this contract, the contractor developed a coordinated system with complex integration across multiple agencies, including the Sheriff’s Office, local community health organizations, immigrant and refugee organizations, domestic violence providers, continuum of care partners, and landlord tenant associations to assure the success of the program. The program demands a provider with existing infrastructure, established regional partnerships, and proven cultural competencies. Due to the short duration of this contract, only an organization already integrated into the eviction prevention ecosystem and capable of immediate Countywide service delivery can fulfill the program's comprehensive, regulated, and outcome-driven expectations.

Grant Recommendations

Section 26227 authorizes the County to fund programs that the Board finds to be “necessary to meet the social needs of the population of the county.” On March 3, 2026 (13), the Board directed the appropriation of Unlocked Reserves for areas including Housing, Vulnerable Populations, Sustainability, and Infrastructure. Based on the advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning, services focused on housing support, nutrition, and assistance to vulnerable populations are reflected in the programs being recommended today for grant funding. These programs and services meet the social needs of the County’s population in the areas of health, public safety, rehabilitation, welfare, education, and legal services, in accordance with Government Code section 26227.

- a. Enter into a Subrecipient Grant Agreement with the University of San Diego (USD) to support tenant legal services for those with complex immigration and documentation status, based on the further advice and guidance of the Ad Hoc Subcommittee on Sustainable Fiscal Planning.
 - The USD Law Housing Rights Clinic provides low-income community members with assistance with housing instability and related issues. This agreement will provide \$600,000 to USD to provide legal services to tenants facing eviction.
 - Board action on March 3, 2026 (13) established appropriation of \$3,000,000 for Tenant Legal Services, of which \$600,000 is proposed to be used to support the USD Subrecipient Grant Agreement.

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- b. Enter into a Subrecipient Grant Agreement with Urban League of San Diego County for \$350,000 to support rental assistance opportunities through the Housing Financial Assistance Program (HFAP).
 - This program provides up to \$10,000 in one-time, non-repayable rental or mortgage relief to eligible residents at risk of homelessness. In doing so, the program helps prevent evictions and supports housing stability.
- c. Enter into a Subrecipient Grant Agreement with Partnership for the Advancement of New Americans (PANA) for \$5,000,000 to support the development of a Refugee and Immigrant Cultural Hub, inclusive of affordable housing and a cultural space.
 - PANA fights to advance the full economic, social, and civic inclusion of refugees in the San Diego region, throughout California, and across the country.
 - PANA is leading the effort in the development of a Refugee and Immigrant Cultural Hub, affordable housing and cultural space for San Diego's Mid-City/City Heights neighborhood, specifically serving immigrants and refugees. Planned to be built on 2.2 acres, The Global Village will provide: 150 units of larger, affordable family housing; a market supporting refugee and immigrant entrepreneurs; a hub for co-locating non-profit organizations to provide family services and promote well-being; and support local resiliency efforts by serving as a regional hub for families with limited English proficiency, during emergencies.
 - This funding is contingent upon PANA's demonstration of secured financing and would authorize amendments up to a total agreement amount not to exceed \$20,000,000 if additional County funding is identified and appropriated.
- d. Extend the existing Subrecipient Grant Agreement with the City of San Diego (City) for the Casa Mariposa Domestic Violence (DV) and Human Trafficking Victims Shelter by \$1,500,000 through June 30th, 2027.
 - Casa Mariposa serves victims of domestic violence and human trafficking with shelter and wrap around services. On April 4, 2023 (27), the Board authorized the CAO to enter into a subrecipient agreement with the City to fund capital improvements and up to two years of operations at the Casa Mariposa DV shelter through the American Rescue Plan Act Framework. The shelter opened in April 2024. On May 20, 2025 (16), the Board approved an extension of the grant term through June 30th, 2026. Today's action would provide operational funding to extend the agreement an additional year and up to an additional six months if needed. This shelter is operated by City of San Diego through a contract with SBCS.
- e. Enter into a Subrecipient Grant Agreement with the Union of Pan Asian Communities (UPAC) to support the continuation of the Community Violence Intervention Program.

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- This agreement will provide \$175,000 to advance the work of UPAC’s Community Response Team. The Community Response Team provides immediate community violence intervention and support which includes offering emotional support, resources and referrals for those who have suffered from acts of violence, and grief support services.
- f. Enter into a Subrecipient Grant Agreement with the Jacobs & Cushman San Diego Food Bank to support hunger relief efforts. The Jacobs & Cushman San Diego Food Bank is the largest independent hunger-relief organization in San Diego County. Their mission is to provide nutritious food to people in need, advocate for the hungry, and educate the public about hunger-related issues.
- This agreement will provide \$1,000,000 to expand the reach and impact of the Food Bank by supporting the inventory for food distributions and mobile pantries.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today’s proposed actions support the Strategic Initiatives of Sustainability, Equity, and Community in the County of San Diego’s (County) 2026-2031 Strategic Plan by fully committing to use County resources to meet the highest priority needs of residents.

Respectfully submitted,



EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT(S)

Attachment A – Unlocked Reserves Category, Use and Board Action Reference Fiscal Year 2025-26