

(R-96-1216)

RESOLUTION NUMBER R- 287204

ADOPTED ON APR 15 1996

BE IT RESOLVED, by the Council of The City of San Diego,
that the proposal by Mayor Susan Golding in her memorandum dated
April 8, 1996, to the City Councilmembers (Attachment A) for CDBG
funding of the new Main Library is hereby approved.

APPROVED: JOHN W. WITT, City Attorney

By Stuart H. Swett
Stuart H. Swett
Senior Chief Deputy City Attorney

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Or.Dept:Mayor
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OFFICE OF MAYOR SUSAN GOLDING
City of San Diego

M E M O R A N D U M

TO: Honorable City Councilmembers
FROM: SUSAN GOLDING
DATE: April 8, 1996
SUBJECT: New Main Library - CDBG Funding

In October and December of 1995, the City Council reviewed and unanimously supported the funding plan for the new Main Library. The funding plan included: \$10 million from the Centre City Development Corporation, \$10 million in private fundraising, \$5 million in Community Development Block Grant funds, and \$30 to \$40 million to be debt financed from the 1/2 cent Transient Occupancy Tax previously allocated to the new sports arena project.

This proposal describes how the \$5 million in CDBG funds can be equitably split between the Council Districts and the City-wide allocation over a four year period (FY1997-FY2000).

It is expected that FY1997 CDBG revenues will total \$19.6 million - of which 60% would be allocated to the eight City Council Districts and 40% allocated to the City-wide category. This would produce \$10.534 million for the City Council Districts (after Section 108 loan repayments) and \$7.840 million for the City-wide allocation.

The proposed distribution of the \$5 million in CDBG funds over the next four fiscal years would be borne equally between the City Council Districts and the City-wide allocation. This would require that each City Council District contribute \$78,125 in CDBG funding each year for four years and \$625,000 to be contributed from the City-wide allocation for four years. This would produce \$1.25 million per year during the four year plan. The balance remaining within the eight City Council Districts after the FY 1997 \$78,125 payment ranges from \$674,000 to \$1.7 million.

Because this is a four year plan from FY1997 - FY2000 and the construction schedule calls for the library to be completed by 1999, there is a cash flow problem that must be resolved. Therefore, it is proposed that the annual \$1.25 million in CDBG funds be transferred to CCDC over the four year period. CCDC would then use the \$1.25 million for CDBG eligible projects within the Redevelopment Area. The CDBG funds shifted to CCDC would replace the redevelopment funds already programmed for various Centre City projects. CCDC would then replace the CDBG funds with redevelopment funds and allocate the total \$5 million to the New Main Library project over a two year period in order to meet the construction schedule.

In summary, the following actions are requested:

1. The \$5 million CDBG commitment to the New Main Library project will be allocated on a 50-50 basis between the City Council Districts and the City-wide allocation. Each City Council District would contribute \$78,125 for the next consecutive four fiscal years. The

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City-wide CDBG category would contribute \$625,000 for the next consecutive four fiscal years. This would produce \$1,250,000 per year - or \$5 million over four years.

2. The annual \$1,250,000 in CDBG funding would be shifted to CCDC for the next four fiscal years. CCDC would replace redevelopment funds currently programmed in various capital improvement projects within the redevelopment area with the CDBG funds for eligible projects. CCDC would program the replaced redevelopment funds totaling \$5 million for the New Main Library project during FY1997 and FY 1998 which will allow for construction of the project to be completed by 1999.

Thank you for your support.

Attachment

ATTACHMENT 1

CDBG FUNDING FOR NEW MAIN LIBRARY

A.	Total Anticipated CDBG Revenues:	\$19,600,000	
	* City Council District Allocation (60%):	\$11,760,000	(\$10.534 million after Section 108 Loan)
	* City-wide Allocation (40%):	\$7,840,000	

B. City-wide CDBG Allocation (Requested)

Estimated Revenue:	\$7,840,000	
minus Section 108 Repayment:	862,000	(City-wide share of Mid City Police Station and Mercado project)
minus 15% for Social Services:	2,940,000	
minus 20% ADA Commitment:	1,568,000	
minus Housing Commission:	1,750,000	
minus CDBG Administration:	400,000	
minus Vacant Property Coord:	70,000	
Subtotal Revenues:	\$250,000	

C. 50-50 Allocation Table:

<u>Council District</u>	<u>Baseline</u>	<u>Annual Contribution</u>	<u>Balance</u>
1	\$752,640	\$78,125	\$674,515
2	1,328,880	78,125	1,250,755
3	1,767,360	78,125	1,689,235
4	1,787,520	78,125	1,709,395
5	940,000	78,125	861,875
6	1,258,320	78,125	1,180,195
7	1,067,480	78,125	989,355
8	1,631,000	78,125	1,552,875
City-wide	7,840,000	625,000	0