

RESOLUTION NUMBER R- 305785  
DATE OF FINAL PASSAGE APR 27 2010

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE PROPOSED REVISION TO THE CONSOLIDATED PLAN 2009 ACTION PLAN REGARDING A SECOND REVISION TO THE NEIGHBORHOOD STABILIZATION PROGRAM.

WHEREAS, the Housing and Economic Recovery Act of 2008 (HERA) was approved by the House of Representatives on July 23, 2008 and by the Senate on July 26, 2008, and was signed by President Bush on July 30, 2008; and

WHEREAS, on September 26, 2008, the U.S. Department of Housing and Urban Development (HUD) allocated \$3.9 billion to states and hard-hit areas under Sections 2301-2304 of HERA, known henceforth as the Neighborhood Stabilization Program (NSP), for the purpose of assisting in the redevelopment of abandoned and foreclosed homes and residential properties; and

WHEREAS, the City of San Diego (City), as an entitlement city under the HUD Community Development Block Grant (CDBG) program, received \$9,442,370 in NSP funds in on March 3, 2009 after submitting a plan to HUD in the form of a Substantial Amendment to the City's Consolidated Plan 2009 Action Plan (NSP Plan); and

WHEREAS, on November 18, 2008, the City Council of the City of San Diego (Council) adopted a resolution approving the NSP Plan and appropriating the \$9,442,370 in NSP funds; and

WHEREAS, the City's NSP grant agreement with HUD requires that no less than 25 percent of its NSP grant must be used for the purchase and redevelopment of abandoned or

foreclosed homes or residential properties to house individuals or families whose incomes do not exceed 50 percent of area median income, which corresponds to the Acquisition/Rehabilitation and Rental to Low Income Tenants activity in the NSP Plan; and

WHEREAS, under NSP regulations, the City has until September 30, 2010 to obligate all NSP funds to specific eligible projects or return any unobligated funds to HUD; and

WHEREAS, on August 25, 2009, the City entered into a contract with the San Diego Housing Commission (SDHC) to administer to NSP funds to accomplish the goals in the NSP Plan;

WHEREAS, the City's adopted NSP plan states that the SDHC and/or a community-based, non-profit developer would carry out the Acquisition/Rehabilitation and Rental to Low Income Tenants activity; and

WHEREAS, NSP regulations allow for-profit developers to participate in NSP activities; and


WHEREAS, the SDHC has requested City staff to seek Council approval to revise the NSP Plan to allow for the participation of for-profit developers in the Acquisition/Rehabilitation and Rental to Low Income Tenants activity to facilitate achievement of the goals set forth in the NSP Plan;

NOW, THEREFORE,

BE IT RESOLVED, that the City Council of the City of San Diego approves the proposed revision to the NSP Plan to allow for-profit developers to participate in the Acquisition/Rehabilitation and Rental to Low Income Tenants activity; and

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately upon its passage.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Kenneth So  
Deputy City Attorney

KS:js  
03/16/2010  
Or.Dept:CP&CI  
R-2010-666  
MMS #11752

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of APR 26 2010.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 4-27-10  
(date)

  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor