

RESOLUTION NUMBER R- 306542
DATE OF FINAL PASSAGE JAN 18 2011

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO REALLOCATING UNEXPENDED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO PREVIOUSLY FUNDED PROJECTS WHERE A CHANGE IN SCOPE HAS BEEN REQUESTED AND THE SUBGRANTEE ORGANIZATION HAS CHANGED.

WHEREAS, the City of San Diego (City), as an entitlement jurisdiction, receives Community Development Block Grant (CDBG) funds on an annual basis from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the CDBG regulations at 24 CFR 570.902(a), commonly known as the “timeliness rule,” state that HUD will consider an entitlement jurisdiction to be failing to carry out its CDBG activities in a timely manner if, sixty days prior to the end of the grantee’s current program year, the amount of entitlement grant funds available to the recipient but undisbursed by the U.S. Treasury is more than 1.5 times the entitlement grant amount for its current program year; and

WHEREAS, HUD notified the City on May 17, 2010, that it is out of compliance with the timeliness rule; and

WHEREAS, on August 25, 2010, HUD placed the City on a “work-out plan” that identified a CDBG funds expenditure trend-line that must be adhered to and corrective actions that will be taken to bring the City into compliance with the timeliness rule by April 30, 2011; and

WHEREAS, City staff has completed a clean-up of CDBG Program accounting records and outstanding project balances; and

WHEREAS, the City's CDBG Program Unit staff (CDBG Staff) has notified subgrantee organizations with unexpended CDBG funds that all project funds must be expended by March 1, 2011, or be reprogrammed to other eligible projects; and

WHEREAS, as a result of the outreach efforts by CDBG Staff, two subgrantee organizations have requested action by the Council of the City of San Diego to facilitate expenditure of their previously allocated unexpended CDBG funds:

1. Home Start, Inc. requests a change in project scope from acquisition to public facilities and improvements for the facility located at 4629-4637 35th Street, San Diego, CA 92116. The project budget consists of funding from Fiscal Year (FY) 2010 in the amount of \$70,000 and FY 2011 in the amount of \$130,750, for a total of \$200,750; and
2. National Medical Association was acquired by the San Ysidro Health Center. The combined agency would like to utilize CDBG funds previously allocated to National Medical Association for the same previously approved scope of public facilities and improvements for the facility located at 3177 Ocean View Boulevard, San Diego, CA 92113. The project budget consists of funding from FY 2007 in the amount of \$80,500 and FY 2008 in the amount of \$25,000, for a total of \$105,500.

WHEREAS, on November 17, 2010, the Public Safety and Neighborhood Services Council Committee voted unanimously to recommend bringing these actions for approval before the full Council; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the change of scope from acquisition to public facilities and improvements for the facility at 4629-4637 35th Street, San Diego, CA 92116, for the use of CDBG funds previously

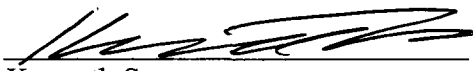
allocated to Home Start, Inc., in FY 2010 and FY 2011 in the total amount of \$200,750 as identified above, is approved.

2. That the reallocation of CDBG funds totaling \$105,500 previously allocated in FY 2007 and FY 2008 as identified above, from National Medical Association to San Ysidro Health Center for the previously approved scope of public facilities and improvements for the facility at 3177 Ocean View Boulevard, San Diego, CA 92113, is approved.

3. That the Chief Financial Officer is authorized to appropriate and expend CDBG funds in the total amount of \$200,750 as identified above for Home Start Inc. for public facilities and improvements for the facility located at 4629-4637 35th Street, San Diego, and CDBG funds in the total amount of \$105,500 as identified above for San Ysidro Health Center for public facilities and improvements for the facility located at 3177 Ocean View Boulevard, San Diego.

4. That the Mayor or his designee is authorized to negotiate and execute agreements with Home Start, Inc. and San Ysidro Health Center for the project funding which has been hereby reallocated, contingent upon certification of availability of funds by the Chief Financial Officer.


APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Kenneth So
Deputy City Attorney

KS:mm
12/21/2010
Or.Dept: CPCI
R-2011-588
PL#2010-04489

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JAN 11 2011.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 1.18.11
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor