

RESOLUTION NUMBER R- 307232

DATE OF FINAL PASSAGE JAN 18 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO REPROGRAMMING UNEXPENDED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS, AUTHORIZING THE CHIEF FINANCIAL OFFICER TO REDUCE THE CITY'S CAPITAL IMPROVEMENT PROGRAM BUDGET AND DE-APPROPRIATE CERTAIN CDBG FUNDS, AUTHORIZING THE CHIEF FINANCIAL OFFICER TO APPROPRIATE AND EXPEND THESE UNEXPENDED CDBG FUNDS TO DEFEASE CERTAIN IDENTIFIED HUD SECTION 108 LOANS.

WHEREAS, the City of San Diego (City), as an entitlement jurisdiction, receives Community Development Block Grant (CDBG), HOME, Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) 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, on January 31, 2011, the Council of the City of San Diego (Council) adopted Resolution No. R-306574, which authorized the reprogramming of over \$12 million in unexpended CDBG funds in Fiscal Year 2011 towards the defeasance of various Section 108 loans in order to bring the City into compliance with HUD's timeliness rule for Fiscal Year 2011; and

WHEREAS, City staff has completed a clean-up of CDBG Program accounting records and outstanding project balances for Fiscal Year 2012; and

WHEREAS, City staff has identified \$7,160,357.39 in unexpended CDBG funds allocated to projects by Council between 2002 and 2011 that cannot be expended on said projects by April 30, 2012, before HUD's next review of the City's timeliness rule compliance; and

WHEREAS, these CDBG funds must be expended and drawn from the U.S. Treasury in order to bring the City into compliance with the timeliness rule; and

WHEREAS, the City has a number of HUD Section 108 loans, which the City currently repays using City CDBG entitlement funds that could otherwise be awarded by Council to CDBG-eligible projects; and

WHEREAS, the repayment of these HUD Section 108 loans is the most expeditious method to fully and properly utilize these unexpended CDBG funds in order to comply with HUD's timeliness deadline; and

WHEREAS, on November 2, 2011, the Public Safety and Neighborhood Services Council Committee voted unanimously to recommend bringing this action forward for consideration by the full Council; NOW, THEREFORE,

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

1. That the reprogramming of all CDBG Program unexpended project balances totaling \$7,160,357.39, which are identified in Attachment A to this resolution, to defease the City's HUD Section 108 loans is approved, contingent upon certification of fund availability by the Chief Financial Officer.

2. That the Chief Financial Officer or her designee is authorized to decrease the Fiscal Year (FY) 2012 Capital Improvement Project (CIP) Program Budget in Fund 600000, Community Development Block Grants, by \$26,314.02.

3. That the Chief Financial Officer or her designee is authorized to de-appropriate \$26,314.02 in Fund 600000, Community Development Block Grants, from CIP projects in the amounts listed in Attachment B to this resolution.

4. That the Chief Financial Officer or her designee is authorized to transfer appropriations in a total amount not to exceed \$7,160,357.39 in reprogrammed CDBG project balances to FY12 Unobligated CDBG Funds, grant Internal Order No. UC1000003-12, which total consists of the following:

- (a) \$26,314.02 from CIP projects;
- (b) \$5,851,228.72 from non-CIP projects; and,
- (c) \$1,282,814.65 from the FY11 HUD 108 Loan Defeasement balance.

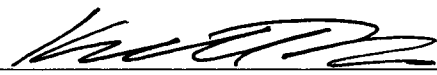
5. That the Chief Financial Officer or her designee is authorized to appropriate and expend the reprogrammed CDBG project balances up to \$7,160,357.39 to defease the following identified HUD Section 108 loans to the extent that such funds are sufficient to do so:

- (a) District 4 Senior Center (Loan No. B-03-MC-06-0542);

- (b) College Rolando Library (Loan No. B-99-MC-06-0542-B);
- (c) Logan Heights Library #1 (Loan No. B-01-MC-06-0542);
- (d) Logan Heights Family Health Center (Loan No. B-98-MC-06-0542-A);
- (e) Camp Hope (Loan No. B-03-MC-06-0542-B); and
- (f) LGBT Community Center (Loan No. B-04-MC-06-0542), which is all contingent upon certification of fund availability by the Chief Financial Officer.

6. That the Chief Financial Officer or her designee is authorized to take any and all actions required to defease the HUD Section 108 loans identified herein including, but not limited to, negotiating and executing any necessary agreements.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Kenneth R. So
Deputy City Attorney

KRS:mm
21/12/2011
1/10/2012 Rev. Copy
Or.Dept: Econ. Development Division
PL#2011-08154

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JAN 10 2012.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 1-18-12
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

ATTACHMENT A
ALL PROJECTS TO BE REPROGRAMMED AS OF 12 13 2011
FINAL VERSION

#	FISCAL YEAR	FUND #	DESCRIPTION	IDIS	IO # (NON-CIP)/ WBS # (CIP)	REMAINING BALANCE
1	2002	600000	JACKIE ROBINSON FAMILY YMCA-02	4002	CA1000003-02	0.18
2	2002	600000	OCEAN BEACH CDC CITY MONITORI	2798	AD1000003-02	662.47
3	2006	600000	ADA SURVEY NEEDS CONTRACT-06	4297	FT1000003-06	12,558.36
4	2006	600000	JACKIE ROBINSON YMCA-06	4187	FU1000003-06	247.37
5	2007	600000	BAYSIDE COMM CTR FOUN REP-07	4810	IF1000003-07	913.93
6	2007	600000	DISABILITY SERVICES PO II-07	4658	ID1000003-07	31,492.58
7	2007	600000	RANCHO PENASQUITOS LIBR-ADA-07	4667	IE1000003-07	23,435.00
8	2007	600000	SOUTHERN SUDANESE COMM CTR-07	4807	IG1000003-07	21,373.00
9	2008	600000	CHOLLAS LAKE LITTLE LEA-PRE-08	5261	KC1000003-08	5,337.20
10	2008	600000	CHOLLAS LAKE LITTLE LG-FEN-08	4870	KI1000003-08	10,001.15
11	2008	600000	MARSHALL ELEMENTARY SCHOOL-08	4872	KD1000003-08	35,000.00
12	2008	600000	NCCD COMBINATION INSP II-08	4943	KE1000003-08	57,071.28
13	2008	600000	NORTH PARK MAIN TREE GRATES-08	4830	KH1000003-08	110.87
14	2008	600000	PRESIDENT JOHN ADAMS MANOR-08	4853	JY1000003-08	25,000.00
15	2008	600000	UNITY TECH FITNESS CENTER-08	4866	KB1000003-08	50.00
16	2009	600000	CDBG ADMIN - AUDITORS SVCES-09	5084	MN1000003-09	19.21
17	2009	600000	CDBG ADMIN DSD NEPA SVCS-09	5084	MM1000003-09	30,155.15
18	2009	600000	CDBG ADMIN PE & NPE COSTS-09	5084	MO1000003-09	327,937.01
19	2009	600000	CDBG CONSULTANTS(1)-09	5085	MP1000003-09	171,622.20
20	2009	600000	CDBG CONSULTANTS(2)-09	5085	MS1000003-09	12,680.56
21	2009	600000	CDBG INTERN-09	5085	MR1000003-09	2,942.22
22	2009	600000	ECON DEVELOPMENT PROG-FY09	5140	OI1000003-09	1,993.70
23	2009	600000	ECP NEPA SERVICES-09	5085	MQ1000003-09	4,141.41
24	2009	600000	ELEVATOR INSTALLATION-09	5115	MZ1000003-09	47,000.00
25	2009	600000	HOMELESSNESS CONSULTANT-09	5086	MU1000003-09	10,000.00
26	2009	600000	INNER CITY YOUTH OF SD (ICY)-09	5109	NM1000003-09	8,600.00
27	2009	600000	LANDSCAPING-RES-09	5124	NA1000003-09	25,000.00
28	2009	600000	OCEAN BEACH GATEWAY PROJ-09	5132	NB1000003-09	50,000.00
29	2009	600000	PE AND NPE COSTS PROJ MGMT-09	5086	MT1000003-09	72,212.71
30	2009	600000	RENOVATION OF EXIST BLDG-FY09	5118	OC1000003-09	7,456.44
31	2009	600000	ST STEPHENS DECENT AFF HSG-09	5316	OJ1000003-09	25,000.00

#	FISCAL YEAR	FUND #	DESCRIPTION	IDIS	IO # (NON-CIP)/ WBS # (CIP)	REMAINING BALANCE
32	2009	600000	SVDP MGT DBA-JOSUE HOME IMP-09	5314	OK1000003-09	1,347.38
33	2009	600000	URBAN CORPS YOUTH TRNG CTR-09	5126	NY1000003-09	235.50
34	2010	600000	2080 NEWTON REHABILITATION-10	5714	NE1000003-10	46,515.00
35	2010	600000	ACQUISITON OF AFFORD HNG-10	5497	FT1000003-10	1,457,478.00
36	2010	600000	BAYSIDE COMM FAIR HSG-10	5445	AI1000003-10	1,349.62
37	2010	600000	BEACH WHEELCHAIR PROGRAM FY10	5504	NA1000003-10	2,676.83
38	2010	600000	BECKY'S HOUSE SAFE ACCESS-10	5481	EQ1000003-10	211.13
39	2010	600000	BRIDGE GRP HM DMG REPR-10	5473	IQ1000003-10	900.00
40	2010	600000	CDBG ADMINISTRATION FY 2010	5447	AH1000003-10	91,696.17
41	2010	600000	CLUBHOUSE RENOVATION & SECURIT	5715	NG1000003-10	0.34
42	2010	600000	COMM & ECON DEV-AAA-10	5485	EU1000003-10	14,141.02
43	2010	600000	CROSSROADS RDV DIS-ADA COMP 10	5569	ER1000003-10	40,075.00
44	2010	600000	FAIRHOUSING CSA	5446	AJ1000003-10	104,774.00
45	2010	600000	FAIRHOUSING FHC	5449	AM1000003-10	104,774.00
46	2010	600000	FOURTH DIST LOBBY SOUNDPROOFING-10	5720	NH1000003-10	29,374.74
47	2010	600000	HEALTHY LNG COMM (AEP) ; PAZZAZ	5468	DR1000003-10	89,000.00
48	2010	600000	INSTALL ELEVATOR FOR ADA-10	5466	IK1000003-10	51,000.00
49	2010	600000	LOGAN HEIGHT FAM HEALTH CENTER-10	5713	NI1000003-10	5,073.69
50	2010	600000	MICROLENDING DEVELOPMENT 10	5484	ET1000003-10	38,738.61
51	2010	600000	PRO-ACTIVE CODE ENF CD 3-10	5494	FQ1000003-10	48,475.09
52	2010	600000	PRO-ACTIVE CODE ENF CD 6-10	5495	FR1000003-10	50,269.36
53	2010	600000	PROJECT MGMT - E&C PROJ-10	5448	AL1000003-10	265,673.88
54	2010	600000	REBUILD CITY HGHT-NBHD REV-10	5514	FW1000003-10	1.00
55	2010	600000	SAFE HOMES PROJECT FY 2010	5489	HM1000003-10	19,199.88
56	2010	600000	SAN DIEGO TEEN COURT-10	5510	NB1000003-10	3,085.50
57	2010	600000	SUNBURST APARTMENT BUILD-10	5716	NK1000003-10	302.04
58	2010	600000	SUSTAINABLE COMMUNITIES 10	5513	FV1000003-10	8,853.06
59	2010	600000	TEEN HEALTH CENTER RENOV-10	5461	IG1000003-10	2,029.00
60	2010	600000	THERAPEUTIC RECREATION SVCE-10	5512	FU1000003-10	16,509.92
61	2010	600000	TOT LOT REHABILITATION-10	5709	MD1000003-10	1,723.81
62	2010	600000	TURNING POINT RENOV-10	5718	ME1000003-10	0.16
63	2010	600000	VIETNAM VETERANS OF SD APT 10	5479	EP1000003-10	25,000.00
64	2010	600000	WOODS HOME RENOV-10	5454	IC1000003-10	17,710.00
65	2011	600000	211 SD- HEALTHCARE NAVIGTN-11	5832	GU1000003-11	194.84
66	2011	600000	4TH DIST SR RES CTR-EHANCENT-11	5842	MH1000003-11	2,000.04
67	2011	600000	ACCESS-MICROENTERPRISE-11	5816	CK1000003-11	6,978.03
68	2011	600000	ACCION-MICROLENDING DEV-11	5817	CL1000003-11	59,053.01
69	2011	600000	ALLIANCE AFR AST-CRSSRDS FL-11	5802	BQ1000003-11	45,000.00
70	2011	600000	ALLIANCE AFR AST-MICROENT-11	5818	CM1000003-11	177,783.00
71	2011	600000	BARRIO STATION-YTH PRG-11	5833	GV1000003-11	0.29
72	2011	600000	BURN INSTITUTE-SR SMOKE-11	5824	DH1000003-11	9,798.75

#	FISCAL YEAR	FUND #	DESCRIPTION	IDIS	IO # (NON-CIP)/ WBS # (CIP)	REMAINING BALANCE
73	2011	600000	CASA FAMILIAR-SENIOR SVCS-11	5882	ML1000003-11	208.05
74	2011	600000	CASA FAMILIAR-YOUTH SVCS-11	5900	MN1000003-11	7,792.77
75	2011	600000	CIP-VIETNAM VETS SEC 108-11	5855	KS1000003-11	9,515.59
76	2011	600000	CITY HGHTS CDC-NEIGH ENHANC-11	5848	IE1000003-11	78,872.13
77	2011	600000	CITY MAYOR-MENTOR PROTEGE-11	5901	CT1000003-11	76,000.00
78	2011	600000	CITY NCC-PRO ACTIVE CODE-11	5830	EB1000003-11	20,947.72
79	2011	600000	CITY PLAN/INVEST-SMALL BUS-11	5819	CN1000003-11	150,000.00
80	2011	600000	CPI - D4-SR CTR SEC 108-11	5861	KX1000003-11	0.05
81	2011	600000	CPI-BARRIO LGN MERC SEC 108-11	5852	KQ1000003-11	59,884.75
82	2011	600000	CPI-CAMP HOPE SEC 108-11	5862	KY1000003-11	0.40
83	2011	600000	CPI-CENTRAL POLICE SEC 108-11	5854	KR1000003-11	49,616.01
84	2011	600000	CPI-CLGE/RLNDO LIBR SEC 108-11	5857	KT1000003-11	0.05
85	2011	600000	CPI-CORTEZ HILL FAMILY CTR 108	5856	KE1000003-11	36.22
86	2011	600000	CPI-D3-PUBLIC IMPRV SEC 108-11	5860	KW1000003-11	0.25
87	2011	600000	CPI-LGBT CMTY CTR SEC 108-11	5866	NB1000003-11	13,289.44
88	2011	600000	CPI-LGN HGHT LIB #2 SEC 108-11	5867	NC1000003-11	24,365.95
89	2011	600000	CPI-LGN HGHTS FAM HLTH 108-11	5864	KZ1000003-11	0.20
90	2011	600000	CPI-LGN HGHTS LIB #1 SEC 11	5859	KV1000003-11	0.55
91	2011	600000	CPI-OCEAN BCH LIBR SEC 108-11	5858	KU1000003-11	0.10
92	2011	600000	CPI-OTAY MESA/NESTOR LIBRARY S	5863	KL1000003-11	5,144.69
93	2011	600000	CPI-SD FOOD BANK SEC 108-11	5865	NA1000003-11	22,465.19
94	2011	600000	FAIR HOUSING SERVICES-11	5801	AD1000003-11	314,321.00
95	2011	600000	HOMELESS EMERG SHLTR-CED-11	5836	GY1000003-11	16,856.07
96	2011	600000	HOMELESS EWSP-ECON DEV-11	5836	MD1000003-11	7,732.88
97	2011	600000	HOMELESS EWSP-STREET DIV-11	5836	MB1000003-11	8,086.11
98	2011	600000	HOMELESS EWSP-WATER SVCE-11	5836	MC1000003-11	5,000.00
99	2011	600000	HORN OF AFRICA-CITY HGHTS-11	5820	CO1000003-11	480.37
100	2011	600000	HUD ADMINISTRATION-11	5800	AE1000003-11	215,569.70
101	2011	600000	LA MAESTRA-HEART OF CMTY -11	5810	BX1000003-11	43.00
102	2011	600000	LISC-NEIGH FIRST-11	5846	HC1000003-11	100,000.00
103	2011	600000	SAY-TEEN COURT-11	5883	MM1000003-11	1,996.85
104	2011	600000	SD FUTURES FOUNDATION-STORE-11	5821	CP1000003-11	62,896.37
105	2011	600000	SD LGBT CMTY CTR-BEHAVIORAL HL 11	5843	MI1000003-11	1,001.94
106	2011	600000	SD SECOND CHANCE-SELF SUFF-11	5844	MJ1000003-11	12,581.93
107	2011	600000	SOUTHWEST CMTY CLGE-SMALL BUS-11	5880	CS1000003-11	77,911.21
108	2011	600000	STAR/PAL-CTR TO SERVE YTH-11	5845	MK1000003-11	9,120.36
109	2011	600000	TUBMAN/CHAVEZ CTR-11	5806	BT1000003-11	203,344.00
110	2011	600000	UPAC-ECON DEV-11	5823	CR1000003-11	3,819.46
111	2011	600000	URBAN CORPS-WEER-11	5829	DM1000003-11	669.88
112	2011	600000	YMCA-OZ RENOV-11	5815	LB1000003-11	118,000.00
113	2012	600000	ALLIANCE AFR AST-MICROENTERPRI	6131	CC1000003-12	186,790.00
114	2012	600000	BURN INSTITUTE-SR SMOKE ALARM	6135	DA1000003-12	27,034.00

#	FISCAL YEAR	FUND #	DESCRIPTION	IDIS	IO # (NON-CIP)/ WBS # (CIP)	REMAINING BALANCE
115	2012	600000	JEWISH FAMILY SERVICE OF SAN DIEGO	6138	DD1000003-12	100,000.00
116	2012	600000	FY12 Unobligated CDBG Funds	6203	UC1000003-12	817.79
TOTAL NON-CIP PROJECTS						5,851,228.72

117	2011	600000	6069-FY11 HUD 108 LOAN DEFEAS	6069	XZ1000003-11	1,282,814.65
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	CIP	SEE Attachment B				
118	2006	600000	SUNSHINE BERARDINI FIELDS	4212	S00759	3,319.03
119	2008	600000	LABOR COUNCIL CURB RAMPS	4966	S01028	374.47
120	2008	600000	SCRIPPS RANCH LIBRARY ADA	4953	S01040	1.87
121	2009	600000	49TH AND ELM ST SIDEWALK IMPRV	5091	B00976	8,301.50
122	2009	600000	MISSION BEACH COMMUNITY	5187	S01092	14,317.15
TOTAL CIP PROJECTS						26,314.02

FY12 Reprogramming Grand Total 7,160,357.39

ATTACHMENT B**CIP PROJECTS TO BE REPROGRAMMED AS OF 12 13 2011****FINAL VERSION**

#	FISCAL YEAR	FUND #	DESCRIPTION	IDIS	IO # (NON-CIP)/ WBS # (CIP)	REMAINING BALANCE
	CIP					
118	2006	600000	SUNSHINE BERARDINI FIELDS	4212	S00759	3,319.03
119	2008	600000	LABOR COUNCIL CURB RAMPS	4966	S01028	374.47
120	2008	600000	SCRIPPS RANCH LIBRARY ADA	4953	S01040	1.87
121	2009	600000	49TH AND ELM ST SIDEWALK IMPRV	5091	B00976	8,301.50
122	2009	600000	MISSION BEACH COMMUNITY	5187	S01092	14,317.15
TOTAL CIP PROJECTS						26,314.02