

RESOLUTION NUMBER R- 307328

DATE OF FINAL PASSAGE MAR 28 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN DIEGO REGARDING THE FISCAL YEAR 2013  
(FY 2013) COMMUNITY DEVELOPMENT BLOCK GRANT  
(CDBG) PROGRAM AND AMENDING COUNCIL POLICY  
NO. 700-02 REGARDING THE CDBG PROGRAM.

WHEREAS, the Housing and Community Development Act of 1974 established the Community Development Block Grant (CDBG) Program, which is administered by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the City of San Diego (City) has received CDBG Entitlement funds annually since its inception; and

WHEREAS, the overarching goal of the CDBG Program is to develop viable urban communities through the provision of decent housing, suitable living environments, and economic activities for persons of low and moderate-income; and

WHEREAS, the City has not yet received confirmation from HUD of the Federal entitlement amounts to be awarded to the City for FY 2013; and

WHEREAS, HUD has indicated that the City should proceed with an allocation process to meet the existing deadlines; and

WHEREAS, the City's staff has estimated that the City's CDBG entitlement grant for FY 2013 from HUD will be \$10,703,022, based on the entitlement amount awarded in FY 2012 by HUD; and

WHEREAS, an additional \$3,842,200 will be available to fund eligible projects and programs approved for funding as a result of a repayment by the Redevelopment Agency of the City of San Diego (Agency) of CDBG debt pursuant to a City Council-approved ten-year Repayment Agreement By and Between the Redevelopment Agency of the City of San Diego and the City of San Diego regarding CDBG Debt filed on July 20, 2010, a copy of which is on file with the Office of the City Clerk as Document No. RR-305920 (Repayment Agreement); and

WHEREAS, based on the foregoing, the total estimated amount of CDBG funding currently available to the City Council for allocation for the FY 2013 CDBG Program is \$14,545,222, which consists of the estimated FY 2013 annual entitlement from HUD in the amount of \$10,703,022 plus the amount of the FY 2012 Agency repayment in the amount of \$3,842,200; and

WHEREAS, according to Council Policy 700-02, certain funding obligations (Funding Obligations) are to be deducted from the City's overall annual allocation prior to funding being made available to address other Consolidated Plan goals and these Funding Obligations totaling \$5,498,404 consist of Section 108 Loan Payments, Administration, and Public Services, which are set forth in detail in Report to City Council No. 12-017; and

WHEREAS, on February 22 and 23, 2012, the Consolidated Plan Advisory Board met in open session in compliance with the Brown Act and made recommendations to fund certain projects for the City's FY 2013 CDBG Program, which are set forth in Attachment No. 4 included with Report to City Council No. 12-017; and

WHEREAS, the Board voted to forward its final scores and funding recommendations as set forth in Attachment No. 4 in Report to City Council No. 12-017 to the Council of the City of San Diego; and

WHEREAS, there is sufficient funding to fully fund Brick and Mortar/Community Economic Development projects receiving a score of 75 points and above from the Board and Public Services projects receiving a score of 85.5 points and above from the Board, which will leave a remaining balance of \$51,931 in unallocated Brick and Mortar funds and \$3,406 in unallocated Public Services funds; and

WHEREAS, City staff seeks to amend provision no. 15 of Council Policy No. 700-02 involving the CDBG Program so that projects allocated CDBG funding will have 18 months from the start of the fiscal year for which the funds were allocated to utilize such funds rather than only 18 months from the date of the allocation before such funds must be reprogrammed by the City Council under the current language of the policy; and

WHEREAS, such revision is necessary because agencies are typically allocated CDBG funding for approved projects in March of any given fiscal year, but are not able to begin expending such funds for their projects until the beginning of the fiscal year in July or thereafter due to HUD regulations; and

WHEREAS, this lag time does not provide agencies awarded CDBG funding the full 18 months sometimes necessary to complete projects, which negatively impacts the ability to complete projects and the City's ability to comply with all HUD regulations; NOW, THEREFORE,

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

1. That Council Policy 700-02 titled "COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM" is amended as set forth and on file in the office of the City Clerk as Document No. RR- 307328 .

2. That the Chief Financial Officer is authorized to accept CDBG funds from HUD for the City's FY 2013 CDBG Program.
3. That the Chief Financial Officer is authorized to accept the FY 2012 repayment of CDBG debt totaling \$3,842,200 by the Redevelopment Agency of the City of San Diego, which repayment shall be recorded as CDBG Program Income.
4. That the City's funding recommendations for the City's FY 2013 CDBG Program set forth in Revised Attachment A to this resolution are approved, contingent upon the Chief Financial Officer certifying that funds are available.
5. That the City's Funding Obligations and those projects and programs approved for CDBG funding be incorporated into the City's FY 2013 Annual Action Plan.
6. That the Chief Financial Officer is authorized to appropriate and expend the FY2013 CDBG entitlement funds totaling \$10,703,022 and FY 2012 Redevelopment repayment funds totaling \$3,842,200 effective on July 1, 2012, for the City's Funding Obligations, projects and programs approved for CDBG funding, and to increase the FY 2013 Capital Improvements Program Budget in the following CIP projects:
  - a. S11030 Gompers Neighborhood Park ADA Upgrades \$690,000
  - b. S01068 Linda Vista Community Park Picnic Shelter \$100,000
  - c. S00970 Memorial Pool Improvements \$1,661,000
  - d. S10026 Palisades Park Comfort Station ADA Upgrades \$285,000for the purpose of construction and contingent upon the Chief Financial Officer certifying that funds are available.
7. That the Mayor or his designee is authorized to negotiate and execute agreements and any amendments thereto, with those agencies for which projects and programs have been

approved for CDBG funding, giving priority to those approved projects and programs which obtained higher scores from the Consolidated Plan Advisory Board and contingent upon the Chief Financial Officer certifying that funds are available.

8. That in the event that the City receives more or less than \$10,703,022 of CDBG Entitlement funds in FY 2013, and/or the City does not receive the FY 2012 Redevelopment payment totaling \$3,842,200, Council shall be notified of the total amount available and shall determine additional and/or reduced funding allocations pursuant to Council Policy No. 700-02, utilizing the same result information presented at the first allocation hearing.
9. That the Chief Financial Officer is authorized to reduce appropriations in accordance with the FY 2013 CDBG Entitlement and FY 2012 Redevelopment repayment funds in the event that funding is less than anticipated.
10. That the Mayor or his designee is authorized to suspend the initiation of new HUD Section 108 Loans during FY 2013 that rely on CDBG and/or General Funds as a repayment source.

APPROVED: JAN I. GOLDSMITH, City Attorney

By



Kenneth R. So  
Deputy City Attorney

KRS:mcm  
March 6, 2012  
March 20, 2012 REV. COPY  
Or.Dept:Economic Development Division  
PL#2012-09164

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 19 2012.

ELIZABETH S. MALAND  
City Clerk

By *Mary Zimaya*  
Deputy City Clerk

Approved: 3-28-12  
(date)

*JS*  
JERRY SANDERS, Mayor

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

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

**CITY OF SAN DIEGO  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
(First Allocation Hearing)**

**FY2013 CDBG Funding Allocations**

|    | <b>APPL<br/>CAT</b> | <b>APPL<br/>#</b> | <b>APPLICANT</b>                                      | <b>PROJECT</b>                                   | <b>FY13<br/>Allocation</b> |
|----|---------------------|-------------------|---|--|----------------------------|
| 1  | CED                 | 1.1               | Access, Inc   | Microenterprise Development                      | \$50,000                   |
| 2  | CED                 | 1.2               | ACCION San Diego                                      | Microlending Program                             | \$234,222                  |
| 3  | CIP                 | 4.2               | Burn Institute  | Senior Smoke Alarm Program                       | \$51,931                   |
| 4  | CIP                 | 4.4               | Casa Familiar, Inc.                                   | Social Service Center                            | \$300,619                  |
| 5  | PS                  | 3B.2              | Catholic Charities                                    | Rachel's Women's Center                          | \$75,000                   |
| 6  | CIP                 | 4.6               | City Heights Community Development Corporation        | City Heights Neighborhood Rehabilitation Project | \$720,711                  |
| 7  | CIP                 | 4.7               | City Heights Community Development Corporation        | Sycamore Court Rehabilitation Project            | \$725,399                  |
| 8  | CED                 | 2.1               | City of San Diego - Environmental Services Department | Lead Safety Enforcement Program                  | \$120,560                  |
| 9  | CIP                 | 4.13              | City of San Diego - Park and Recreation Department    | Palisades Park Comfort Station ADA Upgrades      | \$285,000                  |
| 10 | CIP                 | 4.8               | City of San Diego Environmental Services Department   | Safe and Healthy Homes Project FY2013            | \$226,569                  |
| 11 | CIP                 | 4.9               | City of San Diego Park and Recreation                 | Gompers Neighborhood Park ADA Upgrades           | \$690,000                  |
| 12 | CIP                 | 4.10              | City of San Diego Park and Recreation                 | Linda Vista Community Park Picnic Shelter        | \$100,000                  |
| 13 | CIP                 | 4.11              | City of San Diego Park and Recreation                 | Memorial Pool Improvements                       | \$1,661,000                |
| 14 | CED                 | 7.1               | Community HousingWorks                                | HomeOwnership Center                             | \$250,000                  |
| 15 | PS                  | 3A.9              | Family Health Centers of San Diego                    | Safe Point San Diego                             | \$75,255                   |
| 16 | CIP                 | 4.16              | GRID Alternatives                                     | San Diego Solar Affordable Homes Program         | \$186,000                  |
| 17 | CED                 | 1.3               | Horn of Africa Community                              | San Diego Micro-enterprise Project               | \$148,746                  |
| 18 | PS                  | 3B.3              | Interfaith Shelter Network of San Diego               | Rotational Shelter Program                       | \$60,000                   |
| 19 | CED                 | 1.4               | International Rescue Committee, Inc.                  | IRC CDBG Microenterprise Program                 | \$130,362                  |
| 20 | CIP                 | 4.17              | La Maestra Family Clinic, Inc.                        | La Maestra Dental Expansion                      | \$110,249                  |
| 21 | PS                  | 3A.10             | Mama's Kitchen  | Home-Delivered Meal Service                      | \$100,000                  |
| 22 | CIP                 | 4.19              | Pro Kids Golf Academy, Inc.                           | Netting Enclosure of Driving Range               | \$47,000                   |
| 23 | CIP                 | 4.22              | San Diego Center for Children                         | Campus Improvements FY 2013                      | \$199,840                  |
| 24 | PS                  | 3B.4              | San Diego Housing Commission                          | Cortez Hill Family Center                        | \$205,902                  |
| 25 | PS                  | 3B.5              | San Diego Housing Commission                          | Homeless Shelter Program                         | \$562,176                  |
| 26 | CED                 | 1.5               | San Diego Housing Commission                          | Microenterprise Training and Development         | \$60,000                   |
| 27 | PS                  | 3A.15             | San Diego LGBT Community Center                       | Behavioral Health Services                       | \$100,000                  |
| 28 | PS                  | 3A.16             | San Diego Second Chance Program                       | Job Readiness Training for Unemployed            | \$199,951                  |
| 29 | PS                  | 3A.18             | San Diego Volunteer Lawyer Program, Inc.              | Safe and Secure Families Project                 | \$205,255                  |
| 30 | CIP                 | 4.23              | San Ysidro Health Center                              | SDCDC Expansion Project                          | \$1,459,180                |
| 31 | PS                  | 3A.19             | Senior Community Centers of San Diego                 | Senior Nutrition Program                         | \$128,140                  |
| 32 | CIP                 | 4.24              | St. Paul's Episcopal Homes, Inc.                      | St. Paul's - Emergency Generator                 | \$375,493                  |

**Revised Attachment A**

|              | <b>APPL<br/>CAT</b> | <b>APPL<br/>#</b> | <b>APPLICANT</b>                      | <b>PROJECT</b>                                     | <b>FY13<br/>Allocation</b> |
|--------------|---------------------|-------------------|---------------------------------------|--|----------------------------|
| 33           | PS                  | 3B.7              | St. Vincent de Paul Village, Inc.     | Family Living Program and Child Development Center | \$375,452                  |
| 34           | PS                  | 3A.23             | The Angel's Depot                     | The Angel's Depot/Senior Food for a Week           | \$91,246                   |
| 35           | CIP                 | 4.25              | Townspople                            | Low-Income Housing Solar Power                     | \$137,401                  |
| 36           | CIP                 | 4.26              | Union of Pan Asian Communities        | UPAC Seismic Retrofit                              | \$295,635                  |
| 37           | CED                 | 1.6               | Union of Pan Asian Communities (UPAC) | Multicultural Economic Development Program         | \$128,000                  |
| 38           | CIP                 | 4.27              | Urban Corps of San Diego County       | Campus Safety and Security Enhancement             | \$352,901                  |
| <b>Total</b> |                     |                   |                                       |  | <b>\$11,225,195</b>        |

| <b>Funding Obligations</b>               | <b>FY12</b>        |
|--|--------------------|
| HUD Section 108 Loan Payments            | \$407,576          |
| CDBG General Administration              | \$2,699,497        |
| Fair Housing Services (RFP to be issued) | \$209,548          |
| <b>Total</b>                             | <b>\$3,316,621</b> |

**Total FY2013 CDBG Funding Allocations:** **\$14,541,816**

**Total FY2013 CDBG Bricks and Mortar Funding not allocated:** **\$0**  
 (Balance to be allocated at a Second Allocation Hearing)

**Total FY2013 CDBG Public Services Funding not allocated:** **\$3,406**  
 (Balance to be allocated at a Second Allocation Hearing)