

RESOLUTION NUMBER R- 310318DATE OF FINAL PASSAGE APR 06 2016A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO REGARDING THE FISCAL YEAR 2017 U.S.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
(HUD) ENTITLEMENT PROGRAMS.

WHEREAS, the City of San Diego (City) is an entitlement jurisdiction that annually receives federal funds through four U.S. Department of Housing and Urban Development (HUD) housing and community development entitlement programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) (collectively, HUD Programs); and

WHEREAS, HUD has indicated that the City should proceed with its CDBG funds allocation process to meet the FY 2017 HUD Programs deadlines; and

WHEREAS, HUD has informed the City that the City's FY 2017 CDBG entitlement grant amount will be \$10,897,246; and

WHEREAS, the City and the former Redevelopment Agency of the City of San Diego (Former RDA) entered into that certain Loan Agreement (Long-Term Debt), dated March 1, 2011, and that certain Repayment Agreement (CDBG Debt), dated June 30, 2010, evidencing the Former RDA's obligations to repay the City CDBG funds loaned to the Former RDA; and

WHEREAS, due to recent changes in the law dissolving California redevelopment agencies, the City, acting solely in its capacity as the successor agency to the Former RDA (Successor Agency), has begun repayment of the Former RDA's CDBG debts to the City, which

will result in the City receiving significant amounts of “Program Income” (as defined in the CDBG regulations) during FY 2017, estimated at \$10,912,000; and

WHEREAS, the City does not always allocate all CDBG entitlement funds to projects or services immediately and some projects or contracts that receive an allocation of CDBG funds from the City withdraw, cancel or return unexpended funds to the City, and these funds are, collectively, “Reprogrammable Funds” that can be otherwise allocated by the City; and

WHEREAS, the City, as an annual recipient of entitlement funds from HUD through the HUD Programs, approved the City’s Fiscal Year 2015-2019 Consolidated Plan (Consolidated Plan) that sets forth a consolidated planning process and budgetary priorities for expenditure of funding received through the HUD Programs; and

WHEREAS, the Consolidated Plan assesses community development and affordable housing needs, identifies high priority goals, and outlines strategies to help the City meet these goals; and

WHEREAS, Council Policy 700-02 provides that CDBG funding priorities will be based upon the Consolidated Plan and prioritized annually by the City Council, with funding in the categories of “Planning and Administration” and “Fair Housing” being deducted from the City’s overall annual CDBG allocation prior to funding being made available to address other Consolidated Plan goals; and

WHEREAS, the Consolidated Plan’s budgetary priorities for CDBG allocations include the following categories: Capital Improvement Program (CIP), Community/Economic Development (CED), Public Services, and Administration; and

WHEREAS, a total amount not to exceed \$2,500,000 of FY 2017 CDBG funding is allocated to "Administration" as set forth in detail in the accompanying Report to City Council No. 16-020, dated March 16, 2016 (Staff Report); and

WHEREAS, a total amount not to exceed \$1,875,000 of FY 2017 CDBG funding is allocated to "Public Services," as set forth in detail in the Staff Report; and

WHEREAS, the Consolidated Plan divides the CIP into two subcategories, City Capital Improvement Projects (City CIPs) and Nonprofit Capital Improvement Projects (NCIPs); and

WHEREAS, the Consolidated Plan outlines a strategy for the review and approval of City CIPs by the City's Capital Improvements Program Review and Advisory Committee (CIPRAC); and

WHEREAS, in FY 2011, the City established a Consolidated Plan Advisory Board (CPAB) to serve in an advisory capacity to the Mayor, City Council, and City management on policy issues relating to the Consolidated Plan and provide recommendations regarding the allocation of HUD Programs funding; and

WHEREAS, on January 28, 2016, CIPRAC recommended that the City Council approve six City CIP projects to be funded, in part, with a combination of the Reprogrammable Funds and FY 2017 CDBG entitlement funds, and this recommendation was similarly forwarded to the City Council by the CPAB at its meeting on February 10, 2016, and the City's Infrastructure Committee at its meeting on February 24, 2016, which recommendations are set forth in Attachment 4 (FY 2017 City Capital Improvement Projects) to the Staff Report; and

WHEREAS, at its meeting on March 9, 2016, the CPAB recommended funding certain projects in other budgetary priority categories with a portion of the City's FY 2017 CDBG entitlement funds, and these recommendations are set forth in Attachment 1 (FY 2017 Public

Services Projects), Attachment 2 (FY 2017 Community/Economic Development Projects), and Attachment 3 (FY 2017 Nonprofit Capital Improvement Projects) to the Staff Report; and

WHEREAS, the CPAB voted to forward its final scores and funding recommendations for these other projects to the City Council, as set forth in Attachments 1, 2 and 3 to the Staff Report; and

WHEREAS, HUD has informed the City that the City's HOME, ESG and HOPWA entitlement grants for FY 2017 will be \$4,093,848, \$992,604, and \$2,855,967, respectively; and

WHEREAS, the City desires that the San Diego Housing Commission (Housing Commission) continue to plan, coordinate, operate, administer, and implement programs for the operation of the City's FY 2017 HOME and ESG programs (respectively, HOME Program and ESG Program); and

WHEREAS, the City desires that the County of San Diego (County) continue to plan, coordinate, operate, administer, implement and draw down funds for the operation of the City's FY 2017 HOPWA program; NOW, THEREFORE,

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

1. The Chief Financial Officer is authorized to accept FY 2017 CDBG entitlement funds from HUD in a total amount not to exceed \$10,897,246, effective on July 1, 2016, and appropriate and expend such funds for the projects and programs approved for FY 2017 CDBG funding, contingent upon grant funding being secured.

2. The funding recommendations for the City's FY 2017 CDBG Program detailed in Attachment 1 (FY 2017 Public Services), Attachment 2 (FY 2017 Public Services – Challenge Grant), Attachment 3 (FY 2017 Community/Economic Development Projects), Attachment 4 (FY 2017 Non-profit Capital Improvement Projects), and Attachment 5 (FY 2017 City Capital

Improvement Projects) to the Staff Report are approved, contingent upon the Chief Financial Officer certifying that funds are available.

3. The allocation of FY 2017 CDBG entitlement funding to the Housing Commission in a total amount not to exceed \$1,318,078 for the homeless programs identified in Council Resolution R-307701, as modified by Council Resolution R-309666, is approved, contingent upon the Chief Financial Officer certifying that funds are available.

4. Incorporation of the City's FY 2017 CDBG funding allocations for those projects and programs set forth in Attachments 1, 2, 3, 4 and 5 to the Staff Report into the City's FY 2017 Annual Action Plan is approved.

5. The Chief Financial Officer is authorized to accept, appropriate, and expend up to \$4,093,848 in FY 2017 HOME funds from HUD for the City's FY 2017 HOME Program, contingent upon grant funding being secured.

6. The Chief Financial Officer is authorized to accept, appropriate, and expend up to \$992,604 in FY 2017 ESG funds from HUD for the City's FY 2017 ESG Program, contingent upon grant funding being secured.

7. The Mayor, or designee, is authorized to enter into an extension of the term of that certain FY 2016 Emergency Solutions Grant (ESG) Subrecipient Agreement between the City of San Diego and the San Diego Housing Commission that became effective July 2, 2015, through FY 2017.

8. The Mayor, or designee, is authorized to enter into an extension of the term of that certain Amended and Restated FY 2016 CDBG and General Fund Agreement between the City of San Diego and the San Diego Housing Commission that became effective September 15, 2015, through FY 2017.

9. The Mayor, or designee, is authorized to enter into an extension of the term of that certain FY 2016 Home Investment Partnerships Grant (HOME) Subrecipient Agreement between the City of San Diego and the San Diego Housing Commission that became effective July 2, 2015, through FY 2017.

10. The Mayor, or designee, is authorized to negotiate and enter into agreements on behalf of the City with those consenting non-profit entities and agencies whose projects or programs are recommended for CDBG funding, contingent upon the Chief Financial Officer certifying that funds are available.

11. The Chief Financial Officer is authorized to accept the repayment of CDBG debt from the Successor Agency in a total amount not to exceed \$10,912,000, as listed on the Successor Agency's tenth "Recognized Obligation Payment Schedule" submitted to the California Department of Finance in 2016 for FY 2017 (ROPS 10), as and to the extent approved by the California Department of Finance, which repayment shall be recorded as CDBG "Program Income."

12. The Chief Financial Officer is authorized to appropriate and expend a total amount not to exceed \$10,912,000 of Program Income for projects approved for CDBG funding, contingent upon the Chief Financial Officer certifying that funds are available.

13. The Chief Financial Officer is authorized to appropriate \$402,369.65 of Program Income in Fund 600100 and transfer appropriations of \$16,395.10 from FY 2016 Unobligated CDBG Program in Fund 600000, Grant 1000003-2016, IO UC1000003-16 to increase the FY 2017 Capital Improvement Project (CIP) Program Budget in Fund 600000, Grant 1000003-2017, CDBG 2017, contingent upon certification of fund availability by the Chief Financial Officer.

14. The Chief Financial Officer is authorized to increase the FY 2017 Capital Improvement Project (CIP) Program Budget in Fund 600000, Grant 1000003-2017, CDBG 2017, and appropriate and expend CDBG Program Balances up to \$418,764.75, FY 2017 CDBG entitlement funding in an amount not to exceed \$3,081,235.25, contingent upon grant funding being secured, and \$3,125,547 in Program Income, contingent upon funds being available from Fund 600000, Grant 1000003-2017, CDBG 2017, in the following stand-alone CIP and annual allocation:

a. S-15003 Park de la Cruz Community Center Improvements \$5,000,000;

and

b. ABT00003 Citywide Energy Improvements \$1,625,547;

for the purpose of construction, contingent upon the adoption of the FY 2017 Appropriation Ordinance and contingent upon the Chief Executive Officer furnishing a certificate certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

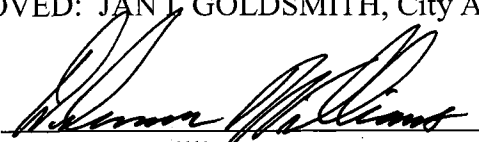
15. The allocation of an amount not to exceed \$150,000 of CDBG funds for Neil Good Day Center improvements is approved, contingent upon grant funding being secured.

16. The allocation of an amount not to exceed \$500,000 of CDBG funds for Valencia Park/Malcolm X Teen Technology Center improvements is approved, contingent upon grant funding being secured.

17. The Chief Financial Officer is authorized to increase appropriations in Unobligated CDBG for Program Income revenue.

18. The Chief Financial Officer is authorized to transfer balances from declined, completed, or ineligible projects to Unobligated CDBG.

APPROVED: JAN I GOLDSMITH, City Attorney

By 
Delmar G. Williams
Deputy City Attorney

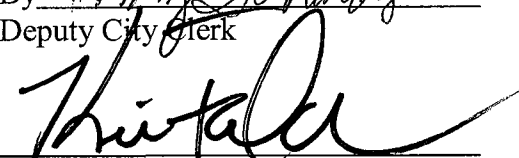
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02/24/16
03/17/16 Cor. Copy
Or.Dept: Economic Dev't
Doc. No.: 1231617_4

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 22 2016.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 4/5/16
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 22 2016, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage APR 06 2016

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

(Seal)

KEVIN L. PAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By *Mary Hernandez*, Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- **310318**