

ORDINANCE NUMBER O- 20954 (NEW SERIES)

DATE OF FINAL PASSAGE JUN 29 2018

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE 2, OF THE SAN DIEGO MUNICIPAL CODE BY ADDING NEW DIVISION 52, SECTIONS 22.5201, 22.5202, 22.5203 AND 22.5204, ALL RELATED TO GRANTS APPLICATION, ACCEPTANCE, AND OVERSIGHT.

WHEREAS, currently, each City of San Diego department is responsible for identifying opportunities and completing grant applications and renewal requests that may be available for department operations; and

WHEREAS, currently, all grant applications and renewal requests are submitted to City Council for approval, regardless of dollar value of the grant; and

WHEREAS, on average, approximately 90% of grants for which an application is submitted are for less than \$1,000,000; and

WHEREAS, the City of San Diego seeks to improve the process of using standardized factors when reviewing a grant opportunity, or considering whether a grant should be renewed; and

WHEREAS, the grant application and Council approval process can take upwards of four months to complete; and

WHEREAS, the Council now desires to provide a streamlined process and procedure for applying for, reviewing, and approving grant applications; and

WHEREAS, this ordinance provides for the establishment of a grants review process with a standardized set of factors for the Mayor, or his designee, to consider when approving grants, or recommending approval to Council, in order to ensure consistency with the City's policies and objectives; NOW, THEREFORE,

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

Section 1. That Chapter 2, Article 2 of the San Diego Municipal Code is amended by adding new Division 52, sections 22.5201, 22.5202, 22.5203, and 22.5204 to read as follows:

Division 52: Grants Application, Acceptance, and Oversight

§22.5201 Purpose

This Division establishes requirements for applying for, accepting, and overseeing *grants* to the City of San Diego in a responsible, transparent, and accountable manner that is consistent with City of San Diego policies.

§22.5202 Definitions

For purposes of this Division, defined terms appear in italics. The following definitions apply in this Division:

Aggregate value means the full value of the *grant* that will be paid or reimbursed to the City of San Diego for the term of a proposed *grant* agreement, without considering required matching funds or indirect costs for administrative services necessary for the administration and performance of the project or program that will not be reimbursed through the *grant*.

Capital improvement program project has the same meaning as in San Diego Municipal Code section 113.0103.

Cost and benefit analysis means a review of the costs of a requested *grant* in light of the benefits of obtaining and implementing the *grant*.

Grant or grants means monetary funding, equipment, in-kind goods or services, or any other asset provided by a granting agency to the City of San Diego.

Grant applicant means the City of San Diego department or City of San Diego staff responsible for the *grant* application process provided for in this Division.

Grants review team means the management team designated by the City Manager to review *grant* applications consistent with this Division.

Public safety/homeland security grants means any federal, State, or regional *grant* where the Office of Homeland Security, the Police Department, or the Fire Rescue Department is the *grant applicant*.

§22.5203 Applications for Grant Funds

- (a) *Grant applicants* may file an initial *grant* application or *grant* renewal request only upon approval of the *grants review team*.
- (b) The *grant applicant* shall submit the *grant* application or request for *grant* renewal to the *grants review team* for review in accordance with the process established by the City Manager.
- (c) The *grants review team* shall review initial *grant* applications using the factors listed in section 22.5203(d) and requests for *grant* renewal using the factors listed in section 22.5203(e). Based on that review, the *grants review team* may approve or deny the *grant* application and, upon award of the *grant*, shall recommend the acceptance, appropriation, and expenditure of the *grant* funds to the City Manager or to the Council, as appropriate.
- (d) The *grants review team* shall consider the following factors when reviewing a *grant* application to determine whether to recommend applying for a *grant*:

- (1) Whether, and to what degree, the City of San Diego's policies and mission statement will be supported by the *grant*;
 - (2) Whether the *cost and benefit analysis* of the *grant* program or activity demonstrates that it will have a positive impact on the City of San Diego and its residents;
 - (3) Whether the *cost and benefit analysis* identifies direct and indirect costs associated with the *grant*, matching funds that need to be set aside, and ongoing or other potential costs which will be incurred beyond the *grant* period;
 - (4) Whether the *grant applicant* has demonstrated that the City of San Diego has sufficient resources for the application, implementation, and monitoring of the *grant* program or activity for the duration of the *grant* term; and
 - (5) How the *grant* will be monitored, including monitoring of any sub-recipients that may receive pass-through *grants*, and how the *grant* recipient will complete reporting and operational *grant* requirements.
- (e) The *grants review team* shall consider the following factors when reviewing renewal of a *grant*:
- (1) The benefits to the City of San Diego of the *grant* program or activity as evaluated by the *grant applicant*; and

- (2) The benefits to the City of San Diego of using general fund revenues for the *grant* program or activity rather than for other purposes.

§22.5204 Acceptance, Appropriation, and Expenditure of Grant Funds

- (a) Except as provided in section 22.5204(b), the City Manager is authorized to accept, appropriate, and expend *grant* funds with an *aggregate value* of \$1,000,000 or less upon the recommendation of the *grants review team*, consistent with the Annual Appropriations Ordinance.
- (b) City Council approval is required to accept, appropriate, and expend *grant* funds for the following:
 - (1) *Grants* with an *aggregate value* of over \$1,000,000;
 - (2) *Grants* allocating funds for *capital improvement program projects* that are not included in the approved *capital improvement program project* budget;
 - (3) *Grants* requiring matching funds that are not included in the approved department budget and that will cause an increase to the overall budget approved by Council in the current Appropriations Ordinance;
 - (4) *Grants* allocating funds for goods, services, or consultant contracts that require Council approval as provided in Chapter 2, Article 2, Division 32 of this Code; and
 - (5) *Grants* for which the application or implementation would otherwise require Council approval.

- (c) The City of San Diego shall comply with the requirements that apply to the general operations of the *grant*, specific compliance rules, monitoring of other parties that may receive resources from the *grant*, and specialized reporting requirements. For purposes of this Division, *grants* do not include restricted or unrestricted donations, as defined in Council Policy 100-02, as may be amended from time to time, received from any source.
- (d) In the case of *public safety/homeland security grants* for which the *aggregate value* is less than or equal to \$1,000,000, the City Manager shall notify Council members of the *grant* application upon submission to the *grants review team*.
- (e) Unless the law provides otherwise, where the *grant applicant* is an independent department of the City of San Diego, the *grant applicant* may seek review of the application by the *grants review team* or it may directly seek Council approval to accept, appropriate and expend *grant* funds.
 - (1) If an independent department uses the *grants review team* to review the application and the *grants review team* does not approve it, the independent department may seek Council approval to accept, appropriate, and expend *grant* funds.

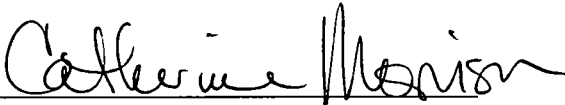
§22.5205 Annual Evaluation and Report

Within 90 days of the end of each fiscal year, the City Manager shall provide Council with a written report of all initial *grant* applications and renewal requests that were accepted, appropriated, and expended by the City Manager during that fiscal year.

Section 2. That a full reading of this ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 3. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: MARA W. ELLIOTT, City Attorney

By 
Catherine C. Morrison
Deputy City Attorney

CCM:jvg
March 21, 2018
06/11/18 Cor. Copy
Or.Dept:Corporate Partnership and Development
Doc. No.: 1711041_12

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of JUN 26 2018.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 6/28/18
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

The date of final passage is June 29, 2018, which represents the day this ordinance was returned to the Office of the City Clerk with the Mayor's signature of approval.

STRIKEOUT ORDINANCE

OLD LANGUAGE: ~~Struck Out~~

NEW LANGUAGE: Double Underline

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE 2, OF THE SAN DIEGO MUNICIPAL CODE BY ADDING NEW DIVISION 52, SECTIONS 22.5201, 22.5202, 22.5203 AND 22.5204, ALL RELATED TO GRANTS APPLICATION, ACCEPTANCE, AND OVERSIGHT.

Division 52: Grants Application, Acceptance, and Oversight

§22.5201

Purpose

This Division establishes requirements for applying for, accepting, and overseeing grants to the City of San Diego in a responsible, transparent, and accountable manner that is consistent with City of San Diego policies.

§22.5202

Definitions

For purposes of this Division, defined terms appear in italics. The following definitions apply in this Division:

Aggregate value means the full value of the grant that will be paid or reimbursed to the City of San Diego for the term of a proposed grant agreement, without considering required matching funds or indirect costs for administrative services necessary for the administration and performance of the project or program that will not be reimbursed through the grant.

Capital improvement program project has the same meaning as in San Diego Municipal Code section 113.0103.

Cost and benefit analysis means a review of the costs of a requested *grant* in light of the benefits of obtaining and implementing the *grant*.

Grant or grants means monetary funding, equipment, in-kind goods or services, or any other asset provided by a granting agency to the City of San Diego.

Grant applicant means the City of San Diego department or City of San Diego staff responsible for the *grant* application process provided for in this Division.

Grants review team means the management team designated by the City Manager to review *grant* applications consistent with this Division.

Public safety/homeland security grants means any federal, State, or regional *grant* where the Office of Homeland Security, the Police Department, or the Fire Rescue Department is the *grant applicant*.

§22.5203

Applications for Grant Funds

- (a) Grant applicants may file an initial *grant* application or *grant* renewal request only upon approval of the *grants review team*.
- (b) The grant applicant shall submit the *grant* application or request for *grant* renewal to the *grants review team* for review in accordance with the process established by the City Manager.
- (c) The grants review team shall review initial *grant* applications using the factors listed in section 22.5203(d) and requests for *grant* renewal using the factors listed in section 22.5203(e). Based on that review, the *grants review team* may approve or deny the *grant* application and, upon award

of the *grant*, shall recommend the acceptance, appropriation, and expenditure of the *grant* funds to the City Manager or to the Council, as appropriate.

(d) The *grants review team* shall consider the following factors when reviewing a *grant* application to determine whether to recommend applying for a *grant*:

- (1) Whether, and to what degree, the City of San Diego's policies and mission statement will be supported by the *grant*;
- (2) Whether the *cost and benefit analysis* of the *grant* program or activity demonstrates that it will have a positive impact on the City of San Diego and its residents;
- (3) Whether the *cost and benefit analysis* identifies direct and indirect costs associated with the *grant*, matching funds that need to be set aside, and ongoing or other potential costs which will be incurred beyond the *grant* period;
- (4) Whether the *grant applicant* has demonstrated that the City of San Diego has sufficient resources for the application, implementation, and monitoring of the *grant* program or activity for the duration of the *grant* term; and
- (5) How the *grant* will be monitored, including monitoring of any sub-recipients that may receive pass-through *grants*, and how the *grant* recipient will complete reporting and operational *grant* requirements.

- (e) The grants review team shall consider the following factors when reviewing renewal of a grant:
- (1) The benefits to the City of San Diego of the grant program or activity as evaluated by the grant applicant; and
 - (2) The benefits to the City of San Diego of using general fund revenues for the grant program or activity rather than for other purposes.

§22.5204 Acceptance, Appropriation, and Expenditure of Grant Funds

- (a) Except as provided in section 22.5204(b), the City Manager is authorized to accept, appropriate, and expend grant funds with an aggregate value of \$1,000,000 or less upon the recommendation of the grants review team, consistent with the Annual Appropriations Ordinance.
- (b) City Council approval is required to accept, appropriate, and expend grant funds for the following:
- (1) Grants with an aggregate value of over \$1,000,000;
 - (2) Grants allocating funds for capital improvement program projects that are not included in the approved capital improvement program project budget;
 - (3) Grants requiring matching funds that are not included in the approved department budget and that will cause an increase to the overall budget approved by Council in the current Appropriations Ordinance;

- (4) Grants allocating funds for goods, services, or consultant contracts that require Council approval as provided in Chapter 2, Article 2, Division 32 of this Code; and
- (5) Grants for which the application or implementation would otherwise require Council approval.
- (c) The City of San Diego shall comply with the requirements that apply to the general operations of the grant, specific compliance rules, monitoring of other parties that may receive resources from the grant, and specialized reporting requirements. For purposes of this Division, grants do not include restricted or unrestricted donations, as defined in Council Policy 100-02, as may be amended from time to time, received from any source.
- (d) In the case of public safety/homeland security grants for which the aggregate value is less than or equal to \$1,000,000, the City Manager shall notify Council members of the grant application upon submission to the grants review team.
- (e) Unless the law provides otherwise, where the grant applicant is an independent department of the City of San Diego, the grant applicant may seek review of the application by the grants review team or it may directly seek Council approval to accept, appropriate and expend grant funds.

- (1) If an independent department uses the *grants review team* to review the application and the *grants review team* does not approve it, the independent department may seek Council approval to accept, appropriate, and expend *grant* funds.

§22.5205 **Annual Evaluation and Report**

Within 90 days of the end of each fiscal year, the City Manager shall provide Council with a written report of all initial *grant* applications and renewal requests that were accepted, appropriated, and expended by the City Manager during that fiscal year.

CCM:jvg
March 21, 2018
06/11/18 Cor. Copy
Or.Dept: Corporate Partnerships and Development
Doc. No.: 1738258_7

Passed by the Council of The City of San Diego on JUN 26 2018, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<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"/>
Chris Ward	<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"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 29 2018

AUTHENTICATED BY:

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

(Seal)

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

By *Hy Ready*, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

JUN 12 2018, and on JUN 29 2018

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

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

By *Hy Ready*, Deputy

Office of the City Clerk, San Diego, California
Ordinance Number O- <u>20954</u>