

#604B 4/27/24

(R-2024-490)

RESOLUTION NUMBER R- 315509

DATE OF FINAL PASSAGE MAY 03 2024

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING A SUBRECIPIENT GRANT AGREEMENT BETWEEN THE CITY OF SAN DIEGO AND THE SAN DIEGO HOUSING COMMISSION FOR GRANTS IN AN AMOUNT NOT TO EXCEED \$5,000,000 IN PROHOUSING INCENTIVE PILOT PROGRAM FUNDS AND \$921,281 IN HOME-ARP FUNDS FOR THE PACIFIC VILLAGE AFFORDABLE HOUSING PROJECT.

WHEREAS, the Prohousing Designation Program, established by Assembly Bill 101 (Chapter 159 Statutes of 2019), provides incentives to local governments in the form of additional points or other preference in the scoring of competitive housing, community development, and infrastructure programs; and

WHEREAS, the State of California and the California Department of Housing and Community Development (Department) administer the Prohousing Incentive Pilot (PIP) program to increase participation in the Prohousing Designation Program and to accelerate affordable housing production and preservation; and

WHEREAS, the Department awarded the City of San Diego (City) a Prohousing Designation in December 2022, and awarded the City a PIP grant of \$5,000,000 for the first round of PIP funding in May 2023; and

WHEREAS, the PIP program requires the City to use the PIP grant for specified activities, including assisting persons who are experiencing or at risk of homelessness through the construction, rehabilitation, and preservation of permanent and transitional housing; and

WHEREAS, the American Rescue Plan of 2021 (ARP) was passed on March 11, 2021, in response to the COVID-19 pandemic and established a special one-time allocation of funds to reduce homelessness and increase housing stability; and

WHEREAS, the City received \$20,956,979 from the U.S. Department of Housing and Urban Development (HUD) under ARP for the HOME Investment Partnerships (HOME) program (collectively, HOME-ARP); and

WHEREAS, the City must use HOME-ARP funds to primarily benefit individuals and families who are: (1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; (4) part of other populations where providing supportive services or assistance would prevent a family's homelessness or would serve those with the greatest risk of housing instability; or (5) veterans and families that include a veteran family member meeting the criteria of one of the clauses (1) through (4) above; and

WHEREAS, the City Council approved a HOME-ARP Allocation Plan (Allocation Plan) by Resolution R-314338, dated September 21, 2022; and

WHEREAS, the Allocation Plan recommended, among other things, that the City use HOME-ARP funds to support the development of affordable housing and non-congregate shelters for individuals experiencing or at risk of homelessness; and

WHEREAS, the Allocation Plan states the City will award HOME-ARP funding through a competitive Notice of Funding Availability process or as a local match for California Department of Housing and Community Development Homekey Program (Homekey) funding; and

WHEREAS, the San Diego Housing Commission (Housing Commission) acquired the former Ramada Inn located at 3737-3747 Midway Drive in San Diego (Property), and proposes to rehabilitate the existing building on the Property and operate a 62-unit affordable rental housing project for people experiencing homelessness with incomes up to 30 percent of San Diego's area median income, one manager's unit, and one service provider's office (Project); and

WHEREAS, in December 2023, the San Diego Housing Commission (Housing Commission) approved spending \$16,850,000 in Homekey funds to support the Project; and

WHEREAS, the Housing Commission also committed 62 Project Based Vouchers to help future Project residents pay their rent; and

WHEREAS, the City and the Housing Commission propose to use \$921,281 of the City's HOME-ARP funds and \$5,000,000 of the City's PIP program funds to support the Project in combination with the Housing Commission's Homekey funds; and

WHEREAS, the County of San Diego has also committed \$5,921,281 to support the Project; and

WHEREAS, the City and the Housing Commission have negotiated the terms of a proposed Subrecipient Grant Agreement (Agreement) for the City to grant the Housing Commission HOME-ARP funds in an amount not to exceed \$921,281 and PIP program funds in an amount not to exceed \$5,000,000 (Grant) to be used for the Project, and a copy of the Agreement is included in the docket materials accompanying this Resolution; and

WHEREAS, the Agreement requires the Housing Commission to comply with all HOME-ARP and PIP program requirements, including those related to rent, income, tenant selection, property standards, and lease requirements; and

WHEREAS, the Agreement requires the Housing Commission to record a declaration of covenants, conditions, and restrictions on the Property to restrict, for at least 55 years, 62 units for occupancy by qualifying individuals and households who are homeless, at risk of homelessness, or in other vulnerable populations as required by HOME-ARP and the PIP program; and

WHEREAS, the Agreement requires the Housing Commission to comply with the spending and monitoring requirements in HOME-ARP and the PIP program to ensure Grant funds are used for eligible Project costs; and

WHEREAS, the City Council believes that the Agreement is in the best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable law; and

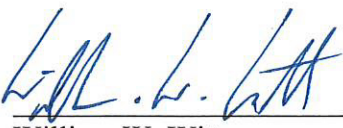
WHEREAS, the Office of the City Attorney has drafted this Resolution based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

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

1. The Council approves the Agreement, including all attachments and exhibits to the Agreement.
2. The Mayor or designee is authorized and directed, on behalf of the City, to sign and enter into the Agreement, including all attachments and exhibits to the Agreement requiring the City's signature, and take all other reasonable actions that are necessary or appropriate to perform the City's obligations under the Agreement. A copy of the Agreement, when fully executed, shall be placed on file with the City Clerk as Document No. RR- **315509**.

3. The Chief Financial Officer, as delegated, is authorized to appropriate and expend an amount not to exceed \$921,281 from Fund 600000 Grant 1000703-2022 HOME-American Rescue Plan and an amount not to exceed \$5,000,000 from Fund 600001 Grant 1000820-2023 Prohousing Incentive Pilot program for allocation of the Grant funds to the Housing Commission for the Project, contingent upon the Chief Financial Officer furnishing a certificate certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

APPROVED: MARA W. ELLIOTT, City Attorney

By: 
William W. Witt
Senior Deputy City Attorney

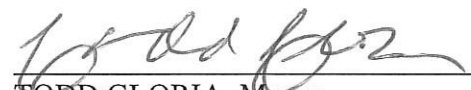
WWW:jdf
03/22/2024
Or.Dept: Econ.Dev.
Doc. No.: 3629631

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of APR 29 2024.

DIANA J.S. FUENTES
City Clerk

By: 
Deputy City Clerk

Approved: 5/2/24
(date)


TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on APR 29 2024, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAY 03 2024.

(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:

TODD GLORIA
Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

By Linda Irwin, Deputy
For Connie Patterson

Office of the City Clerk, San Diego, California

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