

RESOLUTION NUMBER R- **315650**DATE OF FINAL PASSAGE **JUL 02 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 A GRANT IN AN AMOUNT NOT TO EXCEED \$17,806,432 IN HOME-ARP FUNDS FOR THE PRESIDIO PALMS AFFORDABLE HOUSING PROJECT, AND A SUBSTANTIAL AMENDMENT TO THE CITY OF SAN DIEGO'S HOME-ARP ALLOCATION PLAN.

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) proposes to acquire the former Extended Stay America hotel located at 2087 Hotel Circle South in San Diego (Property), rehabilitate the existing building on the Property, and operate a 161-unit affordable rental housing project for people experiencing homelessness with incomes up to 30 percent of San Diego's area median income, two manager's units, and two service provider's offices (Project); and

WHEREAS, the City and the Housing Commission propose to use \$17,806,432 of the City's HOME-ARP funds to support the Project in combination with the Housing Commission's Homekey funds; and

WHEREAS, the County of San Diego has also committed \$17,806,432 and the San Diego Regional Task Force on Homelessness has committed \$1,100,000 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 \$17,806,432 (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 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, 161 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

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

WHEREAS, the City proposes a Substantial Amendment to the Allocation Plan (Substantial Amendment) to increase the allocation of HOME-ARP funds for affordable rental housing; and

WHEREAS, the draft Substantial Amendment was released for a 15-day public comment and review period on June 13, 2024, which will end on June 28, 2024; 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

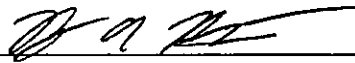
WHEREAS, the Office of the City Attorney has drafted this Resolution based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

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- 315650.
3. The Chief Financial Officer, as delegated, is authorized to appropriate and expend an amount not to exceed \$17,806,432 from Fund 600000 Grant 1000703-2022 HOME-American Rescue Plan 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.
4. The Substantial Amendment, in substantially the form of Attachment B to the Staff Report accompanying this Resolution, is approved.
5. The Mayor, or designee, is authorized to (i) make non-substantive revisions to the Substantial Amendment to ensure that all public comments about such amendment received by

the City during the public comment period are included in the final Substantial Amendment, and
(ii) submit the final Substantial Amendment to HUD for approval.

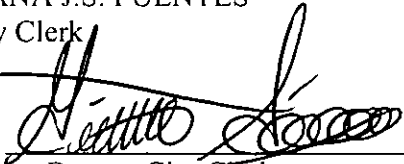
APPROVED: MARA W. ELLIOTT, City Attorney

By:  for
William W. Witt
Senior Deputy City Attorney

WWW:jdf
06/10/2024
Or.Dept: DREAM
Doc. No.: 3677078

I certify that the foregoing Resolution was passed by the Council of the City of
San Diego, at this meeting of JUN 25 2024.

DIANA J.S. FUENTES
City Clerk

By: 
Deputy City Clerk

Approved: 7/1/24
(date)


TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on JUN 25 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 JUL 02 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 Green, Deputy
For Gilbert Sanchez

Office of the City Clerk, San Diego, California

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