



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED:

REPORT NO: 11-034

ATTENTION:

Honorable Council President and Members of the City Council

SUBJECT:

FY 2012 Community Development Block Grant (CDBG) Program
Allocations Hearing

REQUESTED ACTION:

1. Approve that the provisions of paragraph 17 of Council Policy 700-02 requiring Consolidated Plan Advisory Board review of applications and recommendations are waived.
2. Authorize the Chief Financial Officer to accept Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development for the City's FY 2012 CDBG Program.
3. Authorize the Chief Financial Officer to accept the Redevelopment Agency of the City of San Diego's repayment of the CDBG debt totaling \$7,136,700. This repayment shall be recorded as CDBG Program Income.
4. Approve the funding recommendations for the City's FY 2012 CDBG Program, set forth in Attachment A of the resolution, contingent upon the Chief Financial Officer certifying that funds are available.
5. Direct that the City's Funding Obligations and those projects approved for CDBG funding be incorporated into the City's FY 2012 Annual Action Plan.
6. Authorize the Chief Financial Officer to appropriate and expend the CDBG funds for the City's Funding Obligations and those projects and programs approved for CDBG funding, contingent upon adoption of the FY 2012 Appropriation Ordinance and contingent upon the Chief Financial Officer certifying that funds are available.
7. Authorize the Mayor or his designee to negotiate and execute agreements and any amendments thereto, with those agencies for which projects and programs have been approved for CDBG funding, contingent upon the Chief Financial Officer certifying that funds are available.
8. Declare that where the City receives more than \$12,243,327 of CDBG Entitlement funds, the City Council shall be notified of the total amount available and shall determine additional funding allocations pursuant to Council Policy 700-02 utilizing the same result information presented at the first allocation hearing.
9. Authorize the Mayor or his designee to suspend the initiation of new HUD Section 108 Loans during FY 2012 that rely on CDBG and/or General Funds as a repayment source.

STAFF RECOMMENDATION:

Adopt the Requested Actions.

BACKGROUND:

The CDBG Program is administered by the Economic Development Division staff of the City Planning & Community Investment Department. CDBG staff is responsible for grant compliance and the overall administration of the City's CDBG Program funded by the U.S. Department of Housing & Urban Development (HUD). Each year, the City is obligated to follow a HUD-defined "consolidated planning" process to ensure community involvement, project eligibility, and a strategic approach to utilizing CDBG funds. Grantees are required to submit a five-year strategic plan and annual action plans (which are subject to HUD approval) in order to be approved for funding. The result of the CDBG application and allocation process forms the basis for the annual action plan because it tells HUD how the funds will be used to accomplish the goals stated in the Consolidated Plan.

Per Council Policy 700-02 (Attachment 1), each Council office was asked to review and rank the City of San Diego's approved Five-Year Consolidated Plan (ConPlan) goals as part of the City's FY 2012 CDBG allocation process. The results will be utilized as a guide for recommending these FY 2012 CDBG funding allocations.

DISCUSSION:

Application Process

A total of 3 separate FY 2012 CDBG Applications were made available to the public on November 1, 2010. The three categories were as follows:

1. Development/Capital Improvement Projects (CIP)
2. Public Services Projects (PS)
3. Community/Economic Development Projects (CED)

The FY 2012 CDBG Application submission deadline was December 10, 2010 at 5:00 pm. The CDBG Program Office received a total of 137 applications. No late applications were submitted. A total of 4 applications were immediately determined to be in non-compliance with the mandatory workshop requirements. These applicants did not attend one of the designated application workshops, as required by Council Policy 700-02. A total of 8 application workshops were conducted by the CDBG Program Office, which included presentations and/or information on the CDBG Program, federal, and City requirements (i.e. application requirements, contract execution requirements, reporting requirements, insurance requirements, and lead-safe requirements.) In addition to the workshops, potential applicants that attended the mandatory workshops were offered one-on-one technical assistance meetings upon request.

CDBG Program staff conducted programmatic and fiscal reviews of the remaining 133 application packets. Upon completion of the application packet review, CDBG Program staff notified applicants of any identified eligibility issues beginning on December 30, 2010. The designated appeals period was from January 3, 2011 through January 27, 2011 based on the date the notification was sent.

After completion of the appeals process, a total of 113 applications were forwarded to the Council offices on February 1, 2010 for their review and funding consideration. (20 applications were determined to be not in compliance with the FY 2012 CDBG application process, Council Policy 700-02 and/or Federal 24 CFR Part 570.) The application binders provided by the CDBG Program office also included a spreadsheet that listed the ConPlan goals based on the ranking results from the Council offices. In addition, the spreadsheet listed all of the eligible applications under the ConPlan goal designated for the respective projects. It should be noted that the applications were presented alphabetically by applicant agency name for each pertinent ConPlan goal, and in no way represented any ranking or prioritization from the CDBG Program office.

Please note this FY 2012 application and allocation process is part of the same interim process used in FY 2011. It was foreseen that a Consolidated Plan Advisory Board (Board) would be established to review and provide funding recommendations to City Council for the FY 2012 CDBG Entitlement funds. However, the Board was unable to establish criteria to rank and recommend applications for funding within the short timeframe provided. The CDBG Program office along with the Board decided to use the interim process from FY 2011 until it established criteria or received further direction from City Council. Section 17 of Council Policy 700-02 states, "Beginning with Fiscal Year 2012 allocations, a Consolidated Plan advisory board will review applications and provide recommendations to the Council." In order to extend the interim process that was used to allocate funding to applicants, Council will need to waive this policy during the allocation hearing at full Council. It should also be noted that there have been three (3) Board resignations within the last two months. As a result, the Board does not have enough members for a quorum (5 members) and currently remains inactive until a minimum of two (2) of 6 vacancies are filled.

The Council offices were given a reminder by CDBG staff regarding Council Policy 700-02, which governs the CDBG Program. If any part of the policy is not followed, Council will have to waive the applicable policy to proceed with approval of their funding recommendations.

The CDBG Program office presented the initial FY 2012 CDBG funding recommendations submitted by the Council offices at the March 10, 2011 Special Joint Meeting of the Committee on Public Safety and Neighborhood Services and City Council Committee of the Whole. The results are listed on Page 7 of this report.

Proposed FY 2012 CDBG Program Budget

At this time, the CDBG Program office has not yet received confirmation from HUD regarding the City's FY 2012 CDBG Entitlement amount. The FY 2012 budget presented is an estimate based on a 25% reduction from the FY 2011 entitlement amount. It has been reported through HUD's Integrated Disbursement Information System (IDIS) and discussions with the HUD Los Angeles office that the entitlement will likely be reduced for FY 2012. The CDBG Program office is applying a 25% reduction to the FY 2011 entitlement to arrive at the FY 2012 estimate. The estimated FY 2012 Entitlement amount is \$12,243,327.

If the City of San Diego received confirmation of the actual Entitlement amounts from HUD prior to the City Council's March 21, 2011 public hearing to approve the FY 2012 CDBG funding recommendations, additional adjustments could be discussed and approved to incorporate any increases and/or decreases to the estimated amounts presented on this report.

However, if confirmation is not received by that time, staff will return to Council with additional recommendations utilizing the same results presented at the first allocation hearing.

Pursuant to HUD requirements to immediately recognize program income, the CDBG Program is taking this opportunity to provide public notice that we have recently received \$639,465 from the sale of property in Golden Hill, which was previously acquired with the use of CDBG funds. These funds are considered CDBG program income in FY 2011. Program income is the gross income received by the grantee or subrecipient directly generated from the use of CDBG funds. Per HUD guidelines, program income may be used as an additional resource, but are subject to all the other CDBG requirements and must be used prior to the entitlement funds. Program income also increases the administrative and public services caps. However, staff is recommending that the program income amount identified be applied toward Bricks and Mortar (\$543,546) and Public Services (\$95,919) projects.

In addition, the FY 2011 Redevelopment Agency Repayment amount of \$3,294,500 will be used to fund eligible FY 2012 projects and programs. Under Resolution Number R-305920 (Attachment 2), City Council approved a 10-year repayment plan from the Redevelopment Agency of the City of San Diego to the City's CDBG Program. This indebtedness was a result of an OIG audit finding where Community Development Block Grant funds used in connection with redevelopment activities for a total of \$78,787,000. These funds are also considered program income. The administrative and public services caps has been applied to the \$3,294,500 amount.

Furthermore, as a result of the March 10, 2011 hearing, staff was instructed to determine whether a portion of the scheduled FY 2012 Redevelopment Agency Repayment (\$3,842,200) can be made available to provide an additional allocation to one of the Public Services projects (Application #6A.7: San Diego Housing Commission's Neil Good Day Center). Staff has received confirmation that the FY 2012 Redevelopment Agency Repayment can be paid to the CDBG Program upon the start of FY 2012. Therefore, by accepting the accelerated Redevelopment payment, staff has identified enough funding under the public services cap that can fully fund the Neil Good Day Center project. With regard to the \$3,438,119 remaining balance, no formal action is being requested of the Council at this time with respect to these funds. The City is required to comply with this timeliness requirements. Because these funds will impact the City's ability to comply with HUD's 1.5 timeliness requirement, staff will return to Council with a subsequent recommendation to apply the balance to defease HUD 108 loans. As such, the City should ensure compliance with the "work-out plan" and the timeliness ratio requirements presented at the January 31, 2011 meeting (Attachment 7). If Council concurs, staff will work toward scheduling a presentation to Council regarding the defeasance of additional HUD 108 loans using this program income.

Therefore, the total estimated amount available to Council for FY 2012 CDBG funding allocations totals \$16,581,373. This is made up of the following funding sources: 1) estimated FY 2012 CDBG entitlement (\$12,243,327); 2) FY 2011 Property Sale program income (\$639,465); 3) FY 2011 (\$3,294,500); and 4) FY 2012 (\$404,081) Redevelopment Agency Repayment program income.

FY 2012 Funding Allocation Process

According to Council Policy 700-02, 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. The funding obligations for FY 2012 total \$7,107,329 and are as follows:

Estimated FY12 CDBG Budget

Estimated FY12 Entitlement Amount:	\$12,243,327
FY11 CDBG Property Sale Program Income Amount:	\$ 639,465
FY11 Redevelopment Repayment Program Income Amount:	\$ 3,294,500
FY12 Redevelopment Repayment Program Income Amount: (portion of the \$3.8 million needed for Neil Good Day Center)	\$ 404,081
Total Proposed Budget:	\$16,581,373

Funding Obligations (set-asides)

Section 108 Loan Payments (Attachment 3):	\$1,169,090
Administration:	\$3,107,565
General Administration (Attachment 4) - \$2,693,244	
Fair Housing Services - \$314,321	
Organizational Capacity Building - \$100,000	
Public Services:	\$2,830,674
15% of FY12 Entitlement - \$1,836,499	
15% FY11 Property Sale Program Income - \$95,919	
15% FY11 Redev. Repayment Program Income - \$494,175	
FY12 Redev. Repayment Program Income - \$404,081	
Total Funding Obligations:	\$7,107,329

As a result, a total estimated balance of \$9,474,044 (\$16,581,373 - \$7,107,329) is available for City Council to provide CDBG funding recommendations for Bricks and Mortar (CIP and CED) projects.

Staff reviewed the Council office's recommendations and compiled the results submitted to the CDBG Program office. Proposed FY 2012 CDBG funding recommendations were first presented by CDBG Program staff at a Special Joint Meeting of the Committee on Public Safety and Neighborhood Services and City Council Committee of the Whole on March 10, 2011. The proposed FY 2012 funding recommendations attached to this report (Attachment 5) is a revision of the information presented at the March 10, 2011 hearing. The revised spreadsheet takes into consideration the available additional CDBG program income available to fund the Bricks and Mortar and Public Services projects discussed at the hearing.

For the Bricks and Mortar category, there is now sufficient funding available for all of the applications that received a total of four (4) or more recommendations from Council offices. The proposed allocation amounts for these projects are listed in Attachment 5. However, there is a remaining balance of \$261,237. This balance is not enough to sufficiently fund the next tier of applicants that received three (3) recommendations from Council offices. There are ten (10) projects in this next tier with a total requested amount of \$3,403,593. The remaining balance will be added to the second allocation hearing tentatively scheduled for April 2011 when the HUD CDBG Entitlement amount is confirmed.

The rating structure for the Public Services category takes into account Section 16 of Council Policy 700-02 which states, "A portion of the public service funds shall be set aside for the City's homeless programs that require funds to match other grants." Pursuant to Council Policy 700-02, the two programs that fall under these criteria are: 1) Cortez Hill Family Center (Application #6A.5); and 2) the Homeless Emergency Winter Shelter Program (Application #6A.6). These two programs were historically administered by the City. Effective FY 2011, Council approved the transfer of the administration of the Emergency Shelter Grant Program, which included the Cortez Hill Family Center and the Homeless Emergency Shelter Program, from the City to the San Diego Housing Commission (Attachment 6). As listed in the applications, both the Cortez Hill Family Center (\$362,816) and the Homeless Emergency Shelter Program (\$297,331) have been designated by the San Diego Housing Commission to receive Emergency Shelter Grant Entitlement funds in FY 2012. This HUD funding source requires a 100% match from other funds.

In addition to the two referenced homeless shelter programs, the Public Services category proposed funding amounts are listed for applications that received a total of five (5) or more recommendations from Council offices. However, as presented and accepted at the March 10, 2011 hearing, only two (2) of the three (3) projects that received five (5) Council recommendations was recommended to be fully funded (Application #3.9: City of San Diego Park and Recreation's Therapeutic Recreation Services \$200,000; and Application #3.37: Social Advocates for Youth San Diego's Teen Court \$50,000). The third project (Application #3.35: San Diego Workforce Partnership's Hire-a-Youth) was recommended to be partially funded (75% or \$372,929). The Public Services recommendations accepted in the March 10, 2011 hearing is listed in Attachment 5.

At the March 10, 2011 hearing, there was a motion for staff to identify any available funds for the operations of the Neil Good Day Center and present this information at the March 21, 2011 hearing for discussion and consideration. As such, it should be noted that funding for this project is not currently included in Attachment 5 of this report.

Annual Action Plan

Staff is also working toward having the City's Draft Annual Action Plan available for a 30-day public comment period beginning the week of April 4, 2011. The Action Plan will provide a description of how the estimated FY 2012 CDBG entitlement, the FY 2011 Redevelopment Agency Repayment, and the FY 2011 CDBG program income funds will be utilized in the upcoming fiscal year. Therefore, it is critical that the City Council approve the proposed allocations presented.

As a reminder, HUD has indicated it is essential that individual projects approved for FY 2012 CDBG funding be listed by allocation amount in the City's Annual Action Plan with no "unallocated" amounts. The City's Annual Action Plan must be submitted to HUD by May 15, 2011. Staff will present this Annual Action Plan to the PS&NS Committee for discussion in April 2011. The Annual Action Plan will then be presented to City Council for submission approval in May 2011.

FISCAL CONSIDERATIONS:

Funding for each project described in this report will be available from HUD through the CDBG Program. In FY 2011, the CDBG allocations included \$206,000 for Proactive Code Enforcement activities conducted by the Neighborhood Code Compliance Division. To the extent that CDBG funding allocations for this program is not approved for FY 2012, the proposed budget and service levels for this program will need to be adjusted to balance with available revenues.

EQUAL OPPORTUNITY CONTRACTING INFORMATION:

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

FY 2012 CDBG Public Hearing – March 10, 2011 Special Joint Meeting of the Committee on Public Safety and Neighborhood Services and City Council Committee of the Whole

- The recommendations approved at this hearing were as follows:

Move staff's recommendation and forward to full Council for approval of funding for applications receiving five or more recommendations and reserve recommendation on CED and CIP Projects with four or fewer recommendation until the second hearing when our HUD allocation will be more clear.

Further request that the Mayor, Executive Director, Agency and Housing Commission staff identify funding for operations of the Neil Good Day Center. Explore CDBG program income, developer proceeds, interest, rental and other income from the Agency. Specifically, explore the potential proceeds to the Housing Commission from the sale of Hotel Metro loans (approx. \$600K) to the Agency, and the accelerated Agency repayment of CDBG debt to the City.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:


The March 10, 2011 CDBG Public Hearing was noticed on the City's CDBG Program website, the Daily Transcript, the Business Journal, and community newspapers from February 21, 2011 through March 9, 2011. The March 21, 2011 CDBG Public Hearing was noticed on the City's CDBG Program website, the Daily Transcript, the Business Journal, and community newspapers from March 7, 2011 through March 21, 2011.

All comments received at the hearings, as well as those submitted via E-mail or mailed to the CDBG Program office regarding the application process, funding allocation process and/or the action plan process will be incorporated into the City's FY 2012 Annual Action Plan submitted to HUD.

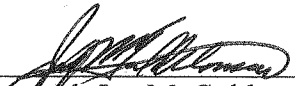
KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Residents of low and moderate income communities; community-based organizations; community planning groups; and other community development organizations

Respectfully Submitted,



William Anderson, FAICP
Director
City Planning & Community Investment



Approved: Jay M. Goldstone
Chief Operating Officer
City of San Diego

- Attachments:
1. Council Policy 700-02
 2. City Council Resolution 305920
 3. FY 2012 CDBG Section 108 Loan Payments
 4. FY 2012 CDBG General Administration
 5. FY 2012 CDBG Funding Recommendations
 6. City Council Resolution 305962
 7. City Council Resolution 306574

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY**CURRENT**

SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
(CDBG)
POLICY NO.: 700-02
EFFECTIVE DATE: November 24, 2009

BACKGROUND:

The Housing and Community Development Act of 1974 established the Community Development Block Grant Program. The enabling legislation has been reviewed and amended by Congress every three years since 1974. The purpose of the CDBG program is to provide an annual source of funds to local governments for the purpose of implementing activities to develop viable urban communities, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Federal administration of the program is the responsibility of the U.S. Department of Housing and Urban Development (HUD). The City of San Diego has participated in the program since its inception.

PURPOSE:

To establish the general guidelines by which the City will select and implement activities utilizing Community Development Block Grant funds.

POLICY:

It is the policy of the City Council to allocate Community Development Block Grant funds in accordance with the following standards.

1. Selection and implementation of program activities that meet the Congressional intent of the program and the specific eligibility requirements as outlined by the U.S. Department of Housing and Urban Development.
2. Funding will be allocated on a Fiscal Year basis (July 1 through June 30).
3. Funding priorities will be based on the City's 5-year Consolidated Plan and prioritized by the City Council annually.
4. Funding for the repayment of HUD Section 108 loans will be taken from the City's overall annual allocation prior to funding being made available to address other Consolidated Plan goals.

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

5. Funding in the categories of “Planning and Administration” and “Fair Housing” will be taken from the City’s overall annual allocation prior to funding being made available to address other Consolidated Plan goals.
6. No allocation of CDBG funds will be made to an economic development or non-capital project of less than \$50,000.
7. No allocation of CDBG funds will be made to a capital project of less than \$100,000, unless funding at a lesser amount is necessary to complete a project and the project will be completed within 18 months.
8. Priorities of the City’s Capital Improvements Program will be developed irrespective of whether or not the City is to receive Community Development Block Grant funds. Community Development Block Grant funds if received are to be used to supplement the City’s Capital Improvements Program and not as a substitute for other City funds.
9. No allocation of CDBG funds will be made to projects that are phased over multiple years. (It is the intent of the City Council that this policy serve to ensure that priority be given to projects where the funding will complete the project.)
10. A portion of the funds in the category of “Planning and Administration” will be allocated for the purpose of capacity building in order to ensure that emerging non-profit organizations have the opportunity to qualify for future CDBG funding.
11. No allocation of CDBG funds will be made to a project for which a CDBG application has not been received by the City.
12. A Community Based Development Organization (CBDO) certification process will be conducted in an effort to fund eligible project activities, as defined in the applicable U.S. Department of Housing and Urban Development regulations.
13. No allocation of CDBG funds will be made to a subrecipient project in the category of “Planning and Administration,” except for those subrecipients certified by the City as a Community Based Development Organization.
14. All CDBG applicants shall attend mandatory workshops hosted by City staff during the annual CDBG application period.
15. All CDBG funds allocated to projects shall be used within 18 months of the date of the allocation, or such funds will be subject to reprogramming by the City Council.

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

16. The public services category of activities shall be open to all eligible applicants, including City programs. A portion of the public service funds shall be set aside for the City's homeless programs that require funds to match other grants.
17. Beginning with Fiscal Year 2012 allocations, a Consolidated Plan advisory board will review applications and provide recommendations to the Council.

HISTORY:

“Leasing of City-owned Property in Industrial Park”

Adopted by Resolution R-174133 - 01/10/1963

Repealed by Resolution R-208090 - 06/05/1973

“Community Development Block Grant Program (CDBG)”

Adopted by Resolution R-259072 - 08/15/1983

Amended by Resolution R-281638 - 03/22/1993

Amended by Resolution R-282395 - 07/26/1993

Amended by Resolution R-287559 - 06/25/1996

Amended by Resolution R-303367 - 02/11/2008

Amended by Resolution R-305413 - 11/24/2009

RESOLUTION NUMBER R- 305920

DATE OF FINAL PASSAGE JUN 28 2010

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO: (i) APPROVING A REPAYMENT AGREEMENT BY AND BETWEEN THE CITY AND THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO FOR THE REPAYMENT OF CERTAIN INDEBTEDNESS OF THE AGENCY TO THE CITY RELATED TO COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS USED IN CONNECTION WITH REDEVELOPMENT ACTIVITIES; (ii) APPROVING THE AGENCY'S REPAYMENT TO THE CITY OF \$78,787,000 TO BE PAID IN ANNUAL PAYMENTS FOR A TERM OF TEN YEARS COMMENCING ON JUNE 30, 2010; AND (iii) APPROVING OTHER ACTIONS RELATED TO THE REPAYMENT AGREEMENT.

WHEREAS, Redevelopment Agency of the City of San Diego (Agency) conducts redevelopment activities within the City; and

WHEREAS, the City has provided funds to the Agency on a long term basis (Long Term Debt) to assist the Agency in carrying out activities within various Redevelopment Project Areas (Project Areas) established by the City; and

WHEREAS, as part of the Long Term Debt, the City provided capital assistance to the Agency consisting of Community Development Block Grant (CDBG) funds in the form of loans to the Agency (CDBG Debt) for investment in various Project Areas; and

WHEREAS, in 2008, the Office of Inspector General (OIG) of the U.S. Department of Housing and Urban Development (HUD) audited the City's CDBG Program with specific attention to certain CDBG funded activities within the Agency Redevelopment Project Areas; and

WHEREAS, on December 30, 2008, OIG issued its audit report (2008 OIG Audit Report) to HUD's Office of Community Planning and Development, which report provided findings and

recommendations including, without limitation, that the City and Agency execute written interagency agreements for certain CDBG debt totaling approximately \$139,201,997 and initiate repayment plans; and

WHEREAS, representatives of the Agency, the City and HUD have worked diligently to develop reasonable repayment schedules and terms to make meaningful payments in response to the OIG recommendations without undermining redevelopment efforts; and

WHEREAS, the Agency and the City desire to provide, by and through the proposed Repayment Agreement, the terms for the Agency's repayment of the CDBG Debt to the City in the total amount of \$78,787,000 to be paid in annual payments for a ten year term in accordance with the Repayment Agreement; and

WHEREAS, the City hereby determines that the proposed repayment plan set forth in the Repayment Agreement serves a public purpose in that: (a) the Agency will be reducing its indebtedness to the City; (b) the City will benefit from the resolution of certain HUD concerns raised in the 2008 OIG Audit Report and from the provision of additional CDBG Program funds to be allocated to eligible projects and activities, used for administration and planning, and committed to repay certain outstanding HUD Section 108 Loan Guarantee Program loans; and (c) the City has benefitted, and will continue to benefit, significantly from the Agency's redevelopment projects which have resulted in City assets such as public improvements, parks, buildings and land, in increased revenues to the City in the form of transient occupancy tax, sales tax and property tax, in economic revitalization within the City, in increased public infrastructure and improvements within the City such as improved streets, transit corridors, pedestrian walkways and storm drains, and in increased affordable housing within the City; and

WHEREAS, the City has duly considered all terms and conditions of the proposed Repayment Agreement and believes that it is in the best interests of those Project Areas that will be reducing their indebtedness to the City, and to the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law; NOW, THEREFORE,

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

1. That the City hereby approves the Repayment Agreement by and between the Agency and the City providing the terms for the Agency's repayment of the CDBG Debt to the City in the total amount of \$78,787,000 to be paid in annual payments over a ten year term in accordance with the Repayment Agreement, a copy of which is on file with the Clerk's office as document no. RR **305920**.

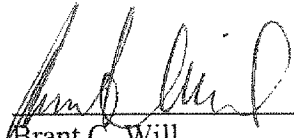
2. That the Mayor, or designee, is hereby authorized, on behalf of the City, to execute the Repayment Agreement and any other documents necessary and appropriate to carry out and implement the Repayment Agreement, and to administer the City's obligations, responsibilities and duties to be performed under the Repayment Agreement.

3. That all payments pursuant to the Repayment Agreement and any other obligations and indebtedness of the Agency to the City created by the Repayment Agreement shall be subordinate to any bonded indebtedness which has been issued or may be issued by the Agency and shall not be deemed a first pledge of tax increment allocations received by the Agency pursuant to California Health and Safety Code section 33670.

4. That the payments received by the City pursuant to the Repayment Agreement shall be used first to make payments to defease the Mercado del Barrio and Valencia Business Park HUD Section 108 Loan Guarantee Program Loans.

5. That the acceptance by the City of payments pursuant to the Repayment Agreement in an amount less than the outstanding CDBG Debt does not constitute forgiveness of any portion of the CDBG Debt or cease the accrual of interest thereon.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Brant C. Will
Deputy City Attorney

BCW:jdf
05/27/2010
06/23/2010 REV.
Or.Dept:RDA
R-2010-863

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 21 2010.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 6-28-10
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

EXHIBIT "A"

Schedule of Annual Repayments

Fiscal Year	Repayments
2010	\$3,633,800
2011	\$3,294,500
2012	\$3,842,200
2013	\$3,976,900
2014	\$4,392,400
2015	\$6,519,700
2016	\$9,156,000
2017	\$12,795,700
2018	\$14,772,800
2019	\$16,402,800
Total:	\$78,787,000

FY 2012 CDBG SECTION 108 REPAYMENT BUDGET

NAME OF PROJECT	JULY PAYMENT	JANUARY PAYMENT	TOTAL FY12 PAYMENT
BARRIO LOGAN MERCADO	DEFEASED		
B-94-MC-06-0542			
FUND #18513			
SEDC (3 projects)	TO BE DEFEASED		
B-96-MC-06-0542-A			
FUND #18514			
CENTRAL POLICE STATION	\$220,992.50	\$20,432.50	\$241,425.00
B-97-MC-06-0542			
FUND #18516			
VIETNAM VETERANS HOMELESS FAC.	TO BE DEFEASED		
B-99-MC-06-0542-A			
FUND #18515			
CORTEZ HILL TRANSITIONAL HSG	TO BE DEFEASED		
B-00-MC-06-0542			
FUND #18518			
COLLEGE ROLANDO LIBRARY	\$214,356.20	\$51,826.40	\$266,182.60
B-99-MC-06-0542-B			
FUND #18520			
OCEAN BEACH LIBRARY	TO BE DEFEASED		
B-01-MC-06-0542-A			
FUND #18523			
LOGAN HEIGHTS LIBRARY#1	\$188,302.75	\$61,408.20	\$249,710.95
B-01-MC-06-0542			
FUND #18522			
DISTRICT 3 PUBLIC IMPROVEMENTS	TO BE DEFEASED		
B-02-MC-06-0542-B			
FUND #18521			
DISTRICT 4 (Senior Center)	\$197,458.20	\$63,320.75	\$260,778.95
B-03-MC-06-0542			
FUND #18519			
CAMP HOPE	\$33,182.40	\$2,463.90	\$35,646.30
B-03-MC-06-0542-B			
FUND #18561			
OTAY MESA/NESTOR LIBRARY	TO BE DEFEASED		
B-03-MC-06-0542-C			
FUND #18562			
LOGAN HGTS FAM HEALTH CTR.	\$77,352.80	\$17,897.00	\$95,249.80
B-98-MC-06-0542-A			
FUND #18564			
FOOD BANK	TO BE DEFEASED		
B-03-MC-06-0542-D			
FUND #18563			
LGBT CENTRE	\$18,248.85	\$1,847.25	\$20,096.10
B-04-MC-06-0542			
FUND #18565			
LOGAN HEIGHTS LIBRARY #2	TO BE DEFEASED		
B-04-MC-06-0542-A			
FUND #18522			
TOTAL	\$949,893.70	\$219,196.00	\$1,169,089.70

**City Planning & Community Investment Department
HUD PROGRAMS ADMINISTRATION BUDGET
Fiscal Year 2012**

Note: FY12 Estimated Entitlement: \$12,243,327 * 0.20 = \$2,448,665 - \$314,321 Fair Housing - \$100,000 Capacity Building = \$2,034,344 + \$658,900 Redevelopment = 2,693,244

PERSONNEL EXPENSES					
CLASSIFICATION	FTE	SALARY	FRINGE	NPE	TOTAL
Budgeted					
Labor Negotiation Adjustment		(18,091)	(2,136)	-	(20,227)
Vacancy Factor Adjustment		(28,099)		-	(28,099)
Community Development Development Coordinator	1.00	108,778	63,503	-	172,281
Community Development Specialist IV	1.00	94,723	56,796	-	151,519
Senior Management Analyst	2.00	163,860	111,299	-	275,159
Accountant IV	1.00	84,031	28,903	-	112,934
Associate Management Analyst	1.00	72,298	53,866	-	126,164
Community Development Specialist II	6.00	438,668	303,317	-	744,248
Word Processing Operator	0.50	21,646	26,999	-	24,322
Accountant Trainee	1.00	45,739	23,913	-	69,652
Administrative Aide II	2.00	130,480	75,339	-	205,819
Subtotal	15.50	1,114,033	741,798	-	1,833,772
Hourly Staff					
Management Intern	4.00	74,023	4,692	-	78,715
Subtotal	4.00	74,023	4,692	-	78,715
TOTAL PE	19.50	1,188,057	746,490	-	1,912,487
NON-PERSONNEL EXPENSES					
CLASSIFICATION	FTE	SALARY	FRINGE	NPE	TOTAL
Contributing Staff					
Deputy Director	0.80	136,303	88,727	180,024	180,024
Payroll Specialist II	0.16	47,709	38,870	13,853	13,853
Information Systems Analyst IV	0.02	94,723	65,923	3,862	3,862
Information Systems Analyst II	0.02	76,505	58,510	2,596	2,596
Principal Engineering Aide	0.02	138,260	97,984	1,704	1,704
Development Project Manager II	2.00	156,956	89,508	300,933	300,933
Asset Manager	0.09	89,719	26,754	10,405	10,405
Subtotal	3.11	650,456	1,845,829	513,377	513,377
Operating NPE					
Supplies	-	-	-	7,808	7,808
Postage/Mailing	-	-	-	2,000	2,000
Action Plan, CAPER, ACCESS DB & Webpage	-	-	-	15,000	15,000
Misc Services	-	-	-	1,000	1,000
Print Shop Services	-	-	-	8,000	8,000
Advertising/Public Noticing	-	-	-	25,000	25,000
Transportation Allowance	-	-	-	1,100	1,100
Parking Stamps	-	-	-	6,000	6,000
Training-In Town	-	-	-	12,000	12,000
Rent Land Bldgs	-	-	-	143,774	143,774
IT Budget	-	-	-	45,698	45,698
Subtotal	0.00	0.00	0.00	267,380	267,380
TOTAL NPE	3.11	650,456	1,845,829	780,757	780,757
TOTAL BUDGET	22.61	1,838,513	2,592,320	780,757	2,693,244

CITY OF SAN DIEGO COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FY 2012 CDBG APPLICATIONS

CITY COUNCIL APPLICATION RECOMMENDATIONS

RANKED FISCAL YEAR 2011 CONSOLIDATED PLAN GOALS

GOAL 1 Create jobs for San Diegans in new industries with higher paying and promotional opportunities and expand local small businesses.														
APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
1.1	CED	Access, Inc	Inner City Youth Microenterprise Project	\$75,000	\$0				X					1
1.2	CED	Access, Inc	Microenterprise Development for Low Income Residents	\$50,000	\$50,000	X	X			X		X	\$41,614	4
1.3	CED	ACCION San Diego	Microlending Program	\$232,547	\$232,547	X	X	X	X	X	X	X	X	8
1.4	CED	Alliance for African Assistance	Microenterprise Program	\$186,790	\$186,790	X	X	X	X		X			5
1.5	CED	Horn of Africa Community	City Heights Refugee Business Project	\$148,000	\$0	X			X			X		3
1.6	CED	International Rescue Committee, Inc.	Microenterprise Development Program	\$74,218	\$0				X			X		2
1.7	CED	Southwestern Community College District	Fast Tract Contracting Opportunities Assistance Program	\$151,000	\$0							X		1
1.8	CED	Southwestern Community College District	Small Business Development Center Micro-Enterprise Technical	\$150,000	\$0					X	X		X	3
1.9	CED	Union of Pan Asian Communities (UPAC)	Multicultural Economic Development Program	\$100,000	\$100,000	X			X	X	X			4
SUB-TOTAL				\$1,167,555	\$569,337									
GOAL 2A Support the continued revitalization of low and moderate income neighborhoods.														
APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
2A.1	CED	City of San Diego - Development Services Department	FY12 CDBG Proactive Code Enforcement Program	\$414,946	\$0					X				2
2A.2	CED	City of San Diego - Environmental Services Department	Lead Safety Enforcement Program	\$294,738	\$0								X	1
SUB-TOTAL				\$709,684	\$0									

GOAL 2B Increase opportunities for affordable housing to be located in close proximity to transit. (Per ConPlan, this goal was to be addressed with HOME and/or Housing Trust Funds.)														
GOAL 3 Create a better living environment for persons with special needs.														
APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
3.1	PS	211 San Diego	2-1-1 On the Go	\$250,000	\$0	X		X			X	X		4
3.2	PS	Barrio Station	Barrio Youth Program	\$308,300	\$0				X	X			X	3
3.3	PS	Being Alive San Diego (BASD)	HIV Information and Education	\$107,800	\$0					X				1
3.4	PS	Center for Community Solutions	You are the Solution - Providing a Compassionate Volunteer Response to Sexual Assault, Domestic Violence and Elder Abuse	\$50,000	\$0	X	X				X		X	4
3.5	PS	Center for Employment Training	CET San Diego Job Search and Placement Services Project	\$87,075	\$0				X					1
3.6	PS	City Heights Community Development Corporation	Block by Block Neighborhood Enhancement - Rebuild City Heights	\$257,164	\$0									0
3.7	PS	City Heights Community Development Corporation	City Heights Gets to Work-Rebuild City Heights	\$134,996	\$0									0
3.8	PS	City of San Diego - Park and Recreation Department	Senior Citizen Services	\$100,000	\$0		X					X		2
3.9	PS	City of San Diego - Park and Recreation Department	Therapeutic Recreation Services	\$200,000	\$200,000	X	X	X			X	X		5
3.10	PS	County of San Diego Health & Human Services Agency - Aging & Independence Services	More on the Menu (MOM) Senior Nutrition Program	\$65,000	\$0									0
3.11	PS	ElderHelp of San Diego	Concierge Club	\$73,295	\$0									0
3.12	PS	ElderHelp of San Diego	Information & Referral for Seniors	\$56,275	\$0						X			1
3.13	PS	ElderHelp of San Diego	Volunteer Recruitment	\$90,715	\$0						\$30,457		X	1
3.14	PS	Family Health Centers of San Diego	Safe Point San Diego Clean Syringe Exchange Program	\$102,731	\$0	X	X	X				X		4
3.15	PS	Fourth District Senior Resource Center	Fourth District Senior Resource Center Public Service Enhancement Project	\$50,000	\$50,000	X	X		X	X	X	X	X	7
3.16	PS	Home Start, Inc.	Homeless Maternity Shelter Program	\$96,411	\$0	X	X							2
3.17	PS	Imperial Beach Community Clinic	SSI/SSDI Outreach, Access, and Recovery (SOAR) with Community Outreach and Enrollment Assistance	\$68,910	\$0									0
3.18	PS	Jacobs Center for Neighborhood Innovation (JCNI)	Project Safe Way	\$102,341	\$0				X	X				2
3.19	PS	Juma Ventures	Juma Employment and Transitions Program	\$99,336	\$0							X		1

3.20	PS	King-Chavez Academy of Excellence, Inc.	King-Chavez Student Enrichment and Parent Empowerment Initiative	\$82,250	\$0														X	1
3.21	PS	Korean American Senior Association of San Diego	Healthy Transitions- Using Meal Services as a Pathway to Nutrition Education, Citizenship and Social Support	\$54,000	\$0															1
3.22	PS	Metropolitan Area Advisory Committee on Anti-Poverty in San Diego County, Inc.	President John Adams Manor STEP Program (Striving Towards Economic Prosperity)	\$82,843	\$0															1
3.23	PS	National Family Justice Center Alliance	Women of Wisdom	\$283,868	\$283,868	X	X	X	X	X	X	X	X	X	X					6
3.24	PS	Pro Kids Golf Academy, Inc.	Staff for Expanded Youth Educational Programs and Operation	\$71,000	\$0															4
3.25	PS	San Diego County Superintendent of Schools	Youth Overcoming Adversity	\$67,700	\$0															0
3.26	PS	San Diego Futures Foundation	Community E-Waste Recycling Services	\$53,430	\$0															1
3.27	PS	San Diego Futures Foundation	San Diego Broadband Initiative Help Desk Services	\$150,000	\$0															2
3.28	PS	San Diego Housing Commission	San Diego City-County Reinvestment Task Force	\$60,000	\$0															1
3.29	PS	San Diego LGBT Community Center	Behavioral Health Services	\$100,000	\$100,000	X	X	X	X											6
3.30	PS	San Diego Second Chance Program	Self-Sufficiency Services for Low-Income Residents	\$349,485	\$0					X	X									2
3.31	PS	San Diego Second Chance Program	Self-Sufficiency Services for Low-Income Youth	\$249,772	\$0															2
3.32	PS	San Diego SER/Jobs for Progress, Inc.	Pacific Beach Computer Technology Center	\$89,683	\$0															0
3.33	PS	San Diego SER/Jobs for Progress, Inc.	Pacific Beach Employment Center	\$79,535	\$0															1
3.34	PS	San Diego Volunteer Lawyer Program, Inc	Domestic Violence Legal Advocacy Project	\$185,000	\$0					X	X									2
3.35	PS	San Diego Workforce Partnership	Hire-a-Youth	\$500,000	\$372,929	X		X	X											5
3.36	PS	Senior Community Centers of San Diego	Meal Expansion Program for Low-Income Seniors	\$255,500	\$0															1
3.37	PS	Social Advocates for Youth (SAY) San Diego, Inc.	Teen Court	\$50,000	\$50,000	X	X													5
3.38	PS	Southeastern Economic Development Corporation (SEDC)	Southeastern Economic Development Corporation Entrepreneur Academy	\$50,000	\$0					X	X									2
3.39	PS	STAR/PAL	STAR/PAL Center to Serve Youth	\$112,709	\$112,709	X	X	X	X	X	X	X	X	X	X					7
3.40	PS	The Angel's Depot	"Senior Food-for-a-Week" 21-Meal Emergency Boxes and Senior Advocate Social Worker	\$69,000	\$0	X														4
3.41	PS	The San Diego Rescue Mission	Nueva Vida Haven Emergency Shelter	\$150,000	\$0															1

3.42	PS	Townspople	Expansion of Housing, Homeless and HIV/AIDS Information & Referral Services	\$84,000	\$0													X	X	\$60,000	3
3.43	PS	Urban League of San Diego	Urban League of San Diego County Project Ready Truancy Prevention and Intervention Program	\$300,000	\$0														X	X	3
3.44	PS	YMCA of San Diego County	Oz San Diego Shelter for Runaway and Homeless Youth	\$200,000	\$0																1
SUB-TOTAL				\$6,030,124	\$1,169,506																

GOAL 4 Increase the number of low to moderate income households who can become homeowners.

APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
4.1	CED	Community HousingWorks	HomeOwnership Center	\$250,000	\$250,000		X	X	X	X				4
SUB-TOTAL				\$250,000	\$250,000									

GOAL 5 Enhance capacity building of nonprofits, including those that provide fair housing assistance.

APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
5.1	CED	Local Initiatives Support Corporation	Community Development Capacity Building	\$100,000	\$100,000	X	X	X	X	X	X	X	X	8
5.2	CED	Local Initiatives Support Corporation	Neighborhoods First II	\$50,000	\$0	X			X				X	3
SUB-TOTAL				\$150,000	\$100,000									

GOAL 6A Provide Shelter for persons who are homeless and assist them in moving out of homelessness

APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
6A.1	PS	Alpha Project for the Homeless	Take Back the Streets (a.k.a. TBS)	\$364,320	\$364,320	X	X	X			X	X	X	6
6A.2	PS	Interfaith Shelter Network of San Diego	El Nido Transitional Living Program	\$50,325	\$0					X	X		X	3
6A.3	PS	Interfaith Shelter Network of San Diego	Rotational Shelter Program	\$69,500	\$0		X						X	2
6A.4	PS	Regional Task Force on the Homeless, Inc.	Regional Task Force on the Homeless	\$66,400	\$0						X			1
6A.5	PS	San Diego Housing Commission	Cortez Hill Family Center	\$187,184	\$187,184									Homeless Services Set-Aside Per Council Policy 700-02
6A.6	PS	San Diego Housing Commission	Homeless Emergency Winter Shelter Program	\$511,069	\$511,069									Homeless Services Set-Aside Per Council Policy 700-02
6A.7	PS	San Diego Housing Commission	Neil Good Day Center	\$500,000	\$0									0
6A.8	PS	St. Vincent de Paul Village, Inc.	Homeless Outreach Team's Serial Inebriate Program Expansion	\$98,595	\$98,595	X	X	X	X	X	X	X	X	7
SUB-TOTAL				\$2,041,634	\$1,169,506									

APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
6A.9	PS	YWCA of San Diego County	Cortez Hill Family Center Employment Program	\$60,000	\$0					X				1
SUB-TOTAL				\$1,907,393	\$1,161,168									
GOAL 6B Improve the condition of the City's housing stock and facilities that serve special needs populations, including group homes														
6B.1	CIP	Alliance for African Assistance	Crossroads Redevelopment District Building Rehabilitation - Roof Replacement	\$124,000	\$0	X			X			X		3
6B.2	CIP	Balboa Park Cultural Partnership (BPCP)	Balboa Park ADA Upgrades	\$412,000	\$412,000		X	X		X ^{\$421,000}	X		X	5
6B.3	CIP	Boys and Girls Clubs of Greater San Diego	Clairmont Boys and Girls Club Resource and Training Center	\$650,000	\$650,000	X	X		X	X	X			5
6B.4	CIP	Burn Institute	Senior Smoke Alarm Program	\$127,972	\$127,972	X	X			X	X	X	X	6
6B.5	CIP	Center for Community Solutions	Project H.E.A.L.	\$168,572	\$168,572	X	X			X	X	X		5
6B.6	CIP	Center for Employment Training	CET San Diego Security and Solar Project	\$247,957	\$0				X					1
6B.7	CIP	City Heights Community Development Corporation	Pride in HomeOwnership-Rebuild City Heights	\$265,467	\$0						X		X	2
6B.8	CIP	City Heights Community Development Corporation	Village View Home Apartments Rehabilitation and Renewal-Rebuild City Heights	\$906,082	\$906,082		X	X	X			X		4
6B.9	CIP	City of San Diego - Environmental Services Department	San Diego Healthy Homes Collaborative	\$101,680	\$0									0
6B.10	CIP	City of San Diego - Park and Recreation Department	El Cajon Boulevard Streetscape Improvements Phase 2 - Street Lighting	\$310,000	\$0			X						1
6B.11	CIP	City of San Diego - Park and Recreation Department	Park Security Lights Upgrade - Ten Locations	\$152,000	\$152,000	X			X		X	X	X	5
6B.12	CIP	City of San Diego - Park and Recreation Department	Recreation Center Gymnasium Floor Replacement - Three Locations	\$330,000	\$330,000	X	X	X	X			X	X	5
6B.13	CIP	City of San Diego - Park and Recreation Department	Views West Neighborhood Park ADA Upgrades	\$305,100	\$305,100	X		X	X		X		X	5
6B.14	CIP	ElderHelp of San Diego	ElderHelp Community Center	\$400,000	\$400,000	X	X	X		X	X			5
6B.15	CIP	Family Health Centers of San Diego	City Heights Family Health Center Women's Clinic	\$383,397	\$383,397	X	X	X	X			X		5
6B.16	CIP	Father Joe's Villages	Village Rehabilitation Project 2012	\$436,058	\$0					X	X			2
6B.17	CIP	GRID Alternatives	San Diego Solar Affordable Homes Program	\$170,227	\$170,227			X		X		X	X	4
6B.18	CIP	Harmonium, Inc	San Diego Regional Teen Center Public Facility Improvements	\$100,000	\$100,000	X	X		X	X	X	X	X	7
6B.19	CIP	Home Start, Inc.	Maternity Shelter Program	\$163,390	\$163,390	X	X			X		X	X	5
6B.20	CIP	Jewish Family Service of San Diego	JFS Fix-It Service	\$100,000	\$0					X	X	X		3

6B.43	CIP	Union of Pan Asian Communities (UPAC)	UPAC Capital Improvement Project - Phase 3	\$641,587	\$0					X									1
6B.44	CIP	Urban Corps of San Diego County (UCO)	Urban Corps CDBG Green Streets Project	\$115,037	\$115,037	X				X	X	X	X	X	X				6
6B.45	CIP	Urban Corps of San Diego County (UCO)	Urban Corps WEEER Project	\$114,953	\$114,953	X	X	X	X			X	X	X					6
6B.46	CIP	City of San Diego - Engineering & Capital Projects Department	Audible Pedestrian Signals	\$266,539	\$0														0
6B.47	CIP	City of San Diego - Engineering & Capital Projects Department	Barrio Station Facilities 2 and 3 ADA	\$323,913	\$0														0
6B.48	CIP	City of San Diego - Engineering & Capital Projects Department	Pioneer & Park Comfort Station ADA	\$253,500	\$0		X												1
6B.49	CIP	City of San Diego - Engineering & Capital Projects Department	Mission Beach Community Clinic ADA	\$189,956	\$0														0
SUB-TOTAL				\$17,970,076	\$8,393,470														

GOAL 7 Create a better living environment for persons who are living with HIV/AIDS Funds. (Per ConPlan, this goal was to be addressed with HOPWA Funds and/or Housing Trust Funds.)

GOAL 8 Add to the supply of affordable rental and homeownership properties and units, including permanent supportive housing. (Per ConPlan, this goal was to be addressed with HOME Funds and/or Housing Trust Funds.)

GOAL 9 Maintain the quality of foreclosed housing stock and make the unit available to low to moderate families if possible. (Per ConPlan, this goal was to be addressed with HOME Funds and/or Housing Trust Funds.)

GOAL 10 Improve the citizen and stakeholder participation process for Annual Action Plans. (This goal is addressed annually through the City's CDBG Program Administration.)

GOAL 11 As dollars become available, explore using additional financial resources to create new programs. (No FY 2012 CDBG Applications were received that addressed this goal.)

The proposed activities for the following project has been determined to be eligible, but does not fit under any of the goals listed in the City's ConPlan.

APPL #	APPL CAT	APPLICANT	PROJECT	REQ AMOUNT	REC AMOUNT	D1	D2	D3	D4	D5	D6	D7	D8	TOT DIST
12.1	CIP	NTC Foundation	Renovation and Historic Preservation of NTC Gatehouse and NTC Pump House	\$525,574	\$0		X							1
SUB-TOTAL				\$525,574	\$0									

Estimated FY12 Entitlement Amt:	<u>\$12,243,327</u>
Funding Obligations:	\$5,454,254
Section 108 Loan Payments	\$1,169,090
General Administration	\$2,034,344
Fair Housing Services (future RFP)	\$314,321
Organizational Capacity Building Project	\$100,000
Public Services Projects	\$1,636,499
Bricks & Mortar Available Amount:	\$6,789,073

Redevelopment Repayment Amt:	<u>\$3,698,581</u>
Funding Obligations:	\$1,557,156
General Administration	\$658,900
Public Services Projects	\$898,256
Bricks & Mortar Available Amount:	\$2,141,425

FY11 CDBG Program Income Amt:	<u>\$639,465</u>
Funding Obligations:	\$95,919
Public Services Projects	\$95,919
Bricks & Mortar Available Amount:	\$543,546

	AVAIL AMT	REC AMT	BALANCE
BRICKS & MORTAR (CIP & CED): (FY12 Entitlement/Redev.Repymt/Prg.Inc.)	\$9,474,044	\$9,212,807	\$261,237
PUBLIC SERVICES: (FY12 Entitlement/Redev.Repymt/Prg.Inc.)	\$2,830,674	\$2,330,674	\$500,000
ORGANIZATIONAL CAP BUILDING:	\$100,000	\$100,000	\$0
TOTAL:	\$12,404,718	\$11,643,481	\$761,237

NOTE:

1. Bricks & Mortar proposed funding that is listed are based on recommendations from 4 or more Council Offices
2. Public Services proposed funding that is listed are based on recommendations from 5 or more Council Offices and includes the Homeless Services set-aside per Council Policy 700-02

332
6/29

RESOLUTION NUMBER R- 305962

DATE OF FINAL PASSAGE JUL 08 2010

RESOLUTION TRANSFERRING THE MANAGEMENT AND OVERSIGHT OF THE CITY OF SAN DIEGO'S CONTRACTS FOR PROVISION OF SHELTER AND SERVICES FOR HOMELESS PERSONS AND THE ADMINISTRATION OF THE EMERGENCY SHELTER GRANT TO THE HOUSING COMMISSION OF THE CITY OF SAN DIEGO; AUTHORIZING THE CITY'S CHIEF FINANCIAL OFFICER TO TRANSFER FUNDS ASSOCIATED WITH THE CITY'S HOMELESS SERVICE PROGRAMS TO THE COMMISSION; DIRECTING THE MAYOR OR HIS DESIGNEE TO SUBMIT A SUBSTANTIAL AMENDMENT TO THE CITY'S 2010-2014 CONSOLIDATED PLAN TO DESIGNATE THE COMMISSION AS ADMINISTRATOR OF THE CITY'S HOMELESS SERVICES AND SHELTER PROGRAMS.

WHEREAS, the City of San Diego [City] estimates there are 6,500 homeless persons located within the City's jurisdictional limits; and

WHEREAS, pursuant to the City's 2010-2014 Consolidated Plan, the City has provided temporary shelter and services for homeless persons (e.g., Emergency Winter Shelter, Cortez Hill Family Shelter, Neil Good Day Center, and Homeless Data Management) through a series of contractual arrangements with shelter and service providers; and

WHEREAS, the City's homeless services are funded each year through the annual Emergency Shelter Grant [ESG] allocations, the annual Community Development Block Grant [CDBG] allocation process, and the San Diego Housing Commission [Housing Commission]; and

WHEREAS, the Housing Commission has extensive experience administering the City's federal entitlement programs and maintains the staff resources necessary to provide high quality homeless service program administration; and

WHEREAS, in 2009, the Housing Commission created a new department, Special Housing Initiatives, responsible for administering over \$15 million in American Reinvestment

and Recovery Act programs to include Neighborhood Stabilization Program [NSP] and Homeless Prevention and Rapid Re-Housing [HPRP] ; and

WHEREAS, in 2010, the Special Housing Initiatives Department became solely focused on the homeless or at-risk-of-homelessness populations; and

WHEREAS, merging all homeless services under a single entity provides programmatic efficiencies, a more comprehensive and holistic approach to providing services, and increased oversight and monitoring capacity; and

WHEREAS, negotiations between the City and the Commission concerning operation of the shelter and service programs of the City have resulted in a proposed Memorandum of Understanding [MOU], attached to HAR 10-045, for FY2011 and FY2012; NOW, THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego supports and authorizes the transfer of the management and oversight of the City's contracts for provision of shelter and services for homeless persons and the administration of the ESG to the San Diego Housing Commission effective July 1, 2010, and in accordance with the MOU for FY2011 and FY2012; and

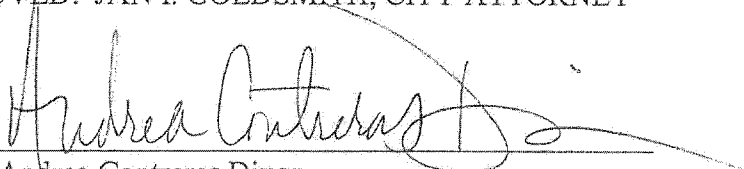
BE IT FURTHER RESOLVED, that this transfer is contingent upon receipt of the appropriate funds from the U.S. Department of Housing and Urban Development; and

BE IT FURTHER RESOLVED, that the City's Chief Financial Officer is hereby authorized to take any necessary actions when transferring the administration of Homeless Service Programs to the Housing Commission pursuant to the terms of the MOU, contingent upon receipt of FY2011 ESG and FY2011 CDBG funds from the U.S. Department of Housing and Urban Development; and

BE IT FURTHER RESOLVED, that the City's 2010-2014 Consolidated Plan shall be amended to designate the Housing Commission as the administrator of homeless services in the City of San Diego; and

BE IT FURTHER RESOLVED, that the Mayor or a designee shall submit a Substantial Amendment to 2010-2014 Consolidated Plan [Substantial Amendment] to the U.S. Department of Housing and Urban Development [HUD].

APPROVED: JAN I. GOLDSMITH, CITY ATTORNEY

By: 
Andrea Contreras Dixon
Deputy City Attorney

ACD:hm:cw
06/15/10
06/29/10 COR.COPY
Or.Dept: Intergovernmental Relations
R-2010-930
MMS #12392

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 29 2010

ELIZABETH S. MALAND
City Clerk

By: 
Deputy City Clerk

Approved: 7-8-10
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

Passed by the Council of The City of San Diego on JUN 29 2010, by the following vote:

Council Members	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<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"/>
Anthony Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carl DeMaio	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Frye	<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"/>
Ben Hueso	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>


Date of final passage JUL 08 2010

AUTHENTICATED BY:

JERRY SANDERS
Mayor of The City of San Diego, California.

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

(Seal)

By , Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- 305962

150
1/31

306574

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE FEB 04 2011

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO REPROGRAMMING UNEXPENDED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS, AUTHORIZING THE CHIEF FINANCIAL OFFICER TO REDUCE THE CITY'S CAPITAL IMPROVEMENT PROGRAM BUDGET AND DE-APPROPRIATE CERTAIN CDBG FUNDS AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO APPROPRIATE AND EXPEND THE UNEXPENDED CDBG FUNDS TO DEFEASE CERTAIN IDENTIFIED HUD SECTION 108 LOANS.

WHEREAS, the City of San Diego (City), as an entitlement jurisdiction, receives Community Development Block Grant (CDBG), HOME, Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funds on an annual basis from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the CDBG regulations at 24 CFR 570.902(a), commonly known as the "timeliness rule," state that HUD will consider an entitlement jurisdiction to be failing to carry out its CDBG activities in a timely manner if, sixty days prior to the end of the grantee's current program year, the amount of entitlement grant funds available to the recipient but undisbursed by the U.S. Treasury is more than 1.5 times the entitlement grant amount for its current program year; and

WHEREAS, HUD notified the City on May 17, 2010, that it is out of compliance with the timeliness rule; and

WHEREAS, on August 25, 2010, HUD placed the City on a "work-out plan" that identified a CDBG funds expenditure trend-line that must be adhered to and corrective actions that will be taken to bring the City into compliance with the timeliness rule by April 30, 2011; and

WHEREAS, City staff has completed a clean-up of CDBG Program accounting records and outstanding project balances; and

WHEREAS, City staff has identified a budget of \$859,395 in the City's accounting systems allocated to the San Diego Housing Commission (SDHC) in Fiscal Year 2002 that is no longer in SDHC's budget and was never entered in HUD's Integrated Disbursement and Information System (IDIS) project database and which therefore needs to be de-appropriated; and

WHEREAS, City staff has identified \$11,567,640.61 in unexpended CDBG funds allocated to projects by Council between 1992 and 2010 that cannot be expended on said projects by March 1, 2011, before HUD's next review of the City's timeliness rule compliance; and

WHEREAS, these CDBG funds must be expended and drawn from the U.S. Treasury in order to bring the City into compliance with the timeliness rule; and

WHEREAS, the City has a number of HUD Section 108 loans, which the City currently repays using City CDBG entitlement funds that could otherwise be awarded by Council to CDBG-eligible projects; and

WHEREAS, the repayment of these HUD Section 108 loans is the most expeditious method to fully and properly utilize these unexpended CDBG funds in order to comply with HUD's timeliness deadline; and

WHEREAS, on November 17, 2010, the Public Safety and Neighborhood Services Council Committee voted unanimously to recommend bringing this action forward for consideration by the full Council; NOW, THEREFORE,

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

1. That the reprogramming of all CDBG Program unexpended project balances

totaling \$11,567,640.61, which are identified in Attachment A to this resolution, to defease the City's HUD Section 108 loans is approved, contingent upon certification of fund availability by the Chief Financial Officer.

2. That the Chief Financial Officer or her designee is authorized to decrease the Fiscal Year (FY) 2011 Capital Improvement Project (CIP) Program Budget in Fund 600000, Community Development Block Grants, by \$1,578,108.93.

3. That the Chief Financial Officer or her designee is authorized to de-appropriate \$1,578,108.93 in Fund 600000, Community Development Block Grants, from CIP projects in the amounts listed in Attachment B to this resolution.

4. That the Chief Financial Officer or her designee is authorized to transfer appropriations in a total amount not to exceed \$10,855,783.61 in reprogrammed CDBG project balances to FY 2011 CDBG Grant, grant number 1000003-2011, which total consists of the following:

- (a) \$1,578,108.93 from CIPs;
- (b) \$8,946,380.35 from non-CIP projects; and
- (c) \$331,294.33 from OIG Audit Remaining Funds.

5. That the Chief Financial Officer or her designee is authorized to appropriate \$711,857.00 of program income from prior years to FY 2011 CDBG Grant, grant number 1000003-2011.

6. That the Chief Financial Officer or her designee is authorized to appropriate and expend the reprogrammed CDBG project balances up to \$11,567,640.61 to defease the identified HUD Section 108 loans in the following priority:

- (a) SEDC (Note No. B-96-MC-06-0542-A);

- (b) Cortez Hill Transitional Housing (Note No. B-99-MC-06-0542);
- (c) District 3 Public Improvements (Note No. B-02-MC-06-0542-B);
- (d) Ocean Beach Library (Note No. B-00-MC-06-0542-A);
- (e) Otay/Nestor Branch Library (Note No. B-03-MC-06-0542-C);
- (f) Vietnam Veterans Homeless Facility (Note No. B-99-MC-06-0542-A);
- (g) Logan Heights Library #2 (Note No. B-04-MC-06-0542-A); and
- (h) San Diego Food Bank (Note No. B-03-MC-06-0542-D), contingent upon certification of fund availability by the Chief Financial Officer.

7. That the Mayor or his designee is authorized to take any and all actions required to defease the identified HUD Section 108 loans, including but not limited to negotiating and executing any necessary agreements.

8. That the Chief Financial Officer is authorized to de-appropriate \$859,395 in CDBG funds from sponsored program SDHC-FORECLOSURE, grant number 1000003-2002, to reconcile an incorrect appropriation.

APPROVED: JAN I. GOLDSMITH, City Attorney

By




Kenneth So
Deputy City Attorney

KS:mm
01/19/2011
02/01/2011 Rev. Copy
Or.Dept: CPCI
R-2011-622
PL #2010-04489

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JAN 31 2011.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 2-4-11
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

