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(R-2024-482)
(COR. COPY 2)

RESOLUTION NUMBER R- 315633

DATE OF FINAL PASSAGE JUN 24 2024

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO ALLOCATING FUNDING FROM THE FISCAL
YEAR 2025 U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT ENTITLEMENT GRANT PROGRAMS,
APPROVING THE FISCAL YEARS 2025-2029 CONSOLIDATED
PLAN, AND TAKING RELATED ACTIONS.

WHEREAS, the City of San Diego (City) is an entitlement jurisdiction that annually receives federal funds through four U.S. Department of Housing and Urban Development (HUD) entitlement grant programs: (1) Community Development Block Grant (CDBG); (2) HOME Investment Partnerships (HOME); (3) Emergency Solutions Grants (ESG); and (4) Housing Opportunities for Persons with AIDS (HOPWA) (collectively, HUD Programs); and

WHEREAS, HUD instructed the City to proceed with its annual HUD Programs funding allocation process prior to receiving its HUD Program Year 2024 / City Fiscal Year 2025 HUD Programs grant agreements in order to meet the 2025 HUD Programs deadlines; and

WHEREAS, the City's Fiscal Year 2025 entitlement grant amounts are \$11,273,192 for CDBG, \$4,933,181.66 for HOME, and \$1,023,627 for ESG; and

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

WHEREAS, the final CDBG Debt payment under the Repayment Agreement was made in Fiscal Year 2020 and only the repayments related to Long-Term Debt remain; and

WHEREAS, under the redevelopment dissolution laws, the City, acting solely in its capacity as the successor agency to the Former RDA (Successor Agency), is repaying the Former RDA's CDBG obligations to the City with property tax increment revenue previously allocated to the Former RDA, resulting in the City receiving "Program Income" (defined in the federal CDBG program regulations at Title 24 Code of Federal Regulations section 570.500) during Fiscal Year 2025 in the amount of \$15,000,000; and

WHEREAS, HUD requires the City to prepare a consolidated plan every five years in order to receive federal housing and community development funding under the HUD Programs; and

WHEREAS, the City's proposed Fiscal Years 2025-2029 Consolidated Plan (Consolidated Plan) must be submitted to HUD for review and approval; and

WHEREAS, the Consolidated Plan sets forth a consolidated planning process and budgetary priorities for expenditure of funding received through the HUD Programs; and

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

WHEREAS, the Consolidated Plan's budgetary priorities for CDBG funding allocations include the following categories: Affordable Housing, Community Facilities/Infrastructure/City Projects, Economic Development, Public Services, and Administration; and

WHEREAS, Council Policy 700-02 provides that CDBG funding priorities will be based upon the Consolidated Plan and prioritized annually by the City Council, with funding for CDBG program administration, which may include planning, administration, and fair housing activities, being allocated from the City's overall annual CDBG entitlement grant amount prior to funding being made available to address other Consolidated Plan goals; and

WHEREAS, the current Council Policy 700-02 requires up \$1,318,078 of the CDBG public services funds be set aside for the City's homeless programs, as detailed in Attachment 6 (Proposed Fiscal Year 2025 CDBG Homeless Set-Aside Projects) to the Staff Report accompanying this Resolution (Report); and

WHEREAS, in Fiscal Year 2011, the City established a Consolidated Plan Advisory Board (CPAB) to advise the Mayor, City Council, and City management on policy issues relating to the Consolidated Plan and provide recommendations on the allocation of HUD Programs funding according to a competitive application process, as detailed in Attachment 9 (Summary of CDBG NOFA Process) to the Report; and

WHEREAS, the CPAB members each individually reviewed and scored the project applications for Fiscal Year 2025 CDBG funding and ranked the projects in each individual funding category as detailed in the following attachments to the Report: Attachment 2 (Proposed Fiscal Year 2025 CDBG Public Services); Attachment 3 (Proposed Fiscal Year 2025 CDBG Community Economic Development / Microenterprise Technical Assistance Projects); and Attachment 4 (Proposed Fiscal Year 2025 CDBG Nonprofit Capital Improvement Projects / Facilities Projects); and

WHEREAS, the City's Fiscal Year 2025 Annual Action Plan (Action Plan), a draft of which is included as Attachment 7 to the Report, is part of and implements the first year of the Consolidated Plan and serves as the City's annual application to HUD for entitlement grant funds, identifying the projects and programs to be funded by the City in Fiscal Year 2025; and

WHEREAS, the Action Plan is prepared in coordination with the San Diego Housing Commission (Housing Commission) and describes how the City's community development strategy uses a multi-faceted approach to meet the goals of the HUD Programs through partnerships with the public and private sector and nonprofit entities; and

WHEREAS, the City Council authorized the designation of the County of San Diego (County) as the City's Alternative Grantee for the HOPWA Program by Resolution R-311983 effective October 10, 2018, and as a result, the HOPWA Program is no longer included in the City's Consolidated Plan or the annual action plans; and

WHEREAS, in support of the Consolidated Plan goal of strengthening neighborhoods by investing in the City's critical public infrastructure and facility needs, up to \$3,616,000 of CDBG funds are proposed for the City capital improvement project (CIP) detailed in Attachment 5 (Proposed Fiscal Year 2025 CDBG City Capital Improvement Project) to the Report; and

WHEREAS, the City desires that the Housing Commission continue to plan, coordinate, administer, and implement programs for the operation of the City's Fiscal Year 2025 HOME and ESG programs (respectively, HOME Program and ESG Program), which will be incorporated into the Housing Commission's Fiscal Year 2025 budget and into the Action Plan submitted to HUD; and

WHEREAS, Council Policy 700-02 establishes general guidelines by which the City will select and implement activities using CDBG funds; and

WHEREAS, Council Policy 700-02 directs that the Policy itself be reviewed during the adoption process of each five-year Consolidated Plan and, following that direction, revisions to Council Policy 700-02 are included as Attachment 10 to the Report; and

WHEREAS, the draft Consolidated Plan and Action Plan were released for a 30-day public comment and review period on April 1, 2024, which will end on April 30, 2024; and

WHEREAS, hard copies of the draft Consolidated Plan and Action Plan were made available for public review at select City libraries, the Office of the City Clerk, and the City's Economic Development Department, and electronic versions of the drafts were available for public review on the City's website (www.sandiego.gov/CDBG); and

WHEREAS, CPAB held publicly noticed meetings to discuss the draft Consolidated Plan, Action Plan, and Fiscal Year 2025 CDBG allocation process on August 9, 2023, October 11, 2023, November 8, 2023, January 10, 2024, February 14, 2024, March 13, 2024, and June 12, 2024; and

WHEREAS, CPAB considered and recommended the Fiscal Year 2025 CDBG allocations detailed in Attachments 2-4 to the Report on March 13, 2024; and

WHEREAS, on April 11, 2024, the City Council Community and Neighborhood Services Committee conducted a public meeting to receive public comments on the draft Consolidated Plan and Action Plan; and

WHEREAS, the City Council conducted a noticed public meeting to receive public comments on the draft Consolidated Plan and Action Plan; 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 City's Consolidated Plan, in substantially the form of Attachment 1 to the Report, is approved.
2. The Mayor, or designee, is authorized to (i) make non-substantive revisions to the Consolidated Plan to ensure that all approved activities and all public comments about such plan received by the City during the public comment period are included in the final plan and (ii) submit the final Consolidated Plan to HUD for approval.
3. The Action Plan, in substantially the form of Attachment 7 to the Report, is approved.

4. The Mayor, or designee, is authorized to (i) make non-substantive revisions to the Action Plan to ensure that all approved activities and all public comments about such plan received by the City during the public comment period are included in the final plan and (ii) submit the final Action Plan to HUD for approval.

5. The Mayor, or designee, on behalf of the City, is authorized to enter into each of the HUD Program Year 2024 / City Fiscal Year 2025 CDBG, ESG, and HOME entitlement grant agreements with HUD.

6. The Chief Financial Officer is authorized to accept Fiscal Year 2025 CDBG entitlement grant funds from HUD in the total amount provided in the HUD Program Year 2024 / City Fiscal Year 2025 CDBG grant agreement between the City and HUD, at \$11,273,192, and appropriate and expend such funds for the projects and programs approved for Fiscal Year 2025 CDBG funding allocations in this Resolution, including the related CDBG program administration costs as described in the Action Plan, contingent upon Fiscal Year 2025 CDBG entitlement grant funding being secured by the City.

7. Fiscal Year 2025 CDBG funding is allocated to the projects and programs recommended for Fiscal Year 2025 CDBG funding allocations in Attachment 2 (Proposed Fiscal Year 2025 CDBG Public Service Projects); Attachment 3 (Proposed Fiscal Year 2025 CDBG Community Economic Development / Microenterprise Technical Assistance Projects); and Attachment 4 (Proposed Fiscal Year 2025 CDBG Nonprofit Capital Improvement Projects / Facilities Projects) to the Report, contingent upon the Chief Financial Officer certifying that Fiscal Year 2025 CDBG funds are available.

8. Fiscal Year 2025 CDBG funds are allocated for the City CIP, as detailed in Attachment 5 (Proposed Fiscal Year 2025 CDBG City Capital Improvement Project) to the

Report, contingent upon the Chief Financial Officer certifying that Fiscal Year 2025 CDBG funds are available.

9. Effective upon the adoption of this Resolution, a total amount not to exceed \$1,000,000 of Fiscal Year 2025 CDBG funds are allocated to the homeless programs listed in Attachment 6 (Proposed Fiscal Year 2025 CDBG Homeless Set-Aside Projects) to the Report, contingent upon the Chief Financial Officer certifying that Fiscal Year 2025 CDBG funds are available.

10. A total amount not to exceed \$8,667,869 of Fiscal Year 2025 CDBG funds are allocated to the rehabilitation project located at 3554-3590 Kettner Boulevard (Kettner and Vine) for a shelter for individuals experiencing homelessness, contingent upon the Chief Financial Officer certifying that Fiscal Year 2025 CDBG funds are available; and alternatively if the City does not approve the necessary actions for the Kettner and Vine project to move forward, then a total amount not to exceed \$6,000,000 of Fiscal Year 2025 CDBG funds are allocated to the Housing Commission's Affordable Housing Notice of Funding Availability (NOFA), and a total amount not to exceed \$2,667,869 of Fiscal Year 2025 CDBG funds are allocated to the Fiscal Year 2025 Bridge to Home NOFA, contingent upon the Chief Financial Officer certifying that Fiscal Year 2025 CDBG funds are available.

11. The Chief Financial Officer is authorized to appropriate and expend Fiscal Year 2025 Program Income earned in the amount of \$1,756,607 in Fund 600000, CDBG Grant 1000003-2025, to support tenant improvements at the Kettner and Vine project, contingent upon the Chief Financial Officer certifying that the funds are available; and alternatively if the City does not approve the necessary actions for the Kettner and Vine project to move forward, then a total amount not to exceed \$1,756,607 of Fiscal Year 2025 Program Income earned in Fund

600000, CDBG Grant 1000003-2025, is allocated to the Fiscal Year 2025 Bridge to Home NOFA, contingent upon the Chief Financial Officer certifying that the funds are available.

12. The Chief Financial Officer is authorized to accept, appropriate, and expend Fiscal Year 2025 HOME funds from HUD for the City's Fiscal Year 2025 HOME Program in the total amount provided in the HUD Program Year 2024 / City Fiscal Year 2025 HOME grant agreement between the City and HUD, in the amount of \$4,933,181.66, contingent upon Fiscal Year 2025 HOME Program grant funding being secured by the City.

13. The Chief Financial Officer is authorized to accept, appropriate, and expend Fiscal Year 2025 ESG funds from HUD for the City's Fiscal Year 2025 ESG Program in the total amount provided in the HUD Program Year 2024 / City Fiscal Year 2025 ESG grant agreement between the City and HUD, in the amount of \$1,023,627, contingent upon Fiscal Year 2025 ESG Program grant funding being secured by the City.

14. The Mayor, or designee, on behalf of the City, is authorized to negotiate and enter into agreements or amendments to existing agreements, as applicable, with those nonprofit or government organizations whose projects or programs are allocated CDBG funding by the City Council for Fiscal Year 2025 by adoption of this Resolution, as detailed in Attachments 2-6 to the Report or included in the approved Action Plan, providing for the expenditure of the allocated funds for the purpose for which they were allocated, contingent upon the Chief Financial Officer certifying that Fiscal Year 2025 CDBG funds are available.

15. The Mayor, or designee, on behalf of the City, is authorized to negotiate and enter into a Memorandum of Understanding with the Housing Commission for the administration of the HOME Program, effective July 1, 2024, through June 30, 2029.

16. The Mayor, or designee, on behalf of the City, is authorized to negotiate and enter into a Memorandum of Understanding with the Housing Commission to receive FY 2025 CDBG

funds for the administration of its FY 2025 Affordable Housing NOFA, if the City does not approve the necessary actions for the Kettner and Vine project to move forward.

17. The Mayor, or designee, on behalf of the City, is authorized to negotiate and enter into a Subrecipient Agreement with the Housing Commission for the administration and provision of homeless shelters and services, effective July 1, 2024, through June 30, 2025, with four one-year options to extend.

18. The Chief Financial Officer is authorized to accept repayments from the Successor Agency under the RDA Agreements as Program Income, in accordance with the Successor Agency's Eighteenth "Recognized Obligation Payment Schedule" submitted to and approved by the California Department of Finance for Fiscal Year 2025 (ROPS 18, also known as ROPS 24-25), in a total amount not to exceed \$15,000,000.

19. The Chief Financial Officer is authorized to appropriate and expend a total amount not to exceed \$15,000,000 in Fiscal Year 2025 CDBG Program Income received from the Successor Agency, as listed in ROPS 18, for the projects and programs allocated CDBG funding by the City Council for Fiscal Year 2025 by adoption of this Resolution, as listed in Attachments 2-6 to the Report or included in the approved Action Plan, contingent upon the Chief Financial Officer certifying that the funds are available.

20. The Chief Financial Officer is authorized to accept from the Housing Commission a remaining balance for the closed Neighborhood Stabilization Program in a total amount not to exceed \$1,196,413.68, as "Program Income" under Title 24 Code of Federal Regulations § 570.500.

21. The Chief Financial Officer is authorized to appropriate and expend FY 2025 Program Income earned in the amount of \$1,196,413.68 in Fund 600000, CDBG Grant 1000003-2025 for the City's FY 2025 CDBG Program as described in the FY 2025 Annual Action Plan,

contingent upon the Chief Financial Officer certifying that FY 2025 CDBG Program funds are available.

22. The Chief Financial Officer is authorized to increase the Fiscal Year 2025 Capital Improvement Program budget and to appropriate and expend up to \$3,616,000 in Fund 600000, Grant 1000003-2025, contingent on (a) the adoption of the Fiscal Year 2025 Appropriation Ordinance; (b) grant funding being secured; and (c) the Chief Financial Officer certifying that funds necessary for the expenditure are, or will be, on deposit with the City Treasurer, for the following CIP: Old Logan Heights Library Renovation - S22010 \$3,616,000.

23. The Chief Financial Officer is authorized to increase appropriations in the Fiscal Year 2025 Bridge to Home NOFA for Program Income revenue.

24. The Chief Financial Officer is authorized to transfer balances from declined, completed, or ineligible CDBG projects, or from Fiscal Year 2025 CDBG fund balance, to Unobligated CDBG.

25. The Chief Financial Officer is authorized to transfer balances from Unobligated CDBG to the Fiscal Year 2025 Bridge to Home NOFA, and to appropriate and expend, contingent upon: (a) the adoption of the Fiscal Year 2025 Appropriation Ordinance; (b) grant funding being secured; and (c) the Chief Financial Officer certifying that funds necessary for the expenditure are, or will be, on deposit with the City Treasurer.

26. The Chief Financial Officer is authorized to return or remit to HUD certain CDBG funds, such as Program Income or interest earned, as required by the federal CDBG program regulations in Title 24 Code of Federal Regulations Part 570.

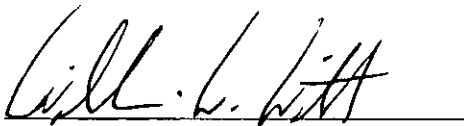
27. The Chief Financial Officer is authorized to reduce the Fiscal Year 2024 CIP budget by de-appropriating \$900,000 in Fund 600000 Grant 1000003-2021 from AIK00001 New Walkways (B22005 College-Meridian to Judy McCarty Way Sidewalk) for the purpose of

reprogramming to the Fiscal Year 2025 Bridge to Home NOFA, and to appropriate and expend, contingent upon the Chief Financial Officer certifying that funds necessary for the expenditure are, or will be, on deposit with the City Treasurer.

28. The Chief Financial Officer, or designee, is authorized to transfer \$99,553 from General Fund 100000 to Fund 600100, Federal Grant CDBG Program Income, and to appropriate for the Fiscal Year 2025 Bridge to Home NOFA, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

29. Council Policy 700-02 is amended as set forth in Attachment 10 to the Report.

APPROVED: MARA W. ELLIOTT, City Attorney

By 
William W. Witt
Senior Deputy City Attorney

WWW:jdf
04/15/24
06/17/24 COR. COPY
06/24/2024 COR. COPY 2
Or. Dept: Economic Dev't
Doc. No.: 3663928_3

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 24 2024.

DIANA J.S. FUENTES
City Clerk

By Connie Patterson
Deputy City Clerk

Approved: 6/24/24
(date)

Todd Gloria
TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on JUN 24 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 JUN 24 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 Kryndell Medina, Deputy
for Connie Patterson

Office of the City Clerk, San Diego, California

Resolution Number R- 315633