

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO	CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) N/A
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TO: CITY COUNCIL	FROM (ORIGINATING DEPARTMENT): Economic Development	DATE: 3/9/2017
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SUBJECT: FY 2018 U.S. Department of Housing and Urban Development (HUD) Entitlement Program Allocations, FY 2018 Annual Action Plan and Substantial Amendment to the FY 2015- FY 2019 Consolidated Plan for City of San Diego HUD Programs

PRIMARY CONTACT (NAME, PHONE): Michele Marano, 236-6381 / MS 56D	SECONDARY CONTACT (NAME, PHONE): Stephen Maduli-Williams, 533-6510 / MS 56D
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COMPLETE FOR ACCOUNTING PURPOSES

FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

COST SUMMARY (IF APPLICABLE):

ROUTING AND APPROVALS

CONTRIBUTORS/REVIEWERS:	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
Environmental Analysis	ORIG DEPT.	Caldwell, Erik	03/14/2017
Equal Opportunity Contracting	CFO		
Liaison Office	DEPUTY CHIEF	Graham, David	03/29/2017
Financial Management	COO		
Comptroller	CITY ATTORNEY		
	COUNCIL PRESIDENTS OFFICE		

PREPARATION OF: RESOLUTIONS ORDINANCE(S) AGREEMENT(S) DEED(S)

Due to the number of actions requested for this item, please see the Report to Council for details.

STAFF RECOMMENDATIONS:
Approve the requested actions.

SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)

COUNCIL DISTRICT(S):	All
COMMUNITY AREA(S):	Citywide
ENVIRONMENTAL IMPACT:	The proposed activities related to the acceptance and allocation of CDBG funds are not projects pursuant to Section 15060(c)(3) of the State of California Environmental Quality Act Guidelines as defined in Section 15378. Projects identified in the draft Action Plan have been or are in the process of being reviewed or will require review under CEQA at a future time in accordance with the City's Land Development Code. This determination is predicated on Section 15004 of the State CEQA Guidelines which provides direction to lead agencies on the appropriate time for environmental review.
CITY CLERK INSTRUCTIONS:	

COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE: 3/9/2017

ORIGINATING DEPARTMENT: Economic Development

SUBJECT: FY 2018 U.S. Department of Housing and Urban Development (HUD) Entitlement Program Allocations, FY 2018 Annual Action Plan and Substantial Amendment to the FY 2015-FY 2019 Consolidated Plan for City of San Diego HUD Programs

COUNCIL DISTRICT(S): All

CONTACT/PHONE NUMBER: Michele Marano/236-6381 / MS 56D

DESCRIPTIVE SUMMARY OF ITEM:

The proposed actions will approve funding allocation recommendations for the City's Fiscal Year 2018 Community Development Block Grant (CDBG) program and accept, appropriate and expend the anticipated U.S. Department of Housing and Urban Development (HUD) CDBG, Emergency Solutions Grant (ESG) and HOME Investment Partnerships Program (HOME) Fiscal Year 2018 Annual Entitlement Allocations. Additional proposed actions will approve the City of San Diego's FY 2018 Annual Action Plan and a Substantial Amendment to the FY 2015-FY 2019 Consolidated Plan.

STAFF RECOMMENDATION:

Approve the requested actions.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The City receives annual allocations from the U.S. Department of Housing and Urban Development (HUD) for the following four (4) federal entitlement programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). These funds are allocated based on the City's approved Consolidated Plan (Con Plan).

COMPETITIVE RFP PROCESS

A portion of the FY 2018 CDBG entitlement funds are recommended for activities based on a competitive application process, as defined by the approved Con Plan and Council Policy 700-02. Nonprofit organizations seeking funds participated in a two-step application in the following categories: Public Services, Community Economic Development & Homebuyer Assistance, Nonprofit Capital Improvements & Housing Rehabilitation, Challenge Grants, and Nonprofit Sustainability Projects.

The City issued a Request for Qualifications (RFQ) available from October 24, 2016 through November 18, 2016. A Request for Proposals (RFP) was available from January 5, 2017 through January 27, 2017. Seventy-three (73) applications were forwarded to the Consolidated Plan Advisory Board (CPAB) for review and scoring on February 5, 2017. CPAB members submitted their scores by March 6, 2017. The average score for each proposal was calculated and projects were ranked by individual RFP category in descending order (Attachments 1-5). The ranked project listings were ratified by the CPAB on March 9, 2017.

CITY PROJECTS

The Con Plan outlines a strategy to work with the City's Capital Improvements Program Review and Advisory Committee (CIPRAC) to review and recommend approval of City projects.

The proposed FY 2018 City Capital Improvement Projects are Park de la Cruz Community Center & Gym, Bay Terraces Community Center, Memorial Community Park Playground ADA Upgrades and Silver Wing Park Ballfield Lighting Phase II. All proposed locations are within HUD qualified low and moderate income census tract block group areas. The City Capital Improvement Projects are proposed to be funded with the estimated FY 2018 CDBG annual allocation, program income and reprogrammed funds. Reprogrammed funds are derived from multiple sources, including CDBG projects that withdraw, cancel or return unexpended funds, as well as from unallocated balances of CDBG funds.

SUBSTANTIAL AMENDMENT

In 2010, the City and the former Redevelopment Agency entered into a CDBG Repayment Agreement to address findings from the HUD Office of the Inspector General (OIG). In addition, Senate Bill 107, enacted in September 2015, resulted in the authorization of a repayment of \$151 million in program income funds related to the Long-Term Miscellaneous CDBG Debt from the City's Successor Agency. The funds repaid are CDBG Program Income and will be subject to approval by the State of California annually. Recommendations for spending this additional Program Income were approved by the City Council, as the Reinvestment Initiative, in December 2016.

A Substantial Amendment to the FY 2015- 2019 Con Plan for HUD Programs is required to address the anticipated \$17 million FY 2018 Successor Agency repayments and identify Reinvestment Initiative projects in the Action Plan. The Substantial Amendment will also revise how the City allocates reprogrammed funds and general program income to provide for greater flexibility in meeting the six (6) Con Plan Goals.

FY 2018 ANNUAL ACTION PLAN

The FY 2018 draft Action Plan serves as the City's application to HUD for entitlement grant funds and identifies the proposed FY 2018 HUD-funded projects. The FY 2018 Action Plan has been prepared by the City's Economic Development Department in partnership with the San Diego Housing Commission and the County of San Diego.

As of the writing of this report, HUD has not released its Program Year 2017/City FY 2018 entitlement grant amounts. Should the entitlement amount received from HUD be reduced by more than the 5% estimate detailed in the requested actions, the Action Plan addresses how proposed FY 2018 projects and/or programs will be adjusted to accommodate a reduction in the overall FY 2018 HUD entitlement program budget.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal #2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective #3: Invest in infrastructure

Objective #4: Foster services that improve quality of life

Goal # 3: Create and sustain a resilient and economically prosperous City.

Objective #1: Create dynamic neighborhoods that incorporate mobility, connectivity and sustainability.

FISCAL CONSIDERATIONS:

These actions result in no fiscal impact to the City's General Fund. All funding referenced in the requested actions originates from the U.S. Department of Housing and Urban Development (HUD).

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

All contracts and agreements associated with the proposed actions are 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) and will be reviewed by the City's EOC Contract Compliance Office for conformance with all applicable requirements prior to their execution.

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee):

On December 6, 2016, the City Council considered and approved the Reinvestment Initiative.

On March 22, 2017, the Infrastructure Committee will consider the CDBG funding for the City CIPs.

On April 5, 2017, the PSLN Committee will consider the requested actions.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

CPAB held publicly noticed meetings to discuss the FY 2018 RFP Application process, City Projects and/or funding recommendations on the following dates: August 10, 2016, September 14, 2016, October 12, 2016, November 9, 2016, December 14, 2016, January 11, 2017, February 8, 2017, March 9, 2017.

On March 9, 2017, the CPAB considered the FY 2018 CDBG Allocations (listed in Attachments 1 -6) and made a recommendation for the City Council to approve the allocations.

On April 18, 2017, the CPAB will consider the Substantial Amendment and Action Plan.

The 30-day public comment period for the Substantial Amendment and Action Plan is March 29 - April 27, 2017.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Those affected by the proposed actions include low- and moderate-income (LMI) individuals and households; those presumed by HUD to be principally LMI (abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers), community-based organizations and the community at large.

Caldwell, Erik
Originating Department

Graham, David
Deputy Chief/Chief Operating Officer



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: March 27, 2017 REPORT NO: 17-023

ATTENTION: Honorable Council President and Members of the City Council

SUBJECT: FY 2018 U.S. Department of Housing and Urban Development (HUD) Entitlement Program Allocations, FY 2018 Annual Action Plan and Substantial Amendment to the FY 2015- FY 2019 Consolidated Plan for City of San Diego HUD Programs

REQUESTED ACTIONS:

1. Authorize the Chief Financial Officer to accept, appropriate, and expend FY 2018 Community Development Block Grant (CDBG) entitlement funds from the U.S. Department of Housing and Urban Development (HUD), in the total amount provided in the final Program Year 2017 / Fiscal Year 2018 CDBG Grant agreement between the City and HUD, estimated at \$10,352,384, contingent upon FY 2018 CDBG Program grant funding being secured.
2. Approve the funding recommendations for the City's FY 2018 CDBG Program as detailed in Attachment 1 (FY 2018 Public Services), Attachment 2 (FY 2018 Challenge Grant), Attachment 3 (FY 2018 Community/Economic Development Projects), Attachment 4 (FY 2018 Nonprofit Capital Improvement Projects), Attachment 5 (FY 2018 Nonprofit Sustainability Projects, and Attachment 6 (FY 2018 City Capital Improvement Projects) to this report, contingent upon the Chief Financial Officer certifying that FY 2018 CDBG Program funds are available.
3. Approve the allocation of FY 2018 CDBG entitlement funding to the San Diego Housing Commission in a total amount not to exceed \$1,318,078 for the homeless programs identified in the FY 2018 Annual Action Plan and listed in Attachment 7 (FY 2018 CDBG Homeless Set-Aside Projects), pursuant to Council Policy 700-02, contingent upon the Chief Financial Officer certifying that FY 2018 CDBG Program funds are available.
4. Approve the allocation of FY 2018 CDBG program income funds for the City's FY 2018 CDBG Reinvestment Initiative Programs as detailed in Attachment 8 (FY 2018 CDBG Reinvestment Initiative Programs), contingent upon the Chief Financial Officer certifying that FY 2018 CDBG Program funds are available.
5. Authorize the Chief Financial Officer to accept, appropriate and expend FY 2018 HOME Investment Partnerships Program (HOME) funds from HUD in the total amount provided in the final Program Year 2017 / Fiscal Year 2018 HOME Program

grant agreement between the City and HUD, estimated at \$3,889,156 for the City's FY 2018 HOME Program, contingent upon FY 2018 HOME Program grant funding being secured.

6. Authorize the Chief Financial Officer to increase the FY 2017 HOME funds by \$21,979 and to accept, appropriate and expend up to \$21,979 in additional FY 2017 HOME funds from HUD for the City's FY 2017 HOME Program, contingent upon the Chief Financial Officer certifying that FY 2017 HOME Program funds are available.
7. Authorize the Chief Financial Officer to accept, appropriate and expend FY 2018 Emergency Solutions Grant (ESG) funds from HUD in the total amount provided in the final Program Year 2017 / Fiscal Year 2018 ESG grant agreement between the City and HUD, estimated at \$942,974, for the City's FY 2018 ESG Program, contingent upon FY 2018 ESG Program grant funding being secured.
8. Authorize the Mayor, or designee, to negotiate and enter into subrecipient agreements on behalf of the City with those nonprofit and governmental organizations whose projects or programs are approved by the Council for CDBG funding and identified in the FY 2018 Annual Action Plan, contingent upon the Chief Financial Officer certifying that funds are available.
9. Authorize the Mayor, or designee to enter into a second amendment to that certain FY 2016 Emergency Solutions Grant (ESG) Sub-Recipient Agreement between the City of San Diego and the San Diego Housing Commission effective July 2, 2015, to extend the term of the agreement through FY 2018.
10. Authorize the Mayor, or designee, to enter into a second amendment to that certain Amended and Restated FY 2016 CDBG and General Fund Agreement between the City of San Diego and the San Diego Housing Commission effective September 15, 2015, to extend the term of the agreement through FY 2018.
11. Authorize the Mayor, or designee, to enter into a second amendment to that certain FY 2016 HOME Investments Partnerships Grant (HOME) Sub-Recipient Agreement between the City of San Diego and the San Diego Housing Commission, effective July 2, 2015, to extend the term of the agreement through FY 2018.
12. Authorize the Chief Financial Officer to accept the repayment of CDBG debt from the Successor Agency, as approved by the California Department of Finance, in a total amount not to exceed \$17,656,000, as "Program Income" under Title 24 Code of Federal Regulations § 570.500, in the following amounts:
 - a. \$500,000 included in the Successor Agency's Ninth "Recognized Obligation Payment Schedule" submitted to the California Department of Finance for FY 2016 (ROPS 9),
 - b. \$8,000,000 included in the Successor Agency's Tenth "Recognized Obligation Payment Schedule" submitted to the California Department of Finance for FY 2017 (ROPS 10), and
 - c. \$9,156,000 included in the Successor Agency's Eleventh "Recognized Obligation Payment Schedule" submitted to the California Department of Finance for FY 2018 (ROPS 11, also known as 'ROPS 17-18').

13. Authorize the Chief Financial Officer to appropriate and expend a total amount not to exceed \$17,656,000 in FY 2018 CDBG debt repayment Program Income from the Successor Agency, as listed on ROPS 11 (ROPS 17-18), for CDBG projects or programs approved by Council for CDBG funding and identified in the FY 2018 Annual Action Plan, contingent upon the Chief Financial Officer certifying that such funds are available.
14. Authorize the Mayor, or designee, to negotiate and enter into a Memorandum of Understanding (MOU) with the San Diego Workforce Partnership (Workforce Partnership) establishing a Code San Diego and Internship Program (referenced in Attachment #8 to this Report) and providing for the Workforce Partnership to administer such programs, contingent upon the Chief Financial Officer certifying that such funds are available.
15. Authorize the Chief Financial Officer to:
 - a. Appropriate and expend \$1,230,110.73[\$462,710.19 (general) and \$767,400.54 (FY 2018 debt repayment)] of Program Income in Fund 600100.
 - b. Transfer appropriations of \$57,159 of FY 2016 Unobligated CDBG Program in Fund 600000, Grant 1000003-2016JO UC1000003-16 and \$1,231,443.27 of FY 2017 Unobligated CDBG Program in Fund 600000, Grant 1000003-2017JO UC1000003-17
 - c. Appropriate and expend \$3,416,287 of the FY 2018 CDBG Program Funds to increase the FY 2018 Capital Improvement Project (CIP) Program Budget in Fund 600000, Grant 1000003-2018CDBG 2018, contingent upon certification of fund availability by the Chief Financial Officer.
16. Authorize the Chief Financial Officer to increase the FY 2018 Capital Improvement Project (CIP) Program Budget in Fund 600000, Grant 1000003-2018 up to \$5,935,000, contingent upon the adoption of the Fiscal Year 2018 Appropriation Ordinance, contingent upon grant funding being secured, and contingent upon the Chief Financial Officer certifying funds necessary for the expenditure are, or will be, on deposit with the City Treasurer, for the following stand-alone CIPs:
 - a. Park de la Cruz Community Center & Gym Building – S16059 (\$3,700,000)
 - b. Bay Terraces Community Center – S16060 (\$500,000)
 - c. Memorial Community Park Playground ADA Upgrades – S16020 (\$1,300,000)
 - d. Silver Wing Park Ballfield Lighting Phase II – S16051 (\$435,000)
17. Authorize the Chief Financial Officer to increase appropriations in Unobligated CDBG for Program Income revenue.
18. Authorize the Chief Financial Officer to transfer balances from declined, completed, or ineligible projects to Unobligated CDBG.
19. Approve the City of San Diego's Substantial Amendment to the FY 2015 – FY 2019 Consolidated Plan (Substantial Amendment) as detailed in Attachment 9 to this Report.

20. Approve the City of San Diego's FY 2018 Annual Action Plan (Action Plan) as detailed in Attachment 10 to this Report.
21. Authorize the Mayor, or designee, to make non-substantive revisions to the Action Plan and Substantial Amendment to ensure that approved activities and all public comments about these plans received during the 30-day public comment period are included, as applicable, in the final plans submitted to HUD for review and approval.
22. Authorize the Mayor, or designee, to submit the final Action Plan and Substantial Amendment to HUD for review and approval.

STAFF RECOMMENDATION:

Approve the requested actions.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

Background

The City receives annual federal entitlement program allocations from the U.S. Department of Housing and Urban Development (HUD). The four (4) HUD entitlement programs are:

Community Development Block Grant Program (CDBG): The primary objective of CDBG is the development of viable urban communities through the provision of improved living environments, expansion of economic opportunity and decent housing. Funds are intended to primarily serve low- and moderate-income residents and areas.

HOME Investment Partnerships Program (HOME): HOME is dedicated to increasing affordable housing opportunities for low-income households through the development and rehabilitation of affordable housing units and through direct financial assistance to low-income owners and tenants.

Emergency Solutions Grant Program (ESG): ESG provides funding to (1) engage homeless individuals and families living on the street, (2) improve the number and quality of emergency shelters for homeless individuals and families, (3) help operate these shelters, (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

Housing Opportunities for Persons with AIDS Program (HOPWA): HOPWA is dedicated to the housing needs of people living with HIV/AIDS and their families.

While the City of San Diego is the entitlement grantee for each of these four programs, the San Diego Housing Commission (Housing Commission) administers the HOME and ESG programs on behalf of the City and the County of San Diego (County) administers the HOPWA program on behalf of the City. As of the date of this Report, HUD has not released its Program Year 2017 (City of San Diego Fiscal Year 2018) entitlement grant amounts. Therefore, the actions before Council assume a 5% reduction in the entitlement grant amounts from FY 2017 and request authority to adjust the FY 2018 allocations for HUD programs based upon the federal appropriation and the final entitlement grant agreements between the City and HUD.

The City allocates these federal entitlement program funds based on the City's approved FY 2015 – FY 2019 Consolidated Plan (Con Plan). The Con Plan assesses community

development and affordable housing needs, identifies six (6) high priority goals, and outlines strategies to help the City meet those goals.

The City's current Con Plan was approved by the Council in Resolution #R-308904, effective April 30, 2014 and was subsequently amended by Council Resolution #R-310407, effective May 4, 2016.

In FY 2011, the City established a Consolidated Plan Advisory Board (CPAB) to serve in an advisory capacity to the Mayor, Council and City management on policy issues related to the Con Plan and provide recommendations regarding the allocation of HUD Program funds. Inclusive of FY 2018, the CPAB has now served in an advisory capacity to the Council regarding the CDBG allocation process for seven (7) years.

The City's FY 2018 Substantial Amendment and Action Plan must be submitted to HUD by May 15, 2017; therefore, timely consideration of the recommended actions is critical in order to meet this federally mandated deadline.

FY 2018 CDBG Allocations – General Entitlement Categories

Competitive Award Process

A significant portion of the FY 2018 CDBG entitlement funds are recommended for activities based on a competitive application process, as defined by the approved Con Plan and Council Policy 700-02. Nonprofit organizations seeking funds in the following general budgetary categories were required to participate in a two-step, online application:

- Public Services
- Community Economic Development and Homebuyer Assistance
- Nonprofit Capital Improvements and Housing Rehabilitation
- Challenge Grants
- Nonprofit Sustainability Improvements/Projects

The City sponsored a "Partnering with the City: Are You CDBG Ready?" workshop on October 17, 2016 to provide nonprofit organizations with details regarding the upcoming application process. Over 50 organizations attended the workshop.

The City issued a Request for Qualifications (RFQ) available from October 24, 2016 through November 18, 2016. Seventy-six (76) nonprofit or government organizations provided RFQ responses to the City's Economic Development Department, Community Development Division (CDD). This number of responses is a 33% increase over FY 2017. CDD staff reviewed these submittals for completeness and eligibility and 70 of the 76 nonprofit or government organizations met all applicable requirements, possessed the overall capacity needed to carry-out eligible CDBG activities and were deemed "qualified" to participate in the subsequent Request for Proposals (RFP) process. RFPs were released by the City on January 5, 2017, and only qualified nonprofit or government organizations were invited to respond.

Pursuant to Council Policy 700-02, all applicant nonprofit or government organizations must attend a mandatory application workshop during the RFP phase in order remain eligible for consideration. A total of three (3) mandatory application workshops were conducted by CDD staff. In an effort to make workshop attendance more convenient for qualified nonprofit or government organizations, all RFP project categories were discussed at each of the workshops, thus giving applicants a more flexible scheduling choice. Workshop attendance details are as follows:

1.	January 9, 2017	10:00 a.m.	30 organizations	42 attendees
2.	January 9, 2017	1:00 p.m.	24 organizations	38 attendees
3.	January 12, 2017	10:00 a.m.	26 organizations	37 attendees

All applicant nonprofit or government organizations were represented at the workshops.

In addition to the mandatory workshops, applicants were provided with one-on-one technical assistance appointments during both the RFQ and RFP processes. During the month of January 2017 alone, CDD staff held a total of 16 half-hour technical assistance meetings (totaling 8 hours) with applicant organizations. CDD staff also responded to questions by email, providing direct feedback on ninety-one (91) questions and/or inquiries. In addition, “Frequently Asked Questions” were posted online on the City’s ED Grants website.

Fifty-four (54) nonprofit or government organizations submitted proposals, for a total of seventy-six (76) unique projects, by the submittal deadline of January 27, 2017. For the first time, the RFP submittal process was conducted through the ED Grants System, a web-based portal built upon a Salesforce platform.

CDD staff reviewed the seventy-six (76) RFP submittals for completeness and eligibility. Based upon the results of the review, a total of three (3) applications were deemed ineligible. Two (2) were deemed ineligible because they did not demonstrate a program design and/or program beneficiaries required of the RFP category and one (1) was ineligible because it was submitted in the incorrect RFP category.

CPAB Review and Scoring

Seventy-three (73) RFP applications were forwarded to the CPAB for review and scoring on February 5, 2017. Along with the RFP applications, the reviewers were provided with online resources including the following:

1. FY 2018 CPAB Review Panel Handbook (including the Conflict of Interest and Confidentiality information)
2. FY 2018 Scoring Criteria Rubrics
3. List of Applicants and Proposed Projects
4. List of Applicant Organization Board Members
5. Performance Reports for FY 2015 and FY 2016
6. Eligible Census Tract Tables
7. Maps of Geographic Targeting Areas

During the January 11, 2017 CPAB meeting, two (2) Ad Hoc committees were established for the purpose of asking questions and exchanging considerations about the RFP applications. The Ad Hoc committees were limited to no more than three (3) CPAB participants at any one time. A total of two (2) Ad Hoc committee meetings were held (with three CPAB participants in each). CDD staff was in attendance at each Ad Hoc committee meeting and provided technical assistance. A total of four (4) hours were dedicated to Ad Hoc meetings. No group scores were developed and each reviewer was asked to complete his/her scoring forms independently.

As specified in the FY 2018 Scoring Criteria, four sections of the RFP are assigned scores by CDD staff. These sections are:

1. Section 3. d. – Secured Funding (all RFP categories)
2. Section 5. a. ii. – Environmental Review (Nonprofit CIP and Sustainability RFP categories only)
3. Section 5. b. i. and 5.b.ii. – Scope of Work Eligibility and National Objective (all RFP categories)
4. Section 6 – Performance Indicators (all RFP categories, when applicable)

All CPAB members submitted complete scoring sheets by March 6, 2017. The average score for each proposal was calculated through ED Grants and projects were ranked by individual RFP category in descending order (Attachments 1-5). The ranked project listings were posted on the City's CDBG webpage and emailed to the CDD distribution lists on March 6 and 7, 2016.

On March 9, 2017, the CPAB ratified the scores and funding recommendations as indicated in Attachments 1-5. The funding recommendations were based on the highest scoring applications and the funds available to fully fund activities.

City Capital Improvement Projects

As previously mentioned, the Con Plan outlines high priority goals for the CDBG Program funds. One of the goals is to strengthen neighborhoods by investing in the City's critical public infrastructure needs to support neighborhood safety and improve livability.

The proposed FY 2018 City Capital Improvement Projects are Park de la Cruz Community Center, Bay Terraces Senior Center, Memorial Community Park Playground ADA Upgrades and Silver Wing Park Ballfield Lighting Phase II. All proposed locations are within HUD qualified low and moderate income census tract block group areas. The City Capital Improvement Projects are proposed to be funded with the estimated FY 2018 CDBG annual entitlement allocation, program income and reprogrammed funds. Reprogrammed funds are derived from multiple sources, including CDBG projects that withdraw, cancel or return unexpended funds, as well as from unallocated balances of CDBG funds.

The Con Plan outlines a strategy to work with the City's Capital Improvements Program Review and Advisory Committee (CIPRAC) to review and recommend approval of City projects. CDD staff began this process last summer and the process has included:

August 11, 2016	Call memorandum for project applications from City Asset Managing Departments
August 31, 2016	CDBG Bowl- project committee review
November 17, 2016	Economic Development and Intergovernmental Relations Committee approval of CDBG Reinvestment Initiative
December 6, 2016	Council approval of CDBG Reinvestment Initiative
March 1, 2017	CIPRAC approval
March 9, 2017	CPAB approval
March 22, 2017	Infrastructure Committee

Descriptions of the recommended City Projects can be found in Attachment 6 to this Report. Each project has been reviewed for HUD Program eligibility, funding sources, and project readiness.

Substantial Amendment to the Con Plan

In 2010, the City and the former Redevelopment Agency of the City of San Diego (RDA) entered into a CDBG Repayment Agreement to address findings from the HUD Office of the Inspector General (OIG) about the City's CDBG Program. In FY 2010-2019, the City's CDBG Program was to receive an estimated \$78 million in escalating repayments under the CDBG Repayment Agreement. With the dissolution of redevelopment in California in 2012, the State of California Department of Finance (DOF) suspended approval of the payments, leaving \$64 million in outstanding debt repayment under the CDBG Repayment Agreement. Senate Bill 107, enacted in September 2015, permitted the Successor Agency to the former RDA to resume including repayments under the CDBG Repayment Agreement on its annual Recognized Obligation Payment Schedule (ROPS). In addition to reinstating the CDBG Repayment Agreement payments, Senate Bill 107 resulted in the DOF authorizing the repayment of an additional \$151 million in CDBG program income from the Successor Agency under a separate Long-Term Miscellaneous CDBG Debt Agreement between the City and former RDA.

Two debt repayment schedules provide for the Successor Agency to pay the outstanding \$64 million in CDBG Repayment Funds and the \$151 million in Long-Term Miscellaneous CDBG Debt, bringing the total repayments to the City to \$215 million. The Successor Agency repayment, though, are subject to approval by the DOF as part of each annual Successor Agency ROPS process. The funds repaid are CDBG "Program Income".

EDD worked with various community stakeholders and the CPAB to create recommendations for programs to utilize the FY 2018 portion of the Successor Agency repayments. Development of these programs was approved by the Council in Resolution #R-310811, effective December 16, 2016, collectively referred to as the "Reinvestment Initiative."

The Substantial Amendment is required to address the anticipated \$17 million in FY 2018 Successor Agency repayments, incorporate the programs in the Reinvestment Initiative, and identify Reinvestment Initiative projects in the Action Plan.

The anticipated FY 2018 Successor Agency repayments were included in the ROPS 11. The DOF has until April 15, 2017 to make a determination regarding the enforceable obligations listed in ROPS 11. Because funds from the Successor Agency repayments could be made available to the City's CDBG Program as early as July 1, 2017, FY 2018 Reinvestment Initiative projects and programs have been identified to expend these funds. However, it is possible the DOF will disapprove all or a portion of such repayment obligations for FY 2018, or any subsequent fiscal year, and the City will not receive all or a portion of such scheduled repayments.

The Substantial Amendment will also revise how the City allocates other reprogrammed funds and general program income to provide for greater flexibility in meeting the six (6) Con Plan goals. The current Con Plan indicates reprogrammed funds and general program income will be directed to City Projects. The FY 2018 Substantial Amendment will allow for reprogrammed funds and general program income to be directed, at the City's discretion, to City Projects, Homeless Projects, Affordable Housing Projects, and other projects fulfilling one or more of the City's six (6) Con Plan goals.

The second Substantial Amendment to the Con Plan does not alter the six (6) Con Plan goals.

FY 2018 Annual Action Plan

The FY 2018 draft Action Plan serves as the City's application to HUD for entitlement grant funds and identifies the proposed projects and programs to be funded by the City in FY 2018 (the fourth year of the City's HUD-approved Con Plan). The FY 2018 Action Plan has been prepared by the EDD in partnership with the Housing Commission and the County of San Diego.

The Con Plan establishes budgetary priorities for CDBG allocations. There is a 20% expenditure cap for Administration and Planning efforts established by federal regulations. In addition, Council Policy 700-02 requires that funding in the categories of Administration and Planning (including Fair Housing and the Nonprofit Accelerator Program) be allocated from the City's overall annual allocation prior to making funds available to address other Con Plan goals. Federal regulations also limit Public Services expenditures to 15% of the annual entitlement, with Council Policy 700-02 requiring a set-aside from this amount not to exceed \$1,318,078 for homeless programs and services.

Other components of the proposed FY 2018 CDBG Program budget include the recommended budget priorities of ten percent (10%) of the annual entitlement allocation for Community/Economic Development projects and fifty-five percent (55%) for Capital Improvement Projects (60% of this amount for City Projects and 40% for Nonprofit Projects).

The proposed FY 2018 CDBG Program budget is comprised of three sources: the City's annual entitlement allocation, anticipated CDBG Program Income, and estimated reprogrammed funds. Reprogrammed funds are derived from multiple sources, including CDBG projects that withdraw, cancel or return unexpended funds, as well as from unallocated balances of CDBG entitlement funds. The recommended FY 2018 CDBG allocations above are the basis of the CDBG portion of the Action Plan. A cumulative summary of the FY 2018 CDBG Program budget and allocations can be found in Attachment 11 to this Report.

Budgetary priorities for the ESG and HOME programs have been established by the Housing Commission, within the framework of the Con Plan, and are included in the FY 2018 Housing Commission budget. Budgetary priorities for HOPWA are determined by the County of San Diego, within the framework of the Con Plan, and all activities funded will meet the needs of persons with HIV/AIDS and their families through the provision of housing, health and support services.

As of the writing of this report, HUD has not released its Program Year 2017 (City of San Diego Fiscal Year 2018) entitlement grant amounts. Therefore, the projects listed in the Annual Action Plan can be fully-funded under the assumption the City will receive a 5% reduction in the entitlement grant amounts from FY 2017. Should the entitlement amount received by the City from HUD be reduced by more than the 5% estimate, the Action Plan addresses how projects and/or programs proposed for FY 2018 will be adjusted to accommodate a reduction in the overall FY 2018 HUD entitlement program budget.

Public Comment

The draft Substantial Amendment and Action Plan were released for a 30-day public comment and review period on March 29, 2017. Hard copies of the Substantial Amendment and Action Plan were made available for public review in the reference sections of select City libraries (Central, Malcolm X, San Ysidro, Logan Heights and City Heights/Weingart), the Bayside Community Center, the Jacobs Center for Neighborhood Innovation, and the Economic Development Department. The draft Substantial Amendment and Action Plan were also available for public review on the City's website (www.sandiego.gov/cdbg) and the Housing Commission's website (www.sdhc.org). The public comment period will conclude on April 27, 2017.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal #2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective #3: Invest in infrastructure

Objective #4: Foster services that improve quality of life

Goal # 3: Create and sustain a resilient and economically prosperous City.

Objective #1: Create dynamic neighborhoods that incorporate mobility, connectivity and sustainability.

FISCAL CONSIDERATIONS:

These actions result in no fiscal impact to the City's General Fund. All funding referenced in the requested actions originates from HUD.

ENVIRONMENTAL IMPACT:

The proposed activities related to the acceptance and allocation of CDBG funds to community economic development, capital improvement and public service projects are not a project pursuant to Section 15060(c)(3) of the State of California Environmental Quality Act Guidelines. Projects identified in the draft Substantial Amendment and Action Plan have been or are in the process of being reviewed or will require review under CEQA at a future time in accordance with the City's Land Development Code. This determination is predicated on Section 15004 of the State CEQA Guidelines which provides direction to lead agencies on the appropriate time for environmental review.

At this time, the City is allocating proposed funding for programs and projects, subject to future approval from HUD and awarding of or entering into contracts for specific projects. The City is not committing funding to or to undertaking any project in a manner that will have an adverse environmental impact or that forecloses reasonable alternatives or mitigation measures that would ordinarily be part of NEPA or CEQA review for any project. As part of the HUD process for releasing CDBG funds to the City, before the City commits to funding or awards or enters into a contract for a project and when more meaningful information for environmental assessment is available for certain of the anticipated projects, the City will comply with the applicable requirements of NEPA and/or CEQA for each project. [24 C.F.R. section 58.22(a) and 14 C.C.R. section 15004(b).]

EQUAL OPPORTUNITY CONTRACTING INFORMATION: (if applicable)

All contracts and agreements associated with the proposed actions are 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) and will be reviewed by the City's EOC Contract

Compliance Office for conformance with all applicable requirements prior to their execution.

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS:

On November 17, 2016, the Economic Development and Intergovernmental Relations Committee considered the Reinvestment Initiative and made a recommendation to Council to approve.

On December 6, 2016, the Council considered and approved the Reinvestment Initiative.

On March 22, 2017, the Infrastructure Committee will consider the CDBG funding for the City Capital Improvement Projects listed in Attachment 6 in order to make a recommendation to the Council. The results of the Infrastructure meeting will be presented verbally to the Council when the actions requested in this Report are considered.

On April 5, 2017, the Public Safety & Livable Neighborhoods (PSLN) Committee will consider the requested actions in order to make a recommendation to the Council. The results of the PSLN meeting will be presented verbally to the Council when the actions requested in this Report are considered.

COMMUNITY PARTICIPATION AND OUTREACH EFFORTS:

CPAB held publicly noticed meetings to discuss the FY 2018 RFP Application process, scoring criteria, City Projects and/or funding recommendations on the following dates: August 10, 2016, September 14, 2016, October 12, 2016, November 9, 2016, December 14, 2016, January 11, 2017, February 8, 2017, March 9, 2017.

On October 12, 2016, the CPAB unanimously recommended the proposed Reinvestment Initiative for Council approval.

On March 9, 2017, the CPAB considered the FY 2018 CDBG allocations and FY 2018 City Projects (listed in Attachments 1 -6) and made a recommendation for the Council to approve the allocations and projects.

On April 18, 2017, the CPAB will consider the Substantial Amendment and Action Plan in order to make a recommendation to the Council. The results of the CPAB meeting will be presented verbally to the Council when the actions requested in this Report are considered.

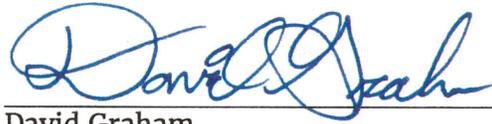
CPAB meeting notices, agendas and RFP scoring results were distributed by email to interested stakeholders and posted on the City's CDBG webpage at www.sandiego.gov/CDBG. Notices of all pertinent meetings were distributed through the CDD email distribution list and notices posted by the City Clerk. Public notices of the 30-day comment period, as well as the Council meeting, were published in the San Diego Daily Transcript, Voice and Viewpoint and El Latino.

KEY STAKEHOLDERS AND PROJECTED IMPACTS

Those affected by the proposed actions include low- and moderate-income (LMI) individuals and households; those presumed by HUD to be principally LMI (abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers), community-based organizations and the community at large.



Erik Caldwell
Director
Economic Development Department



David Graham
Deputy Chief Operating Officer
Neighborhood Services

Attachments:

1. Proposed FY 2018 Public Services Projects
2. Proposed FY 2018 Challenge Grant Projects
3. Proposed FY 2018 Community/Economic Development Projects
4. Proposed FY 2018 Nonprofit Capital Improvement Projects
5. Proposed FY 2018 Nonprofit Sustainability Projects
6. Proposed FY 2018 City Capital Improvement Projects
7. Proposed FY 2018 CDBG Homeless Set-Aside Projects
8. FY 2018 CDBG Reinvestment Initiative Projects and Programs
9. Draft Second Substantial Amendment to the FY 2015 – FY 2019 Consolidated Plan
10. Draft FY 2018 Annual Action Plan
11. Cumulative Summary of FY 2018 CDBG Budget and Allocations

Proposed FY 2018 Community Development Block Grant (CDBG) Projects

Reviewed Applications - Public Services

ID	Application Title	Organization Name	Title	RFP Maximum Budget	Requested Amount	RFP Score (Max 100)	Funding Available?	RFP Remaining Budget
AP-755-062	Safe Point San Diego (SPSD)	Family Health Centers of San Diego Inc	Public Services	\$575000	\$100000.00	93.25	Yes	\$475000.00
AP-755-104	Job Readiness Training	San Diego Second Chance Program	Public Services	\$575000	\$96529.00	92.13	Yes	\$378471.00
AP-755-090	Case Management for Youth Success	Urban Corps of San Diego County	Public Services	\$575000	\$50348.00	91.75	Yes	\$328123.00
AP-755-042	Home-Delivered Meal Service San Diego	Mama's Kitchen	Public Services	\$575000	\$89812.00	91.50	Yes	\$238311.00
AP-755-051	Public Services	St. Vincent de Paul Village, Inc. (dba Father Joe's Villages)	Public Services	\$575000	\$50000.00	91.25	Yes	\$188311.00
AP-755-146	Project Launch	Kitchens for Good	Public Services	\$575000	\$106200.00	90.88	Yes	\$82111.00
AP-755-074	Employment Reentry Services	Center for Employment Opportunities	Public Services	\$575000	\$119869.00	89.75	No	\$82111.00
AP-755-100	Access to Justice	Center for Community Solutions	Public Services	\$575000	\$75000.00	89.13	No	\$82111.00
AP-755-092	Storefront Youth Emergency Shelter	San Diego Youth Services	Public Services	\$575000	\$100000.00	88.88	No	\$82111.00
AP-755-124	Community Engagement for At Risk Youth	San Diego Center for Children	Public Services	\$575000	\$59275.00	87.63	No	\$82111.00
AP-755-120	Uptown Homeless Outreach	Alpha Project for the Homeless	Public Services	\$575000	\$120000.00	87.13	No	\$82111.00
AP-755-116	Laundry and Shower Services for Homeless	Episcopal Community Services	Public Services	\$575000	\$53469.00	85.75	No	\$82111.00

AP-755-094	Back to Back Skill Development Project	Nile Sisters Development Initiative	Public Services	\$575000	\$170000.00	85.75	No	\$82111.00
AP-755-102	San Ysidro Promotora Program	Casa Familiar	Public Services	\$575000	\$51583.00	85.38	No	\$82111.00
AP-755-134	Rotational Shelter Program	Interfaith Shelter Network of San Diego	Public Services	\$575000	\$55868.00	84.88	No	\$82111.00
AP-755-089	El Nido Program	Interfaith Shelter Network of San Diego	Public Services	\$575000	\$117830.00	84.50	No	\$82111.00
AP-755-121	Technology Assistance Program	Computers 2 SD Kids	Public Services	\$575000	\$74400.00	84.25	No	\$82111.00
AP-755-043	Help on the Move	Travelers Aid Society of San Diego	Public Services	\$575000	\$115725.00	84.25	No	\$82111.00
AP-755-112	Victims of Crime Project	Casa Cornelia Legal Services	Public Services	\$575000	\$72587.00	84.13	No	\$82111.00
AP-755-057	Senior Care in the City of San Diego	Meals-on-Wheels Greater San Diego, Inc. dba Meals on Wheels San Diego County	Public Services	\$575000	\$129388.58	83.75	No	\$82111.00
AP-755-076	Mobilizing Linda Vista Resources	Bayside Community Center	Public Services	\$575000	\$94323.00	83.13	No	\$82111.00
AP-755-101	Project Empower U 2.0	Urban League of San Diego County	Public Services	\$575000	\$153001.57	81.00	No	\$82111.00
AP-755-084	Family Strengthening Program	Somali Family Service of San Diego	Public Services	\$575000	\$124801.00	80.88	No	\$82111.00

General Project Descriptions - Proposed FY 2018 CDBG Public Service Projects

Organization Name	Project Title	RFP Category	RFP Score (Max 100)	Requested Amount	Project Description
Family Health Centers of San Diego Inc	Safe Point San Diego (SPSD)	PS	93.25	\$100,000.00	Provide direct, one-for-one syringe exchange, harm reduction kits, case management, and educational materials.
San Diego Second Chance Program	Job Readiness Training	PS	92.13	\$96,529.00	Provide access for unemployed San Diegans to become self-sufficient by ensuring they have the skills needed to attain—and maintain—employment in the mainstream workforce.
Urban Corps of San Diego County	Case Management for Youth Success	PS	91.75	\$50,348.00	Expand the case management services offered to complement the workforce development and education program for disadvantaged youth ages 18–26.
Mama's Kitchen	Home-Delivered Meal Service San Diego	PS	91.50	\$89,812.00	Deliver breakfast, lunch and dinner to low to moderate income San Diego residents who are in need of nutrition support meals due to the debilitating effects of HIV/AIDS or cancer.
St. Vincent de Paul Village, Inc.	Public Services	PS	91.25	\$50,000.00	This program prepares homeless residents and community children for success in school and life by improving their social and emotional well-being and partnering with their parents to build strong, self-reliant families through childcare and mental health services, tutoring/mentoring, and parenting classes.

Kitchens for Good	Project Launch	PS	90.88	\$106,200.00	Provide a free culinary job training program to help LMI residents experiencing significant barriers to employment move into jobs and self-sustainability.
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Proposed FY 2018 Community Development Block Grant (CDBG) Projects

Reviewed Applications - Challenge Grant

ID	Application Title	Organization Name	Title	RFP Maximum Budget	Requested Amount	RFP Score (Max 100)	Funding Available?	RFP Remaining Budget
AP-755-132	College Town - Expanded Services	Reality Changers	Challenge Grant	\$1000000	\$177000.00	93.43	Yes	\$823000.00
AP-755-078	UrbanLife Agriculture Project	Urban Life Ministries, Inc	Challenge Grant	\$1000000	\$50000.00	91.86	Yes	\$773000.00
AP-755-118	Youth Employment Development	South Bay Community Services	Challenge Grant	\$1000000	\$113152.00	91.29	Yes	\$659848.00
AP-755-110	Solar Installation Training Program	GRID Alternatives San Diego	Challenge Grant	\$1000000	\$130313.00	91.14	Yes	\$529535.00
AP-755-145	College Apps Academy - Expanded Services	Reality Changers	Challenge Grant	\$1000000	\$120000.00	90.43	Yes	\$409535.00
AP-755-095	Second Chance Youth Garden	San Diego Second Chance Program	Challenge Grant	\$1000000	\$99528.00	90.14	Yes	\$310007.00
AP-755-066	Community Financial Education & Services	International Rescue Committee	Challenge Grant	\$1000000	\$123858.00	90.14	Yes	\$186149.00
AP-755-067	Project CHOP	International Rescue Committee	Challenge Grant	\$1000000	\$50404.00	89.71	Yes	\$135745.00
AP-755-049	Substance Abuse Expansion For Veterans	La Maestra Family Clinic, Inc.	Challenge Grant	\$1000000	\$229529.00	89.29	No	\$135745.00
AP-755-038	BLOK Artz Social Enterprise	Jacobs Center for Neighborhood Innovation	Challenge Grant	\$1000000	\$189357.00	86.71	No	\$135745.00
AP-755-085	Transforming Young Lives	Access Youth Academy	Challenge Grant	\$1000000	\$99549.98	86.43	No	\$135745.00
AP-755-045	Youth Business Enterprise	Union of Pan Asian Communities	Challenge Grant	\$1000000	\$182057.00	86.43	No	\$135745.00

AP-755-130	CONNECT2Careers	San Diego Workforce Partnership	Challenge Grant	\$1000000	\$249754.34	86.29	No	\$135745.00
AP-755-091	Economic Empowerment Pathways	Center for Employment Opportunities	Challenge Grant	\$1000000	\$204843.00	85.79	No	\$135745.00
AP-755-088	Words and Music	San Diego Opera Association	Challenge Grant	\$1000000	\$86952.00	85.71	No	\$135745.00
AP-755-108	Thrift Boutique Social Enterprise	Home Start, Inc.	Challenge Grant	\$1000000	\$58284.50	85.43	No	\$135745.00
AP-755-111	Post-Graduation Readiness Program	Pro Kids Golf Academy Inc	Challenge Grant	\$1000000	\$140000.00	85.00	No	\$135745.00
AP-755-046	Get Fit, Stay Fit	YMCA of San Diego County	Challenge Grant	\$1000000	\$86377.00	84.57	No	\$135745.00
AP-755-137	Workshops for Warriors	Workshops for Warriors	Challenge Grant	\$1000000	\$467645.00	84.29	No	\$135745.00
AP-755-107	TAY Academy	San Diego Youth Services	Challenge Grant	\$1000000	\$175000.00	82.43	No	\$135745.00
AP-755-127	Ocean Leaders	Ocean Discovery Institute	Challenge Grant	\$1000000	\$50293.30	81.71	No	\$135745.00
AP-755-144	Say-n-Do Project	Nile Sisters Development Initiative	Challenge Grant	\$1000000	\$100000.00	80.00	No	\$135745.00
AP-755-131	Community Sentinel Program	national Conflict Resolution Center	Challenge Grant	\$1000000	\$253774.00	79.00	No	\$135745.00
AP-755-126	Successful Transitions for At Risk Youth	San Diego Center for Children	Challenge Grant	\$1000000	\$51750.00	79.00	No	\$135745.00

NOTE: The above Challenge Grant RFP category scores are based on the evaluation of seven (7) CPAB members only.

General Project Descriptions - Proposed FY 2018 CDBG Challenge Grant Projects

Organization Name	Project Title	RFP Category	RFP Score (Max 100)	Requested Amount	Project Description
Reality Changers	College Town - Expanded Services	CG	93.43	\$177,000.00	Prepare low-income, high-potential 8th-11th graders to be college-ready by 12th grade.
Urban Life Ministries, Inc	UrbanLife Agriculture Project	CG	91.86	\$50,000.00	Provide an innovative urban agriculture workforce development project for food-insecure youth, ages 14 -18, from low- to moderate-income households.
South Bay Community Services	Youth Employment Development	CG	91.29	\$113,152.00	Provide two tracts available for youth, in collaboration with Casa Familiar: LEAP (bridging and postsecondary educational options) and El K-FE (career planning and on-the-job training).
GRID Alternatives San Diego	Solar Installation Training Program	CG	91.14	\$130,313.00	Prepare LMI youth and veterans for a career in the fast growing solar industry.
Reality Changers	College Apps Academy - Expanded Services	CG	90.43	\$120,000.00	Guide high-performing 12th graders through the entire college application process, from choosing the right college to getting accepted.
San Diego Second Chance Program	Second Chance Youth Garden	CG	90.14	\$99,528.00	Address the workforce training and education needs of San Diego's LMI youth as they navigate the difficult transition between adolescence and emerging adulthood.
International Rescue Committee	Community Financial Education & Services	CG	90.14	\$123,858.00	Provide culturally appropriate financial education and counseling services to low-to-moderate income (LMI) individuals in San Diego.

International Rescue Committee	Project CHOP	CG	89.71	\$50,404.00	Use a commercial kitchen as an educational and economic empowerment platform, Project CHOP employs and trains refugees and other low-income, basic skills deficient individuals with English language and job skills while producing and selling unique, healthy and locally-sourced foods.
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Proposed FY 2018 Community Development Block Grant (CDBG) Projects

Reviewed Applications - Community and Economic Development								
ID	Application Title	Organization Name	Title	RFP Maximum Budget	Requested Amount	RFP Score (Max 100)	Funding Available?	RFP Remaining Budget
AP-755-068	Microlending Program	Accion San Diego	Community and Economic Development	\$1250000	\$181077.00	89.63	Yes	\$1068923.00
AP-755-115	Access Microenterprise Program	ACCESS	Community and Economic Development	\$1250000	\$101167.00	88.38	Yes	\$967756.00
AP-755-099	San Diego Microenterprise Project	Horn of Africa Community	Community and Economic Development	\$1250000	\$179853.00	86.50	Yes	\$787903.00
AP-755-052	First Time Homebuyer Program	San Diego Housing Commission	Community and Economic Development	\$1250000	\$400000.00	85.88	Yes	\$387903.00
AP-755-083	Business Basics	Southwestern Community College	Community and Economic Development	\$1250000	\$170686.71	83.88	Yes	\$217216.29

General Project Descriptions - Proposed FY 2018 CDBG Community and Economic Development Projects

Organization Name	Project Title	RFP Category	RFP Score (Max 100)	Requested Amount	Project Description
Accion San Diego	Microlending Program	CED	89.63	\$181,077.00	Provide City of San Diego businesses, owned by City of San Diego LMI residents, with direct financing between \$300 and \$75,000 to start or expand their businesses.
ACCESS	Access Microenterprise Program	CED	88.38	\$101,167.00	Assist microentrepreneurs to launch new microbusinesses or to expand existing microbusinesses.
Horn of Africa Community	San Diego Microenterprise Project	CED	86.50	\$179,853.00	Provide training for immigrant women, most of them refugees and asylum seekers from Somalia and other East African countries, leading to state certification as home childcare providers.
San Diego Housing Commission	First Time Homebuyer Program	CED	85.88	\$400,000.00	Provide low-moderate income (LMI) households with assistance to help pay closing costs related to the purchase of their first home in the City of San Diego.
Southwestern Community College	Business Basics	CED	83.88	\$170,686.71	Assist LMI qualified microenterprise business owners who are City of San Diego residents to start or expand their business.

Proposed FY 2018 Community Development Block Grant (CDBG) Projects

Reviewed Applications - Nonprofit Capital Improvement Projects / Housing Rehabilitation

ID	Application Title	Organization Name	Title	RFP Maximum Budget	Requested Amount	RFP Score (Max 100)	Funding Available?	RFP Remaining Budget
AP-755-056	MCHC - Pediatric Service Expansion	Centro de Salud de la Comunidad de San Ysidro, Inc.	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$464016.00	94.75	Yes	\$2285984.00
AP-755-070	Critical Home Repairs in Logan Heights	San Diego Habitat for Humanity	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$360000.00	88.38	Yes	\$1925984.00
AP-755-075	UPAC Enterprise Center	Union of Pan Asian Communities	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$354500.00	87.63	Yes	\$1571484.00
AP-755-054	Roof replacement Wightman Street	Chicano Federation of San Diego County	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$145000.00	87.25	Yes	\$1426484.00
AP-755-060	Low Income Housing Senior Improvement	Serving Seniors	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$145000.00	85.00	Yes	\$1281484.00
AP-755-073	Casa de Sol Rehabilitation #2	City Heights Community Development Corporation	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$265050.00	83.75	Yes	\$1016434.00
AP-755-055	Father Joe's Villages	S.V.D.P. Management, Inc. (dba Father Joe's Villages)	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$199999.00	83.63	Yes	\$816435.00

AP-755-040	Chollas Creek Gateways & Improvements	Jacobs Center for Neighborhood Innovation	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$280476.00	82.50	Yes	\$535959.00
AP-755-080	New Roof and AC 5952	Alliance for African Assistance	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$215000.00	80.88	Yes	\$320959.00
AP-755-041	Chollas Creek South Healthy Urban Trail	Jacobs Center for Neighborhood Innovation	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$237440.00	80.13	Yes	\$83519.00
AP-755-063	Beach Clinic Improvements	Family Health Centers of San Diego Inc	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$148606.00	79.75	No	\$83519.00
AP-755-142	ADA Compliance 6533	Alliance for African Assistance	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$150000.00	76.13	No	\$83519.00
AP-755-105	Urban League Grant Heights Property	Urban League of San Diego County	Nonprofit Capital Improvement Projects / Housing Rehabilitation	\$2750000	\$279999.91	73.13	No	\$83519.00

General Project Descriptions - Proposed FY 2018 CDBG Nonprofit Capital Improvement Projects & Housing Rehabilitation

Organization Name	Project Title	RFP Category	RFP Score (Max 100)	Requested Amount	Project Description
Centro de Salud de la Comunidad de San Ysidro, Inc.	MCHC - Pediatric Service Expansion	NCIP/HR	94.75	\$464,016.00	Renovate its Maternal & Child Health Center (MCHC) facility to increase capacity to provide pediatric health services in San Ysidro.
San Diego Habitat for Humanity	Critical Home Repairs in Logan Heights	NCIP/HR	88.38	\$360,000.00	Provide critical repairs to a minimum of six homes in the Logan Heights/Southeastern community of San Diego.
Union of Pan Asian Communities	UPAC Enterprise Center	NCIP/HR	87.63	\$354,500.00	Transform a 4,622 square foot restaurant, located on the corner of 54th Street and University Avenue, into a thriving social enterprise center that will provide resources for two UPAC programs, Ramp Up 2 Work and Youth Business Enterprise, and ethnically diverse LMI residents and small business owners in City Heights.
Chicano Federation of San Diego County	Roof replacement Wightman Street	NCIP/HR	87.25	\$145,000.00	Replace the roofs on six residential buildings of a low-income housing complex in City Heights.
Serving Seniors	Low Income Housing Senior Improvement	NCIP/HR	85.00	\$145,000.00	Replace the roof at Potiker Family Senior Residence to eliminate the current and ongoing issue of serious leaks and rainwater flowing down through the walls to senior housing units.
City Heights Community Development Corporation	Casa de Sol Rehabilitation #2	NCIP/HR	83.75	\$265,050.00	Complete improvements to address the health, safety and quality of life items in the 20 apartments and around the property.
S.V.D.P. Management, Inc.	Father Joe's Villages	NCIP/HR	83.63	\$199,999.00	Complete improvements to expand access to restrooms, showers, and haircuts.

Jacobs Center for Neighborhood Innovation	Chollas Creek Gateways & Improvements	NCIP/HR	82.50	\$280,476.00	Add two community gateways and three permanent shade structures at the 2.6-acre Northwest Village Chollas Creek linear park.
Alliance for African Assistance	New Roof and AC 5952	NCIP/HR	80.88	\$215,000.00	Replace the existing roof and six units of heating and cooling systems of its building.
Jacobs Center for Neighborhood Innovation	Chollas Creek South Healthy Urban Trail	NCIP/HR	80.13	\$237,440.00	Improve 700 linear feet of an existing multiuse trail along a portion of Chollas Creek, adjacent to the Joe and Vi Jacobs Center (JVJC) on the northwest side of the creek, and add another 440 linear feet of new trail on the opposite (southeast) side of the creek.

Proposed FY 2018 Community Development Block Grant (CDBG) Projects

Reviewed Applications - Sustainability

ID	Application Title	Organization Name	Title	RFP Maximum Budget	Requested Amount	RFP Score (Max 100)	Funding Available?	RFP Remaining Budget
AP-755-109	San Diego Solar Affordable Homes	GRID Alternatives San Diego	Sustainability	\$1000000	\$226912.00	93.25	Yes	\$773088.00
AP-755-093	Water and Energy Smart Homes	Urban Corps of San Diego County	Sustainability	\$1000000	\$117200.00	85.50	Yes	\$655888.00
AP-755-048	Living Lab Solar Tree Project	Ocean Discovery Institute	Sustainability	\$1000000	\$300000.00	85.25	Yes	\$355888.00
AP-755-050	Sulpizio Family Center Solar Project	The Arc of San Diego	Sustainability	\$1000000	\$270434.30	84.88	Yes	\$85453.70
AP-755-143	North Shores Voc. Ctr. Solar Project	The Arc of San Diego	Sustainability	\$1000000	\$299554.38	84.63	No	\$85453.70
AP-755-058	Senior Health Complex Solar Panel Projec	Centro de Salud de la Comunidad de San Ysidro, Inc.	Sustainability	\$1000000	\$420000.00	84.50	No	\$85453.70
AP-755-138	Workshops for Warriors Solar Project	Workshops for Warriors	Sustainability	\$1000000	\$390122.00	79.25	No	\$85453.70
AP-755-103	The FRONT Gallery Green Retrofits	Casa Familiar	Sustainability	\$1000000	\$157520.00	77.88	No	\$85453.70

General Project Descriptions - Proposed FY 2018 CDBG Sustainability Projects

Organization Name	Project Title	RFP Category	RFP Score (Max 100)	Requested Amount	Project Description
GRID Alternatives San Diego	San Diego Solar Affordable Homes	SUS	93.25	\$226,912.00	Continue to transition low income communities to cleaner energy sources by installing photovoltaic (solar systems that generate clean electricity and monthly savings for 60 LMI households.
Urban Corps of San Diego County	Water and Energy Smart Homes	SUS	85.50	\$117,200.00	Implement a program that will bring water and energy efficiency improvements to 20 LMI homeowners in an effort to address neglected housing stock and help residents save money and resources.
Ocean Discovery Institute	Living Lab Solar Tree Project	SUS	85.25	\$300,000.00	Install two solar trees – free standing structures that hold solar panels – to be integrated into Ocean Discovery’s Living Lab facility and educational programming.
The Arc of San Diego	Sulpizio Family Center Solar Project	SUS	84.88	\$270,434.30	Install a new rooftop Photovoltaic system to implement sustainable, green technologies that ultimately increase efficiency and cost savings of the overall operations at the Sulpizio Family Center.

ATTACHMENT 6

**Proposed FY 2018 and Reprogrammed
Community Development Block Grant (CDBG) Funding
For City Capital Improvement Projects**

Department	Project ID #	Project Title & Description	Council District	Proposed FY18 CDBG Funds
Park & Recreation	S16059	Park de la Cruz Community Center & Gym Building Improvements- interior and exterior tenant and Americans with Disabilities (ADA) improvements including renovation of restrooms and program spaces, installation of new fire suppression system, communication system, modular elevator, windows, HVAC systems, building roof, flooring, lighting and power systems	9	\$3,700,000
Park & Recreation	S16060	Bay Terraces Community (Senior) Center- completion of design phase for a new community center	4	\$500,000
Park & Recreation	S16020	Memorial Community Park Playground ADA Upgrades- improvements to existing playground and comfort station including new play equipment and playground surfacing, upgraded restroom facilities, walkway improvements and new park benches, tables and drinking fountain	8	\$1,300,000
Park & Recreation	S16051	Silver Wing Park Ballfield Lighting Phase II- construction of new sports field lighting and ADA improvements	8	\$435,000
Total				\$5,935,000

ATTACHMENT 7

**Proposed FY 2018
Community Development Block Grant (CDBG) Set-Aside Funding
For Homeless Programs and Projects**

Project Title & Description	Proposed FY18 CDBG Funds
Connections Housing Interim Bed Program provides 134 emergency shelter/interim beds for single adults; operated by PATH	\$ 303,575
Cortez Hill Family Center. provides 45 emergency shelter/interim units (up to 150 beds) for homeless families; operated by YWCA of San Diego County	\$ 205,902
Day Center for Homeless Adults: provides a safe, comfortable drop-in center for homeless adults with access to facilities and shelter from the elements during the day, facilities serve as an access point for the Regional Coordinated Entry System, provides access to mail service and shower facilities; operated by St. Vincent de Paul.	\$ 541,250
Interim Housing for Homeless Adults: provides 350 year-round emergency shelter/interim beds for homeless adults (50 reserved for the HOT team), includes public restrooms and inclement weather contingencies; operated by St. Vincent de Paul	\$ 267,351
TOTAL	\$1,318.078

ATTACHMENT 8

**Proposed FY 2018
Community Development Block Grant (CDBG)
Reinvestment Initiative Projects and Programs**

	Reinvestment Initiative Project or Program	Proposed FY18 Reinvestment Initiative BUDGET	Proposed FY18 Reinvestment Initiative ALLOCATIONS	Proposed FY 18 Reinvestment Initiative UNALLOCATED
	TOTAL PROPOSED FY 2018 REINVESTMENT INITIATIVE AVAILABLE	\$17,656,000	-	-
1	Administration (<i>Capped at 20% by federal regulation</i>): includes contributions to the City's Fair Housing Program, Nonprofit Accelerator Program, ED Grants system development, staffing and administrative costs	\$3,531,200	\$3,531,200	0
2	Stabilization of FY 2018 CDBG Entitlement to \$12.5 Million* (<i>not including stabilized admin amount estimated at \$429,523– which is included in line #1 above</i>): Currently estimated based upon a 5% reduction in the FY 2018 CDBG federal entitlement allocation (detailed in Attachments #1, #3, #4 and #6)	\$1,718,093	\$1,355,779	\$362,314
3	Challenge Grants (detailed in Attachment #2)	\$1,000,000	\$864,255	\$135,745
4	Nonprofit Sustainability Improvements and Programs (detailed in Attachment #5)	\$1,000,000	\$914,546	\$85,454
5	Affordable Housing Revolving Loan Fund supporting the rehabilitation of multifamily units and single family homes, as defined by an existing MOU between the City of San Diego and the San Diego Housing Commission	\$3,000,000	\$3,000,000	0
6	Homeless Facility Rehabilitation and/or Acquisition supporting the rehabilitation or acquisition of facilities or properties serving the homeless	\$2,800,000	\$2,800,000	0
7	Code San Diego (a TechHire San Diego Initiative) assists CDBG-eligible beneficiaries begin their careers in the information technology field, to be administered by the San Diego Workforce Partnership	\$750,000	\$750,000	0
8	Internship (Summer Hire) Program: CONNECT2Careers (C2C) internship program to be administered by the San Diego Workforce Partnership to engage 200 youth in 4-week internships with various City departments	\$350,000	\$350,000	0
9	CONNECT2Careers: provide gap funding for an existing program sponsored by the City's Economic Development Department, in partnership with the San Diego Workforce Partnership	\$25,000	\$25,000	0

10	Smart Street Lighting: installation throughout the City's CDBG-eligible services areas, in partnership with the City's Environmental Services Department	\$750,000	\$750,000	0
11	Early-Stage Development Accelerator: provide a small business incubator, within an eligible low and moderate income community, targeting emerging small businesses with the potential to create jobs for low and moderate income residents	\$1,000,000	\$1,000,000	0
12	Small Business Revolving Loan Fund: low-interest loan capital to selected Community Based Lending Organizations to provide loans to small businesses located in CDBG-eligible communities	\$1,000,000	\$1,000,000	0
13	Business Assistance Fund: funds for business support services for potential small business loan clients and existing loan clients (served by the Small Business Revolving Loan Fund)	\$300,000	\$300,000	0
	Unallocated/Reserve	\$431,707	0	\$583,513
	Reprogrammed to City CIPs	0	0	(58,688)

	TOTALS	\$17,656,000	\$16,640,780	\$1,015,220¹
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* In the event there is a significant cut in the FY 2018 CDBG annual entitlement allocation from HUD, requiring a larger contribution to line-item #2 above, the remaining Reinvestment Initiative projects/programs will be funded in the order in which they are listed.

¹Total remaining Unallocated amount is the sum of the Budgeted Unallocated/Reserve (\$431,707) plus the sum of the Unallocated Balances (\$524,825)..



DRAFT SECOND SUBSTANTIAL AMENDMENT

to the

Fiscal Year 2015–Fiscal Year 2019

CONSOLIDATED PLAN

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THE CITY OF SAN DIEGO

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SP-05 Overview

Strategic Plan Overview

In 2010, the City of San Diego and the former Redevelopment Agency of the City of San Diego (RDA) entered into a CDBG Repayment Agreement to address findings from the HUD Office of the Inspector General (OIG) about the City's CDBG Program. In FY 2010-2019, the City's CDBG Program was to receive an estimated \$78 million in escalating repayments under the CDBG Repayment Agreement. With the dissolution of redevelopment in California in 2012, the State of California Department of Finance (DOF) suspended approval of the payments, leaving \$64 million in outstanding debt repayment under the CDBG Repayment Agreement. Senate Bill 107, enacted in September 2015, permitted the Successor Agency to the former RDA to resume including repayments under the CDBG Repayment Agreement on its annual Recognized Obligation Payment Schedule (ROPS). In addition to reinstating the CDBG Repayment Agreement payments, Senate Bill 107 resulted in the DOF authorizing the repayment of an additional \$151 million in CDBG program income from the Successor Agency under a separate Long-Term Miscellaneous CDBG Debt Agreement between the City and the former RDA.

Two debt repayment schedules provide for the Successor Agency to pay the outstanding \$64 million in CDBG Repayment Funds and the \$151 million in Long-Term Miscellaneous CDBG Debt, bringing the total repayments to the City to \$215 million. The Successor Agency repayments, though, are subject to approval by the DOF as part of each annual Successor Agency ROPS process. The funds repaid are CDBG "Program Income."

The City worked with various community stakeholders and the City's Consolidated Plan Advisory Board (CPAB) to create recommendations for programs to utilize the FY 2018 portion of the Successor Agency repayments. Development of these programs was approved by the Council in Resolution No. R-310811, effective December 16, 2016, collectively referred to as the "Reinvestment Initiative."

The second Substantial Amendment is required to address the anticipated \$17 million in FY 2018 Successor Agency repayments and incorporate the programs in the Reinvestment Initiative.

The anticipated FY 2018 Successor Agency repayments were included in ROPS 11. The DOF has until April 15, 2017, to make a determination regarding the enforceable obligations listed in ROPS 11. Because funds from the Successor Agency repayments could be made available to the City's CDBG Program as early as July 1, 2017, FY 2018 Reinvestment Initiative projects and programs have been identified to expend these funds. However, it is possible the DOF will disapprove all or a portion of such repayment obligations for FY 2018, or any subsequent fiscal year, and the City will not receive all or a portion of such scheduled repayments.

The second Substantial Amendment will also revise how the City allocates other reprogrammed funds and general program income to provide for greater flexibility in meeting the six (6) Con Plan goals. The current Con Plan indicates reprogrammed funds and general program income will be directed to City Projects. This second Substantial Amendment will allow for reprogrammed funds

and general program income to be directed, at the City's discretion, to City Projects, Homeless Projects, Affordable Housing Projects, and other projects fulfilling one or more of the City's six (6) Con Plan goals.

This second Substantial Amendment to the FY 2015–FY 2019 Con Plan does not alter the six (6) Con Plan goals. The Strategic Actions have been updated to include additional information that reflects the changes proposed by the Substantial Amendment. The new information can be found under the “Substantial Amendment Updated Information” section below.

The six Consolidated Plan Goals represent high priority needs for the City of San Diego and serve as the basis for the Strategic Actions the Community Development Division will use to meet these needs. These goals are listed below in no particular order or ranking:

- Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.
- Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
- Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.
- Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.
- Invest in community services and nonprofit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors and food insecure households.
- Meet the needs of persons with HIV/AIDS and their families through the provision of housing, health, and support services.

The City's Consolidated Plan update coincides with the development of the first year Action Plan and the annual Request for Proposal (RFP) process. As such, the first-year Action Plan will continue the standard practice of allocating CDBG funds to projects based on the RFP process. The subsequent Action Plans will incorporate the **Strategic Actions** listed below:

1. Program Development, Directing Investment, and Influencing Outcomes
2. Leverage and Geographic Targeting
3. Increasing Administrative Efficiencies

1. Program Development, Directing Investment, and Influencing Outcomes - Looking Back

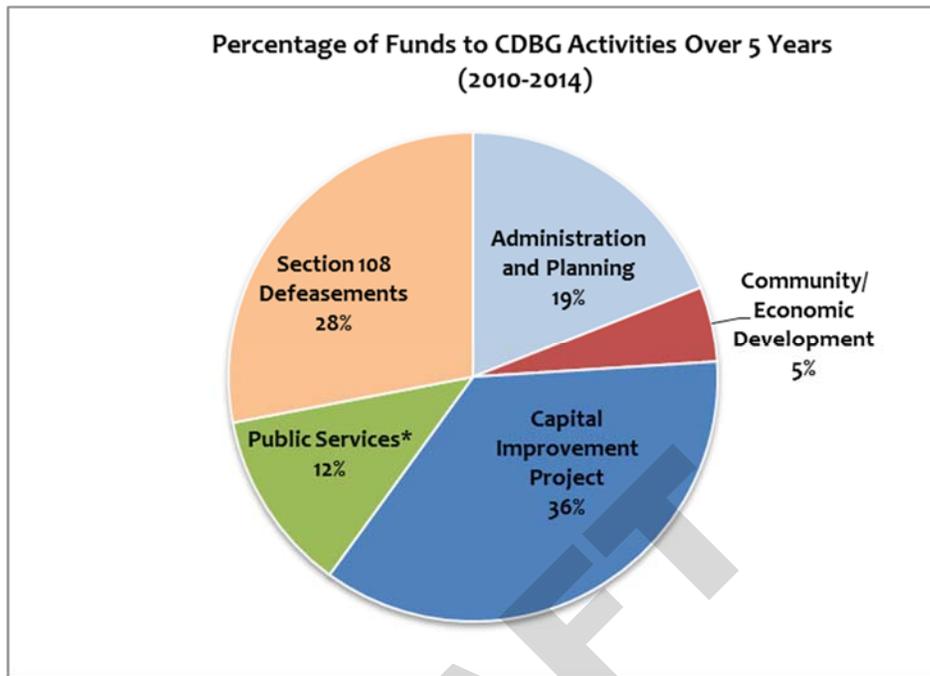


Exhibit 21: CDBG Five-Year Funding History

*The City of San Diego annually commits the maximum of 15% to public service projects; however some projects complete with reduced budgets, withdraw, or are cancelled due to eligibility determinations.

Community Development Division staff analyzed all CDBG activities as funded in FY 2010–2014. Nearly 300 activities were divided among the five predominant categories of eligible activities. Section 108 Loan Defeasement refers to CDBG funds that are used to pay City debt incurred from HUD. The last year CDBG funds were allocated to this activity was FY 2013.

Table 81 – 2010-2014 CDBG Funding Averages

Funds to CDBG Activities Over 5 YR (2010-2014)		
Administration and Planning	19%	\$17,326,737
Community/Economic Development	5%	\$4,522,082
Capital Improvement Projects	36%	\$32,613,135
Public Services	12%	\$11,250,502
Section 108 Loan Defeasements	28%	\$25,597,014
Total	100%	\$91,309,471
5 YR (2010-2014) Average Funding by CDBG Activities		
Community/Economic Development		\$904,416
Capital Improvement Projects		\$6,522,627
Nonprofit		\$5,271,035
City		\$1,564,490
Public Services		\$2,225,010

Table 81: 2010-2014 CDBG Funding Averages

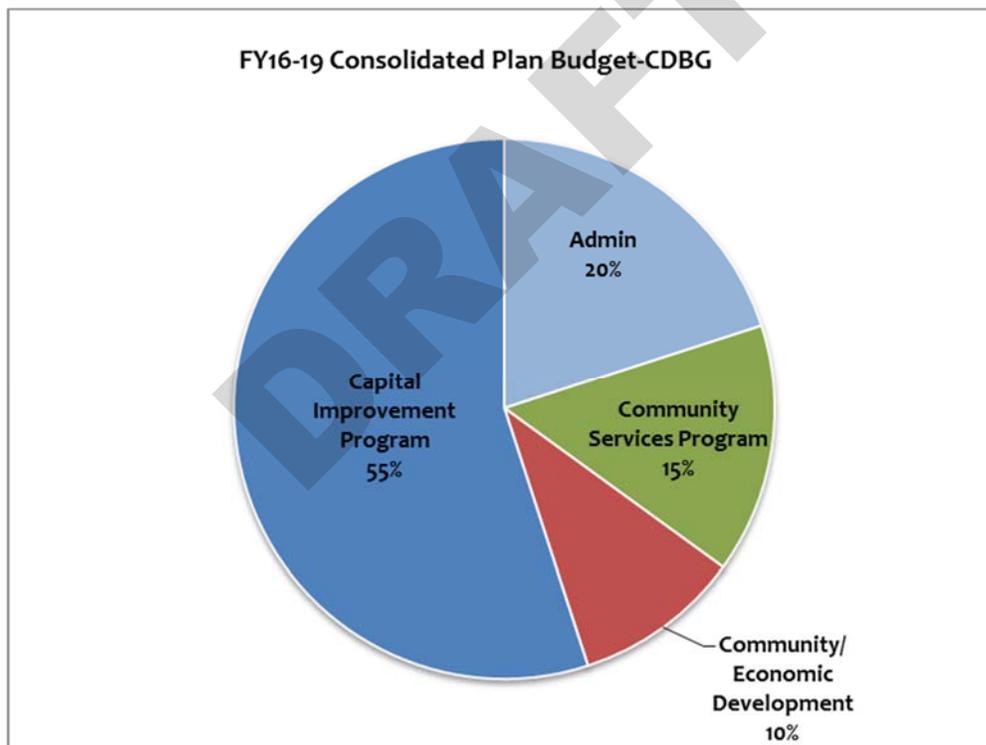


Exhibit 22: CDBG FY 2016-2019 Budget

Table 82 – FY16-19 CDBG Budget Recommendations

Fiscal Year 2016-2019 Annual Budgetary Priorities (up to %)		
*Illustrative Estimate Only	\$11,000,000	
Administration and Planning	20%	\$2,200,000
Public Services	15%	\$1,650,000
Community/Economic Development	10%	\$1,100,000
Capital Improvement Projects	55%	\$6,050,000
Nonprofit	40%	\$2,420,000
City	60%	\$3,630,000
Total	100%	*\$11,000,000

Table 82: FY 2016–2019 CDBG Budget Recommendations

Overview (part 2)

Substantial Amendment Updated Information

In anticipation of additional resources being added to the City's CDBG Program, the City proposes to stabilize annual CDBG entitlement resources at \$12,500,000 for the term of this Consolidated Plan through FY 2019. As such, the budgetary priorities related to the existing eligible CDBG funding categories will not change and the final amount added from the anticipated CDBG Repayments will be determined each year when the City's annual CDBG entitlement allocation from HUD is known. The State of California's Department of Finance is currently reviewing the City's request for CDBG Repayments and the City will receive a final determination by April 15, 2017.

Additionally, two categories have been added to the annual budgetary priorities for the CDBG entitlement portion. These categories are called (1) Challenge Grants and (2) Sustainability grants for nonprofits. The Challenge Grants are a subset of the Public Service category and are designed to target resources to serve highly vulnerable populations creating youth workforce opportunities, services to Veterans, financial literacy programs, and social enterprise opportunities.

It is important to note that the amount of funds needed for the Annual Stabilization amount will vary from year to year based on the City's actual annual CDBG Entitlement Allocation.

The table below shows budget estimates by CDBG category for the stabilized amount of \$12,500,000 and an REI allocation of \$2,000,000 for the Challenge Grant and Sustainability budgetary categories:

CDBG Entitlement Budget Stabilized

Categories	Stabilized CDBG Entitlement		Reinvestment Initiative Program Income
	%	Budget (\$)	Budget (\$)
Administration & Planning	20%	\$2,500,000	
Public Services	15%	\$1,875,000	
<i>Nonprofit Public Services</i>	30%	\$556,992	
<i>Homeless Set-Aside</i>	70%	\$1,318,078	
<i>Challenge Grant</i>			\$1,000,000
Community/Economic Development	10%	\$1,250,000	
Capital Improvement Program	55%	\$6,875,000	
<i>Nonprofit Facilities & Housing Rehab</i>	40%	\$2,750,000	
<i>CityNeighborhood Infrastructure</i>	60%	\$4,125,000	
<i>Sustainability Rehab</i>			\$1,000,000
Total	100%	\$12,500,000	\$2,000,000

Budgets by Categories for Nonprofits

Public Services	\$556,922
Community/Economic Development	\$1,250,000
Nonprofit Facilities & Housing Rehabilitation	\$2,750,000
Challenge Grant	\$1,000,000
Sustainability	\$1,000,000

Additional administrative resources will be provided to continue the City's **Nonprofit Accelerator Program**, which was designed to expand the capacity of new and small nonprofits to effectively utilize the City's CDBG resources, as well as attract private funding.

Currently, the majority of the City of San Diego's CDBG entitlement funds are allocated through an annual competitive application process for five CDBG categories of eligible activities: Public Services, Challenge Grant, Community/Economic Development, Nonprofit Capital Improvement Projects, which includes Housing Rehabilitation, and Sustainability projects. All projects within these

categories are evaluated at the same time. The total number and types of projects funded in each category varies year to year based on the number and types of applications submitted annually. Consequentially the outcomes and outputs for each year also vary based on the types of applications received and subsequently funded.

Besides the CDBG categories of eligible activities mentioned above, the City has identified additional budgetary priorities, known collectively as the "Reinvestment Initiative" (or "REI" for short), which cover a broad range of activities to address one or more of the six Con Plan goals. Allocation of the REI-related funds may be accomplished through a variety of means, including, but not necessarily limited to: the annual competitive application process used for the majority of the City's Entitlement funds; memoranda of understanding (MOUs) with the City's partners, such as the San Diego Housing Commission, the County of San Diego, nonprofit organizations, or local educational institutions; service level agreements with City departments; vetting by the City's Capital Improvements Program Review and Advisory Committee (CIPRAC); or ad hoc Notices of Funding Availability (NOFAs) and/or Requests for Proposals (RFPs).

In an effort to direct critical HUD resources and make demonstrable progress toward achieving the six Consolidated Plan Goals, the Community Development Division will develop the following programs with budgetary considerations:

Community Services: Activities funded through this program are comprised of public services that provide direct services to help the City's most vulnerable populations. Following HUD regulatory guidance, funds are prioritized for new services and for services that demonstrate a quantifiable increase in the level of service or access to services. Upon the availability of REI-related funds, the City may opt to fund public services under the Challenge Grant category that specifically target select vulnerable populations identified by the City on a year-to-year basis, such as veterans, youth, entry-level/trainee workforce, small business owners, etc.

Council Policy 700-02 dedicates a portion of Community Services funding for services to assist the homeless population. Pursuant to San Diego City Council Resolution No. R-310812, adopted December 16, 2016, up to \$1,318,078 in CDBG Public Services funds are set aside for homeless programs and services.

Allocations for FY 2016–2019: Annual CDBG program expenditures for public services are capped at a maximum of **15%** of annual entitlement and REI funds.

Method for Distribution: Requests for Qualifications and/or Requests for Proposals will be released annually and proposals forwarded to the Consolidated Plan Advisory Board for scoring.

Years 3 and 4 Recommendation: Public Service activities will be funded through the competitive FY 2018 and FY 2019 CDBG application process. Community Development Division staff will continue to develop Community Service Program material to ensure regulatory compliance, support the Consolidated Plan Goals, and to provide technical assistance and outreach to nonprofits and other community organizations to better utilize the CDBG funds.

Community/Economic Development Activities funded through this program will create economic opportunities including job readiness and business/microenterprise development. The City will explore options for creating new economic development programs that complement existing incentives and support the City of San Diego's Economic Development Strategy. Examples include funding services in support of economic development activities such as technical assistance to businesses, commercial rehabilitation, infrastructure to assist businesses, and job training. CDBG assistance to these types of activities requires adherence to strict regulations pertaining to public benefit standards (on aggregate and project level) and low to moderate income job creation and retention. Historically, the City has also funded community development activities such as direct homeownership assistance and code enforcement. Other economic development activities may include small business revolving loan programs, business accelerators and incubators, etc.

Overview (part 3)

Allocations FY 2016–2019: Annual CDBG program investment of up to **10%** of annual entitlement funds. As available and subject to the City's discretion on a year-to-year basis, REI-related funds may supplement the investment in CED activities.

Method for Distribution: Requests for Qualifications and/or Requests for Proposals will be released annually and proposals forwarded to the Consolidated Plan Advisory Board or other ad hoc committees for scoring and direct funding as applicable. The City may also opt to directly select and enter into MOUs with qualified organizations to implement community and economic development programs, subject to applicable laws, regulations, and policies.

Years 3 and 4 Recommendation: Community/Economic Development activities will be funded through the competitive FY 2018 and FY 2019 CDBG application process. Community Development Division staff will develop Community/Economic Development Program material to ensure regulatory compliance, support the Consolidated Plan Goals, and to provide technical assistance and outreach to nonprofit and other community organization to better utilize CDBG funds. Staff will work with other City Economic Development Programs, including those outlined in the City of San Diego's Economic Development Strategy, to develop new initiatives for CDBG funding.

Capital Improvement Program This program will strengthen neighborhoods by dedicating funds for:

- *Investing in the City's critical public infrastructure needs to support neighborhood safety and improved livability such as sidewalks, streetlights, and other community enhancements.*

The City of San Diego's Capital Improvements Program Review and Advisory Committee (CIPRAC) reviews proposed Capital Improvements Program (CIP) projects and develops budget and project prioritization recommendations to the Mayor. Citywide coordination of capital project planning can increase the cost effectiveness and lead to more efficient infrastructure investments.

CIPRAC has developed a five-year CIP plan (FY 2015 through 2019) to assess City infrastructure needs comprehensively, identify existing and new infrastructure needs, discuss service levels,

provide a financial assessment, and provide a five-year list of all capital projects based on the following prioritization factors:

- Risk to health, safety and environment, and regulatory or mandated requirements
- Asset condition, annual recurring costs and asset longevity
- Community investment and economic prosperity
- Level and quality of service
- Sustainability and conservation
- Funding availability
- Project readiness
- Multiple category benefit and bundling opportunities

To capitalize on this work, a portion of CDBG annual entitlement funds will be allocated to projects on the CIP prioritization list in low and moderate income CDBG eligible census tracts, particularly those census tracts identified through geographic targeting of resources to the most underserved areas. As available and subject to the City's discretion on a year-to-year basis, REI-related funds may supplement the investment in the capital improvement program.

Overview (part 4)

Years 3 and 4 Recommendation: Community Development Division staff will work with CIPRAC to determine the most efficient and effective methods for collaboration, ensure regulatory compliance, support the Consolidated Plan Goals, and provide technical assistance and outreach to City departments and community groups. Capital Improvement Program activities at nonprofit facilities will be funded through the competitive FY 2018 and FY 2019 CDBG application process. The focus will be on critical public infrastructure needs to support neighborhood safety and improved livability such as sidewalks, streetlights, and other community enhancements.

- *Fund in critical improvements to nonprofit public facilities that will improve or expand service delivery to serve the City's most vulnerable populations.*

Nonprofit public facilities serve a wide range of needs for the City's most vulnerable populations. Activities include rehabilitation improvements to facilities that are owned or leased (long-term) by a nonprofit and function to serve low- to moderate-income City residents. In addition to improving and expanding services, capital funds are used to ensure that these facilities are accessible to all, meet health and safety standards, and promote and support the City's sustainability and economic development efforts.

Years 3 and 4 Recommendation: Capital Improvement Program activities for nonprofit facilities will be funded through the competitive FY 2018 and FY 2019 CDBG application process. Community Development Division staff will create nonprofit facilities needs assessment and establish standards for eligible expenses. Program material will be developed to ensure regulatory compliance, consistency with the Consolidated Plan Goals, and provide technical assistance and outreach to nonprofit organizations.

- *Establish housing rehabilitation programs that support housing stabilization such as emergency repairs, public health and safety issues, weatherization, and energy efficiency improvements.*

Preserving and maintaining the City's housing stock, particularly in economically disadvantaged and older neighborhoods, is critical for neighborhood stabilization. Rehabilitation for owner-occupied and rental housing that is focused on emergency repairs, aging-in-place modifications to increase accessibility, and improving energy efficiency and other sustainability achievements will help create safe and cost-effective living environments for low- and moderate-income households and tenants.

Years 3 and 4 Recommendation: Capital Improvement Program activities for housing rehabilitation will be funded through the competitive FY 2018 and FY 2019 CDBG application process. Community Development Division staff will create Housing Rehabilitation Program procedures, needs assessment, inspection protocols, and establish standards for eligible expenses. Staff will also create materials that ensure regulatory compliance, support the Consolidated Plan Goals, and provide technical assistance and outreach to housing providers, contractors, and community organizations.

Allocations FY 2016–2019: Annual CDBG program investment of up to **55%** of annual entitlement funds. A portion of these funds (up to 60%) will be allocated to critical City infrastructure projects and a portion (up to 40%) will be dedicated to improve nonprofit facilities as well as to fund housing rehabilitation programs. As available and subject to the City's discretion on a year-to-year basis, REI-related funds may supplement the investment into the capital improvement program.

Method for Distribution: Requests for Qualifications and/or Requests for Proposals will be released annually and proposals forwarded to the Consolidated Plan Advisory Board or other ad hoc committees for scoring and direct funding for capital improvement projects at nonprofit facilities as applicable. Investments in City infrastructure using REI-related funds will be coordinated through CIPRAC.

Reinvestment Initiative: Investments funded with REI-related Program Income may range the full gamut of CDBG-eligible activities. The allocation of funds will be consistent with the goals and objectives of the City's FY 2015–2019 Con Plan and priority needs identified therein, City Council Policy 700-02, and regulatory caps established by HUD. Allocations will be vetted through appropriate channels and subject to approval by the City Council. REI focus areas include the following:

- **Affordable Housing/Homelessness:** Envisions investment in affordable housing programs that support the rehabilitation of multi-family units and single-family homes, encourage homeownership, and address the needs of the homeless. The San Diego Housing Commission may play a key role in the programmatic implementation of some or all of these housing programs.
- **Inclusive Economic Growth and Workforce Development:** Envisions investment in programs and activities such as: workforce development for at-risk youth and other identified populations; accelerators/incubators and alternative loan/investment funds in conjunction with consulting services to launch and support small businesses; and social enterprises.

- **Sustainability Programs:** Envisions investment in programs, projects, and activities that promote energy sufficiency, waste reduction and recycling, water conservation, and other efforts that contribute to achievement of the sustainable goals and objectives of the City's Climate Action Plan (CAP). Funds may be directed towards nonprofit facilities, City capital projects and facilities, low- and moderate-income multi-family and single-family homes, and small business sites. As feasible, such investments would be coupled with job training and employment opportunities for highly vulnerable populations, such as youth and veterans, who are interested in sustainability-related careers.
- **Public Infrastructure, Capacity Building, and Public Services:** Envisions investment in programs, projects, and activities that improve facilities benefitting the public (such as City parks or recreation centers or nonprofit facilities used to provide services to low- and moderate income residents or businesses), launch and nurture local nonprofit organizations to increase and diversify their capacity individually and in the aggregate to provide services and successfully compete for local and other funding, and support new and/or increased public services targeting both general low- and moderate-income residents and businesses and select vulnerable populations identified by the City on a year-to-year basis, such as veterans, youth, entry-level workforce, small business owners, etc. (i.e., Challenge Grant).

Method of Distribution: Requests for Qualifications and/or Requests for Proposals will be released annually and proposals forwarded to the Consolidated Plan Advisory Board or other ad hoc committees for scoring and direct funding as applicable. The City may also opt to directly select and enter into MOUs with qualified organizations or service level agreements with City departments to implement programs and activities, subject to applicable laws, regulations, and policies. Investments in City infrastructure using REI-related funds will be coordinated through CIPRAC.

Years 4 and 5 Recommendation: Since REI-related funds are subject to California Department of Finance review and approval on an annual basis and the amount to be received by the City will vary from year to year, it is difficult to project and recommend future activities. Specific Reinvestment Initiative activities and allocation amounts will be described in each Annual Action Plan to detail the actual REI-related funds received for that particular year and will be subject to City Council review and approval.

The City's CDBG Program annually reprograms funds from projects that complete with reduced budgets, withdraw, or are canceled due to ineligibility determinations. In addition, the CDBG Program may have general Program Income or remaining unallocated entitlement funds based upon the allocation recommendations approved annually by Council. It is critical that these funds are redistributed to activities that can expend funds quickly. At least annually, these funds will be reinvested, at the City's discretion, to City CIP projects, homeless facility rehabilitation and acquisition, affordable housing projects, and other projects fulfilling one or more of the City's six (6) Con Plan Goals.

2. Leverage and Geographic Targeting

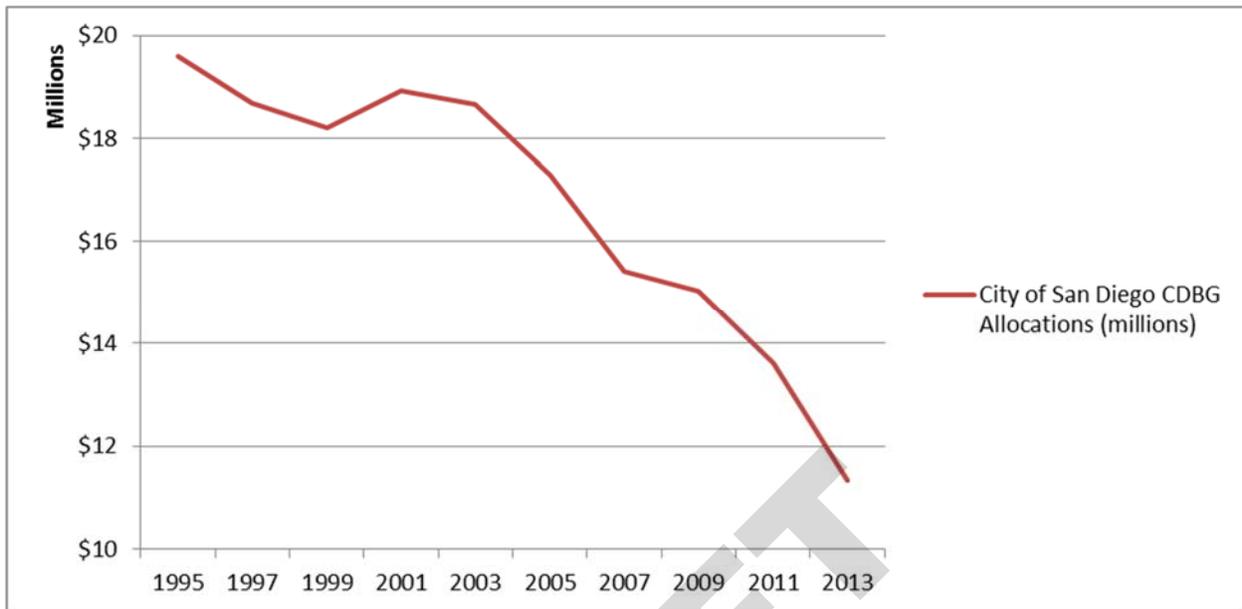


Exhibit 23: City of San Diego CDBG Annual Allocations

Overview (part 5)

Since 1995, City of San Diego's CDBG Entitlement Allocation from HUD has decreased by 42% from roughly \$19.5 million in 1995 to \$11.4 million in 2013. Given the current environment of diminishing federal resources for HUD community development programs, it is clear the City of San Diego must make the most of its limited CDBG and HUD resources.

In 2010, the City negotiated a settlement with HUD to resolve adverse findings from a HUD Office of the Inspector General Audit report issued in December 2008 related to Section 108 and the former Redevelopment Agency. The agreement was to repay \$78.8 million dollars to the City's CDBG Program as program income over a 10-year payment schedule. Senate Bill 107, enacted in September 2015, permitted the City's redevelopment Successor Agency to resume including this debt repayment on the annual Recognized Obligation Payment Schedule (ROPS). In addition to reinstating the HUD Office of the Inspector General debt repayment schedule, Senate Bill 107 resulted in the Department of Finance authorizing the repayment of \$151 million in program income funds related to the Long-Term Miscellaneous CDBG Debt from the City's Successor Agency. As these funds become available, their allocation will be included in the Annual Action Plans and be consistent with the goals and objectives of the City's FY 2015–2019 Con Plan and the priority needs identified therein, City Council Policy 700-02, and regulatory caps established by HUD. Allocations will be vetted through appropriate channels and subject to approval by the City Council.

Leverage

Leverage, in the context of the City's four HUD Programs, means bringing other local, state, and federal financial resources together in order to maximize the reach and impact of the City's HUD

Programs. HUD, like many other federal agencies, encourages the recipients of federal monies to demonstrate that efforts are being made to leverage other funds in order to achieve greater results. Leverage is also a way to increase project efficiencies and benefit from economies of scale that often come with combining sources of funding for similar or expanded scopes of services.

Funds will be considered as “leveraged” if a financial commitment toward the costs of a project from a source, other than the originating HUD Program, are documented.

Years 4 and 5 Recommendation: HUD Programs staff will identify and explore leveraging opportunities, such as New Market Tax Credits, other federal resources, and local private investments. Additional mechanisms to enhance the sustainability of HUD Program resources, such as establishing revolving loans, will be examined.

Geographic Targeting

Geographic Targeting is a way for the City to help stabilize and improve neighborhoods in San Diego by directing HUD Program funds, including capital improvement, economic development, and community services, to specific areas identified by an analysis. These areas may experience higher unemployment, lower income levels, and other such economic and demographic indicators at rates that demonstrate a higher level of need than other areas. Such analysis would also take into account “existing conditions” like housing stock, public infrastructure, and facilities. While HUD Programs are primarily intended to serve individuals and areas that are low to moderate income as defined by HUD, the City’s Geographic Targeting strategy will use data to create impact in geographic areas with the most need.

Overview (part 6)

There are numerous economic and social indicators that could be used, as well as several methodologies to identify areas. However, best practices indicate that the keys to implement a targeting system are:

- Identify accessible, readily available, and recurring data sets that focus on smaller geographic areas (such as census tracts and/or census blocks)
- Identify existing data describing existing conditions and public facilities priorities of low to moderate income neighborhoods (such as the City’s Community Plans, Facilities Financing Plans, and Capital Improvement Plans)
- Work with those that have expertise in the pertinent fields such as geographic analysis, demography, and economics
- Provide opportunity for public participation throughout the process

HUD allows entitlement grantees to develop approaches to address economic development and housing needs within a designated neighborhood known as Neighborhood Revitalization Strategy Areas (NRSAs). NRSAs must be contiguous and located in primarily residential neighborhoods that contain a high percentage of low to moderate income households.

Years 4 and 5 Recommendation: The City's FY 2015–2019 Consolidated Plan Year 1 Recommendation outlined a strategy to incorporate Geographic Targeting as a way to help stabilize and improve neighborhoods by directing investment of HUD resources to geographic areas with the highest need. After consultation with local subject matter experts and analysis of local data for a variety of indicators (such as: poverty, rent burden, violent crime and unemployment), a Summary of Findings was presented to the CPAB at the May 13, 2015 and June 10, 2015 meetings. The Summary of Findings was also presented to the Public Safety and Livable Neighborhoods (PSLN) Committee of the City Council on July 29, 2015 as an informational item. The Geographic Targeting initiative identified six high need Community Planning Areas. These six Community Planning areas are: Barrio Logan, City Heights, Encanto, Linda Vista, San Ysidro, and Southeastern. The Geographic Targeting initiative has been incorporated into the scoring criteria used to evaluate CDBG-funded project proposals and will be used in the competitive FY 2018 and FY 2019 CDBG application process. Geographic Targeting will also be considered when allocating Reinvestment Initiative programs and activities.

For additional information, please see the following link for a copy of the Geographic Targeting Summary of Findings:

www.sandiego.gov/sites/default/files/legacy/cdbg/pdf/2015/geotargetingsummaryfindings1.pdf

3. Increasing Administrative Efficiencies

The Community Development Division is responsible for ensuring the City is in compliance with all rules and regulations associated with all four HUD entitlement grants: CDBG, HOME, ESG, and HOPWA. As such, this Strategic Action is focused on ways to increase operational efficiencies of HUD Programs through enhanced coordination, technical assistance, and effective oversight.

- *Continue to refine the Request for Qualification (RFQ)/Request for Proposal (RFP) Process*

The FY 2015 CDBG application process was separated into RFQ and RFP phases in order to ease the burden on applicants and reviewers. The RFQ was largely focused on determining the capacity of an organization to spend CDBG funds in an efficient manner. The RFP was designed to ask the most pertinent questions regarding each applicant's proposed CDBG project. All categories or types of CDBG projects, such as public service, community/economic development, and capital improvements are reviewed through this singular RFP process.

Years 4 and 5 Recommendation: Community Development Division staff will continue to refine and restructure the RFQ/RFP process and timeline in order to give applicants and reviewers more time for completion. In FY 2017, the Community Development Division launched the Economic Development Grants Management System (EDGrants), a customer relationship management platform, that will be used to administer the RFQ/RFP processes, execute contracts with CDBG funding subrecipients, monitor subrecipient performance, and generate program data and compliance reports. Staff will continue to use and refine this cloud-based tool to streamline the management of CDBG funds and facilitate the CDBG applicant/subrecipient experience.

- *Evaluating Performance and Enhanced Monitoring and Compliance of all four entitlement programs*

In FY 2017, Community Development Division staff launched the CDBG Subrecipient Performance Report Card to measure the performance of all CDBG projects from FY 2015 and forward. The Report Card highlights performance in areas such as financial management, timeliness of expenditures, and outcome measures. Applicant organizations and CPAB members have access to the Report Cards online to facilitate self-evaluation and inform future funding decisions. HUD has refined guidance and updated regulations to better define the City of San Diego's role in administering all four entitlement programs. To ensure that the City and all subrecipients are in full compliance with each entitlement program's rules and regulations, as well as with additional overarching federal and reporting requirements, the Community Development Division will need to add additional resources to establish a Monitoring and Compliance focus.

Overview (part 7)

Years 4 and 5 Recommendation: Community Development Division staff will continue to work with CPAB members to refine the Report Card as necessary to gauge performance in a number of key areas and to develop expanded staff expertise in federal requirements, such as Section 3, the Davis-Bacon Act, Environmental Review, and programs like HOME, HOPWA, ESG, and Continuum of Care.

HOME, HOPWA, and ESG Budgets

The six Consolidated Plan Goals are further reflected in the HOME, HOPWA, and ESG funding priorities.

HOME most appropriately meets the goal to improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.

HOPWA most appropriately meets the goal to meet the needs of persons with HIV/AIDS and their families through the provision of housing, health, and support services.

ESG most appropriately meets the goals to assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.

Table 83 – FY16-19 Projected HOME Budget

HOME Projected FY16-19 Annual Budgetary Priorities (based on FY2015)		
FY2015 Budget	\$9,735,000	
FY2015 Allocation	\$4,386,711	
Anticipated Program Income	\$ 2,200,000	
Prior Year Funding	\$ 3,148,289	
Rental Housing	58%	\$5,700,000
Homeownership	24%	\$2,340,000
Owner Occupied Rehab	5%	\$495,000
Tenant-based Rental Assistance	3%	\$315,000
Administration	10%	\$885,000
Total	100%	\$9,735,000

Table 83: FY 2016–2019 Projected HOME Budget

Table 84 – FY16-19 Projected HOPWA Budget

HOPWA Projected FY16-19 Annual Budgetary Priorities (based on FY2015)		
FY2015 Budget	\$2,933,928	
FY2015 Allocation	\$2,837,753	
Prior Year Funding	\$96,175	
Tenant-based Rental Assistance	24.9%	\$732,000
Transitional Housing	24.7%	\$725,345
Supportive Services	20.1%	\$588,719
Licensed Residential Care Homes	12.3%	\$361,179
Emergency Housing	3.4%	\$99,761
Recovery Housing	3.3%	\$96,621
Units Provided in Permanent Housing Facilities Developed, Leased, or Operated with HOPWA Funds	1.6%	\$48,226
Technical Assistance	0.3%	\$9,456
Administration and Planning	9.3%	\$272,621
Total	100%	\$2,933,928

Table 84: FY 2016–2019 Projected HOPWA Budget

Table 85 – FY16-19 Projected ESG Budget

ESG Projected FY16-19 Annual Budgetary Priorities (based on FY2015)		
FY2015 Budget	\$920,222	
Emergency Shelter	55%	\$510,723
Rapid Rehousing	37%	\$340,483
Administration	8%	\$69,016
Total	100%	\$920,222

Table 85: FY 2016–2019 Projected ESG Budget

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 1 - Geographic Priority Areas

	Area Name:	Citywide
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Location
1	Identify the neighborhood boundaries for this target area.	Not applicable
	Include specific housing and commercial characteristics of this target area.	Not applicable
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Not applicable
	Identify the needs in this target area.	Not applicable
	What are the opportunities for improvement in this target area?	Not applicable
	Are there barriers to improvement in this target area?	Not applicable

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA or HOPWA)

Year One of the Five Year Consolidated Plan allocates federal entitlement dollars according to Low to Moderate Census Tracts based on the 2000 Census without target areas.

During Year One, a City-led effort by the Community Development Division will be undertaken to determine the most impactful place-based allocation methodology via community input. A place-based strategy will encourage larger allocations to communities with higher community development needs.

The effort will include the formation of a group of practitioners with expertise in areas such as data analysis, community indicators, and geographic analysis to work on methodologies for a sustainable approach to geographic targeting. This group will liaise with beneficiaries and stakeholders to frame the understanding of place-based solutions; educate on nexus and need; and confirm consensus on appropriate indicators such as poverty, neighborhood blight, deteriorated housing, and physical and

economic distress. The Community Development Division will report the findings and make recommendations to the CPAB and City Council.

HUD-Approved Neighborhood Revitalization Strategy Areas

HUD allows entitlement grantees to develop approaches to address economic development and housing needs within a designated neighborhood. One approach is the Neighborhood Revitalization Strategy Area (NRSA).

NRSA benefits include:

- Job creation or retention effort focused on the selected neighborhood may be classified as meeting the LMI area benefit national objective requirements.
- Aggregation of housing units for which CDBG funds obligated during each program year and treat them as a single structure.
- Economic development activities may be excluded from the aggregate public benefit standards.
- All public services offered within the NRSA and carried out as part of qualified projects under the NRSA by a Community-Based Development Organization (CBDO) are exempt from the public services cap.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 2 - Priority Needs Summary

1	Priority Need Name	Affordable Housing and Public Services
	Priority Level	High
	Population	Persons with HIV/AIDS
	Geographic Areas Affected	Citywide
	Associated Goals	HIV/AIDS housing, health, and support services
	Description	"The rate of new HIV/AIDS cases has decreased or leveled off since 1992. However, the number of people living with AIDS continues to increase each year (although at a slower or level rate) as people with AIDS live longer. Four hundred forty-one (441) new cases were reported in San Diego County between January 1, 2011, and December 31, 2012." People diagnosed with HIV/AIDS face financial hardships due to unmet medical care needs and medical costs that burden their economic stability.
Basis for Relative Priority	After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Qualitative feedback collected through the community survey, community forums, stakeholder meeting, and public hearings, that were substantiated by quantitative data reported in the Needs Assessment and Market Analysis, served as the basis for priority need.	
2	Priority Need Name	Affordable Housing
	Priority Level	High

<p>Population</p>	<p>Extremely Low Low Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families</p>
<p>Geographic Areas Affected</p>	<p>Citywide</p>
<p>Associated Goals</p>	<p>Creating and preserving affordable housing</p>
<p>Description</p>	<p>41% of San Diego households (196,560 households) are extremely low-income, very low-income, or low-income, with incomes ranging from 0–80% of Area Median Income (AMI). 40% of homeowners and 50% of renters paying more than 30% of their income towards housing costs. 22% of households (102,408 households) are severely cost burdened, with 61,028 renter households and 41,380 homeowners paying more than 50% of their income towards housing costs.</p> <p>The Housing Choice Voucher (Section 8) Program currently serves 14,664 extremely low and very low-income households, with 53% of recipients' income ranging between \$10,000 and \$19,999 and a waiting list containing 37,518 families There are currently 76 public housing units in San Diego, with a waiting list of 22,980 families.</p>
<p>Basis for Relative Priority</p>	<p>After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Qualitative feedback collected through the community survey, community forums, stakeholder meeting, and public hearings, that were substantiated by quantitative data reported in the Needs Assessment and Market Analysis, served as the basis for priority need.</p>

3	Priority Need Name	Homelessness and Public Services
	Priority Level	High
	Population	Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	Citywide
	Associated Goals	Homelessness
	Description	Although San Diego is the nation's eighth largest city, it ranks third in homeless population size, with only New York City and Los Angeles having larger homeless populations. The 2013 Point-in-Time count found that 5,733 homeless persons were living in the City of San Diego, and over half (3,115 individuals) were unsheltered and living in a place not meant for human habitation
	Basis for Relative Priority	After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Qualitative feedback collected through the community survey, community forums, stakeholder meeting, and public hearings, that were substantiated by quantitative data reported in the Needs Assessment and Market Analysis, served as the basis for priority need.
4	Priority Need Name	Public Services and Public Facilities
	Priority Level	High
	Population	Families with Children Unaccompanied Youth Elderly Frail Elderly Non-housing Community Development Other
	Geographic Areas Affected	Citywide
	Associated Goals	Services/facilities serving vulnerable population

	Description	Elderly households are more likely to be low-income, with 49% of households containing at least one person age 62 or older being extremely low-income, very low-income or low-income, with incomes ranging from 0–80% AMI, compared to 41% for the City. Elderly individuals are also more likely to be disabled, with 35% of elderly ages 65 or older considered disabled, compared to 9% of the total overall City population. 45% of households with children fall within low-, very low-, and extremely low-income households (0–80% Area Median Income (AMI)). 34,750 households fall within extremely low-income, very low-income, or low-income households (0-80% AMFI) and contain children 6 years of age or younger.
	Basis for Relative Priority	After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Qualitative feedback collected through the community survey, community forums, stakeholder meeting, and public hearings, that were substantiated by quantitative data reported in the Needs Assessment and Market Analysis, served as the basis for priority need.
5	Priority Need Name	Public Improvements and Infrastructure
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Elderly Non-housing Community Development
	Geographic Areas Affected	Citywide
	Associated Goals	Public infrastructure needs
	Description	The deferred capital backlog for public improvements is estimated to exceed \$898 million for streets, facilities and storm drains; at \$478 million the highest need and greatest backlog of funding is for street improvements.

	Basis for Relative Priority	After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Qualitative feedback collected through the community survey, community forums, stakeholder meeting, and public hearings, that were substantiated by quantitative data reported in the Needs Assessment and Market Analysis, served as the basis for priority need.
6	Priority Need Name	Public Services and Economic Development
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Persons with HIV/AIDS Victims of Domestic Violence Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with HIV/AIDS and their Families
	Geographic Areas Affected	Citywide
	Associated Goals	Job readiness and economic development
	Description	San Diego's "hourglass economy" contributes to the large population of low-wage earners and smaller choice of middle-income jobs and this issue is exasperated by the slower job growth forecasted for self-sufficiency occupations. Employers providing self-sufficiency wages often expect applicants to have higher levels of education.
	Basis for Relative Priority	After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Qualitative feedback collected through the community survey, community forums, stakeholder meeting, and public hearings, that were substantiated by quantitative data reported in the Needs Assessment and Market Analysis, served as the basis for priority need.

Narrative (Optional)

San Diego is the nation's eighth largest city with the second largest population in California with over 1.3 million people. The community development needs faced in San Diego are significant, with many areas of overlap requiring cross-cutting, place-based solutions. The City is tasked both with determining the areas of greatest need, as well the areas in which community investment can have the greatest impact given the limited resources available.

The Needs Assessment and Market Analysis, in concert with the qualitative data collected through surveys, forums and meetings, highlight San Diego's clear and detailed need for investment in economic development, critical public infrastructure, affordable housing, appropriate assistance for the homeless, new and increased access to services for vulnerable populations, and services for persons with HIV/AIDS and their families.

After broad community and stakeholder outreach, the City narrowed its focus to six goals all of which are HIGH priority. Projects will only be considered for funding within the Consolidated Plan period if they address these high priority needs.

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SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	As per Needs Assessment, severe cost burden is the greatest predictor of homelessness risk, with populations paying more than 50% of their income towards housing costs or having incomes at or below 50% AMI at greatest risk of becoming homeless.
TBRA for Non-Homeless Special Needs	As per the Needs Assessment, state and federal budget cuts to service providers providing HIV/AIDS services in the San Diego region has resulted in staff reductions and reduced service capacity for providers. Lack of part-time employment opportunities for those re-entering the job market, as well as affordable housing resources, are just a few of the barriers that persons living with HIV/AIDS face. High housing costs within San Diego make it difficult to transition program participants from HOPWA-funded housing into the private rental market without rental subsidies. This puts those living with HIV/AIDS at a higher risk of becoming homeless. Similarly to the elderly, as the population of those living with HIV/AIDS ages, there will be an increase in the number of those needing services, placing further strain on the already scarce resources.
New Unit Production	As per the Needs Assessment and the Market Analysis, 50% of renters are cost burdened paying more than 30% of their income towards housing costs. 22% of households (102,405 households) are severely cost burdened, with 61,030 renter households and paying more than 50% of their income towards housing costs. Further, the Section 8 waiting list consists of 37,518 families and the public housing wait list is 22,980 families. San Diego's development landscape and the need for urban infill drives up the cost of development.
Rehabilitation	40% of homeowners pay more than 30% of their income towards housing costs, with the highest rates of incidence occurring for those earning 50–80% AMI (16,690 households), followed by those earning 80-100% AMI (11,225 households), with those earning 0–30% and 30–50% AMI experiencing somewhat equal cost burden (10,100 and 9,725 households, respectively). This is reflective of the fact that many households find themselves overextended in order to achieve homeownership in San Diego's housing market. Further, 61% of San Diego's housing stock was built prior to 1979.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Acquisition, including preservation	As per the Needs Assessment and the Market Analysis, 50% of renters are cost burdened paying more than 30% of their income towards housing costs. 22% of households (102,405 households) are severely cost burdened, with 61,030 renter households and paying more than 50% of their income towards housing costs. Further, the Section 8 waiting list consists of 37,518 families and the public housing wait list is 22,980 families. Urban infill drives up the cost of development. Finally, 61% of San Diego’s housing stock was built prior to 1979.

Table 3 – Influence of Market Conditions

Demographics	Base Year: 2000	Most recent Year: 2012	% Change
Median Home Value	\$220,000	\$451,800	105%
Median Monthly Mortgage Cost	\$1,526	\$2,458	61%
Mortgage Cost 30% More of Household Income	58,361	84,492	45%
Median Gross Monthly Rent	\$763	\$1,312	72%
Gross Rent 30% or more of Household Income	97,549	128,242	31%

Table 4 - (NA-10 ONLY) Housing Needs Assessment Demographics 2

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The amount of overall federal entitlement funding significantly decreased during the last Consolidated Plan term. Therefore, the City anticipates an annual five percent reduction per program.

Please see Appendix AP-15: Expected Resources for FY15 Budget Priorities.

Non-Entitlement Resources include:

- **Section 8 funds:** The Housing Commission administers the Section 8 program for the City and provides rent subsidies to about 14,000 San Diego households. The City anticipates a minimum five percent reduction annually to Section 8 funding and therefore projects approximately \$709M for the Consolidated Plan period.
- **Competitive McKinney-Vento Homeless Assistance Act funds and Shelter Plus Care:** In June 2011, the County of San Diego Continuum of Care and the City of San Diego Continuum of Care merged into one regional CoC. The resulting Regional Continuum of Care Council (RCCC) receives approximately \$15M annually to prevent and alleviate homelessness throughout the region. During the Consolidated Plan period, the RCCC will become HEARTH Act compliant by creating a new governance structure, creating and instituting a coordinated assessment tool, reporting results, and aligning itself with the Federal Plan, Opening Doors. In January 2017, the RCCC merged with the Regional Task Force on the Homeless to form a singular organization in the community to lead San Diego's efforts on the issue of homelessness.
- **Affordable Housing Fund (AHF):** The AHF is a permanent and annually renewable funding source to help meet the housing assistance needs of the City's very low- to moderate-income households. The AHF is comprised of two funds: the Housing Trust Fund (HTF) and the Inclusionary Housing Fund (IHF). HTF funds may be used in any manner, through loans, grants, or indirect assistance for the production and maintenance of assisted units and related facilities and the IHF priority is given to the construction of new affordable housing stock. The AHF is funded at \$7.8M in FY 2015.
- **Low-Income Housing Tax Credits (LIHTC):** The federal 4% and 9% LIHTC is the principal source of funding for the construction and rehabilitation of affordable rental homes. They are a dollar-for-dollar credit against federal tax liability. The Housing Commission currently projects 1289 units utilizing this federal source.
- **New Market Tax Credits (NMTC):** Created in 2000 as part of the Community Renewal Tax Relief Act. NMTCs encourage revitalization efforts of low-income and disadvantaged communities. The NMTC Program provides tax credit incentives to investors for equity investments in certified Community Development Entities, which invest in low-income communities.

Anticipated Resources

Program	Uses of Funds	Expected Amount Available Year 4 (FY 2018)				Expected Amount Available Remainder of Con Plan \$
		Annual Allocation	Program Income:	Prior Years:	Total: \$	
CDBG	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$10,352,384	\$17,656,000	\$1,751,312	\$29,759,696	\$47,353,265
Narrative	CDBG Anticipated Resources have been updated to reflect Year 4 (FY 2018) amounts. The expected amount available of \$47,353,265 for Year 5 (FY 2019) is calculated from the FY 2018 annual allocation less 5% plus \$37,518,500 in anticipated FY 2018 ROPS 12/REI-related Program Income from the California Department of Finance.					

Program	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$
		Annual Allocation	Program Income:	Prior Years:	Total: \$	
HOME	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$4,386,711	\$2,200,000	\$3,148,289	\$9,735,000	\$17,546,844
Narrative	HOME Anticipated Resources reflect original Con Plan Year 1 estimates.					

Program	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$
		Annual Allocation	Program Income:	Prior Years:	Total: \$	
HOPWA	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$2,837,753	0	\$96,175	\$2,933,928	\$11,351,012
Narrative	HOPWA Anticipated Resources reflect original Con Plan Year 1 estimates.					

Program	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$
		Annual Allocation	Program Income:	Prior Years:	Total: \$	
ESG	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$920,222	\$0	\$0	\$920,222	\$3,680,888
Narrative	ESG Anticipated Resources reflect original Con Plan Year 1 estimates.					

Program	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$
		Annual Allocation	Program Income:	Prior Years:	Total: \$	
Competitive McKinney-Vento Homeless Assistance Act	Overnight shelter	0	0	0	0	0
Section 8	Rental Assistance	0	0	0	0	0

Table 5 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

Leverage, in the context of the City's four HUD Programs, means bringing other local, state, and federal financial resources in order to maximize the reach and impact of the City's HUD Programs. HUD, like many other federal agencies, encourages the recipients of federal monies to demonstrate that efforts are being made to strategically leverage additional funds in order to achieve greater results. Leverage is also a way to increase project efficiencies and benefit from economies of scale that often come with combining sources of funding for similar or expanded scopes. Funds will be considered leveraged if financial commitments toward the costs of a project from a source, other than the originating HUD Program, are documented.

In FY 2015 Community Development Division staff will identify and explore additional leveraging opportunities, such as New Market Tax Credits, other federal resources, and local private investments. Additional mechanisms to enhance the sustainability of HUD Program resources, such as establishing revolving loans, will be examined.

HOME - 25% Match Requirement

The Housing Commission uses local Inclusionary Funds, Housing Trust Funds, coastal funds, state funds, and multi-family bond proceeds as contributions to housing pursuant to the matching requirements.

ESG - 100% Match Requirement

The Housing Commission uses CDBG funding set aside in Council Policy 700-02 and Housing Commission Housing Trust Funds. The Rapid Re-housing 100% match comes from: VASH vouchers, HOME TBRA, Continuum of Care funding, and in-kind match from subrecipients (case management and services).

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

The City of San Diego Real Estate Department works with community agencies like the San Diego Community Land Trust (SDCLT) to review City-owned properties and parcels for appropriateness and feasibility for affordable housing opportunities. On November 5, 2013, San Diego City Council approved a lease-purchase agreement with the SDCLT. The agreement leases 16 single family lots, located in the Nestor area of southern San Diego, for \$1 to SDCLT to prepare a development plan. Upon approval of the final development plan, the City will sell the lots to the SDCLT for \$1 each with the restriction that the lots be used to provide homes that are permanently affordable to low-income households.

Discussion

Non-Entitlement Resources (part 2)

- **Redevelopment:** After the dissolution of redevelopment, the Department of Finance (DOF) of the State of California approved the terms for the former Redevelopment Agency of the City of San Diego (RDA) repayment of the CDBG debt to the City in the total amount of \$78,787,000. Payment was to be made annually over a ten-year term. The City of San Diego Successor Agency to the former RDA (Successor Agency) is responsible for submitting to DOF a Recognized Obligation Payment Schedule (ROPS), delineating the enforceable obligations of the former RDA every six months. In 2012, DOF suspended approval of the payments. However, Senate Bill 107, enacted in September 2015, permitted the Successor Agency to the former RDA to resume including repayments under the CDBG Repayment Agreement on its annual Recognized Obligation Payment Schedule (ROPS). In addition to reinstating the CDBG Repayment Agreement payments, Senate Bill 107 resulted in the DOF authorizing the repayment of an additional \$151 million in CDBG program income from the Successor Agency under a separate Long-Term Miscellaneous CDBG Debt Agreement between the City and the former RDA. These payments are subject to DOF approval in April of each year, and projecting amounts is a challenge. As these amounts become available, specific Reinvestment Initiative activities and allocation amounts will be described in each Annual Action Plan per the actual funds to be received for that particular year and will be subject to City Council review and approval.
- **General Fund:** The projected city budget recommits approximately \$1.9 million money from the city's General Fund for homeless services. Funds are intended to expand homeless programs like the Homeless Outreach Team, the Serial Inebriate Program, the Check-In Center and the Neil Good Day Center.
- **Philanthropy:** Funders Together to End Homelessness San Diego is an association of local funders who believe in the power of philanthropy to prevent and end homelessness. The local group is part of a national network and includes the United Way of San Diego County, LeSar Development Consultants, Alliance Healthcare Foundation, Social Venture Partners Parker Foundation, the McCarthy Family Foundation, and business leaders. First year allocations are anticipated to be \$1,000,000.

- **Bonds:** In January 2014, the City Council approved a \$120 million Infrastructure Bond, which includes \$43 million for street repairs; \$21 million for storm drain upgrades; \$4.7 million to bring City buildings in ADA compliance; \$1 million for sidewalk improvements; \$27 million to improvements at fire stations and lifeguard buildings, including the Skyline Fire Station, design and land acquisition for the Home Avenue Fire Station, and replacing fire stations in Point Loma and Hillcrest. Also included are designs for libraries in the Skyline, San Ysidro and San Carlos neighborhoods.
- **HUD VASH:** In 2013, the Housing Commission received 185 new federal housing vouchers from the U.S. Department of Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) Program for their efforts to house homeless veterans in the City of San Diego. This more than doubled the agency's previous year allocation.

DRAFT

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, nonprofit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of San Diego	Government	Economic Development Homelessness Non-homeless special needs Planning neighborhood improvements public facilities public services	Jurisdiction
COUNTY OF SAN DIEGO HOUSING AND COMMUNITY DEVELOPMENT	Government	Non-homeless special needs Ownership Rental public services	Region
SAN DIEGO HOUSING COMMISSION	PHA	Homelessness Ownership Planning Public Housing Rental	Jurisdiction
Regional Task Force on the Homeless (RTFH)	Continuum of care	Homelessness	Region

Table 6 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System.

The City’s Community Development Division enjoys the benefit of partnership with the City Planning & Community Investment Economic Development Division, Office of Economic Growth Services, Office of Small Business, and Business Finance. After an Office of Inspector General Audit in 2009, the City began strengthening and streamlining its CDBG program. Nine reforms were adopted and implemented:

1. Set funding priorities in the Consolidated Plan.
2. Eliminate District Allocations and discontinue the Council/Mayor split.
3. Funding for Section 108 Loans to be taken "off the top."
4. Funding for Administrative and Fair Housing to be taken "off the top."
5. \$50,000 minimum funding levels for non-capital and economic development activities.
6. \$100,000 minimum for capital improvement projects.

7. Eliminate phased funding and give priority to projects where CDBG funding will complete the project.
8. Open up the Public Services Category to allow agencies providing public services the ability to apply.
9. Establish a CDBG Citizens Advisory Committee –now the Consolidated Plan Advisory Board- to score and recommend allocations to the City Council.

For the Consolidated Plan period years two through five, the City may elect to separate the CDBG Capital Improvement Project (CIP) funding process from that of Economic Development and Public Services. The CDBG CIP process may be coordinated with the Capital Improvements Program Review and Advisory Committee (CIPRAC). CIPRAC is the established and successfully functioning long-range planning committee for all individual capital improvement projects and funding sources. The City has a prioritization process that establishes clear and concise guidelines for CIP project selection. It also has an objective process for ranking projects. Including CDBG CIP allocations within the purview of CIPRAC is the natural best fit for complex multi-year funding and leveraging opportunities.

The City benefits from a strong jurisdiction and region-wide network of housing and community development partners. The County of San Diego Housing and Community Development Department (HCD) improves neighborhoods by assisting low-income residents, increasing the supply of affordable, safe housing, and rehabilitating residential properties in San Diego County. HCD leverages the City's HOPWA program funds with the County's Health and Human Services Agency and its own housing program income. The Housing Commission is an award-winning Move to Work agency dedicated to preserving and increasing affordable housing. The Housing Commission has further contributed over \$1 billion in loans and bond financing to projects resulting in 14,531 affordable rental units.

Availability of services targeted to homeless persons and persons with HIV and mainstream services.

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X		
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	

Supportive Services			
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	
Other			

Table 7 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth).

The RTFH coordinates a Consolidated Application for funds from HUD. Homelessness does not follow geographic boundaries and our jurisdictional borders are porous with a mobile population. As the RCCC becomes compliant with the HEARTH Act, the level of collaboration between jurisdictions and service providers will increase as will the efficiency and impact of resources.

The City's service delivery system will better meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) as the RTFH becomes HEARTH Act compliant by creating a new governance structure, creating and instituting a coordinated assessment tool, reporting results, and aligning itself with the Federal Plan, Opening Doors.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above.

Please see previous response.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs.

As previously stated, the City has made a commitment to homeless services through Council Policy 700-02 and resulting budget allocations. The recognition of homelessness as a social and economic issue is uniting service providers, the business community, and the public and private sectors in achieving compliance with the HEARTH Act; adopting best practices to end chronic homelessness; and improving the system to rapidly rehouse individuals and families.

San Diego is undertaking efforts to align itself with the national efforts of the United States Interagency Council on the Homeless 2010 plan, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*. This plan is "focused on four key goals:

1. Finish the job of ending chronic homelessness in five years.
2. Prevent and end homelessness among Veterans in five years.
3. Prevent and end homelessness for families, youth and children in ten years.
4. Set a path to ending all types of homelessness.”

Additional strategies for overcoming gaps in the institutional structure and service delivery system can be found in Appendix SP-40: Strategy for Overcoming Institutional Structure and Service Delivery Gaps.

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SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Goal Name	Start & End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
HIV/AIDS housing, health, and support services	2014-2018	Affordable Housing Homeless Non-Homeless Special Needs	Citywide	Affordable Housing and Public Services	HOPWA: \$14,284,940	Public service activities other than Low/Moderate Income Housing Benefit: 31150 Persons Assisted Tenant-based rental assistance / Rapid Rehousing: 400 Households Assisted HIV/AIDS Housing Operations: 730 Household Housing Units

Goal Name	Start & End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Creating and preserving affordable housing	2014-2018	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	Citywide	Affordable Housing	HOME: \$27,281,844	Rental units constructed: 55 Household Housing Unit Rental units rehabilitated: 155 Household Housing Unit Homeowner Housing Rehabilitated: 230 Household Housing Unit Direct Financial Assistance to Homebuyers: 425 Households Assisted

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Goal Name	Start & End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
					<p>CDBG Repayment: \$14,944,112</p>	<p>Tenant-based rental assistance / Rapid Rehousing: 500 Households Assisted</p>

DRAFT

Goal Name	Start & End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Homelessness	2014–2018	Homeless	Citywide	Homelessness and Public Services	CDBG: \$9,390,390 ESG: \$4,601,110	Public service activities other than Low/Moderate Income Housing Benefit: 10000 Persons Assisted Tenant-based rental assistance / Rapid Rehousing: 1000 Households Assisted Homeless Person Overnight Shelter: 8000 Persons Assisted Other: 1 Other (facility completed)
Services/facilities serving vulnerable population	2014–2018	Non-Homeless Special Needs Non-Housing Community Development	Citywide	Public Services and Public Facilities	CDBG: \$25,398,847	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 260,137 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 7,635 Persons Assisted Other: 17 Other

Goal Name	Start & End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Public infrastructure needs	2014–2018	Non-Housing Community Development	Citywide	Public Improvements and Infrastructure	CDBG: \$23,867,794	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 750,000 Persons Assisted Other: 31 Other
Job readiness and economic development	2014–2018	Non-Homeless Special Needs Non-Housing Community Development	Citywide	Public Services and Economic Development	CDBG: \$10,547,815	Businesses assisted: 650 Businesses Assisted 66 Jobs Created

Table 8 – Goals Summary

Goal Descriptions

1	Goal Name	HIV/AIDS housing, health, and support services
	Goal Description	Meet the needs of persons with HIV/AIDS and their families through the provision of housing, health and support services.
2	Goal Name	Creating and preserving affordable housing
	Goal Description	Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment, and community services.
3	Goal Name	Homelessness
	Goal Description	Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.
4	Goal Name	Services/facilities serving vulnerable population
	Goal Description	Invest in community services and nonprofit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors, and food insecure households.

5	Goal Name	Public infrastructure needs
	Goal Description	Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
6	Goal Name	Job readiness and economic development
	Goal Description	Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2).

Over the five-year Consolidated Plan period, the City expects to provide new affordable housing as follows:

HOPWA - Projected Total Assisted - 1,130 households:

- Tenant-based rental assistance
- HIV/AIDS housing operations

HOME - Projected Total Assisted - 435 households:

- Direct financial assistance to homebuyers
- Rental and Homeowner housing rehabilitation
- Rental unit construction

HOME TBRA - Projected Total Assisted - 175 households:

- Tenant-based rental assistance

ESG/CDBG - Projected Total Assisted - 9,000 households:

- Tenant-based rental assistance / Rapid rehousing
- Homeless overnight shelter

Additional information on how the City will provide affordable housing through each entitlement funding source can be found in Appendix SP-45: Provision of Affordable Housing.

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SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement).

The Housing Commission proposes adding 35 new scattered site public housing units during the 2015 Fiscal Year. Eighteen of these units will be fully accessible.

Activities to Increase Resident Involvements

The Housing Commission's Achievement Academy is its Family Self Sufficiency Program (FSS) open to Section 8 Head of Household recipients. The Achievement Academy and its partners provide Work Readiness Workshops, access to training, financial education and counseling, and benefit eligibility to include CalFresh and MediCal. Benefits include the establishment of a special, interest-bearing escrow account that helps participants to meet expenses related to achieving career goals. Participants may receive additional credits to their account as they achieve their goals.

Achievement Academy partners include:

- Manpower, a leader in the job workforce solutions industry
- KRA, a contractor from San Diego Workforce Partnership, providing One-Stop services via satellite
- The Business Initiatives Strategies (BIS) Program
- THRIVE, a partnership between the United Way, the County of San Diego, and South Bay Community Services
- Springboard, a nonprofit credit management agency
- Local Initiatives Support Corporation
- Housing Opportunities Collaborative
- Citi Bank
- Nova Debt
- US Bank, and
- Community Housing Works

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

Not applicable

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

As discussed in NA-05, the barriers to affordable housing include:

1. Income and wages are not keeping pace with rising housing costs and the overall cost of living.
2. Federal resources for programs, such as the federal Section 8 Program, do not match the need experienced.
3. Homeownership is out of reach for the majority of residents.
4. Low housing vacancy rates are contributing to higher rents.
5. The cost of land is high and there is a lack of vacant land for future growth.
6. Development barriers in some communities, including permit processing times, height restrictions, outdated community plans, environmental review, and community opposition (“NIMBYism”).
7. Backlog of infrastructure and public facilities investment needs.
8. Impediments to Fair Housing

Specifically, permit processing times, height restrictions, outdated community plans, environmental review, and deficient infrastructure are all examples of governmental constraints that can hinder affordable housing and residential investment.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

As stated in the Needs Assessment and Market Analysis-40, the City of San Diego is addressing the barriers above through the following strategies:

- Prioritizing CDBG Public Service resources for job readiness and economic development
- Increasing wage earnings for Section 8 participants by enhancing Achievement Academy services
- Establishing the Inclusionary Housing Ordinance, which requires all new residential developments of two units or more to provide 10% affordable housing or pay an Inclusionary Affordable Housing fee. The fees are one portion of the Affordable Housing Fund, which leverages funds to develop and preserve housing for low-income households.
- Maintaining the linkage fee, which is meant to offset the cost of affordable housing for low-wage workers and mitigate some of the need for increased affordable housing due to employment growth. The fees make up the other portion of the Affordable Housing Fund.
- Maintaining a Density Bonus “to provide increased residential density to developers who guarantee that a portion of their residential development will be available to moderate income, low-income, very low-income, or senior households.”
- Providing additional incentives to developers who provide affordable housing, including an expedited permit process, reduced water and sewer fees, and multifamily bond financing.
- Supporting the development of new parking regulations that more accurately reflect the parking needs for regulated affordable housing.

- Implementing recommendations from the San Diego Regional Analysis of Impediments to Fair Housing Choice.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing(part 2)

- Continuing to update Community Plans, which are components of the City's General Plan and which specify the location and intensity of proposed residential development. The updates are intended to implement General Plan smart growth strategies at the neighborhood level and identify housing opportunities for a variety of household sizes.
- Identifying Transit Priority Areas and Infill Opportunity Zones pursuant to Senate Bill (SB) 743. This legislation seeks to support transit-oriented residential and mixed-use development through CEQA streamlining and reform. The goal is to reduce vehicle miles traveled and contribute to reductions in greenhouse gas emissions. The City is also in the process of updating CEQA significance thresholds to address current best legal practices and reflect the SB-743 streamlined review process for transit priority areas.

As a subrecipient of the City, the Housing Commission is addressing the barriers that hinder affordable housing and residential investment with the following strategies:

- The Low Income Housing Tax Credit (LIHTC) is an indirect federal subsidy to finance the construction and rehabilitation of low-income affordable rental housing. It is an incentive for private developers and investors to provide more low-income housing that provides a dollar-for-dollar reduction in their federal tax liability in exchange for financing to develop affordable rental housing. Project rents must remain restricted for at least 30 years after project completion. The LIHTC subsidizes either 30 percent (4 percent tax credit) or 70 percent (9 percent tax credit) of the low-income unit costs in a project.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing(part 3)

- Providing loans, closing cost assistance grants, and mortgage credit certificates for first-time low and moderate income homebuyers, and assisting over 5,000 individuals and families in buying their first homes.
- Maintaining over 3,000 affordable housing units and preparing to purchase additional multifamily properties including the renovation of the Hotel Churchill to provide 72 studios for homeless or low income military veterans and individuals requiring mental health services.
- Offering incentives to affordable housing developers which include:
- Permanent financing in the form of low-interest loans, tax-exempt bonds and land-use incentives;
- Technical assistance, such as help with securing tax credits;
- Predevelopment assistance, loans and grants to help nonprofit developers during the preconstruction phase;
- Funding sources include federal HOME funds, Multifamily Tax-Exempt Bonds, Community Development Block Grants and the local Affordable Housing Fund. These funding sources can be used alone or in combination with each other. Each fund has its own requirements for allowable uses, repayment terms and project affordability restrictions.

The First-Time Homebuyer loans, closing cost assistance grants, and permanent financing low-interest loans all utilize HOME funds.

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SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The federal Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 requires that communities develop a coordinated entry system to more efficiently and effectively match the appropriate housing resources to the needs of each homeless individual or family.

The San Diego 25 Cities Initiative, launched in June 2014, mobilized local planning efforts and partnerships to create an effective system for aligning housing and service interventions to end homelessness. The aim of this effort was to assist the top 25 communities with the largest homeless populations in the country to accelerate and align their existing efforts toward the creation of Coordinated Assessment and Housing Placement (CAHP) systems, laying the foundation for ending homelessness in their respective communities. In February 2016, the 25 Cities Initiative was realigned under the San Diego Regional Continuum of Care Council (RCCC), now operating as the Regional Task Force on the Homeless San Diego (RTFH).

The CAHP system, now called the Coordinated Entry System (CES), allows for the most efficient targeting of resources, increases coordination across community providers, and ensures that consumers have equal access to available housing resources.

The CES system is made up of four key components:

1. Use of the Coordinated Assessment Tool CAT (currently the Vulnerability Index–Service Prioritization and Decision Assistance Tool (VI-SPDAT) with supplemental questions);
2. Housing Navigation and Case Conferencing;
3. Housing Referral with Consumer Choice; and
4. Data Sharing and Communication.

The Campaign to End Homelessness in Downtown San Diego (Campaign) follows the national 100K Homes Campaign. The Campaign's Housing First Model creates a registry of all unsheltered homeless utilizing the Vulnerability Index (<http://100khomes.org/resources/the-vulnerability-index>) to prioritize resources. With the partnership of over 60 entities and agencies, the Campaign successfully implemented two pilot programs that provided Permanent Supportive Housing to over 258 of the most vulnerable individuals in San Diego.

The Downtown San Diego Partnership's Clean & Safe Program has instituted an Integrated Outreach Team (IOT) consisting of Clean & Safe, the San Diego Police Department's Homeless Outreach Team (HOT), Alpha Project, Connections Housing, and the San Diego City Attorney's Office. The IOT is leading a coordinated effort to place people in beds, give them resources, and create a "flow" to permanent supportive housing. Available beds paired with case management are critical and allow for the immediate development of a transition plan.

The Mayor and City Council have mandated that addressing homelessness be a number one social service priority for the City. Under the leadership of a Senior Advisor for Housing Solutions in the Mayor's Office, the City has ramped up its efforts to help coordinate the activities and programs of and the resources available to it and its partners to address homelessness and create and implement a cross-jurisdictional regional plan. The regional plan as it develops will be incorporated into the Annual Action Plans as feasible.

Addressing the emergency and transitional housing needs of homeless persons

As per the proposed mid-year budget, Council Policy 700-02, and the Housing Commission's Move to Work Plan, the City is committed to increasing resources to help homeless persons. While many efforts are focused on the U.S. Interagency on Homelessness Housing First Model, reviews of the emergency and transitional housing are finding benefit, too.

Emergency housing is being considered in San Diego as a Triage/Assessment Center. This is a place where homeless can reach immediate safety and receive coordinated assessment for an appropriate level of service.

The Housing Commission administers two emergency shelters on behalf of the City. The Downtown Shelter for homeless adults offers 220 beds, health care, mental health, and substance abuse counseling. The Downtown Shelter is currently operated by Alpha Project. The Veterans Shelter provides 150 beds and services including employment, housing and medical referrals. Mental health counseling is available every night. Alcoholics Anonymous and Narcotics Anonymous meetings are held every morning. The Veteran's Shelter is currently operated by Veterans' Village of San Diego (VVSD).

Connections Housing, which opened in 2013 and is operated by PATH, houses 134 homeless individuals in their interim bed program and provides them with case management and referrals to a variety of solution oriented social services provided on site at the downtown facility. Cortez Hill Family Shelter, operated by the YWCA, provides 45 units for families year round with referrals to off-site services and provision of on-site counseling programs.

The Corporation for Supportive Housing (CSH), a collaborative community partner and influential advocate for supportive housing, conducted a review of 18 transitional housing sites within the San Diego Region. They recommended that the majority of the reviewed transitional housing projects make program adjustments to become "High Performing" Transitional Housing, with recommendations for a few sites to convert to a Permanent Supportive Housing or Rapid Rehousing model.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The Housing Commission subcontracts with local providers to assist families and individuals in existing transitional housing programs move to permanent housing. The goals of the program are to address the barriers that prevent households from leaving transitional housing programs and helping clients to move quickly from homelessness to self-sufficiency and independent living. This program provides households with security and utility deposits, and short or medium term rental assistance. Clients receive case management targeted to gaining employment and budgeting and financial competency. Additionally, Housing Commission continues to operate the Security Deposit Plus (SD+) Program which assists homeless people with security deposits to gain permanent housing through voucher programs and other housing solutions.

The Housing Commission also offers a new HOME Tenant-Based Rental Assistance (TBRA) program. Under this new program, HOME TBRA subsidies will be made available to homeless individuals who are successfully graduating from the Housing Commission's rapid re-housing program for homeless individuals and families. These homeless households must be in need of immediate financial assistance in order to obtain affordable housing. The intent of the program is to strengthen the pipeline that moves homeless individuals from homelessness, through a shelter, through a transitional housing program, and on to a successful exit to stable, independent permanent housing. The HOME TBRA program will be modeled after the Housing Choice Voucher Program except where the HOME TBRA requirements differ.

Provisions at 42 U.S.C. 12755 and HOME Program regulations at 24 CFR 92.253(d) require that persons assisted in housing funded through the HOME Program be selected from a waiting list in chronological order; however, the waiting list process for HOME-funded units may defer to the process allowed by other federal regulations. Under the CoC Program, CoCs are required to create written standards, which include policies and procedures for determining and prioritizing which eligible individuals and families will receive Permanent Supportive Housing assistance funded with CoC Program funds (24 CFR 578.7(a)(9)(v)). The HOME Program requirement for selecting persons from a waitlist in chronological order defers to this CoC Program requirement and allows for the establishment of a limited preference such as one for persons experiencing chronic homelessness with the longest histories of homelessness and the most severe service needs.

The HOME Program requirement for affirmatively marketing units can be satisfied by the CoC CES if the CES includes all homeless providers in its system and provides a method for persons who decline assessment through the coordinated entry system to be placed on a HOME Program-funded project waiting list.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The Housing Commission expanded its Project-Based Voucher (PBV) program by allocating a minimum of 400 additional project-based vouchers to serve the City's low-income families, with a primary focus on the homeless population. The baseline number of new housing units made available for homeless households at or below 80% AMI as a result of the activity is 145, and the

benchmark is 216 new housing units made available for homeless households at or below 80% AMI by June 30, 2018.

The Housing Commission has partnered with Veteran’s Village of San Diego (VVSD) to craft a transitional housing program using flat subsidies paired with supportive services. The Housing Commission provides the housing subsidy while VVSD provides the supportive services.

Sponsor-based subsidies assist individuals identified as homeless. Participants receive housing and supportive services from sponsor organizations.

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SP-65 Lead-Based Paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City's Environmental Services Department administered the Lead Safety and Healthy Homes Program through CDBG funding and the Housing Commission administers the "Home Safe Home" program.

How are the actions listed above related to the extent of lead poisoning and hazards?

The Housing Commission gives top priority to families whose homes are frequented by children under the age of six years old and outreach efforts are focused in the communities of:

- City Heights
- Linda Vista
- Logan Heights
- Sherman Heights

How are the actions listed above integrated into housing policies and procedures?

As was discussed previously in section MA-20 of the Market Analysis, the City enacted a Municipal Code in June 2002 (54.1001 et seq.) making it unlawful for a property owner to maintain or cause a lead hazard. As of October 1, 2003, the City enforces SB 460 to include substandard housing and contractors creating lead hazards. The City Council further passed the Lead Hazard Prevention and Control Ordinance in 2008. The City of San Diego's Environmental Services Department runs the Lead Safety and Healthy Homes Program (LSHHP) and provides:

- Assistance in identifying lead hazards.
- Free training or identify contractors that are using lead safe work practices.
- Technical advice on how to perform abatement.
- Free equipment loans (residents only).
- Free visual and dust clearance (for income lower than \$50,000).
- Assistance in proper disposal via its household hazardous waste program.

The Housing Commission's "Home Safe Home" program protects low-income children and families in the City of San Diego from lead-based paint and other home health hazards with priority given to families whose homes are frequented by children under the age of six years old. The program provides blood tests for lead levels, as well as lead paint remediation in qualifying homes that were built before 1979. Maximum grant amounts are:

- \$10,000 for single-family structures.
- \$5,000 per unit for multi-family structures. An additional \$5,000 per project will be made available for multi-family projects to control lead hazards in common areas."

The tables in MA-20 reflect the extent of LBP hazards within the City's current housing stock.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

In addition to the number of program offered by the City through the Workforce Investment Board, the Housing Commission, and the Economic Development Department, the City benefits from the regional Community Action Partnership of San Diego County.

“The Community Action Partnership (CAP) is administratively located under the Health and Human Services Agency, Office of Strategy and Innovation of the County of San Diego. CAP is the federally designated Community Action Agency and administers the Community Services Block Grant for the San Diego region.” CAP 2014–2015 projections include, but are not limited to:

- 1,942 participants to obtain employment and increase employment income and/or benefits
- 248 participants to obtain skills/competencies required for employment
- 1,000 participants to obtain access to reliable transportation and/or a driver’s license
- 4,000 participants in tax preparation programs
- 4,000 participants assisted with emergency food
- 98 youth participants to avoid risk-taking behavior

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

As mentioned in MA-45 of the Market Analysis, the City’s Economic Development Strategy contains three overarching Strategic Objectives: Economic Base Growth, Middle-Income Jobs, and Neighborhood Business. The Performance Measures linked to the three Strategic Objectives are:

1. Increase the Gross Regional Product (GRP) of the San Diego Region
2. Increase the percentage of the workforce earning middle-wage incomes
3. Decrease the local unemployment rate
4. Increase the local median income
5. Decrease the percentage of people living in poverty
6. Increase General Fund tax revenues as a percentage of GRP
7. Increase the business activity in the City’s neighborhood business districts”

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

All awarded projects and programs are monitored for compliance with San Diego City Council Policy 700-02, HUD Regulations, OMB Circulars and 24 CFR Part 84.

City programs supported with entitlement funds will be monitored to ensure compliance with the respective program requirements of the specific funding source. The City approach to monitoring is an ongoing process involving continuous communication and evaluation with grant recipients (non-profit organizations, other governmental agencies, city departments).

The Community Development Division performs the following monitoring functions:

1. Make available to grant recipients (i.e., nonprofit organizations) general information on specific federal funds program requirements (i.e., OMB Circulars, Program Regulations);
2. Review all grant recipients' reimbursement requests through desk audits to ensure specific program requirements are being met;
3. Review and determine eligibility of all applications with specific federal funds criteria; and
4. Provide technical assistance to grant recipients in various program areas.

On an individual basis, identified deficiencies are corrected through technical assistance. In the case of serious infractions, the City may seek to impose sanctions.

Proposed goals stated in the Annual Action Plan are evaluated and reported in the CAPER.

For additional information on the City's standards and procedures used to monitor activities, please see Appendix SP-80: Monitoring.



Draft Annual Action Plan

City Fiscal Year 2018, HUD Program Year 2017

For CDBG, HOME, HOPWA, and ESG Programs

MARCH 2017

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Draft Fiscal Year 2018 Annual Action Plan

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Attachments:

1. Attachment A: Citizen Comments and Public Notices (*provided in final version*)
2. Attachment B: Grantee Unique Appendices
3. Attachment C: Certifications & SF-424 (*provided in final version*)

Executive Summary

AP-05: Executive Summary – 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Fiscal Year 2018 Annual Action Plan (Action Plan) represents the fourth year of the City's Consolidated Plan (Con Plan) for the Fiscal Years 2015–2019 (Con Plan) as ratified by the City Council and approved by HUD. The Action Plan is the City of San Diego's application for U.S. Department of Housing and Urban Development (HUD) entitlement grants and identifies the proposed programs and projects to be funded during the City's Fiscal Year (FY) 2018. There are four HUD entitlement grants that are covered in the Action Plan:

- Community Development Block Grant (CDBG): The primary objective of the CDBG program is the development of viable urban communities through the provision of improved living environments, expansion of economic opportunity and decent housing. Funds are intended to serve low and moderate income residents and areas.
- HOME Investment Partnerships Program (HOME): The HOME program is dedicated to increasing the availability as well as the access to affordable housing for low income households.
- Emergency Solutions Grant (ESG): The purpose of the ESG program is to assist individuals and families regain housing (temporary and permanent) after experiencing a housing crisis or homelessness
- Housing Opportunities for Persons with AIDS (HOPWA): HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs for the benefit of individuals living with HIV/AIDS and their families.

On behalf of the City, the San Diego Housing Commission (Housing Commission) administers both ESG and HOME, while the County of San Diego administers HOPWA. The Action Plan has been prepared by the City's Economic Development Department in partnership with both organizations.

The Annual Action plan identifies how the City of San Diego, working in collaboration with the Housing Commission and the County, proposes to utilize these funds in the upcoming fiscal year to address its community development, housing and public services goals and priorities as described in the Con Plan. The plan also describes other projects and

programs that leverage those funded by CDBG, HOME, ESG, and HOPWA and further support the City's efforts to address its goals and priorities as identified in the Con Plan.

The Annual Action Plan also includes activities to help remediate impediments to Fair Housing as identified in the recently updated San Diego Regional Analysis of Impediments to Fair Housing Choice (FY 2016–FY 2020). During FY 2018, the City will continue to engage a fair housing service provider to provide outreach, education, investigation and enforcement assistance. In addition, the City will sponsor free educational workshops and produce multilingual informational brochures for the public.

It is important to note that the Con Plan sets goals and strategies to be achieved over the FY 2015 – 2019 period and identifies a list of funding priorities. The six Con Plan Goals represent high priority needs for the City of San Diego and serve as the basis for FY 2018 programs and activities identified in the Action Plan. The Con Plan goals are listed below in no particular order:

- Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.
- Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
- Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.
- Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.
- Invest in community services and non-profit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors and food insecure households.
- Meet the needs of persons with HIV/AIDS and their families through the provision of housing, health, and support services.

2. *Summarize the objectives and outcomes identified in the Plan*

The objectives and outcomes targeted in the Consolidated Plan and this Annual Action Plan in relation to each of the six goals listed above, please refer to sections AP-15, AP-35

3. *Evaluation of past performance*

The City in partnership with numerous non-profit organizations, the San Diego Housing Commission and the County continue to monitor and evaluate the performance of the City's HUD programs while ensuring regulatory compliance. According to the City's last Consolidated Annual Performance Evaluation Report (CAPER), the City is making consistent progress towards the FY 2015-2019 Consolidated Plan Goals.

The City recognizes that the evaluation of past performance is critical to ensuring the City and its sub-recipients are implementing activities effectively and that those activities align with the City's overall strategies and goals. The City implemented Performance Indicator report cards to properly evaluate past performance of sub-recipients. The City also introduced a new electronic system to better streamline the process from the Request to Qualifications stage through contract completion.

4. Summary of Citizen Participation Process and Consultation Process

Please refer to Attachment A: Citizen Participation Comments in the Final version of the Action Plan.

5. Summary of Public Comments

Please refer to Attachment A: Citizen Participation Comments in the Final version of the Action Plan.

6. Summary of Comments or Views Not Accepted and the Reasons for Not Accepting Them

Please refer to Attachment A: Citizen Participation Comments in the Final version of the Action Plan.

7. Summary

Not applicable.



PR-05: Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Agency Role	Name	Department/Agency
CDBG Administrator	SAN DIEGO	City of San Diego Economic Development
HOPWA Administrator	SAN DIEGO	County of San Diego Housing & Community Development Services
HOME Administrator	SAN DIEGO	San Diego Housing Commission
ESG Administrator	SAN DIEGO	San Diego Housing Commission

Table 1 – Responsible Agencies

Narrative (optional)

The City has a memoranda of understanding with the San Diego Housing Commission to administer its HOME and ESG funds, and with the County of San Diego to administer its HOPWA funds. In accordance with the terms of these memorandums, both agencies act as sub-recipients, carrying out the administrative functions associated with these programs. The Community Development Division is responsible for the administration of the CDBG program and is also charged with the overall oversight and coordination of the City’s HUD programs.

Consolidated Plan Public Contact Information

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smaduliwilli@sandiego.gov

AP-10: Consultation – 91.100, 91.200(b), 91.215(I)**1. Introduction*****Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))***

When developing the Consolidated Plan, the City launched a collaborative effort to consult with elected officials, City departments, community stakeholders, and beneficiaries of entitlement programs to inform and develop the priorities and strategies contained within the five year plan.

The City's outreach and consultation strategies included the formation of community outreach partnerships with housing, service, and mental health providers; workforce developers; community advocates; and others. Three Consolidated Plan Community Forums were conducted to solicit input from the community at large.

Results of the community forums and surveys were published on www.sandiego.gov/cdbg and reported publicly to the Consolidated Plan Advisory Board and the San Diego City Council. Each segment of the community outreach and planning process was transparent to ensure the public knew their input was being collected, reviewed, and considered.

As part of the effort to implement the policies, programs and projects identified in the Consolidated Plan, the City's CDD staff works collaboratively with staff from San Diego Housing Commission through quarterly meetings to inform and develop the housing and homeless priorities and strategies contained in this Action Plan.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

HUD charges communities that receive funds under the Homeless Continuum of Care (CoC) Program of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) with specific responsibilities. The San Diego City and County Continuum of Care CoC (Regional CoC), now known as the Regional Task Force on the Homeless (RTFH), is the coordinating body recognized by HUD and, in its 19-year history the RTFH has brought over

\$268 million in resources to the region. The RTFH applies annually to HUD and has been successful in the award of over \$16 million in annual federal funds directed to programs and services for homeless San Diegans.

The RTFH includes all of the geography within the County of San Diego, including 18 incorporated cities and all unincorporated areas. This area also includes several Public Housing Authorities and the ESG, CDBG, HOPWA, HOME and Veteran Administration service areas.

The Governance Board acts on the RTFH behalf and is representative of the relevant organizations and of projects service homeless subpopulations within the San Diego Region. The RTFH Governance Board meets on a monthly basis to review progress on strategies designed to end homelessness, homeless services, establish funding policies and priorities, and to pursue an overall systematic approach to address homelessness. These are public meetings in which the community of providers and stakeholders are welcome to attend and provide comment. The City is represented on the RTFH general membership by staff of the City's Economic Development Department. Through regular attendance and participation in the RTFH meetings, the City consults with the RTFH to develop cooperative plans and strategies to leverage resources to provide emergency shelter and rapid re-housing services, and is informed of changes in local goals, objectives and performance measures. Representatives from the City actively participate on the Executive Committee of the Governance Board, the *Opening Doors* leadership group, and Advisory committees such as the Veteran's Coalition and the Coordinated Assessment and Placement chronic homeless subgroup as well as the RTFH full membership.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies, and procedures for the operation and administration of HMIS

Consultations with the RTFH help allocate ESG funds by assisting the Housing Commission, on behalf of the City, in coordinating the prioritization and use of resources with local needs. Through this process, the Housing Commission is able to design programs that are consistent with applicable federal and local standards while distributing funds in an efficient manner. Further, ESG jurisdictions inclusive of the City, created a RTFH ESG Policy and Operations Guide which lays out federal, state and local standards, policies and regulations for ESG, along with local jurisdictions' standards and policies.

The RTFH assists in setting standards for what outcomes homeless programs should accomplish during their contract period. Consultations with the RTFH allow for an open dialog to discuss how to establish performance measures that benefit the broader goals of the region. In doing so, the Housing Commission is informed of the standards that ESG funds demand, as well as other best practice outcomes and is able to incorporate these goals when negotiating contracts with sub-recipients.

Allocating Funds

Consultations with the RTFH help allocate ESG funds by assisting the Housing Commission, on behalf of the City, in coordinating the prioritization and use of resources with local needs. Through this process, the Housing Commission is able to design programs that are consistent with applicable federal and local standards while distributing funds in an efficient manner. Further, ESG jurisdictions inclusive of the City, created a RTFH ESG Policy and Operations Guide which lays out federal, state and local standards, policies and regulations for ESG, along with local jurisdictions' standards and policies.

Setting Performance Outcomes

The RTFH assists in setting standards for what outcomes homeless programs should accomplish during their contract period. Consultations with the RTFH allow for an open dialog to discuss how to establish performance measures that benefit the broader goals of the region. In doing so, the Housing Commission is informed of the standards that ESG funds demand, as well as other best practice outcomes and is able to incorporate these goals when negotiating contracts with sub-recipients. Representatives from the City and the Housing Commission participate on the Evaluation Advisory Committee and Scoring Subgroups which evaluate implementation of CoC and ESG projects in accordance with Board and funding source policies and goals.

Operating and Adminstrating Homeless Management Information System (HMIS)

A Homeless Management Information System (HMIS) is essential to efforts to coordinate client services and inform community planning and public policy. Through HMIS, homeless individuals benefit from improved coordination in and between agencies, informed advocacy efforts and policies that result in targeted services. Analysis of information gathered through HMIS is critical to the preparation of periodic accounting of homelessness in the San Diego region.

The Regional CoC merged with the Regional Task Force on the Homeless, Inc. (RTFH) in January 2017 to become the administrative agent for the Regional CoC. Their responsibilities will include administration of the HMIS for the region setting uniform standards for all agencies to gather information for HUD reporting and local homeless strategies. All ESG funded organizations enter information to the HMIS system.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies, and other entities

Table 2 – Agencies, Groups, Organizations Who Participated

1	Agency/Group/Organization	City of San Diego City Council
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically Homeless Homeless Needs - Families with Children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied Youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-Poverty Strategy Lead-Based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The legislative branch of government for the city of San Diego.

2	Agency/Group/Organization	City of San Diego City Council Infrastructure Committee
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Infrastructure Committee's responsibility includes individual infrastructure projects related to water, wastewater, storm water, and parks.
3	Agency/Group/Organization	City of San Diego City Council Public Safety and Livable Neighborhoods Committee
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	<p>Housing Need Assessment</p> <p>Public Housing Needs</p> <p>Homeless Needs - Chronically homeless</p> <p>Homeless Needs - Families with children</p> <p>Homelessness Needs - Veterans</p> <p>Homelessness Needs - Unaccompanied youth</p> <p>Homelessness Strategy</p> <p>Non-Homeless Special Needs</p> <p>HOPWA Strategy</p> <p>Market Analysis</p> <p>Economic Development</p> <p>Anti-poverty Strategy</p> <p>Lead-based Paint Strategy</p>

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Public Safety and Livable Neighborhoods Committee’s scope includes Police, Fire, Neighborhood Parks, Community Development Block Grants, Code Enforcement, Libraries, and so forth.
4	Agency/Group/Organization	Consolidated Plan Advisory Board (CPAB)
	Agency/Group/Organization Type	Other government - Local Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The CPAB was established by the City Council via Ordinance No. O-19963 (codified in Sections 26.210-26.2113 of the Municipal Code) to provide advice and recommendations on all policy issues relating to the federal entitlement grant programs discussed in the City’s Consolidated Plan and Annual Action Plan.
5	Agency/Group/Organization	City of San Diego Community Planners Committee

	Agency/Group/Organization Type	Planning organization Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Planners Committee (CPC) was instituted to ensure communication and to solicit citizen input on citywide issues among the various planning groups in the City under the direction of Council Policy 600-09.
6	Agency/Group/Organization	City of San Diego Park and Recreation Board
	Agency/Group/Organization Type	Other government - Local Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Park and Recreation Board was chartered by the City to serve as advisory board on matters relating to the acquisition, development, maintenance and operation of parks, beaches and recreation properties and facilities.
7	Agency/Group/Organization	Capital Improvements Program Review and Advisory Committee (CIPRAC)
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This advisory committee reviews proposed Capital Improvements Program (CIP) projects from a citywide perspective, providing the Mayor with proposed CIP budget recommendations and CIP project prioritization recommendations.
8	Agency/Group/Organization	Joint City/County HIV/AIDS Housing Committee
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The HIV Housing Committee serves as an advisory body to the County of San Diego Department of Housing and Community Development (HCD). The Committee is the primary means of community participation in the planning and decision making process of the Housing Opportunities for Persons with AIDS (HOPWA) Program.
9	Agency/Group/Organization	San Diego Regional Alliance for Fair Housing
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The San Diego Regional Alliance for Fair Housing is a dedicated group of professionals working together to ensure that all residents in San Diego County have equal access to housing. It is comprised of members of the fair housing community, government entities, enforcement agencies and housing providers.**
10	Agency/Group/Organization	San Diego HIV Health Services Planning Council
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The HIV Health Services Planning Council makes the final decisions that affect Ryan White HIV/AIDS Treatment Extension Act of 2009 (RWTEA) services throughout San Diego County including: which services to fund, by service category (not specific providers of care); how much funding to allocate to each service category; and how the services should be delivered and who shall receive the services.
11	Agency/Group/Organization	COUNTY OF SAN DIEGO HOUSING AUTHORITY
	Agency/Group/Organization Type	Services - Housing Other government - Local
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homelessness Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Department of Housing and Community Development improves neighborhoods by assisting low-income residents, increasing the supply of affordable, safe housing and rehabilitating residential properties in San Diego County.
12	Agency/Group/Organization	211 San Diego
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims
	What section of the Plan was addressed by Consultation?	geographic targeting
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	2-1-1 San Diego is a local nonprofit organization connecting people with more than 6,000 community, health and disaster support resources and services 24 hours per day under fee-for-service contracts with government, nonprofit and corporate partners.
13	Agency/Group/Organization	United Way of San Diego County

	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	geographic targeting
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	United Way of San Diego County is a charitable fundraising organization addressing health and human service needs in the county.
14	Agency/Group/Organization	San Diego Regional Economic Development Corporation
	Agency/Group/Organization Type	Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	geographic targeting
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The San Diego Regional Economic Development Corporation serves local companies by providing assistance with expansion plans, programs to help retain business, and advocating for policies that enhance the region's economic competitiveness.
15	Agency/Group/Organization	San Diego Workforce Partnership
	Agency/Group/Organization Type	Services-Employment Business and Civic Leaders

	What section of the Plan was addressed by Consultation?	geographic targeting
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The San Diego Workforce Partnership funds job training programs that empower job seekers to meet the current and future workforce needs of employers in San Diego County. SDWP is the local Workforce Investment Board, designated by the City and County of San Diego.
16	Agency/Group/Organization	San Diego Association of Governments (SANDAG)
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	geographic targeting
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	San Diego Association of Governments (SANDAG) is an association of local San Diego County governments. It is the metropolitan planning organization for the County, with policy makers consisting of mayors, council members, and County Supervisors from each of the region's 19 local governments.
17	Agency/Group/Organization	Civic San Diego
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing needs assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Civic San Diego is a non-profit public benefit it corporation wholly owned by the City of San Diego with the mission of managing public improvement and public-private partnership projects of the City's former Redevelopment Agency.
18	Agency/Group/Organization	SAN DIEGO HOUSING COMMISSION
	Agency/Group/Organization Type	Housing Services - Housing Business Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	As an independent overseer of the Housing Commission, the Board reviews proposed changes to housing policy, property acquisitions and other financial commitments. The Board offers policy guidance to Housing Commission staff through its communications with the agency's Chief Executive Officer. The Board's actions are advisory to the Housing Authority of the City of San Diego, which is composed of the nine members of the City Council.

Identify any Agency Types not consulted and provide rationale for not consulting

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Governance Board of San Diego Regional Continuum of Care	The Continuum of Care, now called the Regional Task Force on the Homeless (RTFH), works to alleviate the impact of homelessness in the community through the cooperation and collaboration of social service providers. This effort aligns with the Strategic Plan's goal to provide client-appropriate housing and supportive service solutions for homeless individuals and families.
City of San Diego General Plan	City of San Diego	The City's General Plan is its constitution for development. It is comprised of ten elements that provide a comprehensive slate of citywide policies and further the City of Villages smart growth strategy for growth and development.
City of San Diego General Plan- Housing Element	City of San Diego	The Housing Element serves as a policy guide to help the City of San Diego meet its existing and future housing needs. Both plans have the goal of creating and preserving affordable housing stock within the City.
25 Cities Initiative- San Diego	City of San Diego	A federal partnership of HUD, VA and the US Interagency Council on Homelessness created to end chronic & veteran homelessness in America by 2016. San Diego was chosen as one of the 25 cities in nation.
San Diego Regional AI for	City of San Diego	The San Diego Regional Analysis of Impediments to Fair Housing Choice 2015-2020 (AI) presents a demographic profile of San Diego County, assesses the extent of housing needs among specific income groups, and

2015 - 2020		evaluates the availability of a range of housing choices for residents.
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Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

None

AP-12: Participation – 91.105, 91.200(c)

1. *Summary of citizen participation process/Efforts made to broaden citizen participation*

Summarize citizen participation process and how it impacted goal-setting.

City staff continues to work with the Consolidated Plan Advisory Board (CPAB) to increase citizen participation and improve the FY 2017 CDBG application and evaluation process. Established in 2010, the CPAB serves in an advisory capacity to the Mayor and City Council on policy issues related to the Consolidated Plan, annual Action Plans, end of the year CAPER reporting, Analysis of Impediments to Fair Housing, and the allocation of CDBG, HOME, ESG and HOWPA funds.

All the meetings are open to the public and agendas are distributed via e-mail, internet posting, and hardcopy posting. Meeting notes summarizing the discussion items and actions taken are posted online and made available at subsequent meetings to keep interested parties informed. The CPAB meetings provide a forum for citizens to participate in matters related to the City of San Diego's HUD Programs as well as provide staff an opportunity to review policy issues and obtain public feedback.

In addition to the CPAB process, City staff along with partner agencies, such as the Housing Commission and the County, receives feedback from the public and other community stakeholders regarding the implementation of its HUD funded programs through presentations and attendance at various public meetings including the Regional Continuum of Care Council, the Joint City/County HIV Housing Committee, the San Diego HIV Health Services Planning Council, the City Council's Public Safety and Livable Neighborhoods Committee (PS&LN) and Infrastructure Committee, the City's Park and Recreation Board, and the Board of the San Diego Housing Commission. The processes involved for the allocation of each entitlement grant are based on goals and strategies outlined in the City's 2015-2019 Consolidated Plan for HUD Programs.

Citizen Participation Outreach



Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	URL (If applicable)
CPAB Monthly Meeting	Broad Community	10-20 members of the public attend	The public generally comments on policies and procedures- summarized in meetings' notes, available on the City's Website.	www.sandiego.gov/cdbg/cpab
CDD E-mail distribution list	Broad Community	Approximately 600 recipients	The CDD sends out regular electronic mails advising subscribers of any actions related to the Consolidated Plan, its implementation and pertinent public hearings	email: CDBG@sandiego.gov
Public Hearings: City Council & Council	Broad Community	Vary	Vary	



Commit- tees				
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Table 4 – Citizen Participation Outreach

AP-15: Expected Resources – 91.220(c) (1, 2)

Introduction

As stated in the Second Substantial Amendment to the FY 2015- 2019 Consolidated Plan, the City of San Diego is anticipating an additional \$17 million in FY 2018 CDBG Program Income. This additional amount is the result of an agreement negotiated between the former Redevelopment Agency and HUD to repay the City’s CDBG Program over the course of several years with escalating payments. Please view the Second Substantial Amendment for further details regarding the repayment and updates to the budgetary priorities to the FY 2015-2019 Consolidated Plan’s Strategic Plan.

Priority Table

Program	Uses of Funds	Expected Amount Available Year 4				Amount Available Reminder of Con Plan \$
		Annual Allocation	Program Income	Prior Years:	Total: \$	
CDBG	Acquisition, Admin and Planning, Economic Development, Housing, Public Services, Public Improvements	\$10,352,384	\$17,656,000	\$1,751,312	\$29,759,696	\$47,353,265
Narrative:	CDBG Anticipated Resources have been updated to reflect Year 4 (FY 2018). Annual Allocation has not been finalized as of this writing. Estimated based on 5% cut					
HOME	Acquisition Homebuyer assistance	\$3,889,156	\$6,680,589	\$4,622,427	\$15,192,172	\$7,018,738



	Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA					
HOPWA	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$2,855,967	\$0	\$190,968	\$3,046,935	\$3,029,275
ESG	Conversion and rehab for transitional housing Financial Assistance	\$977,716	0	0	0	\$977,716



	Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing					
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Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HOME-25% Match Requirement

The Housing Commission uses local Inclusionary Funds, Housing Trust Funds, coastal funds, state funds, and multi-family bond proceeds as contributions to housing pursuant to the matching requirements.

ESG-100% Match Requirement

The Housing Commission uses CDBG funding set aside in Council Policy 700-02 and Housing Commission Housing Trust Funds. The Rapid Re-housing 100% match comes from: VASH vouchers, Continuum of Care funding, and in-kind match from sub-recipients (case management and services).

Non-Entitlement Federal Resources include:

Redevelopment: After the dissolution of redevelopment, the Department of Finance (DoF) of the State of California approved the terms for the former Redevelopment Agency of the City of San Diego (RDA) repayment of the CDBG debt to the City in the total amount of \$78,787,000. Payment was to be made annually over a ten-year term. The City of San Diego Successor Agency to the former RDA (Successor Agency) is responsible for submitting to DOF a Recognized Obligation Payment Schedule (ROPS), delineating the enforceable obligations of the former RDA every six months. In 2012, DOF suspended approval of the payments. However, Senate Bill 107, enacted in September 2015, permitted the Successor Agency to the former RDA to resume including repayments under the CDBG Repayment Agreement on its annual Recognized Obligation Payment Schedule (ROPS). In addition to

reinstating the CDBG Repayment Agreement payments, Senate Bill 107 resulted in the DOF authorizing the repayment of an additional \$151 million in CDBG program income from the Successor Agency under a separate Long-Term Miscellaneous CDBG Debt Agreement between the City and the former RDA. These payments are subject to DOF approval in April of each year, and projecting amounts is a challenge. As these amounts become available, specific Reinvestment Initiative activities and allocation amounts will be described in each Annual Action Plan per the actual funds to be received for that particular year and will be subject to City Council review and approval.

Homeless Continuum of Care (CoC) Program of the Emergency Assistance and Rapid Transition to Housing Act (HEARTH): The RTFH receives approximately \$16 million annually to prevent and alleviate homelessness throughout the region.

Housing Choice Voucher Section 8 funds: The San Diego Housing Commission administers the Section 8 program within the City of San Diego and will provide subsidies to approximately 15,400 San Diego households. The Housing Commission anticipates \$152 million in funding from HUD to pay for Housing Assistance Payments for its rental assistance programs within the City in fiscal year 2018.

HUD VASH: In fiscal year 2017 the San Diego Housing Commission received 25 new federal housing vouchers from the U.S. Department of Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) Program for their efforts to house homeless veterans in the City of San Diego. This increases the agency's allocation to 1,000.

Low-Income Housing Tax Credits (LIHTC): The federal 4% and 9% LIHTC is the principal source of funding for the construction and rehabilitation of affordable rental homes. They are a dollar-for-dollar credit against federal tax liability. In FY 2018, the Housing Commission projects 2,001 units utilizing this federal sources will be constructed.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

City Neighborhood Infrastructure Projects are being carried out within City-owned real property and/or the public right-of-way. Refer to section AP-35 (Projects) and/or Attachment B for further details.

Discussion

Not applicable.

AP-20: Annual Goals and Objectives – 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Goal Name (For FY 2014-2018)	Category	Geographic Area	Needs Addressed	Funding
1. HIV/AIDS housing, health, and support services	Affordable Housing Homeless Non-Homeless Special Needs	County-wide	Affordable Housing and Public Services	HOPWA: \$2,961,256
Goal Outcome Indicator	Tenant-based rental assistance / Rapid Rehousing: 140 Households HIV/AIDS Housing Operations: 108 Household Housing Units Public service activities other than LMI Housing Benefit: 8,361 persons			
2. Creating and preserving affordable housing	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	Citywide	Affordable Housing Affordable Housing and Public Services	CDBG Projects: \$1,539,112 REI: \$3,000,000 HOME: \$13,723,615 Total: \$17,972,727
Goal Outcome Indicator	Direct Financial Assistance to Homebuyers/Homeowners: HOME 24, CDBG 50; Total- 74; Rehabilitation of Rental Units: CDBG: 264 HOME: 78 Total-342; Homeowner Housing Rehabilitated: CDBG: 86			
3. Homelessness	Homeless	Citywide	Homelessness and Public Services	CDBG: \$1,318,078 REI: \$2,800,000 ESG: \$977,716 Total: \$5,095,794
Goal Outcome Indicator	Homeless Person Overnight Shelter: 8,500 Persons Assisted Tenant-based rental assistance/Rapid rehousing: 140 Households 1 facility (other)			

	Public service activities other than LMI Housing Benefit: 2,500 persons 1 facility (other)			
4. Services/ facilities serving vulnerable population	Non-Homeless Special Needs Non-Housing Community Development	Citywide	Public Services and Public Facilities	CDBG: \$4,333,908 REI: \$1,125,000
Goal Outcome Indicator	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 143,440 Persons Assisted 7 facilities (other)			
5. Public infrastructure needs	Non-Housing Community Development	Citywide	Public Improvements and Infrastructure	CDBG: \$6,685,000
Goal Outcome Indicator	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 11,136 Persons Assisted 5 facilities (other)			
6. Job readiness and economic development	Non-Homeless Special Needs Non-Housing Community Development	Citywide	Public Services and Economic Development	CDBG: \$632,783 REI: \$2,300,000 TOTAL: \$2,932,783
Goal Outcome Indicator	Businesses assisted: 251 Jobs Created: 60			

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	HIV/AIDS housing, health, and support services
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	Goal Description	Meet the needs of persons with HIV/AIDS and their families through the provision of housing, health and support services.
2	Goal Name	Creating and preserving affordable housing
	Goal Description	Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment, and community services.
3	Goal Name	Homelessness
	Goal Description	Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.
4	Goal Name	Services/facilities serving vulnerable population
	Goal Description	Invest in community services and non-profit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors, and food insecure households.
5	Goal Name	Public infrastructure needs
	Goal Description	Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
6	Goal Name	Job readiness and economic development
	Goal Description	Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

All assistance will be provided to extremely low- and low-income households (___ households in total-breakdown pending).

AP-35: Projects – 91.220(d)

Introduction

The Consolidated Plan sets goals and strategies to be achieved over the FY 2015 – 2019 period and identifies a list of funding priorities. The six Consolidated Plan Goals represent high priority needs for the City and serve as the basis for FY 2018 programs and activities identified in the Action. The Consolidated Plan goals are listed below in no particular order:

- Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.
- Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
- Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.
- Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive service solutions.
- Invest in community services and non-profit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations such as youth, seniors and food insecure households.
- Meet the needs of persons with HIV/AIDS and their families through the provision of housing, health, and support services.

Based on these goals, the table below summarizes the priorities and specific objectives that the City of San Diego aims to achieve during the Consolidated Plan five-year period (accomplishments sought in order to address the goals are expressed in terms on quantitative outcomes).

For project detail by Consolidated Plan Goal, please see Attachment B.



#	Project Name
1	CDBG Administration
2	Economic Development/Small Business Assistance
3	Public Facilities and Infrastructure
4	Residential Rehab/Affordable Housing
5	Homelessness
6	Public Services & Facilities
7	SDHC-HOME-Homeownership
8	SDHC-HOME-Rental Housing
9	SDHC-HOME Administration
10	HOPWA-Townspeople- Emergency Housing
11	HOPWA-Info Line of San Diego County- Information and Referral Services
12	HOPWA-Fraternity House, Inc.- Housing Operations
13	HOPWA-St. Vincent de Paul Village, Inc.- Housing Operations/Transitional Housing Program
14	HOPWA-Townspeople- Housing Operations
15	HOPWA-Being Alive San Diego- Supportive Services
16	HOPWA-Fraternity House, Inc.- Supportive Services
17	HOPWA-Mama's Kitchen- Nutrition Project Supportive Services
18	HOPWA-St. Vincent de Paul Village, Inc.- Supportive Services
19	HOPWA-South Bay Community Services- Supportive Services
20	HOPWA-Townspeople- Supportive Services

21	HOPWA-County of San Diego Housing Authority- TBRA
22	HOPWA-County of San Diego - HIV, STD, and Hepatitis
23	HOPWA-County of San Diego Department of Purchasing and Contracting- HOPWA Contracts
24	HOPWA-County of San Diego HCDS- Resource Identification
25	HOPWA-County of San Diego- Administration
26	SDHC-ESG (includes Admin)

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.

In accordance with the Consolidated Plan, CDBG, HOME, ESG, and HOPWA funds are distributed using the following allocation priorities:

CDBG: As noted above, projects and program identified for funding with CDBG are selected in accordance with the policies and procedures outlined in the Consolidated Plan-refer to sections AP-12 and AP above for further details.

HOME: HOME funds are dedicated to housing activities that meet local housing needs and typically preserve or create affordable housing. Uses include tenant-based rental assistance, rehabilitation, homebuyer assistance and new construction.

ESG: The San Diego Housing Commission administers the ESG Program on behalf of the City of San Diego. ESG funds support outreach to and shelters for homeless individuals and families. ESG also supports programs that prevent homelessness or rapidly re-house homeless San Diegans. ESG support year round shelters which include: Connections Housing, the year round Single Adult Interim Shelter, and the Cortez Hill Family Shelter.

HOPWA: The County of San Diego administers the HOPWA on behalf of the City. HOPWA funds are allocated using a 3-year competitive RFP process to select project sponsors that



assist local communities in developing affordable housing opportunities and related supportive service for low income person living with HIV/AIDS and their families. HOPWA activities includes: direct housing, support service, information and referral, resource identification technical assistance and administration expenses. The County works closely with the San Diego HIV Health Services Planning Council when seeking to establish adequate housing and support services for people living with HIV/AIDS.

AP-38: Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	CDBG ADMINISTRATION
	Target Area	Citywide
	Goals Supported	<p>Creating and preserving affordable housing</p> <p>Homelessness</p> <p>Services/facilities serving vulnerable population</p> <p>Public infrastructure needs</p> <p>Job readiness and economic development</p>
	Needs Addressed	<p>Affordable Housing and Public Services</p> <p>Affordable Housing</p> <p>Homelessness and Public Services</p> <p>Public Services and Public Facilities</p> <p>Public Improvements and Infrastructure</p> <p>Public Services and Economic Development</p>
	Funding	CDBG: \$2,500,000
	Description	<p>City of San Diego administrative costs directly related to administering the CDBG Program to ensure compliance with all HUD planning and community development activities provided to City residents and businesses, as well as fair housing services. The Nonprofit Accelerator program is also funded through administration.</p>
	Target Date	6/30/2018

	Estimate the number and type of families that will benefit from the proposed activities	\$431,707 unobligated to be reprogrammed at a future date
	Location Description	
2	Project Name	ECONOMIC DEVELOPMENT/SMALL BUSINESS ASSISTANCE
	Target Area	Citywide
	Goals Supported	Job readiness and economic development
	Needs Addressed	Public Services and Economic Development
	Funding	CDBG: \$2,632,784
	Description	Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development program.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	251 BUSINESSES ASSISTED 60 JOBS CREATED/RETAINED

	Location Description	
3	Project Name	PUBLIC FACILITIES AND INFRASTRUCTURE
	Target Area	Citywide
	Goals Supported	Public infrastructure needs
	Needs Addressed	Public Improvements and Infrastructure
	Funding	CDBG: \$6,685,000
	Description	Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
	Target Date	06/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	11,136 persons assisted 5 facilities (other)
	Location Description	
4	Project Name	RESIDENTIAL REHABILITATION/AFFORDABLE HOUSING
	Target Area	Citywide
	Goals Supported	Creating and preserving affordable housing

	Needs Addressed	Affordable Housing
	Funding	CDBG: \$4,539,112
	Description	Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.
	Target Date	06/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	86 household housing units rehabilitated 264 rental units rehabilitated 50 direct financial assistance to homebuyers
	Location Description	
5	Project Name	HOMELESSNESS
	Target Area	Citywide
	Goals Supported	Homelessness
	Needs Addressed	Homelessness and Public Services
	Funding	CDBG: \$4,118,078
	Description	Assist individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness by providing client-appropriate housing and supportive services.

	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	8,500 HOMELESS PERSON OVERNIGHT SHELTER 1 facility (other)
	Location Description	
6	Project Name	PUBLIC SERVICES & FACILITIES
	Target Area	Citywide
	Goals Supported	Services/facilities serving vulnerable population
	Needs Addressed	Public Services and Public Facilities
	Funding	CDBG: \$5,458,908
	Description	Invest in community services and non-profit facilities that maximize impact by providing new or increased access to programs that serve highly vulnerable populations, such as youth, seniors and foodinsecure households.
	Target Date	06/30/2019
	Estimate the number and type of families that will benefit	143,440 persons assisted 7 facilities (other)

	from the proposed activities	
	Location Description	
7	Project Name	SDHC-Homeownership
	Target Area	Citywide
	Goals Supported	Creating & preserving affordable housing
	Needs Addressed	Affordable housing
	Funding	HOME: \$1,500,000
	Description	Provision of financial assistance towards homeownership (down payment and closing costs)
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	24 households
	Location Description	
8	Project Name	SDHC-Rental Housing
	Target Area	Citywide

	Goals Supported	Creating & preserving affordable housing
	Needs Addressed	Affordable housing
	Funding	HOME: \$12,223,615
	Description	Rental units constructed and/or rehabilitated
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	78 households (HOME designated units only) Contributing in projects creating a total of 356 affordable units
	Location Description	
9	Project Name	SDHC-HOME Administration
	Target Area	Citywide
	Goals Supported	Creating & preserving affordable housing
	Needs Addressed	Affordable housing
	Funding	\$1,468,557
	Description	Administration costs of HOME program for City of San Diego and San Diego Housing Commission
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
10	Project Name	Townspeople- Emergency Housing
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$181,468
	Description	Emergency housing services as hotel/motel vouchers
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	60 Beds
	Location Description	

11	Project Name	InfoLine of San Diego County - Information and Referral Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$79,275
	Description	Information and referral services
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	6,000 Persons
	Location Description	
12	Project Name	Fraternity House, Inc.-Housing Operations
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$42,000
	Description	Housing operations for residential care facility for chronically ill

	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	18 Beds
	Location Description	
13	Project Name	St. Vincent de Paul Village, Inc. Housing Operations/Transitional Housing Program
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$243,215
	Description	Housing operations for Transitional Housing program
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	38 Beds

	Location Description	
14	Project Name	Townspeople – Housing Operations
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$160,442
	Description	Housing operations for permanent housing units located at Wilson Avenue, 34th St., and 51st St. Apartments
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	52 Housing Units
	Location Description	
15	Project Name	Being Alive San Diego - Supportive Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services

	Funding	HOPWA: \$93,560
	Description	Moving services to increase housing stabilization
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	135 Households
	Location Description	
16	Project Name	Fraternity House, Inc. - Supportive Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$368,315
	Description	Supportive services for residential care facility for chronically ill
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the	18 Beds

	proposed activities	
	Location Description	
17	Project Name	Mama's Kitchen - Nutrition Project Supportive Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: 160,008
	Description	Home delivered meals
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	2,016 Persons
	Location Description	
18	Project Name	St. Vincent de Paul Village, Inc. Supportive Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services

	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$318,191
	Description	Supportive services for Transitional Housing program
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	38 Housing Units
	Location Description	
19	Project Name	South Bay Community Services – Supportive Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$27,060
	Description	Case management at La Posada affordable housing complex
	Target Date	6/30/18
	Estimate the number and type of families that	12 Households

	will benefit from the proposed activities	
	Location Description	
20	Project Name	Townspeople – Supportive Services
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$139,244
	Description	Supportive services/case management for permanent housing residents
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	57 Housing Units
	Location Description	
21	Project Name	County of San Diego Housing Authority - TBRA
	Target Area	Countywide

	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$722,958
	Description	Tenant Based Rental Assistance
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	80 Households
	Location Description	
22	Project Name	County of San Diego -HIV, STD and Hepatitis
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$238,622
	Description	Intensive case management
	Target Date	6/30/18
	Estimate the number and	85 Persons

	type of families that will benefit from the proposed activities	
	Location Description	
23	Project Name	County of San Diego Department of Purchasing and Contracting-HOPWA Contracts
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$15,540
	Description	Technical assistance
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	0
	Location Description	N/A
24	Project Name	County of San Diego HCDS-Resource Identification

	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$171,358
	Description	Resource Identification
	Target Date	6/30/18
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
25	Project Name	County of San Diego -Administration
	Target Area	Countywide
	Goals Supported	HIV/AIDS housing, health, and support services
	Needs Addressed	Affordable housing and public services
	Funding	HOPWA: \$85,679
	Description	Administration costs of HOPWA program
	Target Date	6/30/18

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
26	Project Name	ESG SAN DIEGO (2018)
	Target Area	Citywide
	Goals Supported	Homelessness
	Needs Addressed	Homelessness and Public Services
	Funding	ESG: \$977,716
	Description	Federal Fiscal Year 2017 ESG funds for the City of San Diego have been allocated to the San Diego Housing Commission (SDHC) to operate shelters for the homeless, provide rapid-rehousing strategies and program administration and data collection through HMIS.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	4 different programs: Provide interim shelter beds for homeless Veterans and single adults-\$166,319; Provide interim shelter beds for homeless single adults-\$123,618; Provide interim housing for homeless families-\$305,626; Provide financial assistance and case management to assist individuals and families attain permanent housing-\$322,596, Admin-\$59,556



	Location Description	Citywide
	Planned Activities	

AP-50: Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

The City’s FY 2015 – 2019 Consolidated Plan outlined a strategy to incorporate Geographic Targeting as a way to help stabilize and improve neighborhoods by directing investment of HUD resources to geographic areas with the highest need. The initiative was defined in FY 2016. After consultation with local subject matter experts and analysis of local data for a variety of indicators (such as: poverty, rent burden, violent crime and unemployment), the Geographic Targeting initiative identified six high need Community Planning Areas. These six Community Planning areas are: Barrio Logan, City Heights, Encanto, Linda Vista, San Ysidro, and Southeastern.

In addition to the six Geographic Targeted areas, a section of San Diego was designated in 2016 as the San Diego Promise Zone (SDPZ) that will provide funding to address key areas to the City’s most disadvantaged neighborhoods. The targeted area stretches from East Village and Barrio Logan in the West to Encanto and Emerald Hills in the East. It has an estimated population of more than 77,000 residents. Please view Attachment B for more information.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	

Table 10 – Geographic Distribution

Rationale for the priorities for allocating investments geographically.

Not applicable

Discussion

None

AP-55: Affordable Housing – 91.220(g)

Introduction

It is not possible to delineate annual affordable housing goals by population type as requested in the tables below. Per HUD requirements, the totals for the two following tables must match, yet the second table may not capture all relevant activities identified in the first table. For example, homeless population housing needs are supported through overnight shelters, but that program type is not listed as an option in the second table. Additionally, the population types are not mutually exclusive. A detailed discussion of how HUD entitlements will be used to support affordable housing needs within the City of San Diego is provided in AP-20 above, with the number of households and individuals to be assisted itemized by funding source.

One Year Goals for the Number of Households to be Supported	
Homeless	53 (HOME)
Non-Homeless	49 (HOME)
Special-Needs	
Total	102

Table 11 – One-Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	
The Production of New Units	78 (HOME)
Rehab of Existing Units	
Acquisition of Existing Units	24 (HOME)
Total	102

Table 12 – One-Year Goals for Affordable Housing by Support Type

Discussion

The tables are from the HOME program.

AP-60: Public Housing – 91.220(h)

Introduction

The Housing Commission owns and manages the public housing inventory, affordable housing units, and ground leases within the City. The units are restricted to low-income renters with incomes at 80% Area Median Income (AMI) or less. In FY 2016, the Housing Commission acquired a multi-family affordable housing property (145 units) in the Mountain View neighborhood in the City of San Diego. This brings the total Housing Commission units owned to 2,559 affordable units scattered among 156 locations throughout the City. Three of the sites (154 units) are Public Housing inventory, 146 sites (2,263 units) are affordable housing units, five sites (35 units) are under the State subsidy program, and two sites (107 units) are under a long term ground and building lease. It is anticipated that by the end of FY 2017, upon completion of major renovation work, the five State subsidy sites will be transferred to the Public Housing portfolio, this was originally anticipated to take place in FY16, however, due to a contract default by the General Contractor, significant construction delays have been observed. In addition to the units owned and operated, the Housing Commission is the Ground Lessor on fifteen properties that provide over 1,460 affordable units and manages three properties (11 units) owned by the City of San Diego.

Actions planned during the next year to address the needs to public housing

During FY18, the Housing Commission does not anticipate any new Public Housing or Affordable Housing acquisitions. The focus in FY18 will be renovation and rehabilitation work on a number of properties as a direct result of the Green Physical Needs Assessment completed in FY15.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

In order for a Family Self Sufficiency (FSS) program participant to successfully complete the program, the head of household is solely responsible for completing his/her Individual Training and Services Plan (ITSP) and must be employed by contract expiration. In its 2015 Moving to Work Plan, the Housing Commission requested the authority to provide FSS enrollment to “all adult family members by waiving the requirement for the head of household to join the program. Non-head of households who enter into a contract will be

responsible for the completion of the ITSP and must be employed by the end of participation in order for the FSS family to successfully complete the program." This will result in "increased recruitment and enrollment into the FSS Program, thus providing incentives to families to become economically self-sufficient. The initiative will allow families to enroll into FSS in the event the head of household is unable or unwilling to participate in the program." In its 2015 Moving to Work Plan, the Housing Commission also requested authority to modify the Family Self-Sufficiency (FSS) program by revising the contract term and the escrow calculation method to coincide with the Path to Success initiative. Changes to the program include a \$10,000 maximum on total escrow accumulation, escrow deposits based on outcomes achieved, and a two year contract term with the option to extend the contract an additional three years if additional time is needed to attain goals.

SDHC was awarded a Resident Opportunities and Self Sufficiency-Service Coordinator (ROSS-SC) (three-year grant) to promote jobs development, financial stability and self-sufficiency for public housing residents. Similar to FSS, ROSS Service Coordinators work directly with public housing residents to assess their needs and connect them with education, job training and placement programs, and/or computer and financial literacy services available in their community to promote self-sufficiency. Achievement Academy partners include:

- AmeriMed
- Biocom Introductory Life Sciences Experience
- Center for Employment Training
- Citi Bank
- City Heights Community Development Corporation
- Community Housing Works
- Connect 2 Careers
- Copley-Price Family YMCA
- Food & Beverage Associates of San Diego
- Housing Opportunities Collaborative
- International Rescue Committee
- Job Corp
- Juma Ventures
- Landeros & Associates
- La Maestra Community Health Centers
- San Diego Futures Foundation
- San Diego Public Library

- San Diego Workforce Partnership
- San Diego Zoo
- Self-Help Federal Credit Union
- The Campaign for Grade-Level Reading
- TransUnion
- Urban Corps
- US Bank

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable

Discussion

None

AP-65: Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The U.S. Department of Housing and Urban Development (HUD) charges communities that receive funds under the Homeless Continuum of Care (CoC) Program of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) with specific responsibilities. The RTFH is the coordinating body recognized by HUD and, in its 16-year history, the RTFH has brought over \$260 million in resources to the region. The RTFH applies annually to HUD and has been successful in the award of over \$16 million in annual federal funds directed to programs and services for homeless San Diegans.

The RTFH includes all of the geography within the County of San Diego, including 18 incorporated cities and all unincorporated areas. This area also includes several Public Housing Authorities and Emergency Solutions Grant (ESG), Community Development Block Grant (CDBG), HOPWA, HOME and Veteran Administration service areas.

The RTFH Governance Board, seated in 2014, meets on a monthly basis to identify gaps in homeless services, establish funding priorities, and to pursue an overall systematic approach to address homelessness. These are public meetings in which the community of providers and stakeholders are welcome to attend and provide comment. The City is represented on the RTFH general membership by staff of the City's Economic Development Division. Through regular attendance and participation in the RTFH meetings, the City consults with the RTFH to develop cooperative plans and strategies to leverage resources to provide emergency shelter and rapid re-housing services, and is informed of changes in local goals, objectives and performance measures.

The recognition of homelessness as a social and economic issue is uniting service providers, the business community, and the public and private sectors in achieving compliance with the HEARTH Act, adopting best practices to end Veterans and chronic homelessness, and improving the system to rapidly re-house individuals and families. The RTFH has become HEARTH Act compliant by creating a new governance structure, implementing a coordinated entry system with an assessment tool used County-wide, reporting results, and aligning itself with the national efforts of the United States Interagency Council on the Homeless (USICH) 2010 plan, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*. This plan is focused on four key goals:

1. Finish the job of ending chronic homelessness in five years;

2. Prevent and end homelessness among Veterans in five years;
3. Prevent and end homelessness for families, youth and children in ten years; AND,
4. Set a path to ending all types of homelessness

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

As noted, one of the Con Plan goals calls for "assisting individuals and families to stabilize in permanent housing after experiencing a housing crisis or homelessness, by providing client-appropriate housing and support services." These actions include the allocation of ESG and CDBG funds totaling \$2,310,742 to assist homeless households via the Interim Housing Facility for Homeless Adults (new program), the Day Center for Homeless Adults, Cortez Hill Family Center, Connections Housing, and the Housing Commission's Rapid Re-Housing programs.

In addition to the 1-year goals specified in the AP-20 Homelessness Goal, the City continues to participate as a member in the RTFH and its Coordinated Assessment Housing Placement System which has become an umbrella for local efforts like, the Campaign to End Homelessness in Downtown San Diego and 25 Cities: a national initiative to end Veteran homelessness.

The RTFH has built a regional system for coordinated assessment. The RTFH has received guidance from HUD Technical Assistance and has established the Coordinated Assessment Housing Placement System, a working committee to complete the development of this system to ensure compliance with the HEARTH Act. The City of San Diego has piloted a coordinated assessment tool, which has been duplicated in other parts of the County, for the creation of a county-wide coordinated assessment and placement program which has been piloted and partially rolled out to segments of the homeless community in FY 17. The Downtown San Diego Partnership's Clean & Safe Program has instituted an Integrated Outreach Team (IOT) consisting of Clean & Safe, the San Diego Police Department's Homeless Outreach Team (HOT), Alpha Project, Connections Housing, and the San Diego City Attorney's Office. The IOT is leading a coordinated effort to place people in beds, give them resources, and create a "flow" to permanent supportive housing. Available case management beds are critical and allow for the immediate development of a transition

plan. Other downtown areas of targeted outreach included the Port of San Diego and the Hillcrest District, which concentrates on the needs of homeless youth and adults.

Addressing the emergency shelter and transitional housing needs of homeless persons.

As per the Mayor's proposed budget, Council Policy 700-02, and the Housing Commission's Move to Work Plan, the City is committed to increasing resources to help homeless persons. While many efforts are focused on the USICH Housing First Model, helping homeless individuals and families quickly and easily access and sustain permanent housing, emergency and transitional housing programs are also receiving benefit from these resources too.

San Diego is at a tipping point in its provision of homeless services. Community resources have been reassessed and streamlined and a downtown transitional housing has been repurposed into an interim bed year round facility. As of FY16, the Single Adult Day Center (Neil Good Day Center) and the two shelter programs (Single Adult and Veterans) were operated by a single operator (St. Vincent de Paul) as a centralized access point. A year round interim bed facility for single adults opened in late FY16, replacing the two emergency winter shelters. The facility provides clients with access to 350 beds each night (150 set aside for Veterans), basic services and case management and housing navigator services to refer clients to appropriate housing.

Other resources for homeless individuals and families include Connections Housing, opened in 2013 and operated by PATH, which houses 134 homeless individuals per night in their interim bed program and provides case management and referrals to a variety of solution oriented social services provided on site at the downtown facility. Cortez Hill Family Shelter, operated by the YWCA, provides 45 units for families year round with referrals to off-site services and provision of on-site counseling programs.

The City of San Diego and the Housing Commission also support an inclement weather program that provides homeless individuals and families with night shelter from the cold and/or wet winter nights.

Additionally, the Corporation for Supportive Housing (CSH), a collaborative community partner and influential advocate for supportive housing, conducted a review of 18 transitional housing sites within the San Diego Region. They recommended that the majority of the reviewed transitional housing projects make program adjustments to

become "High Performing" Transitional Housing, with recommendations for a few sites to convert to a Permanent Supportive Housing or Rapid Re-Housing model. Some of the transitional housing providers have reassessed their programs and converted them to permanent housing units.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The Housing Commission subcontracts with local providers to assist families and individuals in short-term and transitional housing programs move to permanent housing. The goals of the program are to address the barriers that prevent households from leaving transitional housing programs and helping clients to move quickly from homelessness to self-sufficiency and independent living. This program provides households with security and utility deposits, and short or medium term rental assistance. Clients receive case management targeted to gaining employment and budgeting and financial competency. All City permanent housing programs are using the RTFH's Coordinated Entry System in FY18. The System will give priority to Veterans, chronically homeless individuals and families who score high on the vulnerability index and are most in need to gain access to housing.

The City and Housing Commission rolled out a new program in Spring 2016 which concentrates on housing for homeless Veterans (The 1000 Homeless Veterans Initiative) and is designed to reach out to homeless Veterans to address their barriers to rapid re-housing. Components of this program include: landlord outreach; funding for rapid re-housing, SDHC federal VASH vouchers, and SDHC federal housing vouchers with supportive services.

Additionally, the Housing Commission was awarded a CoC grant which funds for housing and case management services for transitional age youth in FY18. This grant will assist young adults (18-24 years old) to gain permanent housing by providing them with financial assistance to rent a unit and case management to maintain housing stability.

Provisions at 42 U.S.C. 12755 and HOME Program regulations at 24 CFR 92.253(d) require that persons assisted in housing funded through the HOME Program be selected from a waiting list in chronological order; however, the waiting list process for HOME-funded units may defer to the process allowed by other federal regulations. Under the CoC Program, CoCs are required to create written standards, which include policies and procedures for determining and prioritizing which eligible individuals and families will receive Permanent Supportive Housing assistance funded with CoC Program funds (24 CFR 578.7(a)(9)(v)). The HOME Program requirement for selecting persons from a wait list in chronological order defers to this CoC Program requirement and allows for the establishment of a limited preference such as one for persons experiencing chronic homelessness with the longest histories of homelessness and the most severe service needs.

The HOME Program requirement for affirmatively marketing units can be satisfied by the CoC CES if the CES includes all homeless providers in its system and provides a method for persons who decline assessment through the coordinated entry system to be placed on a HOME Program-funded project waiting list.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Housing Commission expanded its Project-Based Voucher (PBV) program by allocating a minimum of 400 additional project-based vouchers to serve the City's low-income families, with a primary focus on the homeless population. The baseline number of new housing units made available for homeless households at or below 80% AMI as a result of the activity is 145, and the benchmark is 216 new housing units made available for homeless households at or below 80% AMI by June 30, 2018.

During 2014, the Housing Commission's full commitment of PBV targeting the homeless reached a cumulative total of 434. The Housing Commission anticipates meeting the aforementioned benchmark when construction is completed on four developments with PBV commitments.

Sponsor-based subsidies assist individuals identified as homeless through the provision of permanent supportive housing while supportive services are provided by the sponsor

organizations. Additionally, a transitional subsidy program provides a flat subsidy to partnering agencies to ensure homeless individuals are housed while appropriate housing solutions are identified. The coordinated assessment referral system is utilized in these programs.

Project One For All (POFA) is a county initiative that provides full wrap-around services for homeless persons with serious mental illness, including individuals who are exiting from mental health facilities. The County of San Diego partners with Housing Authorities (including San Diego Housing Commission), non-profits, health clinics, and housing developers to provide stability to homeless persons with mental illness. The program is on track to far exceed their goal of housing 250 individuals with wraparound services.

Additionally, the City and the Housing Commission rolled out the SMART Pilot Program, which stands for San Diego Misdemeanants At-Risk Track. This pilot program will provide temporary housing and access to drug treatment programs to “Chronic Offenders.” The objective of the program is to reduce repeat citations and misdemeanor charges by providing temporary housing beds, treatment programs, and assistance with finding permanent housing and jobs as a pathway out of an at-risk lifestyle.

AP-70: HOPWA Goals – 91.220 (I)(3)

One-year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	80
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	52
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	56
Total	188

Table 13 – HOPWA Number of Households to Be Served

AP-75: Barriers to Affordable Housing – 91.220(j)

Introduction

A variety of barriers exist which make increasing the affordable housing stock in San Diego difficult:

1. Income and wages are not keeping pace with rising housing costs and the overall cost of living.
2. Federal resources for programs, such as the federal Section 8 Program, do not match the need experienced.
3. Homeownership is out of reach for the majority of residents.
4. Low housing vacancy rates are contributing to higher rents.
5. The cost of land is high and there is a lack of vacant land for future growth.
6. Development barriers in some communities, including permit processing times, height restrictions, outdated community plans, environmental review, and community opposition (“NIMBYism”).
7. Backlog of infrastructure and public facilities investment needs.
8. Impediments to Fair Housing.

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

The City is addressing the barriers to affordable housing through:

- The prioritization of job readiness & economic development as a Five-year Consolidated Plan Goal.
- Implementing a place-based, geographically targeted allocation process that prioritizes the lowest income areas needing the most investment.
- Enforcing the Inclusionary Housing Ordinance, which requires all new residential developments of two units or more to provide 10% affordable housing or pay an Inclusionary Affordable Housing fee.
- Maintaining the housing impact fee, which is meant to offset the cost of affordable housing for low-wage workers and mitigate some of the need for increased affordable housing due to employment growth.

- Offering a Density Bonus “to provide increased residential density to developers who guarantee that a portion of their residential development will be available to moderate- income, low-income, very low-income, or senior households.”
- Allowing additional incentives to developers who provide affordable housing; including an expedited permit process, reduced water and sewer fees, and multifamily bond financing
- Implementing recommendations from the San Diego Regional Analysis of Impediments to Fair Housing Choice.
- Continuing to update Community Plans, which are components of the City’s General Plan & which specify the location & intensity of proposed residential development. The updates are intended to implement General Plan smart growth strategies at the neighborhood level and identify housing opportunities for a variety of household sizes.
- Identifying Transit Priority Areas and Infill Opportunity Zones pursuant to Senate Bill (SB) 743. This legislation seeks to support transit-oriented residential and mixed-use development through CEQA streamlining and reform. The goal is to reduce vehicle miles traveled and contribute to reductions in greenhouse gas emissions. The City is also in the process of updating CEQA significance thresholds to address current best legal practices and reflect the SB-743 streamlined review process for transit priority areas.

Discussion

As a sub-recipient of the City, the Housing Commission is addressing the barriers that hinder affordable housing and residential investment with the following strategies:

- Increasing wage earning for Section 8 participants by enhancing Achievement Academy services.
- Providing Low Income Housing Tax Credits (LIHTC) as an indirect federal subsidy to finance the construction and rehabilitation of low-income affordable rental housing. This is an incentive for private developers and investors to provide more low-income housing that provides a dollar-for-dollar reduction in their federal tax liability in exchange for financing to develop affordable rental housing. Project rents must remain restricted for at least 30 years after project completion. The LIHTC subsidizes either 30 percent (4 percent tax credit) or 70 percent (9 percent tax credit) of the low-income unit costs in a project.

- Providing loans, closing cost assistance grants and mortgage credit certificates for first-time low/moderate-income homebuyers.
- Maintaining over 3,000 affordable housing units and preparing to purchase additional multi-family properties.
- Offering incentives to affordable housing developers which include:
- Permanent financing in the form of low-interest loans, tax-exempt bonds and land-use incentives;
- Technical assistance, such as help with securing tax credits; and,
- Predevelopment assistance loans and grants to help non-profit developers during the preconstruction phase.

AP-85: Other Actions – 91.220(k)

Introduction

This section discusses the City's efforts in addressing underserved needs, expanding and preserving affordable housing, reducing lead-based paint hazards, and developing institutional structure for delivering housing and community development activities.

Actions planned to address obstacles to meeting underserved needs.

Strategic Actions (as listed below) were identified in the Consolidated Plan in order to advance these goals:

1. Program Development, Directing Investment and Influencing Outcomes: In an effort to proactively direct critical HUD resources and make demonstrable progress toward achieving the six Consolidated Plan Goals, the City outlined the following distribution of CDBG funds for fiscal years 2016 – 2019. After subtraction of the portion of the budget dedicated to administration purposes (20%), the following caps were established:

- **Community Services (Public Services)** [up to 15% annually] Through this portion of the funds, public services are delivered to the City's most vulnerable populations. Council Policy 700-02 dedicates a portion of Community Services funding for services to assist the homeless population. Pursuant to San Diego City Council No. R-310812, adopted December 16, 2016 up to \$1,318,078 in CDBG Public Service funds to assist with the costs of homeless programs and services. With the additional Program Income, the City is also proposing to rehab a homeless facility to increase the number of beds available.
- **Community/Economic Development** [up to 10% annually] Activities funded through this program are intended to promote economic opportunities including job readiness and business/microenterprise development. With the additional Program Income, the City has established an early-stage Development Accelerator program and a Small Business Revolving Loan fund to further enhance the opportunities for economic growth throughout the City.
- **Capital Improvement Projects** [up to 55% annually] This portion of the funds is dedicated to (1) investment in the City's critical public infrastructure needs to support neighborhood safety and improved livability; and, (2) funding critical improvements to non-profit public facilities that improve or expand services to the City's most vulnerable populations as well funding housing rehabilitation programs.

A new Sustainability category was added to the Request for Proposal grant cycle to further implement the City's Climate Action Plan.

Actions planned to foster and maintain affordable housing.

Actions planned to foster and maintain affordable housing include the Strategies to remove or Ameliorate the Barriers to Affordable Housing listed in section AP-55.

Actions planned to reduce lead-based paint hazards.

Childhood lead poisoning is the number one environmental health problem facing children today. Unlike many diseases, lead poisoning is entirely preventable. In June 2002, the City began to address this issue by enacting Municipal Code Division 10, (Section 54.1001 et seq.) making it unlawful for a property owner to maintain or cause a lead hazard. In 2008, Division 10 was renamed the "Lead Hazard Prevention and Control Ordinance", and amended to become one of the most comprehensive local lead poisoning prevention ordinances in the nation.

The City's Environmental Services Department Lead Safety and Healthy Homes Program (LSHHP) serves as the primary liaison for connecting the community with resources to prevent lead poisoning, and is the City's enforcement agency for the Lead Hazard Prevention and Control ordinance. In addition to requiring property owners to maintain their properties, this ordinance requires:

- Contractors conduct renovation in a lead-safe manner and conduct a visual verification and lead dust clearance testing.
- Landlords to conduct a visual assessment and correction of potential lead hazards at unit turnover.
- Home improvement and water pressure equipment rental stores required to make available lead education material to customers.
- Childcare facilities to obtain proof of blood lead testing at enrollment.

In January 2015, the LSHHP was awarded a \$3.4 million Lead Hazard Control grant from HUD's Office of Lead Hazard Control and Healthy Homes. This grant, known as the Lead Safety Collaborative, began January 1, 2015 and has an objective to eliminate lead hazards in 150 low income residential housing units by December 31, 2017. Another grant objective is to train at least 250 unemployed youth in accordance with the EPA accredited Certified Renovator training to conduct work in a lead safe manner. This will be done in partnership with the Urban Corps Training Center, a non-profit organization working to provide low-income individuals ages 18-25 with

education and training in various trades to help them succeed in their careers.

Additionally, the Housing Commission's "Home Safe Home" program protects low-income children and families in the City of San Diego from lead-based paint and other home health hazards, with priority given to families whose homes are frequented by children under the age of six years old. The program provides blood tests for lead levels and lead paint remediation in qualifying homes that were built before 1979. Maximum grant amounts are:

- \$10,000 for single-family structures.
- \$5,000 per unit for multi-family structures. An additional \$5,000 per project will be made available for multi-family projects to control lead hazards in common areas.

(This information may change in the Final Version of the Action Plan.)

Actions planned to reduce the number of poverty-level families.

Through its CDBG allocations, the City of San Diego funds a variety of projects under Goal 6: Enhancing the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs. The majority of these projects are microenterprise activities that provide training in business development and technical assistance both individually and in a classroom setting.

The City's Economic Development Strategy contains three overarching Strategic Objectives: Economic Base Growth, Middle-Income Jobs, and Neighborhood Business. The Performance Measures linked to the three Strategic Objectives are:

1. Increase the Gross Regional Product (GRP) of the San Diego Region
2. Increase the percentage of the workforce earning middle-wage incomes
3. Decrease the local unemployment rate
4. Increase the local median income
5. Decrease the percentage of people living in poverty
6. Increase General Fund tax revenues as a percentage of GRP
7. Increase the business activity in the City's neighborhood business districts

Actions planned to develop institutional structure.

The City has shifted from an application-driven process to a goal-driven, outcome-oriented process based on need and best practice. As noted, three Strategic Actions were proposed in the Consolidated Plan that the City is currently implementing:

1. Program development, directing investment, and influencing outcomes
2. Leverage and geographic targeting
3. Increasing administrative efficiencies

The third strategic action assist in developing institutional structure and is consistent with previous reforms, priorities, and opportunities, and budget priorities. The additional program income has added a tremendous amount of opportunities for the City and the Economic Development Department. The CDD introduced a new software platform to assist in managing the increase in programs and projects.

Actions planned to enhance coordination between public and private housing and social service agencies.

The City benefits from a strong jurisdiction and region-wide network of housing and community development partners, such as the County, the RTFH, and the Housing Commission. The County's Housing and Community Development Department (HCD) improves neighborhoods by assisting low-income residents, increasing the supply of affordable, safe housing, and rehabilitating residential properties in San Diego County. HCD leverages the City's HOPWA program funds with the County's Health and Human Services Agency and its own housing program income. The RTFH has approximately 80 members comprised of a broad spectrum of the community, including providers of services, government agencies, and the private sector.

AP-90: Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$17,656,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee’s strategic plan.	\$0
3. The amount of surplus funds from urban renewal settlements	\$0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	\$0
5. The amount of income from float-funded activities	\$0
Total Program Income:	\$17,656,00

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit it	95%

<p>persons of low and moderate income. Specify the years covered that include this Annual Action Plan.</p>	
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**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(I)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City does not use HOME funds in any other manner than those described in Section 92.205

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The Housing Commission will recapture that portion of HOME program investment unforgiven by the elapsed affordability period or recapture the maximum net proceeds from sale of property (whether recapture is affected through foreclosure or no foreclosure action). Net proceeds recovered will be used to: (1) Reimburse the HOME program (approved activity) for the outstanding balance of HOME funds not repaid or forgiven during the applicable affordability period at the time of recapture. (2) Reimburse the HOME program (administration) for "holding costs" or other costs associated with the recapture action (legal fees, insurance, taxes, realtor fees, appraisal/BPO costs, etc.) If net proceeds recaptured are less than the outstanding balance of HOME funds invested in the property (for all approved activities and holding costs incurred), the loss will be absorbed by the HOME program and all HOME program requirements would be considered to have been satisfied. If net proceeds recaptured are greater than the outstanding balance of HOME funds invested in the property (for all approved activities and holding costs incurred), the balance of net proceeds would be distributed to the homeowner (or his/her estate). If the recapture of proceeds is effectuated through a completed foreclosure action, and the property is legally owned by the Housing Commission the balance of net proceeds recaptured will inure to the Housing Commission.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

For those cases where the affordability requirements are violated as a result of the death of the HOME beneficiary and there is an eligible person who qualified and is desirous of assuming the HOME assistance invested in the property, the Housing Commission will

permit sale of the HOME-assisted unit to the qualifying, eligible person, contingent upon the Housing Commission's prior review and approval. The subsequent owner will be required to adhere to all applicable affordability requirements for the unexpired term of the original affordability period.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

For acquisition/rehabilitation of existing rental units, the Commission provides refinancing with below market-rate, deferred payment junior mortgages. Acquisition/rehabilitation developments must have at least 20 percent of the units affordable to households at or below 80 percent of median income. Proposals with rents affordable to households with incomes at or below 50 percent of median family income will receive preference. Proposed projects from impacted census tracts must demonstrate community support. Proposals may not result in a significant displacement of moderate-income households.

Emergency Solutions Grant (ESG)

Reference 91.220(I)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

The Housing Commission adopted performance standards in line with the Continuum of Care. These standards include: rapidly re-housing clients into permanent housing within 30 days after determination of eligibility; retaining this housing for at least six months; attaining or maintaining income while in permanent housing. The Housing Commission also requires programs use progressive engagement with clients to determine their financial need and receive just enough assistance to maintain housing.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The San Diego Regional Continuum of Care, now the Regional Task Force on the Homeless, uses a coordinated assessment system as directed by HUD and has piloted it in the City of San Diego, and part of the County in FY 16 & 17. The system uses an assessment tool that scores individuals based on their needs and vulnerability to ensure that regional programs give priority to chronically homeless individuals and families who are at-risk by remaining un-housed.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The Housing Commission conducts an open and competitive Request for Proposal (RFP) process for making sub-awards. RFP's are publically announced in newspapers and on the Commission's website, and the Housing Commission uses an automated service to send announcements of upcoming bids to members of the public.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Housing Commission does not have homeless or formerly homeless people on its Board of Commissioners nor does the City Council, which is the final approval authority for the Housing Commission. However, the Housing Commission does consult with the Regional Continuum of Care which has formerly homeless individuals as members. Subcontractors who administer the shelters and the rapid re-housing programs have formerly homeless individuals in their organizations who help shape policies and make decisions about services and programs that receive ESG funding.

5. Describe performance standards for evaluating ESG.

The Housing Commission has adopted performance standards for Rapid Re-housing that are in line with the Continuum of Care. These standards include: rapidly re-housing clients into permanent housing within 30 days after determination of eligibility; retaining this housing for at least six months; attaining or maintaining income while in permanent housing. The Housing Commission also requires that programs use (1) a progressive engagement approach with clients to determine their financial need and receive just enough assistance to maintain housing; and (2) Housing First to ensure clients attain housing prior to taking steps to address any other significant issues with which they may be struggling (e.g., substance abuse, mental health, gaining or increasing income).

HOPWA

Identify the method of selecting project sponsors and describe the one-year goals for

HOPWA-funded projects:

Similar to the City of San Diego's CDBG funding process, as a subrecipient of the City, the County of San Diego has a competitive RFP process to select project sponsors for HOPWA funds. Contracts were awarded for a three year grant cycle.

Short-term rent, mortgage

HOPWA dollars are not currently funding projects in this category.

Tenant-based rental assistance

The one-year goal is to provide tenant-based rental assistance to 80 households in FY 2018.

Units provided in housing facilities that are being developed, leased, or operated

Funding is provided to Townspeople for housing operations of the 52 permanent housing units located at Wilson Avenue, 34th Street, and 51st Street Apartments.

Discussion

Programs funded through the HOPWA Program are housing related and designed to provide affordable housing for low-income persons living with HIV/AIDS and their families; enable low-income persons living with HIV/AIDS and their families to become housed; and to provide services needed to enable low-income HIV/AIDS clients to remain housed, locate housing, and prevent homelessness. During this fiscal year, the County of San Diego will release a new RFP for the next funding cycle.

FY 2018 CDBG Budget					FY 2018 Allocations	
FY 2018 Categories	Prior Year Funding Sources	FY 2018 CDBG Entitlement	FY 2018 CDBG Reinvestment Initiative	Total FY 2018 CDBG Proposed Budget	Obligated Allocations	Unobligated Allocations
CDBG Entitlement (based on 5% reduction)	\$ -	\$ 10,352,384	\$ -	\$ 10,352,384		
CDBG Successor Agency Debt Repayments	\$ -	\$ -	\$ 17,656,000	\$ 17,656,000		
FY16 Program Income	\$ 462,710	\$ -	\$ -	\$ 462,710		
FY16 Unobligated CDBG	\$ 57,159	\$ -	\$ -	\$ 57,159		
FY17 Unobligated CDBG	\$ 1,231,443	\$ -	\$ -	\$ 1,231,443		
Total Anticipated CDBG RFP Budget	\$ 1,751,312	\$ 10,352,384	\$ 17,656,000	\$ 29,759,696		
Entitlement Programs and Projects	\$ -	\$ 10,352,384	\$ 2,147,616	\$ 12,500,000	\$ 13,945,232	\$ -
Administration (20%) - Stabilized	\$ -	\$ 2,070,477	\$ 429,523	\$ 2,500,000	\$ 2,500,000	\$ -
Public Services (15%)	\$ -	\$ 1,552,858	\$ 322,142	\$ 1,875,000	\$ 1,810,967	\$ -
Homeless Set-Aside	\$ -	\$ 1,318,078	\$ 0	\$ 1,318,078	\$ 1,318,078	\$ -
Public Services Projects	\$ -	\$ 234,780	\$ 322,142	\$ 556,922	\$ 492,889	\$ 64,033
Community/Economic Development (10%)	\$ -	\$ 1,035,238	\$ 214,762	\$ 1,250,000	\$ 1,032,784	\$ 217,216
Capital Improvement Projects (55%)	\$ -	\$ 5,693,811	\$ 1,181,189	\$ 6,875,000	\$ 8,601,481	\$ -
Nonprofit CIP (40%)	\$ -	\$ 2,277,524	\$ 472,476	\$ 2,750,000	\$ 2,666,481	\$ 83,519
City Projects (60%)	\$ 1,751,312	\$ 3,416,287	\$ 708,713	\$ 5,876,312	\$ 5,935,000.00	\$ (58,688)
Reinvestment Initiative						
Administration (20%) - REI total less stabilization	\$ -	\$ -	\$ 3,101,677	\$ 3,101,677	\$ 3,101,677	\$ -
Public Services - REI (20%)						
Challenge Grants	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 864,255	\$ 135,745
TechHIRE Academy Program	\$ -	\$ -	\$ 750,000	\$ 750,000	\$ 750,000	\$ -
Summer Hire Program (Interns)	\$ -	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ -
Connect2Careers - Gap funding	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Housing and Homeless						
Affordable Housing Revolving Loan Fund	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -
Homeless Facility Rehab and/or Acquisition	\$ -	\$ -	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ -
Sustainability						
Smart Street Lighting	\$ -	\$ -	\$ 750,000	\$ 750,000	\$ 750,000	\$ -
Sustainability (nonprofit projects)	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 914,546	\$ 85,454
Inclusive Economic Growth and Workforce Development						
Early-Stage Development Accelerator	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Small Business Revolving Loan Fund	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Business Assistance Fund	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Total Allocation					\$ 28,800,710	
Unprogrammed Balance - Available for Con Plan Goals	\$ -	\$ -	\$ 431,707	\$ 431,707	\$ -	\$ 527,279

Total Public Services Cap (15% of \$28,008,384)	\$ 4,201,258	Total Admin Cap (20% of \$28,008,384)	\$ 5,601,677
Entitlement Programs	\$ 1,875,000	Stabilized Entitlement	\$ 2,500,000
Challenge Grant	\$ 1,000,000	REI less Stabilized	\$ 3,101,677
TechHIRE	\$ 750,000		
Summer Hire	\$ 350,000	Available Admin	\$ -
Connect2Careers	\$ 25,000		
Available Public Services	\$ 201,258		

DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO
EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION

DATE:
March 17, 2017

SUBJECT: FY 2018 U.S. Department of Housing and Urban Development (HUD) Entitlement Program Allocations, FY 2018 Annual Action Plan and Substantial Amendment to the FY 2015- FY 2019 Consolidated Plan for City of San Diego HUD Programs

GENERAL CONTRACT INFORMATION

Recommended Contractor: TBD
Amount of this Action: TBD
Funding Source: US Department of Housing and Urban Development (HUD)
Goals: TBD

SUBCONTRACTOR PARTICIPATION

There is no subcontractor participation associated with this action; however, subsequent actions must adhere to funding agency requirements.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

Contracts or agreements associated with this action are subject to the City's Equal Employment Opportunity Outreach Program (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).

ADDITIONAL COMMENTS

This action accepts, appropriates and expends the anticipated US Department of Housing and Urban Development annual allotments.

BK