

CONSOLIDATED PLAN ADVISORY BOARD (CPAB)

MINUTES

Wednesday, July 14, 2021

VIRTUAL CPAB MEETING

([LINK](#))

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
<ul style="list-style-type: none"> • Eileen Gonzales, Council District 3 • Brenda Campbell, Council District 4 • Patrick Batten, Council District 5 • Rich Thesing, Council District 7 • Victoria Barba, Council District 8 • Peter Dennehy, Council District 9 	<ul style="list-style-type: none"> • VACANT, Council District 1 • VACANT, Council District 2 • VACANT, Council District 6

STAFF PRESENT	ATTENDANCE
<ul style="list-style-type: none"> • Monica Hardman, Assistant Deputy Director • Angela Nazareno Clark, Program Manager • Michele Marano, Community Development Coordinator • Liza Fune, Community Development Specialist • Leonardo Alarcon, Community Development Specialist • Nadine Hassoun, Community Development Project Manager 	<p><i>(Public had access to meeting via Zoom Webinar and YouTube link)</i></p>

Call to Order

1. Mr. Peter Dennehy called the meeting to order at 10:10AM. Mr. Dennehy took role call; 5 board members were present. Quorum was achieved at the same time. One member arrived late.

Board Member Announcements

2. *No board member announcements were made*

Staff Announcements

3. Ms. Nadine Hassoun announced that the Economic Development Department has released two, off-cycle Notice of Funding Availability (NOFA) for Community Development Block Grant (CDBG)

funding opportunities available to nonprofit organizations under two categories: Community Economic Development and Public Service. The Request for Qualifications (RFQ) submittal deadline will be July 23, 2021, at 5 p.m. (PDT). Information regarding this supplemental NOFA process and timeline are posted on our [CDBG webpage](#). RFQ technical appointments are available to applicants, and July 14, 2021, is the last day for appointments. Please reach out to CDBG@sandiego.gov if you have any questions or would like to schedule a technical assistance appointment.

4. Ms. Hassoun also announced that the Economic Development Department has four (4) vacant Community Development Specialist (CDS) II positions. Recruitment is currently open and will close on Monday, July 19. To apply, please visit the City's website and click on the City Employment link during the recruitment timeframe

Approval of Minutes

5. Mr. Rich Thesing made the motion to approve the April 13, 2021, meeting minutes. Mr. Patrick Batten seconded the motion. The minutes were approved unanimously.

Non-agenda Public Comment

6. *No non-agenda public comments were received.*

Discussion Items

7.

a. CDBG Monitoring Review Process

Community Development Division (CDD) staff provided an overview of the monitoring reviews of CDBG-funded projects that are conducted annually.

Please see attached presentation for more information.

Mr. Rich Thesing thanked staff for the presentation. He asked whether monitoring reviews were conducted on-site. Ms. Liza Fune responded that monitoring reviews did take place on-site, until the COVID-19 pandemic, but are now taking place remotely.

Mr. Thesing asked if all projects undergo monitoring reviews. Ms. Fune stated that the goal is to conduct reviews for all approved projects annually.

Mr. Thesing asked what prompts monitoring reviews. Ms. Fune responded that monitoring reviews take place routinely and rarely due to a complaint.

b. Geographic Targeting Update

CDD staff reintroduced the Geographic Targeting Initiative report and how staff will update the document (Original report can be viewed [here](#)).

Please see attached presentation for more information.

Ms. Eileen Gonzales asked whether the City of San Diego adopted Neighborhood Revitalizations Strategy Areas (NRSAs). Mr. Leonardo Alarcon responded that the City has not adopted a NRSA in over 10 years. In FY 2016, department management

direction at that time was to create our own targeted impact area instead of having an official NRSA. The Geographic Targeting Initiative was approved by HUD as well.

Mr. Thesing asked if any areas identified as high-needs were no longer high-needs. Mr. Alarcon responded that the areas identified in 2016 have been static.

Dr. Brenda Campbell asked when the geographic targeting initiative working group would be established. Mr. Alarcon responded that it would be established in the upcoming months and CPAB members will be notified, with the caveat of a max of 4 CPAB members being able to join due to the Brown Act. Dr. Campbell also stated that she is interested in data that would help in determining whether CDBG subrecipients are making an impact in in the communities that they serve. Mr. Alarcon responded that he would follow up on that information at a future CPAB meeting.

Adjournment

8. Mr. Dennehy adjourned the meeting at 10: 47AM.

Economic Development

CDBG MONITORING REVIEW PROCESS

Consolidated Plan Advisory Board

July 14, 2021

IMPORTANCE OF MONITORING

- ❖ Provides accountability and assurance that Federal funds are spent effectively to accomplish their intended purpose
- ❖ Grantee oversight of subrecipients is critical and required under 2 CFR Part 200
- ❖ Grantees are required to establish and maintain effective internal controls for themselves and ensure their subrecipients do the same
- ❖ Grantees risk losing HUD funding when no monitoring or insufficient monitoring occurs

CDD MONITORING AND COMPLIANCE

- ❖ The CDD Monitoring and Compliance (MAC) Section was implemented in FY 2018 (July 2017)
- ❖ Fully staffed in January 2018

ROLE

Complete annual Program and Fiscal Monitoring Reviews and recommend improvements that enhance programmatic efficiency, effectiveness, and document results to ensure that the City's HUD Programs comply with Federal rules and regulations. Complete submittal of required HUD Reports associated with construction activities completed.

CDD MONITORING AND COMPLIANCE

- ❖ A CDD Monitoring Plan was developed
 - Monitor Records: Desk Reviews of MPRs and RFRs
 - General Site Visits
 - Worker Interviews
 - Program Monitoring Reviews
 - Fiscal Monitoring Reviews
 - Real Property Disposition Monitoring Reviews
 - Remote Monitoring Reviews

- ❖ The City of San Diego HUD Programs Operating Manual is made available to Subrecipients annually and contains a section on Monitoring
 - FY 2021: Pages 63-66

PROGRAM MONITORING REVIEW

Program Monitoring Reviews are conducted to determine whether the Subrecipient has a program monitoring system that sufficiently:

- Provides verification that Subrecipient project services and activities are being delivered in accordance with agreement specifications
- Provides verification that the Subrecipient has systems in place that ensures project eligibility (i.e., National Objective), provision of services/activities, and compliance with other agreement requirements are adequately documented
- Addressed/implemented changes resulting from concerns or findings identified in the previous program monitoring review

PROGRAM MONITORING REVIEW

The following are reviewed:

- Service delivery processes
- Reporting policies and procedures
- Records maintenance systems
- Participant files
- Original source documentation used to complete program reports

FISCAL MONITORING REVIEW

Fiscal Monitoring Reviews are conducted to determine whether the Subrecipient financial management system sufficiently:

- Provides effective control over and accountability for all funds, property and other assets
- Identifies the source and allowable application of funds for project activities conducted
- Assures the accurate, complete, and timely disclosure of financial results
- Minimizes the time elapsing between transfer of funds and disbursement
- Addressed/implemented changes resulting from findings and/or concerns identified in the previous fiscal monitoring review

FISCAL MONITORING REVIEW

The following are reviewed:

- Financial Management
- Internal Controls
- Payment Reporting
- Program Income
- Records Retention
- Loan Financing and Servicing
- Equipment Management and Disposition
- Board Financial Oversight
- Original source documentation used to complete fiscal reports

REAL PROPERTY DISPOSITION MONITORING REVIEWS

Real Property Disposition Monitoring Reviews are conducted on completed construction projects to determine the following:

- Whether the ownership status changed
- Whether rent or client fees were collected resulting from the CDBG improvements completed and what the current rent charges are for multi-family housing projects
- Whether the use of the property and/or beneficiaries changed
- Whether CDBG improvements completed are being properly maintained
- Whether original source documentation of National Objectives eligibility continue to be properly maintained



Q & A

Economic Development

Geographic Targeting Update

Consolidated Plan Advisory Board

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Geographic Targeting

- HUD targeted areas/communities
- Original Geographic Targeting Initiative
- Impact on evaluation of project locations & services
- Original data indicators
- Possible updated indicators
- Other considerations

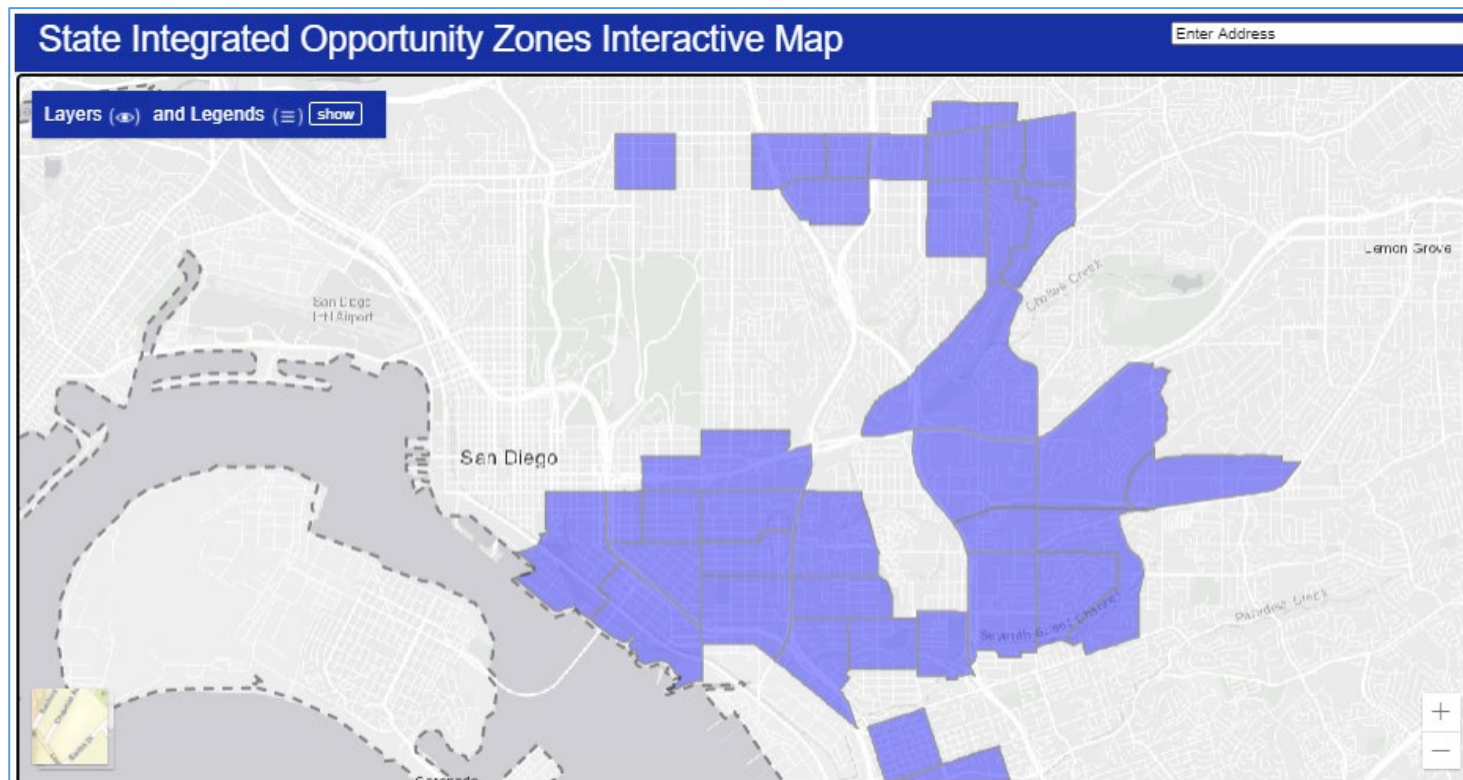
HUD Defined Area

- Neighborhood Revitalization Strategy Area (NRSAs)
 - Official HUD application
 - Incorporated into Consolidated Plan

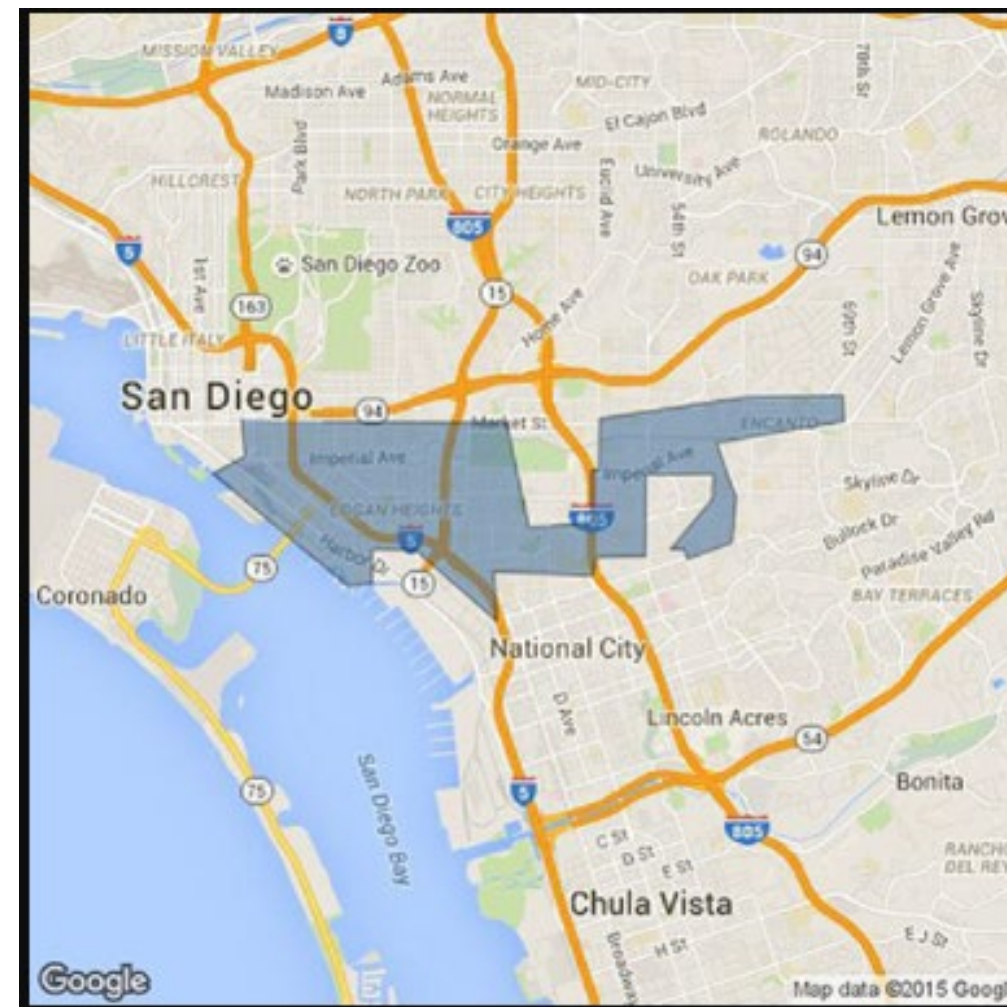


HUD Defined Areas

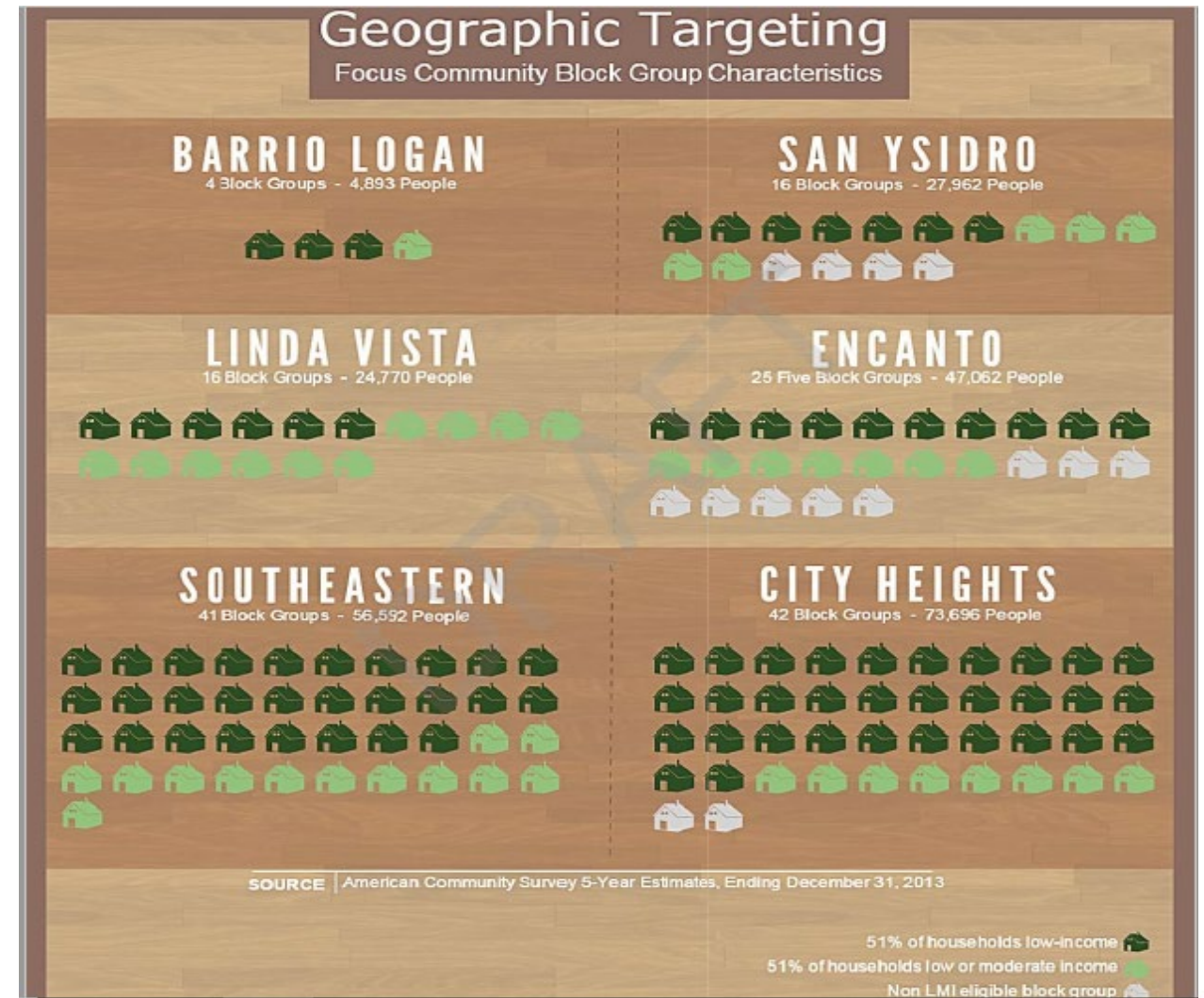
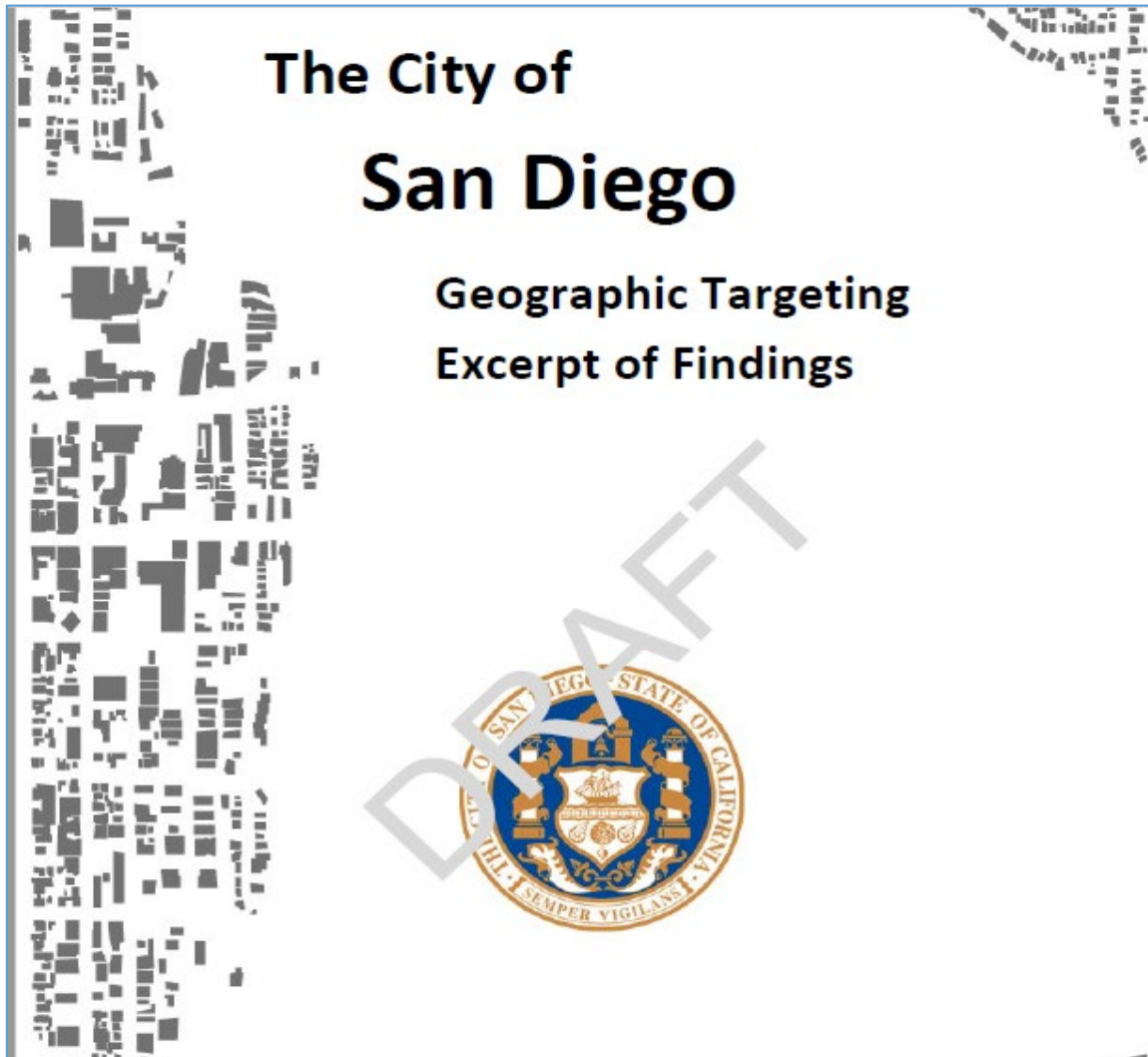
- Opportunity Zone



- Promise Zone



Original Geographic Targeting Initiative



Points Allocated in Evaluation

- Office location and targeted service area
- Points allocated for FY 2022:

Geographic Targeting Section (4.b & 4.c)	Public Services	Economic Development	Nonprofit Facility Improvements	Multi-Family Housing Rehabilitation
Location <i>(Scored by CDD staff)</i>	2 points	3 points	4 points	3 points
Services Delivered	3 points	3 points	3 points	4 points*

**Housing projects do not deliver specific services, points in this section are focused on proximity to public transit and employment*

Original Data Indicators

- Poverty
- Rent burden
- Severe overcrowding
- Unemployment
- Violent crime
- Sidewalk coverage

Possible Updated Data Sets

- Eviction rates
- Unemployment due to COVID-19
- Affordable housing opportunities
- Foreclosures
- Infrastructure needs

Other Considerations

- New Consolidated Plan and goals
- New LMI census tract data (2010 vs 2020)
- COVID-19
- City of San Diego redistricting

Upcoming Discussion Items

- Working group identified
 - Maximum of four (4) CPAB members
- Points distributed in past application cycles
- Creation of draft
- Final update for FY 2024 application cycle