



Appendix 2:  
Formula Calculation Notice  
from HUD 10/22/2020



ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

October 22, 2020

**CORRECTED NOTICE**

The Honorable Kevin Faulconer  
Mayor of San Diego  
202 C Street  
11th Floor  
San Diego, CA 92101-4806

Dear Mayor Faulconer:

I am pleased to inform you of your jurisdiction's Fiscal Year (FY) 2020 allocations for the Office of Community Planning and Development's (CPD) formula programs, which provide funding for housing, community and economic development activities, and assistance for low- and moderate-income persons and special needs populations across the country. President Trump signed Public Law 116-94 on December 20<sup>th</sup>, 2019, which includes FY 2020 funding for these programs.

Since issuing the original allocation announcement letters, HUD has discovered an error in the formula calculation for two CPD formula programs, the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) programs, stemming from issues at HUD field offices in California which are currently being resolved. HUD informs you that the correction to the formula has resulted in a decrease in the allocations for your community, an amount representing 99.98% of your total CDBG and HOME grants for FY 2020. San Diego's original CDBG and HOME allocations were \$12,280,031 and \$5,780,859, respectively. Your jurisdiction's FY 2020 available allocations are now as follows:

Community Development Block Grant (CDBG)	\$12,278,159
HOME Investment Partnerships (HOME)	\$5,779,526

This letter highlights several important points related to these programs. We remind grantees that CPD seeks to develop viable communities by promoting integrated approaches that provide decent housing and suitable living environments while expanding economic opportunities for low- and moderate-income and special needs populations, including people living with HIV/AIDS. The primary means towards this end is the development of partnerships among all levels of government and the private sector, including both for-profit and non-profit organizations.

Based on your jurisdiction's CDBG allocation for this year, you also have \$38,022,155 in available Section 108 borrowing authority. Since Section 108 loans are federally guaranteed, this program can leverage your jurisdiction's existing CDBG funding to access low-interest, long-term financing to invest in Opportunity Zones or other target areas in your jurisdiction.

HUD continues to emphasize the importance of effective performance measurements in all of its formula grant programs. Proper reporting in the Integrated Disbursement and Information System (IDIS) is critical to ensuring grantees are complying with program requirements and policies, providing demographic and income information about the persons that benefited from a community's activities, and allowing HUD to monitor grantees. Your ongoing attention to ensuring complete and accurate reporting of performance measurement data continues to be an invaluable resource with regard to the impact of these formula grant programs.

The Office of Community Planning and Development is looking forward to working with you to promote simple steps that will enhance the performance of these critical programs and successfully meet the challenges that our communities face. If you or any member of your staff have questions, please contact your local CPD Office Director.

Sincerely,

A handwritten signature in black ink, appearing to read "John Gibbs", written in a cursive style.

John Gibbs  
Assistant Secretary (Acting)  
for Community Planning and Development  
U.S. Department of Housing and Urban Development