CITY OF SAN DIEGO
COMMUNITY DEVELOPMENT BLOCK GRANT
RECOVERY ACT PROGRAM (CDBG-R)

SECOND SUBSTANTIAL AMENDMENT
TO THE
FY 2009 ANNUAL ACTION PLAN

CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction: City of San Diego Jurisdiction Web Address: www.sandiego.gov/cdbg/general	CDBG-R Contact Person: Angela Nazareno Address: 1200 Third Avenue, Suite 1400 San Diego, CA 92101 Telephone: (619) 236-6944 Fax: (619) 533-3219 Email: anazareno@sandiego.gov

ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD's recovery website at http://www.hud.gov/recovery.

B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

(1) Activity Name:

Activity Name	Activity Description	Allocation
San Diego Apartments	Affordable housing rehabilitation (16 units)	$266,000
Euclid Court Apartments	Affordable housing rehabilitation (11 units)	$418,000
Mt. Hope/Market St. Median and Street Lighting Project	Public Infrastructure Improvements – medians and street lighting (public facilities)	$610,000
Montgomery Waller Recreation Center	ADA Improvements - (public facilities) building improvements	$675,000
*Prop. 1C Projects (Additional info is listed below)	Affordable Housing Projects - offsite infrastructure (public improvements)	$1,807,000
Administration	Oversight of the CDBG-R funds (max. 10%)	$257,900
Total Allocations		**$4,033,900**

***Prop. 1C – Transit Oriented Development (TOD) project details**

The Village at Market Creek (Trolley Residential; Northwest Village)	Jacobs Center for Neighborhood Innovation	$1,700,000
9th and Broadway	BRIDGE Housing	$985,000
15th and Commercial	St. Vincent de Paul	$663,759
The Boulevard at North Park	Community Housing Works	$1,505,000
Total Requested		**$4,853,759**

***Prop 1C - Infill Infrastructure Grant (IIG) project details**

15th and Commercial	St. Vincent de Paul	$308,902
Cedar Gateway	ROEM Corporation	$70,000
Total Requested		**$378,902**

(2) Activity Narrative:
In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

City response:

Preserving and creating jobs and promoting economic recovery: The City of San Diego has chosen to limit CDBG-R funding to public facilities, infrastructure, and affordable housing rehabilitation because these activities work towards preserving and creating jobs. As with other regions, the City has also been impacted by the current economic downturn. Therefore, the City plans to utilize the CDBG-R funds for hard development costs that employ or retain a significant number of workers which is consistent with the goals of the Recovery Act.

Please refer to **Attachment 1** for a more detailed description of each activity and to **Attachment 2** for the CDBG-R Activity Data Spreadsheet information. However, should any of the Prop 1C projects not be funded by the State, then CDBG-R allocated for Prop 1C projects, will first be redirected to the San Diego Urban Corps and to San Diego Second Chance. Their proposed activities are listed on **Attachment 1** ***labeled, Alternative Projects***. These two non-profits projects are also identified on **Attachment 2**, the CDBG-R Activity Data Spreadsheet labeled, ***Alternative Projects***.

(3) Jobs Created: (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

City response:

Jobs estimated created or retained per project (to the greatest extent feasible) are listed below:

San Diego Apartments 20-25 created

Euclid Court Apartments	15-20 created
Mt. Hope/Market Street	20 retained/created
Montgomery Waller Recreation Center	20 retained/created
Prop 1C – Affordable housing projects	20 retained/created*

*The thirty (30) retained and/or created jobs are only for the CDBG-R stimulus funds going into those selected projects. However, in an effort to track the impact the CDBG-R funds have on promoting economic recovery here in our City, the developers are required to report the total jobs created and/or retained. This data will be compiled and reported to HUD alongside the City's CDBG-R outcomes.

(4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

City response:

All infrastructure improvement projects are encouraged to comply with the City's Construction, Demolition Debris and Deposit Ordinance.

(5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

City response:

San Diego Apartments/Euclid Courts Apartments
Contact: Cissy Fisher, Assistant Vice President
San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101
T: 619-578-7585
F: 619-578-7351

Mt. Hope/Market Street
Montgomery Waller Recreation Center
Contact: James Negalvoort, Deputy Director
City of San Diego, Engineering
600 B Street, Fifth Floor
San Diego, CA 92101
T: 619-533-3616
F: 619-533-3131

Prop 1C Projects
Contact: Amy Benjamin
City of San Diego, CPCI
202 C Street, Fifth Floor
San Diego, CA 92101
T: 619-236-6525
F: 619-236-6478

C. Public Comment

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

City response: The City of San Diego is undertaking several activities to provide notice of an opportunity to comment on this proposed substantial amendment to the FY2009 Action Plan. A Public Notice for the proposed substantial amendment is being published in the Union Tribune, San Diego Daily Transcript, La Prensa, the Voice &Viewpoint, Channel 24 (CityTV), and the City's CDBG Program webpage (www.sandiego.gov/cdbg/general). The public comment period is May 25th - June 1st, 2009. The public will have final opportunity to comment on the proposed amendment on June 1, 2009 when the City Council considers adoption of the amendment at a public meeting. All public comments obtained will be included in the final substantial amendment submitted to the U.S Department of Housing and Urban Development (HUD) as **Attachment 3.**