

APPENDIX B:

PUBLIC COMMENTS

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Following are the questions and comments received on the Draft Fiscal Year 2012 Consolidated Annual Performance and Evaluation Report (CAPER) and the responses provided by staff. The draft CAPER was available for public review and comment from September 4 through September 19, 2012. The report was posted online for viewing and downloading at the City of San Diego's CDBG Program website (<http://www.sandiego.gov/cdbg/general/plansreports.shtml>), and hard copies were made available for viewing at the following locations:

- **City Clerk's Office** (202 'C' Street, 2nd Floor, San Diego, CA 92101)
- **CDBG Program Office** (1200 Third Avenue, 14th Floor, San Diego, CA 92101)
- **Central Library** (820 'E' Street, San Diego, CA 92101)
- **Malcolm X Library** (5148 Market Street, San Diego, CA 92114)
- **San Ysidro Branch Library** (101 West San Ysidro Boulevard, San Diego, CA 92173)
- **Logan Heights Branch Library** (567 South 28th Street, San Diego, CA 92113)
- **City Heights/Weingart Branch Library** (3795 Fairmount Avenue, San Diego, CA 92105)
- **Linda Vista Branch Library** (2160 Ulric Street, San Diego, CA 92111)
- **Jacobs Center for Neighborhood Innovation** (404 Euclid Avenue, San Diego, CA 92114)
- **Bayside Community Center** (2202 Comstock Street, San Diego, CA 92111)

Refer to pages 17 and 18 of the CAPER for a description of the City's efforts to disseminate the report and encourage its review by the public.

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RE: CONSOLIDATED PLAN PROGRESS AND FAIR HOUSING PROGRAM (COUNCIL)

During the City Council Meeting of Tuesday, September 18, 2012, staff presented the Draft Fiscal Year 2012 Consolidated Annual Performance and Evaluation Report (CAPER) as an information item. In response to inquiries regarding lack of progress in advancing specific goals as well as the Fair Housing Program, staff committed to provide further information. Following is a copy of the September 24, 2012 memorandum forwarded to the Council Offices and the Office of the Independent Budget Analyst addressing the questions raised during the City Council Meeting.




THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: September 24, 2012

TO: Honorable Council President Tony Young and Members of the City Council

FROM: Tom Tomlinson, Deputy Director, Economic Development and Project Management Division, Development Services Department 

SUBJECT: Draft Fiscal Year 2012 Consolidated Annual Performance and Evaluation Report

During the City Council Meeting of Tuesday, September 18, 2012, staff presented the Draft Fiscal Year 2012 Consolidated Annual Performance and Evaluation Report (CAPER) as an information item. In response to inquiries regarding lack of progress in advancing specific goals as well as the Fair Housing Program, staff committed to provide further information. The purpose of this memo is to follow up in that regard.

Fair Housing Program

The FY 2010 – FY 2014 Consolidated Plan identifies as one of its performance indicators under goal number 12 the acceptance and subsequent follow up of 350 complaints alleging housing discrimination based on federal, state and local laws. The CAPER reports that to date only 13 complaints have been followed up on. The primary reasons for delays in advancing this objective are generally twofold:

- The 2010-2015 San Diego Regional Analysis of Impediments to Fair Housing Choice (AI) was not completed until June 2011. Among other information, the AI assesses the nature and extent of housing discrimination and, as such, its completion was necessary to begin implementation of the target noted above in a manner consistent with the findings and recommendations of the AI.
- Following the completion of the AI, CDBG Program staff moved to advance fair housing practices by directly procuring the services of qualified parties rather than attempt to advance this goal through the CDBG competitive application process. As such, staff needed to complete the Request for Proposals & Qualifications process, the evaluation of the responses and subsequent contracting in order to begin implementation of the Fair Housing Program. Contracts with two Fair Housing service providers, Housing Opportunities Collaborative and Legal Aid Society of San Diego, were executed at the end of FY 2012 and work began

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September 24, 2012

immediately thereafter. While advances have been made since the contracts' execution, these are not reported in the CAPER as the CAPER only provides information regarding projects that were active during FY 2012 per U.S. Department of Housing and Urban Development (HUD) standards.

It should also be noted that a [web page](#) dedicated to Fair Housing issues and information was also launched by the CDBG Program in June 2012. The page features the Fair Housing Hotline (1-800-462-0503) that citizens may call if they believe they have been denied housing or the opportunity to apply for housing in the City because of being in a protected class.

Goal 5, Objective 5.4 (Appendix E of the Draft CAPER): Performance Indicator

The subject Performance Indicator calls for the acquisition and rehabilitation of 30 housing units in response to Goal 5: "Add to the supply of affordable rental and homeownership properties, including permanent supportive housing."

The specific target for 30 units is tied to a Housing Commission project which was awarded a total of \$1,457,478 in CDBG funds to acquire 30 units of affordable housing through the following Council actions:

- First Allocation Hearing – March 3, 2009: \$269,358 (Resolution No. 304705 – March 11, 2009)
- Second Allocation Hearing – July 6, 2009: \$902,003 (Resolution No. 305030 – July 21, 2009)
- Reprogramming Hearing – November 10, 2009: \$286,117 (Resolution No. 305403 – November 24, 2009)

The Housing Commission was not able to identify a project and expend the funds before the 18 month deadline of March 1, 2011, and the project was cancelled. Funds allocated to the project were subsequently reprogrammed on January 2012 along with other unexpended CDBG funds (Resolution No. 307232 – January 12, 2012). All moneys reprogrammed through this action were used to defease Section 108 loans.

Next Steps

CDBG Program staff will work with the Mayor's Office and the Council's Public Safety and Neighborhood Services Committee Consultant to docket an item to provide further information regarding the Fair Housing Program funded with CDBG moneys, its overall function and its accomplishments since the contracts with the service providers were executed.

Please do not hesitate to request any further information or clarification. Maureen Ostrye, CDBG Program Administrator (619-236-6944), and Eliana Barreiros, CDBG Policy Coordinator (619-533-6510), are readily available to respond to any CDBG related inquiries.

CC: Jeffrey Sturak, Deputy Director, Office of the Independent Budget Analyst

RE: STATUS OF STOCKTON STREETLIGHT PROJECT (IDIS #5437)**Question**

Date: September 17, 2012

From: Vivian Moreno, Council Representative, Councilmember David Alvarez, District 8

What is the status of the Stockton Streetlight Project?

Response

Date: September 18, 2012

From: City Staff, CDBG Program and Engineering & Capital Projects Department (E&CP)

There was construction activity as follows during Fiscal Year 2012 for the subject project: 12 stand-alone streetlights (streetlight pole and mast arm) and 7 pole attachments (streetlight mast arm attached to a utility pole) were installed. E&CP staff is working toward processing accounting information, and CDBG Program staff is working toward reviewing submittals for reimbursements for eligibility within applicable standards.

RE: CONSOLIDATED PLAN PROGRESS**Question**

Date: September 17, 2012

From: Abigail M. Santos, Council Representative, Councilmember Marti Emerald, District 7

The September 12th Consolidated Plan Advisory Board (CPAB) presentation for the CAPER mentions the “Consolidated Plan Progress.” Bullet points include: “Steady advancement,” “Generally at 50 percent or above of goals and objectives as of end of FY2012”, “Fair housing progress,” and “Con Plan Advisory Board/public participation.”

Councilmember Emerald had a question about the statement “Generally at 50 percent or above of goals and objectives as of end of FY2012.” She was concerned that goals weren’t being met fast enough, but this statement just means that 50 percent is a steady pace for goals to be met, correct?

Response

Date: September 17, 2012

From: Ulysses Panganiban, Project Manager, CDBG Program

The statement “generally at 50 percent or above” is just a way of providing a quick overview of the City’s progress without having to go into the details.

For each goal, the City has set up a handful of indicators used to measure progress. These include, for example, the number of households assisted with purchasing their first homes and the number of public facilities improved. For each of those indicators, there is a 5-year target to meet. Appendix E of the CAPER shows all of these indicators, the 5-year targets, and the percent met as of the end of FY 2012.

You’ll see in Appendix E that progress on many of the indicators as of the end of FY 2012 exceeds the 50 percent mark. Many are at 60, 70, or 80 percent, which makes sense since FY 2012 was Year 3 of the 5-year period. Some of the 5-year targets have actually already been met 100 percent or more.

I chose to go with the statement “generally at 50 percent or above” to account for certain indicators where progress is not being made as quickly as desired. For example, according to Appendix E, the City has only met 4 percent of the 5-year target for Objective 12.2. The progress should improve, though, for this indicator by the end of FY 2013 because the City now has on board two fair housing service providers to accept and investigate fair housing-related complaints.

In addition, keep in mind that the progress presented in the draft CAPER does not account for the fact that progress is being made as we speak using FY 2013 funds and funds from prior fiscal years being carried over to implement projects and activities in FY 2013.

RE: Fiscal Information

Question

Date: September 14, 2012

From: Katie Keach, Deputy Chief of Staff, Councilmember Todd Gloria, District Three

There's a difference between the table in the PowerPoint (PPT) presented to the Consolidated Plan Advisory Board (CPAB) on September 12, and Tables 1 and 2 of the CAPER.

Response

Date: September 14, 2012

From: Ulysses Panganiban, Project Manager, CDBG Program

The table below (from the PPT presented to the Consolidated Plan Advisory Board) denotes the figures that apply to all of the projects that were active in FY 2012 (with the oldest active project dating back to a project funded in FY 2008). The "Allocation" column shows the total amount that was allocated to all of these active projects, while the "Expenditure" column focuses on expenditures as of FY 2012 regarding those projects. (Note that there was an error in the original PPT table that has been cleaned up.)

Program	Allocation	Expenditure
CDBG	\$19,953,519	\$10,260,401
HOME	\$7,183,487	\$5,845,059
ESG	\$628,303	\$650,215 \$617,146
HOPWA	\$3,091,238	\$3,072,621
Total	\$30,856,548	\$19,828,296 \$19,795,227

On the other hand, Table 1 of the CAPER simply calls out the federal allocations for FY 2012 (what HUD granted the City for FY 2012), and Table 2 of the CAPER identifies what gets classified as "CDBG Program Income," that is, monies that come from the Redevelopment Agency repayment (which extends from FY 2010 to FY 2019) and other sources (such as the sale of land acquired in the past using CDBG funds).

RE: CODE ENFORCEMENT ACTIVITIES (1 OF 2)**Question**

Date: September 14, 2012

From: Abigail M. Santos, Council Representative, Councilmember Marti Emerald, District 7

Who would apply for funding for code enforcement if there is a desire to apply even if there is a chance that this will not get funding?

Response

Date: September 14, 2012

From: Ulysses Panganiban, Project Manager, CDBG Program

The City department itself would be the one to apply for funding for code enforcement. Its application would compete for funding with other applications from both City and non-City applicants. The Consolidated Plan Advisory Board would review the eligible applications and recommend to Council which ones to fund. Council would then make the final decision regarding the funding allocations.

RE: CODE ENFORCEMENT ACTIVITIES (2 OF 2)**Question**

Date: September 13, 2012

From: Abigail M. Santos, Council Representative, Councilmember Marti Emerald, District 7

When was the last year that CDBG funding went to Goal 9 (Support continued revitalization of low and moderate income neighborhoods) in the form of funding for Code Enforcement. Also, if funding was not available this past year or year prior to that, what was the reason?

Response

Date: September 13, 2012

From: Ulysses Panganiban, Project Manager, CDBG Program

CDBG funded the following code enforcement activities as part of efforts to address Goal 10/Objective 10.1 (not Goal 9):

- *City of San Diego Development Services Department – Neighborhood Code Compliance Division (IDIS #5494/IDIS #5495): This project was awarded a total of \$206,000 in FY 2010. Code enforcement activities conducted were primarily intended to ensure the health and safety of low- and moderate-income residents and to eliminate visual blight. NCCD addressed substandard housing, visual blight and other quality of life issues including vacant and unsecured structures, storage related violations, graffiti, illegal uses and dilapidated or un-permitted structures. Property owners found to be in violation were given a reasonable amount of time to voluntarily comply with local codes before being subjected to fines and penalties. Proactive inspection sweeps were also scheduled and performed with input from recognized community groups and other agencies identified as partners in the code enforcement program. Partners included: San Diego Police Department, Office of City Attorney, Environmental Services Department, Linda Vista Community Planning Group, and City Heights Community Development Corporation. During FY 2010, 193 code enforcement cases were opened or resolved by the City's code enforcement staff. Activities included two proactive code enforcement investigators, with targeted efforts to eliminate visual blight and unpermitted structures.*
- *City of San Diego Development Services Department – Neighborhood Code Compliance Division (IDIS #5830): This project was allocated \$206,000 in FY 2011 CDBG funds to provide proactive code enforcement services within specific census tracts targeted to ensure the health and safety of low- and moderate-income residents. During FY 2011, a total of 692 inspections were conducted. The inspection resulted in a total of 176 cases being opened of which 144 were closed by the end of FY 2011.*

In addition, CDBG has funded lead paint abatement efforts per Goal 7/Objective 7.3, which involves code enforcement:

- *City of San Diego Environmental Services Department – Lead Safe Neighborhoods Program (IDIS #5493/5150): This program aims to eliminate lead hazards that cause substandard housing and expose vulnerable populations to harm, as well as crackdown on illegal, unsafe work practices by renovators generating lead-based paint hazards. Activities were conducted through January 31, 2012. An additional 33 cases were opened during FY 2012. Overall, the project served a total of 152 housing units through 69 code enforcement cases in FY 2012. Of these, 59 cases were found to have lead hazards impacting 113 residential units. A total of 44 of these cases covering 113 units were closed during this period. Of these, 37 cases with lead hazards impacting 72 units were cleared of lead hazards. The housing units served were located in 30 low/moderate-income census Tracts. The program was allocated \$39,000 in FY 2010 and \$102,500 in FY 2009.*
- *City of San Diego Environmental Services Department – Lead Safety Enforcement Program (IDIS# 6305): The primary focus of this project will be proactive code enforcement in targeted neighborhoods with the highest percentage of low-income rental housing units. Properties built prior to 1978 with deteriorated paint will be issued a “Notice to Comply” requiring the owner to remediate the lead hazards or demonstrate no hazard exists via a certified inspection. If the owner elects not to remediate or have the property inspected, the City’s LSHHP will conduct the inspection. A “Notice of Violation” requiring the owner remediate the hazard will only be issued if the inspection determines lead hazards exists. Citizen complaints will also be responded to. Property owners with limited resources will be referred to a network of program partners for available grants and loans. Penalties are typically not issued with violation notices. Failure-to-comply penalties can be issued to those who do not make a good faith effort to comply, and are waived for responsible low/moderate-income property owners unable to comply due to economic hardship. In such cases, the case may be closed without remediation after recording the violation with the County Assessor’s Office. This project will result in the elimination of lead hazards for a total of 130 households located within the City’s low- to moderate-income areas. The project has been allocated \$120,560 in FY 2013 CDBG funds.*

Neighborhood Code Compliance Division did apply for funding in FY 2012, but was not awarded funding by Council (their application got only two Council votes). They did not apply again for FY 2013 funding. It should also be pointed out that HUD watches over this category carefully to ensure that CDBG funds are not being utilized to supplant General Funds to pay for activities that they consider to be a City general responsibility.