



THE CITY OF SAN DIEGO

## CONSOLIDATED PLAN ADVISORY BOARD (CPAB)

### NOTES FOR MEETING

WEDNESDAY DECEMBER 09, 2015

SAN DIEGO CIVIC CONCOURSE - NORTH TERRACE ROOMS 207-208

202 'C' STREET - SAN DIEGO, CA 92101

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
<ul style="list-style-type: none"><li>Joyce Abrams, Council District 1 representative</li><li>Dr. Maruta Gardner, Council District 2 representative</li><li>Vicki Granowitz, Council District 3 representative</li><li>Ken Malbrough, Council District 4 representative</li><li>Valerie Brown, Council District 5 representative</li><li>Richard Thesing, Council District 7 representative</li><li>Aaron Friberg, Council District 8 representative</li></ul>	

STAFF PRESENT	ATTENDANCE SHEET
<ul style="list-style-type: none"><li>Sima Thakkar, HUD Programs Manager</li><li>Michele Marano, HUD Programs Coordinator</li><li>Leo Alarcon, HUD Project Manager</li></ul>	17 people signed the attendance sheet

#### Call to Order

Ms. Vicki Granowitz called the meeting to order at 9:04 a.m. with six board members present (one arrived late). Quorum was achieved at the same time.

#### Approval of Minutes

Ms. Granowitz called for a motion to approve the minutes from the November 2015 meeting. Mr. Rich Thesing motioned to approve the minutes - the motion was seconded by Ms. Joyce Abrams. Minutes were then approved, 6-0.

#### Staff Announcements

- Mr. Leo Alarcon reviewed the statistics for the Fiscal Year 2017 Request For Qualifications phase of the application process. Staff received 57 applications and 51 of which were deemed qualified to submit a Request For Proposal. The agencies not qualified had until Friday December 11 to resubmit any missing documentation.
- Mr. Alarcon also announced the upcoming Project Homeless Connect 2016 event will be held at the City Concourse building and will take place Wednesday, January 27. Flyers were made available and more information could be found at [www.sdhc.org](http://www.sdhc.org).

#### Board Announcements

N/A

#### Non-Agenda and Agenda Public Comment

- Ms. Kathryn Rhodes distributed a handout in regards to the possible CDBG repayment.
- Mr. Tom McSorley, representing GRID Alternatives, asked what the actual definition is of the Challenge Grant. Ms. Valerie Brown responded that the Board would be scoring the Challenge Grant proposals using the same FY 2017 Scoring Criteria for Public Services projects. Ms. Thakkar stated it was to clearly identify proposed projects into a subcategory with the Public Services category.

#### Agenda Item(s)

##### Item 6.a.: Discussion Item:

##### ***Schedule for 2017 CDBG Request for Proposal (RFP) Process***

Mr. Alarcon presented the tentative schedule for the upcoming RFP process. *Please see attached handout for more information. Please note the original schedule was updated.*

- Mr. Ken Malbrough asked approximately how many agencies do not attend the workshops. Ms. Sima Thakkar responded that it is very rare for agencies to not attend since the workshops are mandatory, but staff has had to disqualify agencies in the past for not attending.

##### Item 7.a.: Action Item:

##### ***Substantial Amendment Budgetary Priorities***

Ms. Sima Thakkar gave a brief presentation regarding the proposed budgetary priorities for the upcoming Substantial Amendment to the FY 2015-2019 Consolidated Plan. *Please see attached presentation for more information.*

- Ms. Granowitz asked if there were any examples of similar Challenge Grants to the CDBG program. Ms. Thakkar reiterated that these would be one time grants to agencies but this specific grant is an innovative approach to handling these new developments.
- Ms. Abrams thanked staff for planning and coordinating the proposed changes and having the key details outlined for the Board to review.
- Ms. Brown stated that she has experience working on a similar Nonprofit Accelerator program and would like to volunteer to assist in coordinating the program.
- Ms. Granowitz mentioned that it is a welcome development regarding the Nonprofit Accelerator program since this has been a goal of the Board for many years to assist agencies in the grant process.

Mr. Malbrough motioned to approve the proposed budgetary priorities for the Substantial Amendment to the FY 2015-2019 Consolidated Plan. Seconded by Mr. Thesing. Motion passed unanimously 7-0.

Adjournment
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- Meeting adjourned at 9:52 a.m.



## Community Development Division

### FY 2017 RFP PROCESS SCHEDULE

*Applicants that did not successfully complete the City's FY 2017 RFQ process will not be allowed to participate in the RFP process. Only agencies that were deemed eligible to participate in the FY 2017 RFP process will be eligible to submit a FY 2017 CDBG RFP to the HUD Programs Administration.*

<b>01/04/2016</b>	<b>FY 2017 CDBG RFP released</b>
01/06/2016	Mandatory FY 2017 CDBG RFP Workshop <ul style="list-style-type: none"> <li>• 9:00 AM – 9:30 AM → Sign-In</li> <li>• 9:30 AM – 11:30 AM → Workshop</li> </ul> Location: War Memorial Auditorium 3325 Zoo Drive San Diego, CA 92101
01/06/2016	Mandatory FY 2017 CDBG RFP Workshop <ul style="list-style-type: none"> <li>• 12:30 PM – 1:00 PM → Sign-In</li> <li>• 1:00 PM – 3:00 PM → Workshop</li> </ul> Location: War Memorial Auditorium 3325 Zoo Drive San Diego, CA 92101
01/07/16-01/22/16	One-on-One Technical Assistance Meetings
01/11/2016	Mandatory FY 2017 CDBG RFP Workshop <ul style="list-style-type: none"> <li>• 9:00 AM – 9:30 AM → Sign-In</li> <li>• 9:30 AM – 11:30 AM → Workshop</li> </ul> Location: Central Library 330 Park Blvd. San Diego, CA 92101
01/11/2016	Mandatory FY 2017 CDBG RFP Workshop <ul style="list-style-type: none"> <li>• 12:30 PM – 1:00 PM → Sign-In</li> <li>• 1:00 PM – 3:00 PM → Workshop</li> </ul> Location: Central Library 330 Park Blvd. San Diego, CA 92101

<i>01/12/2016 (only if needed)</i>	Mandatory FY 2017 CDBG RFP Workshop <ul style="list-style-type: none"> <li>• 12:30 PM – 1:00 PM → Sign-In</li> <li>• 1:00 PM – 3:00 PM → Workshop</li> </ul> Location: Central Library 330 Park Blvd. San Diego, CA 92101
<i>1/13/2016</i>	CPAB Meeting
<i>1/18/2016</i>	Dr. Martin Luther King Jr. Holiday, City Offices closed
<b><i>01/25/2016</i></b>	<b>FY 2017 CDBG RFP packet submission deadline to Online Grants Portal system: 3:00 PM</b>
<i>01/26/16-02/04/16</i>	HUD Programs Administration Staff RFP Review
<i>02/05/2016</i>	FY 2017 CDBG RFP Materials available to Consolidated Plan Advisory Board (CPAB) members for review and scoring on the Online Grants Portal
<i>02/10/16-02/25/16</i>	Potential: CPAB Ad Hoc Meetings
<i>02/10/2016</i>	Regular CPAB Meeting
<i>02/29/2016</i>	CPAB FY 2017 CDBG RFP scoring results due to HUD Programs Administration Office
<i>03/04/2016</i>	FY 2017 CDBG RFP scoring results posted on CDBG website
<i>03/09/2016</i>	CPAB Meeting <ul style="list-style-type: none"> <li>• FY 2017 CDBG RFP scores approved and funding recommendations forwarded to City Council for approval</li> </ul>
<i>03/21/16 OR 03/22/16</i>	FY 2017 CDBG funding recommendations presented to City Council for approval

**\*Please note all of the dates outlined above are tentative and may be subject to change.**

## Background

In 2010 the City of San Diego and the former Redevelopment Agency executed a CDBG Repayment Agreement to address findings from the Office of Inspector General (OIG) of the Department of Housing and Urban Development (HUD). The City's CDBG Program was to receive roughly \$78 million in escalating repayments starting in Fiscal Year (FY) 2010 and ending FY 2019. The City received payments until FY 2014 when the State of California's Department of Finance (DOF) suspended approval of the payments. In October 2015, Senate Bill 107 authorized the DOF to approve obligations made with the federal government, such as those with HUD and the City's CDBG Repayment Agreement.

City staff is examining the new legislation and working on projections for the amounts that may be available over the next 5-7 years as CDBG Repayments. While there are a significant number of variables that influence how much will be actually be received and when, staff is preparing plans in anticipation of receiving funds for FY 2017.

Under direction from HUD, the City will conduct a Substantial Amendment to City's approved FY 2015-2019 Consolidated Plan for HUD Programs (Con Plan). As such, the City will continue to invest in the Priorities & Goals outlined in the Con Plan:

1. Enhance the City's economic stability and prosperity by increasing opportunities for job readiness and investing in economic development programs.
2. Strengthen neighborhoods by investing in the City's critical public infrastructure needs.
3. Improve housing opportunities by creating and preserving affordable rental and homeowner housing in close proximity to transit, employment and community services.
4. 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.
5. 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.
6. Meet the needs of persons with HIV/AIDS and their families through the provision of housing, health, and support services.

Additionally, the City will utilize these **one-time funds** to achieve the following:

### **1. Stabilize the City's Existing CDBG Entitlement Allocation**

- Stabilize the City's annual CDBG Program at \$12 million to help nonprofits better plan for Public Service, Community/Economic Development, and Nonprofit Capital Improvement projects, in the years to come.
- Provide resources for a Nonprofit Accelerator Program to expand the capacity of new and small nonprofits to effectively utilize the City's resources as well as attract private funding.

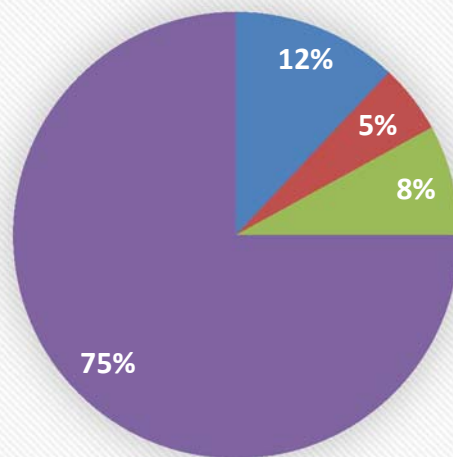
### **2. Create Workforce Training Opportunities that Serve Vulnerable Populations**

- Challenge Grant: Funding made available to nonprofit providers for new opportunities for Youth Workforce Training and Veterans Services.

**3. Investments in the Core Goals of Economic Development, Affordable Housing, and Critical Neighborhood Infrastructure and Create Sustainable Community Development Funds:**

- **Expanded Economic Development Opportunities in Underserved Neighborhoods**  
Economic Development Revolving Loan Funds: Pool of funds to expand fiscal incentives for micro and small business expansion, job creation, and investment within underserved neighborhoods.
- **Increasing Affordable Housing Assistance for Low Income Homeowners and Homelessness Individuals**  
Affordable Housing Revolving Loan Funds: Pool of funds to assist low income homeowners, homeless individuals, and homebuyers.

### Substantial Amendment Budgetary Priorities



- Annual Stabilization
- Admin and Nonprofit Accelerator
- Challenge Grant
- Core Goals: Economic Development, Affordable Housing, and Infrastructure



**Substantial Amendment Budgetary Priorities**

**Consolidated Plan Advisory Board**  
**November 09, 2015**

*Economic Development Department*

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**Background**

- ✓ Dissolution of the former Redevelopment Agency of the City of San Diego (RDA)
- ✓ Settlement negotiated to remedy findings in HUD Inspector General Audit:
  - Repayment of approximated \$78 million to the City's CDBG Program (Program Income)
  - 2010 – 2019 with escalating payments
- ✓ FY 2014 repayments ceased due to State's Department of Finance (DOF) position on obligations

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**New Developments**

- ✓ SB Senate Bill 107
  - Contains language authorizing repayment of obligations made with the federal government
  - No guarantee of repayment or when and how much
  - Preliminary determination **was received** in November 2015 based on the City's previously submitted Recognized Obligation Submission
  - Review underway by City Attorney's Office
  - Activities must be consistent with 6 Consolidated Plan Goals

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### Current Information

- Roughly \$64 million due back to the City's CDBG Program
  - One time funds with all CDBG requirements
  - Funds from the Redevelopment Property Tax Trust Fund (RPTTF) will be used for repayments
  - City staff working on projections for Recognized Obligation Payment Schedule (ROPS)
  - ROPS 10 on annual basis July 1, 2016 – June 30, 2017
- HUD requires a Substantial Amendment to existing Consolidated Plan
  - City needs to utilize 6 Goals and Priorities outlined

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### Substantial Amendment Budgetary Priorities

- Developed in consultation with HUD Representatives
- Recommendations based on:
  - Existing Goals and Priorities Consolidated Plan
  - Utilized feedback received from CPAB Meetings, annual survey results, and Community Planners Committee (CPC) and Community Planning Groups (CPG) for Geographic Targeting
  - Mayor's Office and Council Committee Work Plans

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### Substantial Amendment Budgetary Priorities

1. **Stabilize City's Existing CDBG Entitlement Allocation**
  - Stabilize the City's annual CDBG Program at \$12 million to help nonprofits better plan for Public Service, Community/Economic Development, and Nonprofit Capital Improvement projects, in the years to come.
  - Provide resources for a **Nonprofit Accelerator Program** to expand the capacity of new and small nonprofits to effectively utilize the City's resources as well as attract private funding.

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## Substantial Amendment Budgetary Priorities

### 2. Create Workforce Training Opportunities that Serve Vulnerable Populations

- Challenge Grant: Funding made available to nonprofit providers for new opportunities for Youth Workforce Training and Veterans Services.
- FY 2017 Request For Proposal Process
- Public Service Category with measurable outcomes required

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## Substantial Amendment Budgetary Priorities

### 3. Invest in the Core Goals:

- Economic Development
- Affordable Housing
- Critical Neighborhood Infrastructure

#### ➤ Create Sustainable Community Development Funds

- Expanded Economic Development Opportunities in Underserved Neighborhoods through Economic Development Revolving Loan Funds
- Increasing Affordable Housing Assistance for Low Income Homeowners and Homelessness Individuals through Affordable Housing Revolving Loan Funds

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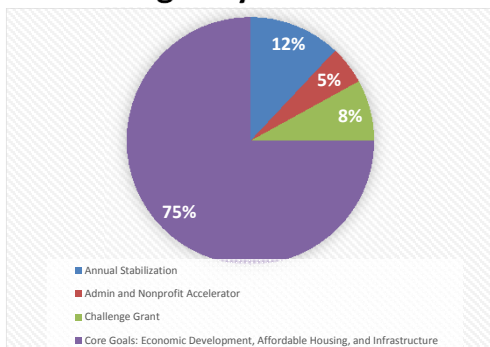
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## Substantial Amendment Budgetary Priorities



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## Timeline

- January 4, 2016 FY 2017 RFP Released
- January 13, 2016 CPAB Meeting
- January ROPS 10 Budget Information
- February 10, 2016 CPAB Meeting
- March City Council FY 2017 Allocations
- March/April City Council Substantial Amendment and Annual Action Plan
- May Submittal to HUD Due

12/9/2015

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Thank You

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