

3/25/2020
Item 401/B

(R-2020-424 REV.)

RESOLUTION NUMBER R- 312899

DATE OF FINAL PASSAGE MAR 26 2020

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO APPROVING THE ALLOCATION OF
COMMUNITY DEVELOPMENT BLOCK GRANT FISCAL
YEAR 2019 AND FISCAL YEAR 2020 REPROGRAMMED
FUNDS TO THE SMALL BUSINESS RELIEF FUND AND
AUTHORIZING RELATED ACTIONS TO APPROPRIATE
AND EXPEND THESE FUNDS.

WHEREAS, on February 19, 2020, the County Board of Supervisors ratified a
declaration of local health emergency related to a novel coronavirus, the COVID-19 virus; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a State of
Emergency to exist in California as a result of the threat of the COVID-19 virus; and

WHEREAS, on March 12, 2020, Mayor Kevin Faulconer proclaimed the existence of a
local emergency in the City of San Diego as a result of the COVID-19 virus, which was ratified
by the Council of the City of San Diego (Council) on March 17, 2020; and

WHEREAS, on March 12, 2020, the County of San Diego issued an order from the
Public Health Officer requiring, among other things, all bars, adult entertainment establishments,
and other business establishments in the County that serve alcohol and do not serve food to
close, and requiring all restaurants to close on-site dining; and

WHEREAS, on March 16, 2020, the Mayor issued Executive Order No. 2020-1
prohibiting, among other things, public gatherings of 50 or more people in a single room, closing
all bars, adult entertainment establishments, and nightclubs in the City of San Diego, and
prohibiting restaurants from serving food and beverage for consumption on premises; and

WHEREAS, on March 19, 2020, the Governor issued Executive Order N-33-20, ordering all residents of the State of California to stay home or at their place of residence in accordance with the current State public health directives; and

WHEREAS, in order to alleviate the economic impacts of the COVID-19 virus, the City seeks to implement various programs to encourage economic relief and stimulus, and reduce financial hardship for impacted businesses in the City of San Diego, including a grant and loan program for small businesses called the "Small Business Relief Fund;" and

WHEREAS, the City is an entitlement jurisdiction that annually receives federal funds from the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG) Program; and

WHEREAS, the City allocated CDBG funds in accordance with the City's Fiscal Year 2015-2019 Consolidated Plan (FY15-19 Consolidated Plan), adopted on April 30, 2014 by San Diego Resolution No. R-308904 and the Fiscal Year 2019 Annual Action Plan (FY19 Action Plan), adopted on April 23, 2018 by San Diego Resolution No. R-311700; and

WHEREAS, the City allocated CDBG funds in accordance with the City's Fiscal Year 2020-2024 Consolidated Plan (FY20-24 Consolidated Plan) and the Fiscal Year 2020 Annual Action Plan (FY20 Action Plan), adopted on April 26, 2019 by San Diego Resolution No. R-312442; and

WHEREAS, unexpended CDBG funds allocated to the Small Business Revolving Loan Fund for Fiscal Year 2019 and to the Neighborhood Business Improvement Program for Fiscal Year 2020 are available and recommended by City staff for reprogramming; and

WHEREAS, the City's FY20-24 Consolidated Plan includes economic resiliency as a guiding strategy for all investments, which is defined by the ability to recover quickly from an

economic shock, the ability to withstand a shock, and the ability to avoid the shock altogether;
and

WHEREAS, the Small Business Relief Fund is designed to alleviate the existing
conditions and economic impacts related to the COVID-19 virus; and

WHEREAS, in accordance with the guiding strategy in the FY20-24 Consolidated Plan,
the City seeks to reprogram CDBG funds to the Small Business Relief Fund; NOW,
THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego as follows:


1. The Chief Financial Officer is authorized to reallocate \$887,285.36 in FY 2019 CDBG Program, Fund 600000, Grant 1000003-2019 to FY 2020 CDBG Program, Fund 600000, Grant 1000003-2020, previously allocated from the Small Business Revolving Loan Fund to the Small Business Relief Fund.
2. The Chief Financial Officer is authorized to appropriate and expend a total of \$887,285.36 in FY 2020 CDBG Program, Fund 600000, Grant 1000003-2020 for projects in connection with the Small Business Relief Fund.
3. The Chief Financial Officer is authorized to reallocate \$2,500,000 in FY 2020 CDBG Program, Fund 600000, Grant 1000003-2020 previously allocated from the Neighborhood Business Improvement Program to the Small Business Relief Fund.
4. The Chief Financial Officer is authorized to appropriate and expend a total of \$2,500,000 in FY 2020 CDBG Program, Fund 600000, Grant 1000003-2020 for projects in connection with the Small Business Relief Fund.
5. The allocation of reprogrammed CDBG funds, is approved, contingent upon the Chief Financial Officer certifying that CDBG funds are available.

6. The Mayor, or designee, is authorized to amend the FY15-19 Consolidated Plan. FY19 Action Plan and FY20 Action Plan, if necessary or required by HUD.

7. The Mayor, or designee, is authorized to negotiate and enter into agreements, execute any and all documents, and take all other actions necessary or appropriate to implement this Resolution.

8. All small business relief fund applications must include a statement of financial hardship in connection with COVID-19 as well as meet all the eligibility requirements set by the Economic Development Department in order to receive funds. Financial hardship shall mean a decrease in business income, an imminent reduction in labor force, reduction in consumer demand, production and/or ability to fulfill product and service orders.

APPROVED: MARA W. ELLIOTT, City Attorney

By 
Marguerite E. Middaugh
Deputy City Attorney

MEM:jdf
03/19/2020
03/25/2020 REV.
Or.Dept: Economic Dev't
Doc. No.: 2357258_2

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 25 2020.

ELIZABETH S. MALAND
City Clerk

By Connie Patterson
Deputy City Clerk

Approved: 3/26/2020
(date)

Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 25 2020, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monica Montgomery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gómez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAR 26 2020.

(Please note: When a resolution is approved/unsigned by the Mayor, the date of final passage is the date the approved/unsigned resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By Connie Patterson, Deputy

Office of the City Clerk, San Diego, California

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