

Economic Development Department

CDBG Reinvestment Initiative



CDBG Reinvestment Initiative

Purpose

- Reinvest the remaining funding recaptured CDBG program income funds in support of the **Mayor's One San Diego initiative**
- Create and sustain a resilient and economically prosperous city
- Encourage economic growth and investment in San Diego's emerging communities



CDBG Reinvestment Initiative

General 5 Year Goals

- Job Growth: 1,000 jobs in LMI census tracts
- Sustainability: 20 million tons of CO2 reduced in LMI communities
- Utilization: 50% increase in the number of EDD clients from LMI communities
- Employment Training: 3,000 LMI community members trained for the innovation economy
- Affordable Housing: 1,000 new units financed



CDBG Reinvestment Initiative

Components

- Programmatic Strategy
- Funding Strategy and Budget
- Implementation Plan
- Risk Management
- Project Impacts and Outcomes



CDBG Reinvestment Initiative

Programmatic Strategy

Investment Guidelines

- Programs must benefit Low and Moderate Income (LMI) individuals, businesses or communities
- Projects must add key components of sustainability and technology



CDBG Reinvestment Initiative

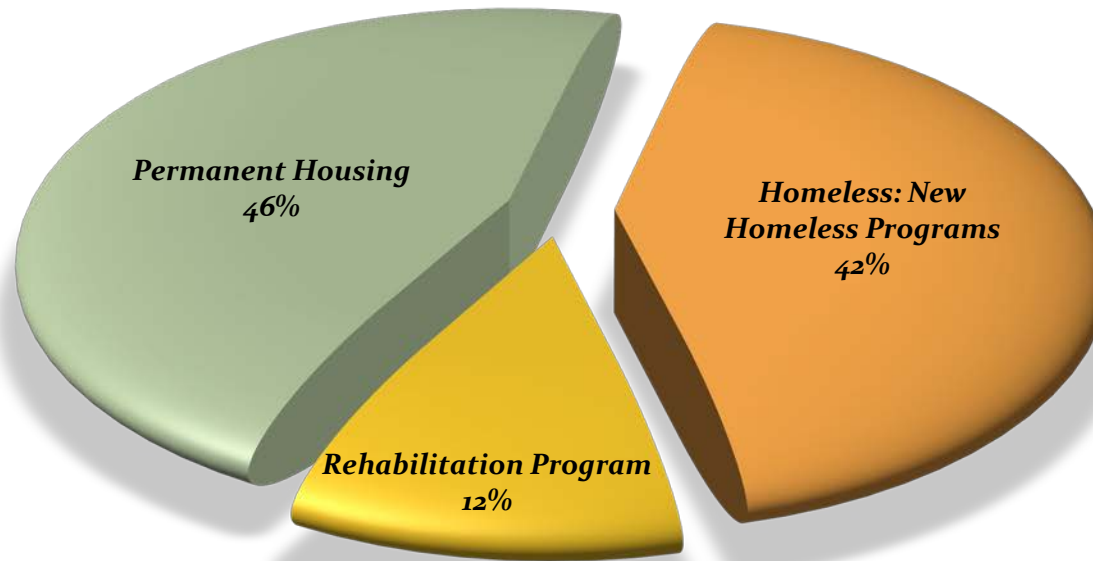
Programmatic Strategy

Focus Areas

- Affordable Housing
- Inclusive Economic Growth and Workforce Development
- Sustainability
- Infrastructure
- Public Services and Capacity Building

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Program Strategy
Investment Distribution

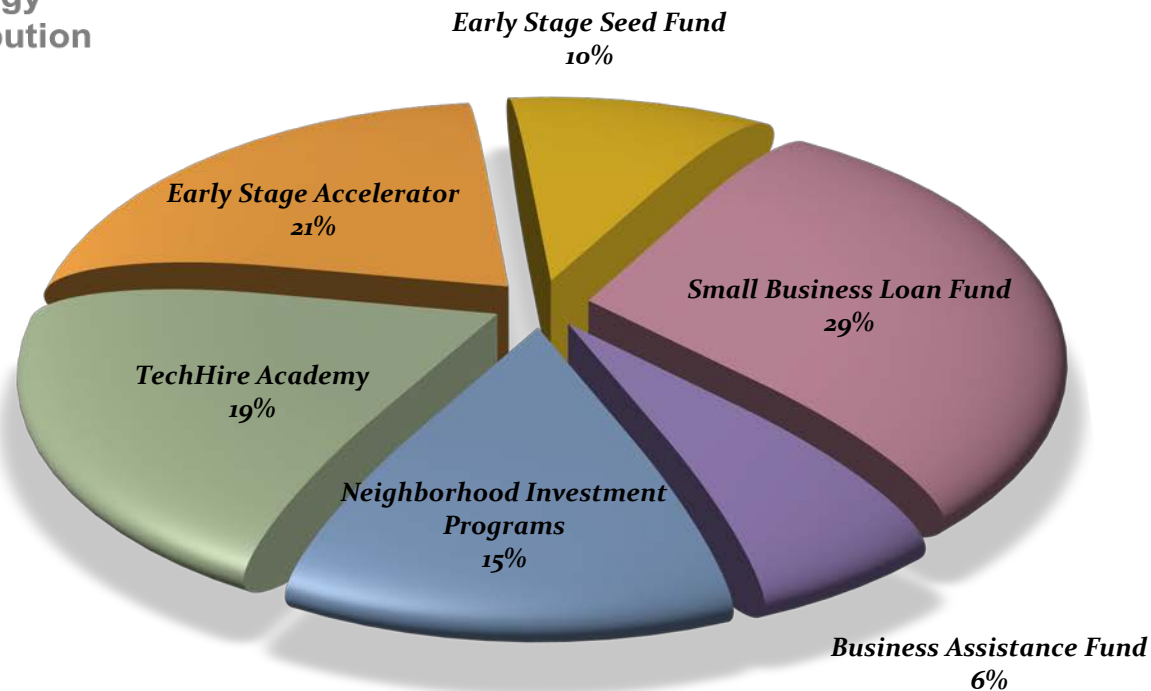


Affordable Housing Programs 2018-2022

PROGRAMS	FIVE YEAR INVESTMENT	% OF TOTAL
Permanent Housing	\$16,125,584	46%
Homeless: New Homeless Programs	\$15,000,000	42%
Rehabilitation Programs	\$4,385,230	12%
Total Investment	\$35,510,814	100%

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**Program Strategy
Investment Distribution**

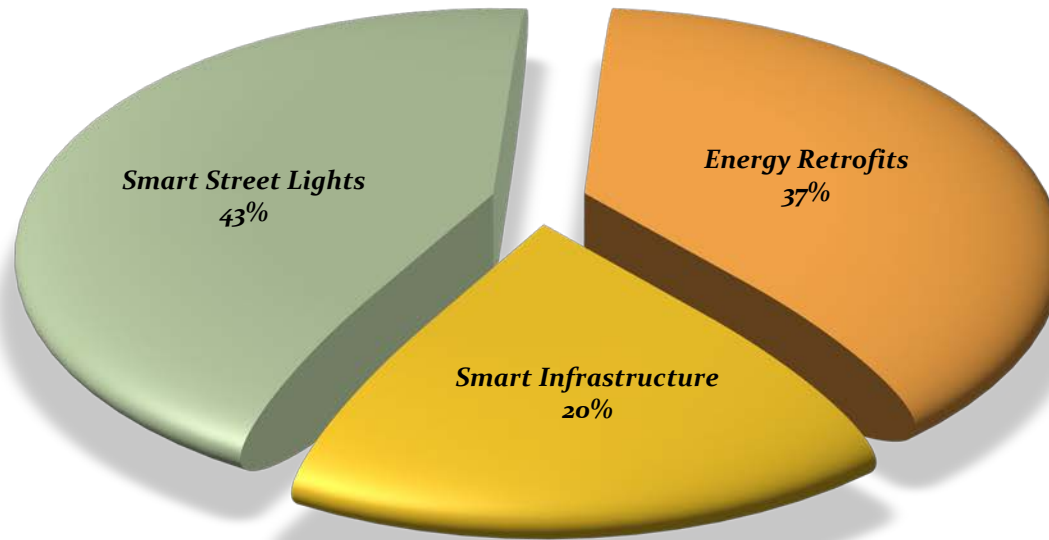


Inclusive Economic Growth and Workforce Development 2018-2022

PROGRAMS	FIVE YEAR INVESTMENT	% OF TOTAL
TechHire Academy	\$4,000,000	20.46%
Early-Stage Accelerator	\$4,250,000	21.74%
Early-Stage Seed Fund	\$2,000,000	7.67%
Small Business Loan Fund	\$6,000,000	30.69%
Business Assistance Fund	\$1,300,000	6.65%
Neighborhood Investment Program	\$3,010,703	12.79%
Total Investment	\$20,560,703	100%

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Program Strategy
Investment Distribution

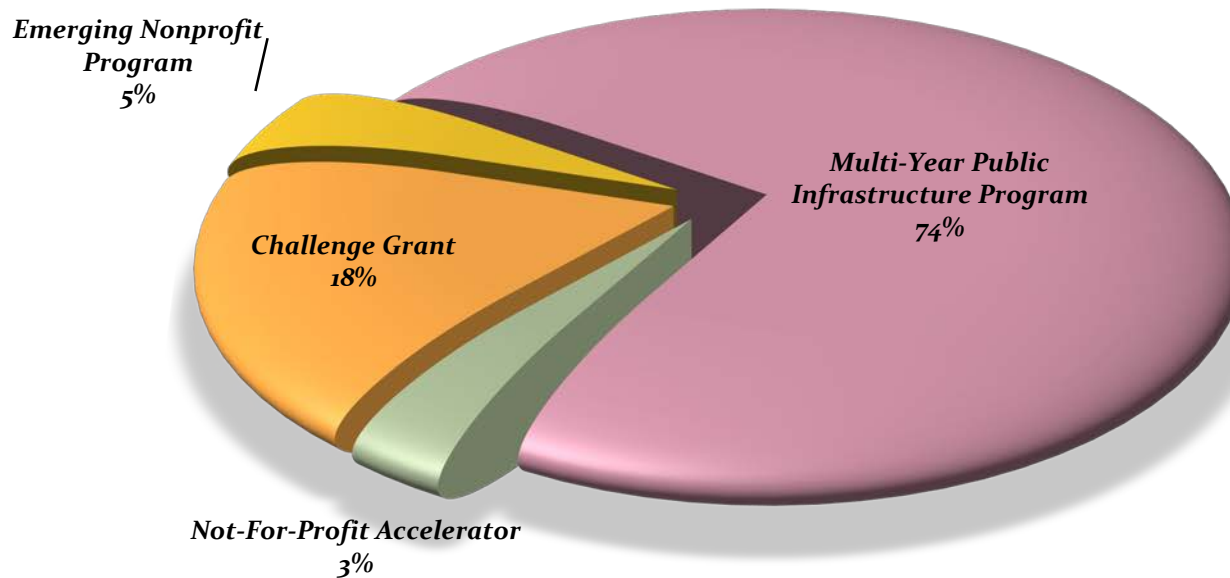


Sustainability Programs 2018-2023

PROGRAMS	FIVE YEAR INVESTMENT	% OF TOTAL
Smart Street Lights	\$5,500,000	42.80%
Energy Retrofits	\$4,800,000	37.35%
Smart Infrastructure	\$2,550,000	19.84%
Total Investment	\$12,850,000	100%

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**Program Strategy
Investment Distribution**



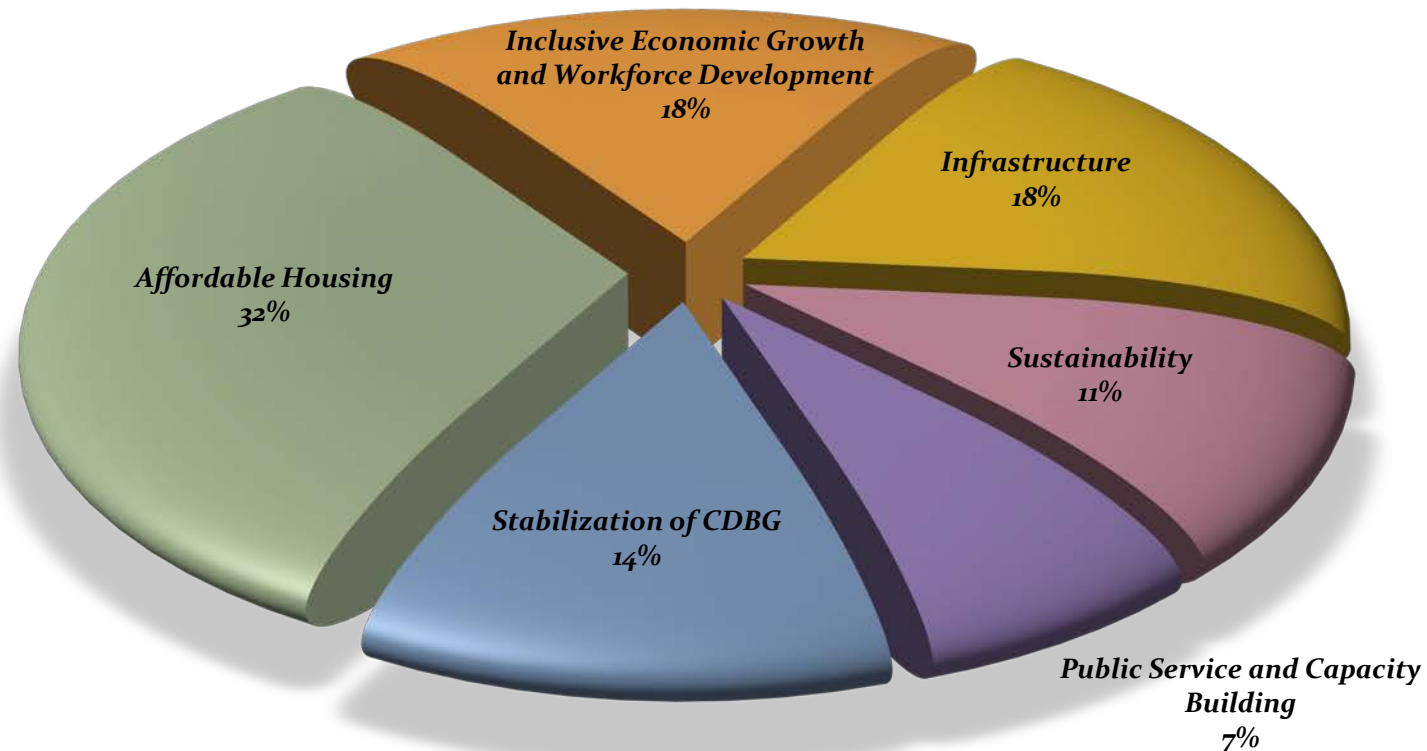
Public Service, Capacity Building and Infrastructure Programs 2018-2023

PROGRAMS	FIVE YEAR INVESTMENT	% OF TOTAL
Not-For-Profit Accelerator	\$900,000	3.63%
Emerging Nonprofit Program	\$1,250,000	4.80%
Challenge Grant	\$4,654,726	18.78%
Multi-Year Public Infrastructure Program	\$19,225,547	74.18%
Total Investment	\$26,030,273	100%

CDBG Reinvestment Initiative

Budget and Funding Strategy

Investment Period (2018 – 2023)
Total of Funds Available (\$112,039,299)



Reinvestment Initiative

Risk Management Model

Risk Elements

- **Timeliness**
 - Ensuring at any given time the REI portfolio will pass HUD's 1.50 x timeliness test
- **Compliance**
 - Ensuring CDD has adequate staffing and systems in place to monitor contracts for compliance and performance
- **Capacity**
 - Ensuring program design and development creates a competitive and strategic process that identifies highly qualified service providers
- **Engagement**
 - Ensuring key stakeholders across San Diego are routinely engaged and informed about REI



CDBG Reinvestment Initiative

Impacts and Outcomes

Reinvestment Initiatives Impact Metrics															
	Jobs Created	Businesses Started	CO2 Reduction	Net New Wages	\$ Leveraged	Increase in LMI Utilization	# Loans Made	# Businesses Served	LMI Individuals Trained	# New Homebuyers	Number of Housing Units Created	Housing Units Rehabbed	# of Youth Served	Capital Raised (Debt/Equity)	# Partnerships Created
Public Service and Capacity Building Programs															
Non-Profit Accelerator Challenge Grant					○	○			○						○
Affordable Housing Programs															
Homeless: Housing First Support															
Permanent Housing Support			○		○						○	○			
Rehab Program (ADA and General)	○		○									○			
Single Family Homeownership RLF										○					
Infrastructure Programs															
Multi-Year Public Infrastructure Development Program			○		○										
Sustainability and Environmental Programs															
Smart Street Lighting Program			○												
Energy Retrofits	○		○									○			
Smart Infrastructure			○												
Business / Community Outreach Team															
Inclusive Economic Growth and Workforce Development Programs															
TechHIRE Academy Program									○						
Early-Stage Development Accelerator	○	○												○	
Early-Stage Seed Fund	○	○			○									○	
Small Business Revolving Loan Fund (RLF)		○												○	
Business Assistance Fund		○					○		○					○	
Neighborhood Investment Program	○	○			○			○						○	