

Memorandum



Date Issued: January 7, 2010 Item No. 6b – Report No. 10-002

Meeting of: January 13, 2010

To: Chair and Members of the SEDC Projects and Development Committee

From: Sherry A. Brooks, Project Manager

Subject: Lead Safe San Diego Program – Agreement with the San Diego Housing Commission to provide \$150,000 in funding for the Lead Safe San Diego Program in the SEDC Area of Influence

Reference: None

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REQUESTED ACTION: That the Committee recommend the SEDC Board recommend to the Redevelopment Agency of the City of San Diego (Agency) that the Agency enter into an Agreement with the San Diego Housing Commission (SDHC) for the Lead Safe San Diego Program (Agreement).

STAFF RECOMMENDATION:

Recommend that the Agency adopts a resolution:

1. Approving an agreement between the and the SDHC for the Lead Safe San Diego Program (LSSD)
2. Authorizing the Chief Financial Officer, as delegated, to appropriate and expend \$150,000 from the Southcrest Low and Moderate Income Housing Funds for the purpose of the Lead Safe San Diego Program pursuant to the Agreement;
3. Making certain findings for the expenditure of Agency funds for the LSSD program for remediation of lead hazards.

And, that the City Council adopts a resolution:

1. Making certain findings for the expenditure of Agency funds for the LSSD program for remediation of lead hazards

SUMMARY: This use of Southcrest low-moderate income housing 20% set-aside funds (Housing Funds) for the Lead Safe San Diego Program would provide for the removal of lead hazards in affordable rental housing within the SEDC Area of Influence, fulfilling many of the Southcrest Redevelopment Plan objectives such as preservation of residential properties and provision of affordable housing.

FISCAL CONSIDERATION – Funding in the amount of \$150,000 is available in the SEDC FY 2010 Program Budget from the Southcrest Low and Moderate Housing funds.

BACKGROUND - The San Diego Housing Commission (SDHC) has been implementing the Lead Safe Neighborhoods Program since 2002 and the Lead Safe San Diego (LSSD) Program since 2005. The LSSD has provided lead hazard remediation for over 700 residences in partnership with the U. S. Department of Housing and Urban Development (HUD) through grants provided to the SDHC.

DISCUSSION - The LSSD goal is to eliminate childhood lead poisoning by removing sources of lead exposure. The LSSD is a coalition of San Diego government, community-based and non-profit organizations, the Environmental Health Coalition, along with the SDHC as the lead agency for the LSSD program. A grant from the HUD funds the program, with a requirement for matching funds.

Agency funding for the LSSD program will be used for rental homes within the SEDC Area of Influence. The LSSD target neighborhoods are based on the age of the homes, the residents' income level and the high

percentage of population of children under the age of six. Within southeastern San Diego the target areas are centered on the Dells Imperial and Southcrest neighborhoods.

The lead remediation grants provide up to \$10,000 for single family rental units, or up to \$5,000 per multi-family unit, plus \$5,000 for common areas in a multi-family complex. Occupant household income must be less than 80% of the Area Median Income (\$66,100 for a four-person household in 2009). Eligible costs include lead testing, lead remediation work, clearance inspection and any temporary relocation costs during lead remediation work. The previous overall costs per unit have averaged \$7,500. The \$150,000 Agency funding leveraged with the HUD funds could potentially eliminate lead hazards in forty rental units within the SEDC Area of Influence.

Agreement - The Agreement with the SDHC will provide for \$150,000 in funding from SEDC for the LSSD program for conducting home inspections for the presence of lead based paint and lead hazards and the remediation of lead hazards. The SDHC will use the funds for lead remediation grants for rental properties within the SEDC Area of Influence according to LSSD grant program guidelines and SDHC will enter into an agreement with the rental property owner, which agreement will be recorded against the subject property for a minimum of three years and will require the following:

- Rental to low income households with a child less than six years of age or a woman who is pregnant
- Maintain the affordable rents for three years following completion of the remediation
- No discrimination on the basis of race, religion, sex, age, color, handicap, familial status, national origin or any other classification prohibited by law
- Provide on-going maintenance of all identified lead components and access for periodic monitoring

The SDHC will provide quarterly and annual reports to Agency outlining the progress of the program, the number of grants, addresses, dates, and amount of funds leveraged from other sources. The SDHC will waive any administrative fees from the Agency in consideration of Agency's provision of the funds for the LSSD program.

FINDINGS - The Agency and the Council each will need to make findings that the use of Housing Funds for this affordable housing rehabilitation project outside the Project Area will be of benefit to the Project Area. The remediation of lead hazards through the LSSD program is expected to provide affordable housing opportunities to the residents of the Project Area, to preserve and rehabilitate existing residential properties, and to provide housing affordable to low income families. Additionally, the relatively low per-unit subsidy of \$7,500 on average per unit by the Agency will maximize the use and effectiveness of the Housing Funds.

KEY STAKEHOLDERS - The key stakeholders are current and future low income residents of the SEDC Area of Influence, and residents of the Southcrest Redevelopment Project Area.

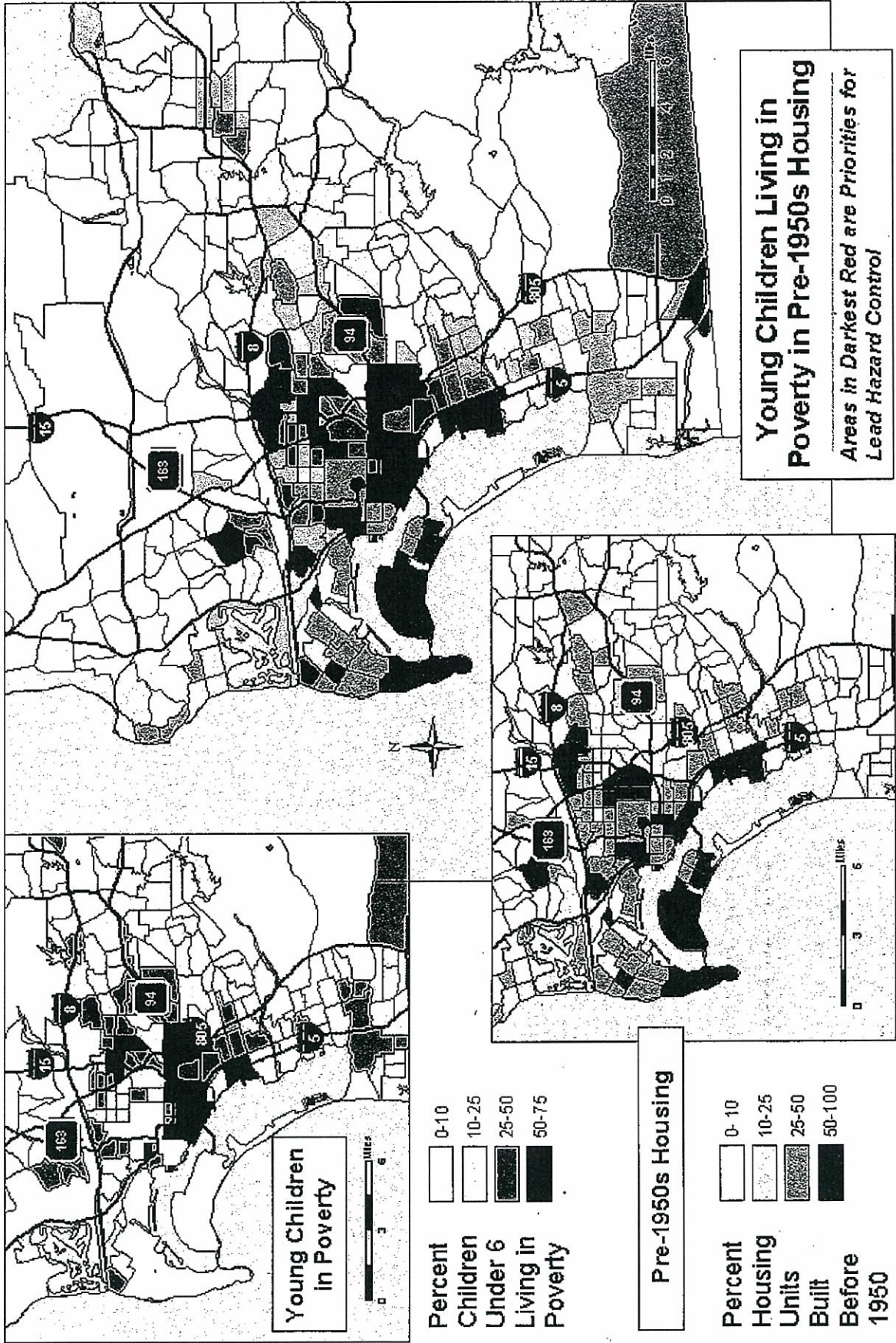
CONCLUSION - The Southcrest Redevelopment Plan goals include the preservation and rehabilitation of existing affordable residential units in the area and the removal of lead hazards in homes through the LSSD program will provide for the health and safety of low income residents in the SEDC Area of Influence.



Submitted by
Sherry A. Brooks
Project Manager



Approved by:
Nancy Maddox Lytle, AICP
Manager of Projects and Development



Children at Risk for Lead Poisoning San Diego

Map by Environmental Health Coalition, 2002

Source: Centers for Disease Control and Prevention, based on 1990 U.S. Census data
 Notes: Values are by census tract, Census tracts where children under 6 numbered < 20 excluded