



Good Neighbors

San Diego
Housing Commission

- 1625 Newton Avenue
- San Diego, California 92113-1038
- 619/231 9400
- FAX: 619/544 9193

REPORT

DATE: For the Agenda of May 6, 2005 **Item 102**

REPORT NO.: HCR05-32

SUBJECT: Grant Application – HUD Lead Hazard Reduction Demonstration Grant
(Citywide)

SUMMARY

Issue: Should the Housing Commission authorize a grant application to the U.S. Department of Housing and Urban Development (HUD) for the Lead Hazard Reduction Demonstration Grant, and, if successful, recommend Housing Authority approval to authorize the President & Chief Executive Officer (CEO) or designee to amend the FY06 Housing Commission Budget to reflect the additional funds and to execute all required documents?

Recommendation: That the Housing Commission authorize submission of an application for HUD's Lead Hazard Reduction Demonstration Grant, and, if successful, seek Housing Authority approval to authorize the President & CEO to amend the FY06 Housing Commission Budget to reflect the additional funds (up to \$4,000,000, see Attachment), and to execute all required documents.

Fiscal Impact: A successful application will result in receipt of approximately \$4,000,000 in funds, to be used over a thirty-four (34) month program period, with a portion of that funding used for three new contract rehabilitation staff. A minimum 25% local program match is required, which can come from federal Community Development Block Grant (CDBG) funds, other non-federal matching funds from other housing rehabilitation program funding, and in-kind services from collaborating nonprofit and other city and county departments.

Affordable Housing Impact: A successful grant award will result in approximately 300 owner-occupied and rental residential units affordable to households earning 80% or less of the Area Median Income (AMI) being remediated of lead hazards through grants averaging \$6,500 per unit.

Environmental Review: The application for a grant is “not a project” within the meaning of CEQA or within the meaning of NEPA. The ultimate activity to be funded by the grant is exempt from review under CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines and exempt from review under NEPA pursuant to 24 CFR 58, Section 58.34(a)(12).

Previous Related Action(s): On June 7, 2002, and June 11, 2002, the Housing Commission and Housing Authority respectively (HCR02-046), approved the application for a HUD Lead Hazard Control Grant to fund lead awareness education and lead paint remediation work in a targeted area in Council District 8. That application was successful in obtaining a HUD grant of \$1,889,755 for a three year program which will end January 31, 2006.

BACKGROUND

In 2002, the City began implementation of the Lead Safe Neighborhoods Program, marshalling resources from various city and county agencies and departments, as well as nonprofit and community-based organizations to maximize resources and improve effectiveness. Lead hazards are now defined as substandard housing and can be cited by City Code Enforcement personnel.

The existing HUD Lead Hazard Control Grant, allocated to the Housing Commission in 2003, is projected to remediate lead hazards in 170 rental and owner-occupied units with resident families having children less than six years of age. Funding of that grant will expire on January 31, 2006. HUD will accept applications for new funding awards through June 14, 2005.

DISCUSSION

Medical research has identified exposure to lead-based paint as a significant environmental hazard for children living in areas with older housing. Lead poisoning often results in learning disabilities, behavioral problems, slower language acquisition, and with long-term exposure, can lead to stunted growth and brain damage. According to the San Diego County Department of Health Services, Childhood Lead Poisoning Prevention Program, there have been 276 reported cases of children with elevated blood lead levels in the City from January 1, 2001 through June 4, 2004. Paint on houses and apartment buildings built before 1960 has been identified as a source of exposure in many of those cases.

The San Diego Housing Commission has utilized an existing HUD Lead Hazard Control Grant to remediate lead hazards in residential housing in eight communities of Southeast San Diego in Council District 8. A successful working model has been developed, partnering with the Environmental Health Coalition, the Metropolitan Area Advisory Committee (MAAC), the Environmental Services Department of the City, County Health Department, the Logan Heights Family Health Center and Comprehensive Health Centers, as well as the San Diego Gas & Electric Energy Team, the Urban Corps and Campesinos Unidos Inc. (CUI). In

addition, the City's Environmental Services Department was successful in obtaining a HUD Lead Outreach Grant in 2003 and has been focusing on lead education in portions of Council Districts 3, 4, 6 and 7. Funding for actual lead control work has been dependent on the Housing Commission's HUD Lead Control Grant and other limited Housing Rehabilitation Programs. This report requests authorization for the Housing Commission to apply for a new HUD Lead Hazard Reduction Demonstration Grant to continue funding lead remediation work upon expiration of the existing HUD Lead Control Grant in January 2006 and to expand the lead remediation program citywide.

Proposed Program

The Housing Commission will administer the overall grant and the housing rehabilitation component of the proposed program, adding one full-time contract staff for the duration of the grant to be paid by the grant (one existing Housing Construction Specialist and one Senior Administrative Assistant currently being paid by the existing HUD Lead Control Grant will be retained and one new Housing Construction Specialist will be added due to the larger grant and increased projects work load). The Commission will encourage the general rehabilitation of residential units as well as lead-based paint control. This will be achieved by combining existing housing rehabilitation loan/grant programs with grants exclusively for lead control which will be funded by the proposed HUD grant. Lead paint remediation averaging \$6,400 per unit would be available citywide to owner-occupied and rental property occupied by families with children less than six years of age. The Environmental Health Coalition will join with the MAAC Project, the City's Environmental Protection Division and the Housing Commission to complete lead-based paint education and application intake, testing and lead control. The program would be expanded citywide and incorporate referrals from the County Health Department for residences of children with elevated blood lead levels (EBLL) of 5 micrograms per deciliter and above, the threshold for the proposed program.

CONCLUSION

Reducing Lead-Based Paint Hazards is a City affordable housing strategy, as identified in the HUD approved FY2005-FY2010 Consolidated Plan. The proposed program described in this report provides a means to achieve that goal. Awarded funds will strengthen existing programs designed to provide lead-based paint education, detection and control activities.

ALTERNATIVES

Do not authorize a Housing Commission grant application for HUD's Lead Hazard Reduction Demonstration Grant funds. Without renewed funding, the current successful program will end.

Respectfully submitted,

Approved by,

Cissy Fisher
Director of Housing Finance & Development

**Signature on File
With Original Document**

Elizabeth C. Morris
President & Chief Executive Officer

LKnudson (619)578-7521

ATTACHMENT: Proposed Budget for Lead Hazard Reduction Demonstration Grant
Program

ATTACHMENT

Summary of Expenditures Housing Finance & Development/Housing Rehabilitation - OUSA 318/317

HUD Lead Hazard Reduction Demonstration Grant Program

	Proposed HF&D (Rehab) FY06 Budget	Proposed Revision (Grant Award)	Revised FY06 Budget
Salaries and Benefits	796,031	178,329	974,360
Services & Supplies			
Legal	4,500		4,500
Training	1,400		1,400
Travel	300	1,000	1,300
Contract/Consultants	48,769	53,824	102,593
Office Rent	78,426		78,426
Data Processing	1,500		1,500
Sundry	29,839	3,667	33,506
Insurance	7,207	0	7,207
Equipment	510		510
Total Services & Supplies	172,451	58,491	230,942
Housing Programs			
Loans and Grants	5,162,883	416,912	5,579,795
Relocation	43,781	59,294	103,075
Total Housing Programs	5,206,664	476,206	5,682,870
Total Housing Finance & Development Budget	6,175,146	713,026	6,888,172
Reserves		3,286,974	3,286,974
Total Grant Application:		4,000,000	

First year Grant funds would cover six months of FY06 revision, balance of Grant funds in reserves for FY07, FY08 and portions of FY09 to complete the thirty-four month program period.