

CONSOLIDATED PLAN ADVISORY BOARD (CPAB)**MINUTES****Wednesday, January 12, 2022****VIRTUAL CPAB MEETING**[\(LINK\)](#)

| BOARD MEMBERS PRESENT | BOARD MEMBERS ABSENT |
|--|--|
| <ul style="list-style-type: none">• Eileen Gonzales, Council District 3• Brenda Campbell, Council District 4• Patrick Batten, Council District 5• Rich Thesing, Council District 7• Victoria Barba, Council District 8• Peter Dennehy, Council District 9 | <ul style="list-style-type: none">• VACANT, Council District 1• VACANT, Council District 2• VACANT, Council District 6 |

| STAFF PRESENT | ATTENDANCE |
|---|---|
| <ul style="list-style-type: none">• Monica Hardman, Deputy Director• Angela Nazareno Clark, Program Manager• Michele Marano, Community Development Coordinator• Leonardo Alarcón, Community Development Project Specialist• Nadine Hassoun, Community Development Project Manager | <i>(Public had access to meeting via Zoom Webinar and youtube link)</i> |

Call to Order

1. Mr. Peter Dennehy called the meeting to order at 10:04 a.m. Mr. Dennehy took role call; five board members were present. Quorum was achieved at the same time.

Board Member Announcements

2. *No board member announcements were made*

Staff Announcements

3. Community Development staff member Nadine Hassoun gave an update on the Request for Proposals (RFP) process. The Fiscal Year (FY) 2023 CDBG RFP deadline was Monday, January 10, 2022. 44 responses were received and staff is currently conducting an internal review of the responses. Applications deemed eligible will be moved to the CPAB for review by January 31st, 2022.

Approval of Minutes

4. Board member Rich Thesing made the motion to approve the November 11, 2021, meeting minutes. Board member Patrick Batten seconded the motion. ~~The minutes were approved unanimously, 6-0.~~ (UPDATE: At the February 9, 2022 CPAB Meeting, Board member Gonzales noted that she was absent for the November 11, 2021 meeting. The vote for was changed **5-0-1**, with Ms. Gonzales abstaining)

Non-agenda Public Comment

5. *No non-agenda public comments were received.*

Discussion Items**6. a. Conflict of Interest Policies**

The City's Attorney's office gave a brief presentation on the City's Conflict of Interest policies pertaining to CPAB members and staff.

Please see attached presentation for more information.

Board member Rich Thesing asked City Attorney Marguerite Middaugh whether CPAB members donating to applicant or subrecipient organizations would be considered a conflict of interest. Ms. Middaugh responded that this would not be considered a gift.

Board member Victoria Barba thanked Ms. Middaugh for the presentation and for consistently providing CPAB members with assistance.

b. CPAB Scoring Evaluation Handbook for Fiscal Year (FY) 2023 Request for Proposals (RFP)

CDD staff reviewed key elements in the CPAB Scoring Evaluation Handbook to be used when evaluating FY 2023 CDBG RFP submittals.

Please see attached presentation for more information.

Other Items

7. a. This item was open for CPAB to comment or request future agenda items.

Adjournment

8. Mr. Dennehy adjourned the meeting at 10:38 a.m.



Overview of Financial Conflicts of Interest

Consolidated Plan Advisory Board

Presented by the Office of the City Attorney


January 12, 2022



Regulating Conflicts of Interest


Purpose & Intent

- Ensure the actions of government officials serve all citizens equally, without regard to status or wealth.
- Ensure government officials perform their duties without bias or personal gain.
- Ensure and maintain public trust in government



Federal, State and Local Laws Regulating Conflict of Interest

- Federal CDBG Regulations, 24 C.F.R. § 570.611
- California Political Reform Act (PRA)
- California Government Code 1090
- San Diego Municipal Code §§ 26.2108-26.2109
- CPAB Conflict of Interest Code



Federal Conflict of Interest Regulations Applicable to CDBG

24 C.F.R. § 570.611

No persons having any responsibility with respect to CDBG activities or who participate in any CDBG related decisionmaking process or have inside information with respect to CDBG activities may obtain a financial interest or benefit from the activity or have an interest in any contract, subcontract or agreement or in any of its proceeds, either for themselves or those with who they have immediate family or business ties, during their tenure and for one year after.



California

Political Reform Act (PRA)

California Government Code §§ 87100-87500

- A public official has a financial interest in a decision ***if it is reasonably foreseeable that the decision will have a foreseeable and material financial effect*** on the official or one or more of his or her economic interests.
- Economic interests that might cause a financial conflict of interest must be disclosed:
 - ☐ upon taking office,
 - ☐ annually, and
 - ☐ upon leaving office

Economic Interests

- **Income** (including loans) aggregating \$500 or more within the 12 months prior to the decision.
- **Gifts** from a single source aggregating to \$500 or more within the 12 months prior to the decision.
- **Personal Finances.** A measurable financial benefit or loss to your personal finances or an immediate family member's personal finances that would result from the decision.
- **Business Entity** in which you have an investment of \$2,000 or more and in which you are a *director, officer, partner, trustee, employee, or manager*
- **Real property** in which you have an interest of \$2,000 or more including leaseholds (not month to month leases)



Economic Interests

Indirect Investments

investments or interests owned by:

- Your spouse
- Your dependent child
- Your agent
- A business entity or trust in which you, your spouse, your dependent child or your agent holds a 10% or greater interest



Criminal Penalties

- A knowing and willful violation of the PRA is a misdemeanor
- Fine equal to the greater of \$10,000 for each violation or three times the amount improperly reported
- Ineligible to hold an elected office or act as a lobbyist for four years after conviction
- City attorney may bring criminal or civil actions for violations within the City of San Diego

Civil & Administrative Penalties

- Civil Fines & Liability
- Order to:
 - ☐ (1) cease and desist violation of the PRA;
 - ☐ (2) file any required reports or statements; and
 - ☐ (3) pay a fine of up to \$5,000 per violation
- Administrative Fine of \$10 per day for late filing of statements or reports may be imposed



California Government Code 1090

- Applies to financial conflicts related to contracts
- Prohibits a public official from participating in the making of a contract when the official has a disqualifying conflict of interest
- Exceptions: Remote interest or Non-interest



Penalties for Violating Section 1090

- Contract is void and unenforceable
- Willful violation is a crime
 - ☐ Potential fine
 - ☐ Imprisonment
 - ☐ Forever disqualified from holding office in California



Local Regulations of Conflict of Interest

- All members of CPAB must complete and file Form 700 statements of economic interests in accordance with the CPAB conflict of interest code and comply with all applicable ethics laws. SDMC § 26.2108
- Recusal Requirement – no member of CPAB shall participate in any decision in which they have any personal or financial interest. SDMC § 26.2109



CPAB Conflict of Interest Code

Disclosure Categories (Category 1)

- Investments and business positions in any business entity located in or doing business with the City of San Diego.
- Income and gifts from sources located in or doing business with the City of San Diego.
- Interests in real property located in the City of San Diego, including property located within a two-mile radius of any property owned or used by the City.



Summary

- Remember to annually disclose all required economic interests
- Recuse yourself from decisions in which you have financial interests
- When in doubt, ask for advice

Resources

- **Fair Political Practices Commission (FPPC),**
<http://fppc.ca.gov>
- **City's Ethics Commission,**
<http://www.sandiego.gov/ethics/about/help.shtml>
- **Providing Conflict of Interest Advice (2016)**
League of California Cities,
<https://www.cacities.org/Resources-Documents/Resources-Section/Open-Government/Providing-Conflict-of-Interest-Advice>

Questions?



Economic Development

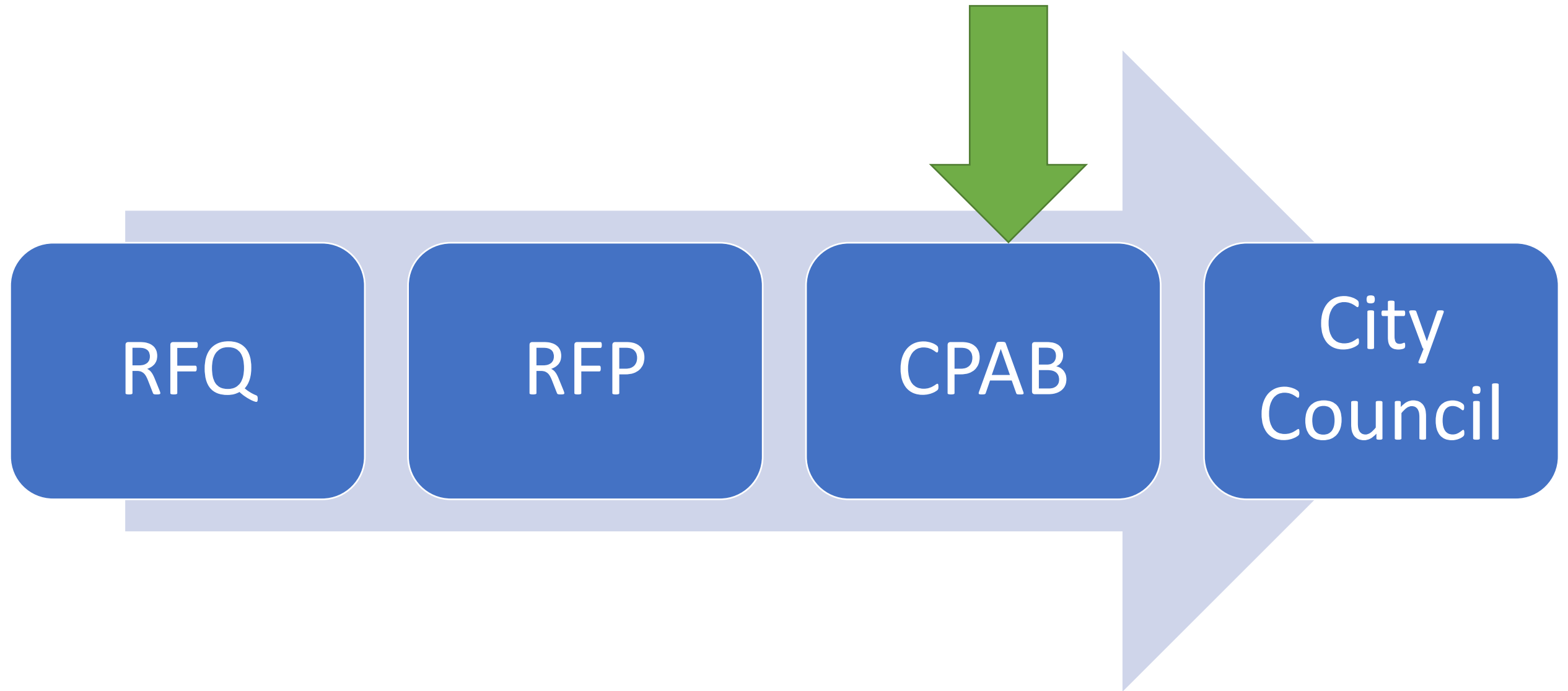
Fiscal Year 2023 CPAB Review Handbook

Consolidated Plan Advisory Board
January 12, 2022

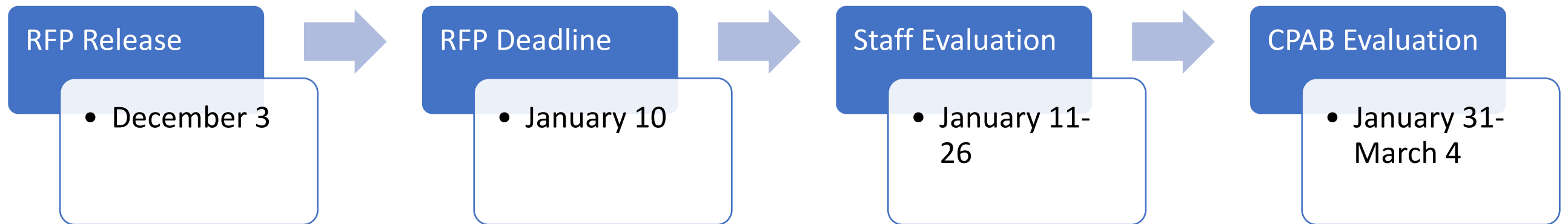
Overview

- Status of Request for Proposals (RFP) Process
- Considerations
- FY 2023 Updates/Changes
- Past Performance
- Appendices
- Next Steps

Sequence



RFP Process



EDGrants

- Economic Development Grants Management System (EDGrants):
<https://edgrants.force.com/ApplicantLogin4?username=nu>
[II](#)
- Completion of registration process
 - Pledge of Confidentiality
 - Acceptance of Conflict of Interest
 - All other relevant information
 - Approval link from ED Grants

Review and Scoring | Considerations

- CONFIDENTIALITY
 - Scores should be kept privately
- Conflict of Interest
 - Review List of Organizations and Board of Directors before reviewing applications
- CPAB Judgment
 - Did organization answer question?
 - Do the outcomes align with the proposed budget?
 - Specific response or “filler response”?
 - Outcomes attainable?



Updates to FY 2023



Past Performance



Appendices and Resources



Next Steps

| Date | Event |
|---------------------|---|
| March 04, 2022 | CPAB FY 2023 CDBG scoring results due to CDD staff |
| March 11, 2022 | FY 2023 CDBG RFP scoring results posted on CDBG website |
| March 16, 2022 | CPAB Meeting to ratify scores and recommended to City Council for approval |
| April 1-May 2, 2022 | Public Comment period for FY 2023 Annual Action Plan (AAP) |
| April 2022 (TBD) | CPAB meeting to recommend and approve FY 2023 Annual Action Plan |
| April 2022 (TBD) | FY 2023 CDBG funding recommendations presented to Public Safety and Livable Neighborhoods (PSLN) Committee with FY 2023 AAP |
| April 2022 (TBD) | FY 2023 CDBG funding recommendations presented to City Council for approval with FY 2023 AAP |
| May 13, 2022 | Submit FY 2023 AAP to HUD |