



**City of San Diego  
Eighth District**

**MEMORANDUM**

**DATE:** April 8, 2013  
**TO:** Honorable Mayor Bob Finer  
**FROM:** Councilmember David Alvarez  
**SUBJECT:** Neighborhood Revitalization Strategy Area (NRSA) in San Ysidro

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A Neighborhood Revitalization Strategy Area (NRSA) is a contiguous residential area with a high concentration of economically disadvantaged, low/moderate income persons, in which a Community Development Block Grant (CDBG) grantee has strategically decided to target resources and services. The purpose of a NRSA is to create regulatory flexibility in undertaking economic development, housing, and public services activities in selected economically disadvantaged area (s) of the community. This is an economical revitalization tool not necessarily a substitute for redevelopment. The NRSA must meet one of the three CDBG National Objectives:

1. Benefit primarily low and moderate income persons as evidenced by all of the following:
  - Area-benefit activities where at least 51% of the residents are of low and moderate income (LMI) (80% of County's median income).
  - Clientele where at least 51% are of LMI persons.
  - Job creation where at least 51% of the jobs created or retained are for LMI persons.
2. Prevention or elimination of slums and blight.
3. Urgent need activities (must meet all three)
  - Serious/immediate threat to health/safety
  - Recent origin
  - City is unable to finance activity on its own and other sources are unavailable.

**Overview of NRSA Benefits:**

NRSA offers: greater regulatory flexibility for the following activities:

- Community members make the decision not the bureaucrats.
- Job creation/retention (economic development) businesses do not need to track specific income of newly hired employees to demonstrate low and moderate income benefits. There is less administrative burden on business and City Staff.
- Aggregate public benefit standard exemption
- Housing rehabilitation
- Public services by community based development organization (CDBOs) public services provided by CDBO are exempt from the 15% cap imposed on the city and provide a more intensive level of services to stimulate revitalization. Such activities would include job training, day care, transportation and other employment-related services.

**Preparing and submitting a NRSA:**

1. Neighborhood selection criteria: NRSA's must be contiguous, a reasonable size, primarily residential, with a high concentration of low/mod income: more than 70% of the household must be of low and moderate income