Atascadero City Council
Staff Report – Public Works Department

2011 Community Development Block Grants
Draft Recommendations

RECOMMENDATION:

Council develop and adopt draft funding recommendations for the 2011 Community Development Block Grant (CDBG) funds:

DISCUSSION:

Background: The 2011 CDBG award process began in the Fall of 2010. The first of two Workshops were held throughout the County to solicit public comment on community needs. The County published a request for CDBG proposals. The City received 15 applications for CDBG funds by the deadline and one after the deadline. Total funding, based on previous levels, is anticipated to be $202,000. Final funding amounts will be released by the Department of Housing and Community Development in early 2011.

CDBG funds are available for community development activities, which meet at least one of the three national objectives:

1. A benefit to low and moderate-income persons;
2. Aid in the prevention or elimination of blight;
3. Address urgent needs that pose a serious and immediate threat to the health or welfare of the community.

In order for a program to qualify under the low and moderate income objective, at least 51% of the persons benefiting from the project or program must earn no more than 80% of the area median. Additionally, at least 70% of the CDBG funds must be spent toward this objective.

The following criteria should also be used to guide selection of CDBG programs:

1. The proposal is consistent with the national objectives and eligibility criteria of the HUD CDBG program;
2. The proposal is consistent with the Urban County Consolidated Plan;
3. The proposal is consistent with the General Plan and other City codes/ordinances.
4. The proposal will achieve multiple community development objectives;
5. The proposal can be implemented in a timely manner, without significant environmental, policy, procedural, legal, or fiscal obstacles to overcome; and
6. The project is not financially feasible without CDBG funding.

The City received the following applications for the 2011 funding cycle:

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<thead>
<tr>
<th>Public Facilities</th>
<th>Requested</th>
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<tbody>
<tr>
<td>City of Atascadero – Handicapped Accessibility - Barrier Removal Projects</td>
<td>$150,000</td>
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<tr>
<td>North County Women’s Shelter – Restroom Renovation</td>
<td>13,000</td>
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<tr>
<td>North County Connection – Sober Living Center</td>
<td>5,000</td>
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<tr>
<td>People’s Self Help Housing – Improvement to existing facility</td>
<td>23,687</td>
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<table>
<thead>
<tr>
<th>Public Facilities – Limited to 15% of 2011 Allocation ($30,300)</th>
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<tr>
<td>Atascadero Community Services Foundation – Youth Activity Scholarships</td>
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<tr>
<td>Atascadero Loaves and Fishes – Operation of Food Pantry</td>
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<tr>
<td>Big Brothers Big Sisters – Operating Expenses, Mentor Program</td>
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<tr>
<td>CAPSLO – Senior Health Screening</td>
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<td>CAPSLO – Forty Wonderful Program</td>
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<td>CAPSLO – Teen Academic Parenting Program</td>
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<tr>
<td>El Camino Homeless Organization – Operations</td>
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<td>Literacy Council – Atascadero Program*</td>
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<tr>
<td>Senior Nutrition Program for SLO County – Hot Lunch for Seniors</td>
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<tr>
<td>Transitional Food and Shelter – Shelter for Medically Fragile</td>
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<tr>
<th>Economic Development – Charged against 20% Administrative Cap</th>
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<tr>
<td>Mission Community Services – Women’s Business Program</td>
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</tbody>
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<th>Administration – Limited to 20% of 2010 Allocation ($40,400)</th>
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</thead>
<tbody>
<tr>
<td>City Program Administration Costs</td>
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</table>

Total Funds Requested $302,337

Estimated Total Funding Available $202,000

*The application from the Literacy Council was received 5 days late as explained in the attached letter from Executive Director, Bernadette Bernardi. The application was received prior to staff’s review and consideration of the other applications, and was therefore considered.

The City received over $100,000 more in funding requests that is anticipated in grant funds. In addition there are limits related to categories of funding as described below. As part of the CDBG process tonight Council must develop a draft recommendation for the 2011 grant year that meets the funding criteria while adhering to the category limits.
A copy of all applications, funding regulations and a summary of past awards has been provided with your agenda packet. Copies have also been provided in the lobby and the library for public review.

Upon approval, the draft funding recommendations will be forwarded to the County for publishing along with recommendations from all participating agencies. A minimum of 30 days after publication the second workshop will be held to allow questions from applicants regarding the draft recommendations after which the draft allocations will be forwarded to City Council, with comments from the workshop, for final approval and forwarding to the County Board of Supervisors. The following is a brief explanation of the funding groups and applications within each:

PUBLIC FACILITIES

Public Facilities are defined as activities relating to real property, including the acquisition, construction, rehabilitation or installation of public improvements. These activities can be carried out by a grantee, subrecipient or other nonprofit.

City of Atascadero – City Facilities and Infrastructure – Barrier Removal
Funds Requested: $150,000

This project provides for the removal of accessibility barriers at all city facilities. Project includes, in part, sidewalk modifications, infill of sidewalk gaps, audible ramping issues, bathroom compliance upgrades, door hardware replacements, audible and visual warning systems, ramping issues and access to facilities.

North County Women’s Resource Center – Restroom Renovation
Funds Requested: $13,000

North County Women’s Resource Center provides assistance to women and children who are victims of domestic violence. Approximately 95% of their clients meet the low to very low-income criteria. The proposed project would provide for the renovation of three restrooms at the Atascadero domestic violence shelter. Some of the items to be repaired or replaced include vinyl flooring, vanities, light fixtures, tub insert walls, mirrors, sinks, toilets, and heat valves.

North County Connection – Sober Living Facility in Atascadero
Funds Requested: $5,000

The applicant indicates that the project goal is to acquire, rehabilitate and develop the North County Connection Resource and Recovery Center currently located at 8600 Atascadero Avenue into a residential Sober Living Facility.

The proposed project has a stated budget of $80,000 consisting of a request for $30,000 in 2011 CDBG funds from the County of San Luis Obispo, $37,440 in kind labor contributions and $7,560 in secured private funds.
Staff has concerns about the applicant's ability to complete the project within CDBG time requirements due to the current status of the project and the approvals/funding required.

**People’s Self Help Housing – Repair and Renovations to existing housing facility**
**Funds Requested: $23,687**

People’s Self Help Housing has $15,317.70 remaining from the 2007 grant cycle earmarked for roof repair to an existing project consisting of 17 apartment units on Santa Ysabel Avenue. This funding is inadequate to perform the repair which is now estimated at approximately $30,000. People’s is requesting $14,685 in 2011 funding to augment the remaining 2007 funding to fully fund the roof repair.

Applicant is also requesting $6,500 to develop plans to convert the present laundry room/office/storage into a one bedroom apartment and $2,502.70 to cover administration and overhead.

While staff supports the request for additional grant funds to complete the roof repair, the request to fund architectural plans for a project that has not secured construction funding is inconsistent with the historic priorities of the Council.

**PUBLIC SERVICES** - 15% cap on percentage of award from this category estimated at $30,300 this cycle.

CDBG regulations allow for a wide range of public service activities, including, but not limited to: Employment services, crime prevention, child care, health services, substance abuse services, fair housing counseling and recreational services.

**Atascadero Community Services Foundation – Youth Activity Scholarship Fund**
**Funds Requested: $8,000**

The Community Services Foundation has established a scholarship fund to allow the children of low-income families to participate in recreational and social activities. Because this program is limited to low-income families, the benefit criteria will be met.

**Atascadero Loaves and Fishes – Groceries for Needy Families**
**Funds Requested: $15,000**

Loaves and Fishes operate an emergency food pantry for very low and low-income residents in Atascadero, Templeton, Santa Margarita, Creston and California Valley. They are requesting funds to purchase groceries.

**Big Brothers/Big Sisters – Mentoring Program**
**Funds Requested: $5,000**

This organization is requesting funding to be used to operate their mentoring program for children between the ages of 6 and 16. Potential volunteers are trained, interviewed
and screened, clients are interviewed and provided with safety materials and training and are then matched with a Big Brother or Big Sister.

**Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO) – Forty Wonderful Program**  
Funds Requested: $2,750

CAPSLO (formerly Economic Opportunity Commission) is requesting funding from all agencies for the “Forty Wonderful Program” which is designed to improve access to medical services, early detection and intervention of chronic diseases and reduce mortality for low-income women age 40 and older.

**CAPSLO – Senior Health Screening**  
Funds Requested: $2,750

CAPSLO is also requesting funds from all agencies to support the Senior Health Screening program. Senior Health Screening is a mobile health screening program for seniors in the county. In Atascadero clinics are held at the Hagan Senior Center and California Manor Apartments. Funds would cover testing and expenses.

**CAPSLO – Teen Parenting Program**  
Funds Requested: $2,750

The Teen Parenting Program ensures that pregnant and parenting teens receive prenatal, well-baby, and other health care; education and mentoring to improve pregnancy outcomes; and support to complete their high school education, improve parenting skills, reduce subsequent pregnancies, reduce social isolation, and experience a sense of connection with their peers and case manager.

**El Camino Homeless Organization – Shelter Maintenance/Operation and Motel Vouchers**  
Funds Requested: $15,000

ECHO provides shelter services to the homeless in Northern San Luis Obispo County, including Santa Margarita, Atascadero, Paso Robles, San Miguel, Creston and Shandon. Since its inception in 2001, ECHO reports that they have provided over 70,000 beds and over 117,000 hot meals to the homeless and hungry. The ECHO shelter, intake process and all ancillary services are located at the First Baptist Church, 6370 Atascadero Avenue in Atascadero.

These funds would be used to pay for Shelter maintenance and operation.

**Literacy Council – Atascadero Program**  
Funds Requested: $4,000

This organization is requesting funds to recruit and prepare volunteers as tutors. The Literacy Council operates 14 centers throughout San Luis Obispo County. This past fiscal year 505 tutors served 824 learners with 21,568 hours of tutoring.
Note: The application for the Literacy Council was submitted 5 days after the deadline. The Executive Director is requesting consideration of their application.

**Senior Nutrition Program of San Luis Obispo County – Hot Lunches for Seniors**
Funds Requested: $5,000

The Senior Nutrition Program operates ten dining rooms throughout San Luis Obispo County that provide hot noon time meals to seniors or delivery of meals to those that are homebound. In fiscal year 09/10, Senior Nutrition Program provided 21,125 meals to 221 seniors in the city of Atascadero.

**Transitional Food and Shelter – Residential Care Home for Disabled in Atascadero**
Funds Requested: $5,000

Temporary, emergency shelter for county residents who are both medically fragile and homeless, who are too ill, injured or disabled to be safely housed in an overnight homeless shelter. The clients are housed at 5 apartments in Atascadero, 4 apartments at the Anderson Hotel in SLO and 1 apartment in Arroyo Grande.

**ECONOMIC DEVELOPMENT/ADMINISTRATION** 20% cap on percentage of award from this category estimated at $40,400 this cycle.

Economic Development is defined as acquiring, constructing, reconstructing, rehabilitating or installing commercial or industrial buildings, structures, and other real property equipment and improvements; assisting a private, for-profit business through loans, grants, interest subsidies, or providing economic development services in connection with otherwise eligible CDBG economic development activities.

**Mission Community Services Corporation – Women’s Business Center Program**
Funds Requested: $5,000

The Women’s Business Center program is established by the U.S. Small Business Administration. The purpose of the program is to provide introductory and in-depth entrepreneurial training to underserved women, minorities, displaced workers, veterans and other population groups.

**City of Atascadero – CDBG Program Administration**
Funds Requested: $40,400

Costs associated with the administration of the Community Development Block Grant program. Significant staff time from Administration, Public Works and Administrative Services is required for grant administration, payment processing and coordination with County Planning staff.
If administration costs exceed the funding allocation, remaining cost of administering
the program will need to be paid from the general fund.

**FISCAL IMPACT:**

Available funds are estimated at $202,000 for the 2011 cycle.

**ALTERNATIVES:**

Awards must meet program requirements, providing a minimum of 70% of funding for
benefit to low and moderate-income persons, and no more than 15% can be allocated
to the public service category.

**ATTACHMENTS:**

Attachment A: Letter from Literacy Council dated October 27, 2010
Attachment B: Past Year’s “Public Service” Awards

NOTE: A complete packet of submitted applications is available for public review at the
City of Atascadero, 6907 El Camino Real.
October 27, 2010

Valerie Humphrey
Public Works Department
City of Atascadero
6907 El Camino Real
Atascadero, CA 93422

Dear Ms. Humphrey,

Enclosed is the Literacy Council’s CDBG Application for 2011. Today’s mailing is five days after the posted due date of October 22, 2010.

I fully understand that you need not accept this late application or submit this request to the mayor and city council members of Atascadero, though I would very much appreciate it if you would.

This application is late because of my oversight. I forgot that CDBG proposals were due to the County of San Luis Obispo on October 22, 2010 and only realized today that I had missed the deadline. Please consider the Literacy Council’s past diligence in both applying and reporting for CDBG funds while deliberating on this request for late acceptance of our application. Please forward this request to excuse my mistake and accept the enclosed CDBG Application for 2011 funds to the mayor and city council members.

Thank you. I look forward to hearing from you regarding any next steps in this process.

Cordially,

Bernadette Bernardi
Executive Director

Enclosure: as stated
### Attachment “B”

#### PAST YEARS “PUBLIC SERVICE” AWARDS

<table>
<thead>
<tr>
<th>PUBLIC SERVICE</th>
<th>2009</th>
<th>2010</th>
<th>TOTAL 2009 &amp; 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIG BROTHERS BIG SISTERS</td>
<td>$1,960</td>
<td>$1,624</td>
<td>$3,584</td>
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<tr>
<td>COMMUNITY SERVICES FOUND.</td>
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<tr>
<td>E.C.H.O.</td>
<td>$12,750</td>
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<tr>
<td>LITERACY COUNCIL</td>
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<td>LOAVES AND FISHES</td>
<td>$6,860</td>
<td>$8,119</td>
<td>$14,979</td>
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<tr>
<td>PSHHC - Foreclosure Prevention</td>
<td>$980</td>
<td>n/a</td>
<td>$980</td>
</tr>
<tr>
<td>SENIOR NUTRITION PROGRAM OF SLO</td>
<td>$980</td>
<td>-</td>
<td>$980</td>
</tr>
<tr>
<td><strong>TOTAL ALLOCATED</strong></td>
<td>$27,029</td>
<td>$30,312</td>
<td>$57,341</td>
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