**Atascadero City Council**  
*Staff Report – Public Works Department*

**2009 Community Development Block Grant Allocation**

**RECOMMENDATION:**

City Council forward to the County Board of Supervisors allocation recommendations for the 2009 Community Development Block Grant (CDBG) funds as follows:

<table>
<thead>
<tr>
<th><strong>Public Facilities</strong></th>
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<tbody>
<tr>
<td>City of Atascadero – Handicapped Accessibility - Barrier Removal Projects</td>
<td>195,494</td>
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<tr>
<td>North County Women’s Shelter – Roof Replacement</td>
<td>12,100</td>
</tr>
</tbody>
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<tr>
<th><strong>Public Services – Limited to 15% of 2009 Allocation</strong></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Atascadero Community Services Foundation – Youth Activity Scholarships</td>
<td>1,960</td>
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<tr>
<td>Atascadero Loaves and Fishes – Operation of Food Pantry</td>
<td>6,860</td>
</tr>
<tr>
<td>Big Brothers Big Sisters – Operating Expenses, Mentor Program</td>
<td>1,960</td>
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<tr>
<td>El Camino Homeless Organization – Operations</td>
<td>12,750</td>
</tr>
<tr>
<td>Literacy Council – Atascadero Program</td>
<td>980</td>
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<tr>
<td>Senior Nutrition Program</td>
<td>1,960</td>
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<tr>
<td>Peoples’ Self Help Housing – Homebuyer Edu./Foreclosure Prevention</td>
<td>980</td>
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</tbody>
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<tr>
<th><strong>Economic Development – Charged against 20% Administrative Cap</strong></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>211 SLO Hotline – Capacity Building and Priority Study</td>
<td>3,400</td>
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</tbody>
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<tr>
<th><strong>Administration</strong></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>City Program Administration Costs</td>
<td>33,200</td>
</tr>
</tbody>
</table>

| Estimated 2009 CDBG Grant Funds Available | 183,000          |
| Prior Year Reallocations                  | 88,644           |
| **Estimated Total Funding Available**     | **271,644**      |
# REALLOCATION OF PRIOR YEAR FUNDS

<table>
<thead>
<tr>
<th>YEAR</th>
<th>FROM</th>
<th>TO</th>
<th>AMOUNT</th>
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</thead>
<tbody>
<tr>
<td>2006</td>
<td>CODE ENFORCEMENT</td>
<td>BARRIER REMOVAL</td>
<td>$23,294</td>
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<tr>
<td>2006</td>
<td>SENIOR VOLUNTEER SERVICES</td>
<td>BARRIER REMOVAL</td>
<td>$ 1,000</td>
</tr>
<tr>
<td>2007</td>
<td>GOOD SAMARITAN SHELTER</td>
<td>BARRIER REMOVAL</td>
<td>$50,000</td>
</tr>
<tr>
<td>2008</td>
<td>ADMINISTRATION</td>
<td>BARRIER REMOVAL</td>
<td>$14,350</td>
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## DISCUSSION:

**Background:** Preparation of the 2009 CDBG Consolidated Plan began in the fall of 2008. Workshops were held throughout the County to solicit public comment on community needs. The County published a request for CDBG proposals. The City received 11 applications for CDBG funds by the deadline. The City has available an estimated $183,000 in 2009 CDBG funds and $88,644 in prior year funding recommended for reallocation.

The reallocation of prior year awards is recommended for the following reasons:

- **Code Enforcement** – These funds were awarded for Code Enforcement activity in the Redevelopment Area, however meeting stringent CDBG requirements for reimbursement of these activities has proved to be very difficult.
- **Senior Volunteer Services** – The activity to be provided with the grant funding, Caring Callers, is no longer provided by this organization.
- **Good Samaritan Shelter** – This award was intended for a feasibility study and pre-development costs for a homeless shelter facility. Good Samaritan has experienced difficulty securing a site and has notified the City that the funding obligation can be released. Good Samaritan has indicated they will reapply at a future cycle when they have secured a site.
- **Administration** – These are funds used for City staff time to administer the CDBG program. The funds represent a remaining prior year balance and must be reallocated to avoid exceeding the 20% cap on Administration.

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 applications were reviewed by staff to ensure compliance with HUD criteria and forwarded to the Finance Committee for preliminary award recommendations.

RECOMMENDED FOR FUNDING

PUBLIC FACILITIES

City of Atascadero – City Facilities and Infrastructure – Barrier Removal
Funds Requested: $150,000
Recommended Funding: $106,850 in 2009 funds
Prior Year Reallocations: $88,644 Total Recommended Funding: $195,494

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 – Roof Replacement
Funds Requested: $12,100
Recommended Funding: $12,100

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 fund replacement of the roof at the Atascadero shelter. Replacement of the deteriorating roof will prevent leaking, eliminating the potential for interior damage to ceilings, walls and the risk of mold.

PUBLIC SERVICES - 15% cap on percentage of award from this category estimated at $27,450 this cycle.

Atascadero Community Services Foundation – Youth Activity Scholarship Fund
Funds Requested: $10,000
Recommended Funding: $1,960

The Community Services Foundation has established a scholarship fund to assist families of low-income youth to participate in recreational and social activities. Because this program is limited to low-income youth, the benefit criteria will be met.
Atascadero Loaves and Fishes – Groceries for Needy Families
Funds Requested: $10,000
Recommended Funding: $6,860

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
Recommended Funding: $1,960

This organization is requesting funding to be used for Empowerment Training for at-risk children and their guardians and for volunteer training for Big Brothers and Big Sisters.

El Camino Homeless Organization – Shelter Maintenance/Operation and Motel Vouchers
Funds Requested: $15,000
Recommended Funding: $12,740

ECHO provides shelter services to the homeless in Northern San Luis Obispo County, including Santa Margarita, Atascadero, Paso Robles, San Miguel, Creston and Shandon. Between 25 and 30 people eat and sleep at the ECHO shelter each night. In the last fiscal year over 9,000 guests spent the night in the shelter and over 12,000 meals were served. 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
Recommended Funding: $980

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.

Peoples’ Self Help Housing Corporation – Homebuyer Education/Foreclosure Prevention Workshops
Funds Requested: $3,000
Recommended Funding: $980

Peoples’ Self Help Housing Corporation is requesting funds to cover salary and operational expenses to provide Homebuyer Education and Foreclosure Prevention Workshops and individual counseling. Peoples’ has always provided Homebuyer Education to families participating in their self-help program, however, with the current sub-prime mortgage situation those services need to be expanded. One new and one existing staff member have obtained HUD certification in this field.
Senior Nutrition Program of SLO County – Senior Nutrition
Funds Requested: $3,000
Recommended Funding: $1,960

The Senior Nutrition Program operates nine dining rooms throughout San Luis Obispo County including the Senior Citizen’s United facility on East Mall in Atascadero. This program also provides home delivered meals to those who are homebound. Countywide, the Program served approximately 130,000 meals in 2007/2008 and anticipates serving over 140,000 in 2008/2009. Funds are requested for operational expenses.

NOT RECOMMENDED FOR FUNDING- PUBLIC SERVICES

Transitional Food and Shelter
Funds Requested - $14,000
Not recommended for funding this year

Transitional Food and Shelter (formerly The Homeless Housing Project) is requesting funds to provide temporary, 24 hour shelter to the medically fragile homeless in San Luis Obispo County, those who are too ill, injured or disabled to be out during the day and cannot be served in an overnight shelter.

ECONOMIC DEVELOPMENT

Hotline of San Luis Obispo County - 2-1-1
Funds Requested: $3,400
Recommended Funding: $3,400

CDBG funds are requested by 211 SLO Hotline to conduct a study of social services requests from approximately 12,000 low and very low income callers to determine, by priority, which needs can be met by a local agency and what needs remain unmet because local services are not available. Callers included in the study reside in San Luis Obispo County and selected cities within SLO County.

This project is designed to collect and analyze data about the social service needs of SLO County residents. The results will allow City and County governments to better understand what services a large number of low income residents are asking for and whether or not there are services available to meet those requests. Additionally, information will be available to determine if duplications exist or if an agency generally does provide the service but could not for some reason at the time it was needed.
City of Atascadero – CDBG Program Administration
Funds Requested: $36,800
Recommended Funding: $33,200

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.

FISCAL IMPACT:

Available funds are estimated at $183,000 for the 2009 cycle and $88,644 in reallocated prior year funds for total funding available estimated to be $271,644.

ALTERNATIVES:

Council may modify the grant recommendations indicated. However, 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.