Atascadero City Council
Staff Report – Public Works Department

2012 Community Development Block Grants
Draft Recommendations

RECOMMENDATION:

Council develop and adopt draft funding recommendations for the 2012 Community Development Block Grant (CDBG) funds.

DISCUSSION:

Background: The 2012 CDBG award process began in the Fall of 2011. 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 and the City received 13 applications. Total funding, based on previous levels, is anticipated to be approximately $170,000. Final funding amounts will be released by the Department of Housing and Community Development in early 2012.

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 2012 funding cycle:

<table>
<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>
</tr>
<tr>
<td>North County Women’s Shelter – Electrical Upgrade and Garage Door Replacement</td>
<td>3,200</td>
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<tr>
<td>North County Connection – Acquisition and development of Sober Living Center</td>
<td>100,000</td>
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<tr>
<td>Transitional Food and Shelter - Purchase of property for transitional housing</td>
<td>200,000</td>
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<table>
<thead>
<tr>
<th>Public Services – Limited to 15% of 2012 Allocation ($25,500)</th>
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<tbody>
<tr>
<td>Atas. Community Services Foundation – Youth Activity Scholarships</td>
</tr>
<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>El Camino Homeless Organization – Operation expenses</td>
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<tr>
<td>Literacy Council – Atascadero Program</td>
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<tr>
<td>North County Adaptive Sports &amp; Recreation – Operation expenses</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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<tr>
<th>Administration – Limited to 20% of 2010 Allocation ($34,000)</th>
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<tr>
<td>City Program Administration Costs</td>
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| Total Funds Requested | $553,200 |

| Estimated Total Funding Available | $170,000 |

Applications received significantly exceed anticipated funding. 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 2012 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 – Electrical Repair and Garage Door Replacement**
Funds Requested: $3,200

The proposed project would provide for the replacement of outlets that have become overused and unstable in the walls. In addition, the garages at the facility are used to store operating supplies such as diapers, toiletries, cleaning supplies and dry food items. Currently the wooden garage doors are old, heavy and difficult to open. These doors would be replaced with lightweight metal doors.

**North County Connection – Sober Living Facility in Atascadero**
Funds Requested: $100,000

The proposed project is for the purchase their current facility at 8600 Atascadero Avenue. North County Connection has been operating a recovery resource center for 22 years, 11 of those years at their current location.

**Transitional Food and Shelter – Transitional Housing**
Funds Requested: $200,000

The project is to acquire property at 7860 Sinaloa to be used for transitional housing or group housing for medically fragile homeless persons. The property consists of 4 units with a total of 8 bedrooms.

**PUBLIC SERVICES** - 15% cap on percentage of award from this category estimated at $25,541 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.

El Camino Homeless Organization – Shelter Maintenance/Operation and Motel Vouchers  
Funds Requested: $12,500

ECHO provides shelter services to the homeless in Northern San Luis Obispo County, including Santa Margarita, Atascadero, Paso Robles, San Miguel, Creston and Shandon. In the 2011 program year, ECHO sheltered 298 individuals. 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: $5,000

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.

North County Adaptive Sports & Recreation – Operating Funds  
Funds Requested: $2,500

This organization provides supervised adaptive sports and recreation activities for developmentally/severely disabled ages 8 and over in North San Luis Obispo County. The CDBG funds would be used for the purchase of insurance and equipment.
Senior Nutrition Program of San Luis Obispo County – Hot Lunches for Seniors  
Funds Requested: $10,000

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: $3,000

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: $34,054

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 $170,000 for the 2012 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:
Prior Year “Public Service” Awards

NOTE: A complete packet of submitted applications is available for public review at the City of Atascadero, 6907 El Camino Real.
<table>
<thead>
<tr>
<th>PUBLIC SERVICE</th>
<th>2010</th>
<th>2011</th>
<th>TOTAL 2010 &amp; 2011</th>
</tr>
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<tbody>
<tr>
<td>BIG BROTHERS BIG SISTERS</td>
<td>$ 1,624</td>
<td>$ -</td>
<td>$ 1,624</td>
</tr>
<tr>
<td>COMMUNITY SERVICES FOUND.</td>
<td>$ 2,519</td>
<td>$ 1,935</td>
<td>$ 4,454</td>
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<tr>
<td>E.C.H.O.</td>
<td>$ 12,750</td>
<td>$ 12,500</td>
<td>$ 25,250</td>
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<tr>
<td>LITERACY COUNCIL</td>
<td>$ 980</td>
<td>$ 850</td>
<td>$ 1,830</td>
</tr>
<tr>
<td>LOAVES AND FISHES</td>
<td>$ 6,860</td>
<td>$ 10,000</td>
<td>$ 16,860</td>
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<tr>
<td>SENIOR NUTRITION PROGRAM OF SLO</td>
<td>$ 980</td>
<td>$ -</td>
<td>$ 980</td>
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<tr>
<td>TRANSITIONAL FOOD AND SHELTER</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
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<tr>
<td>TOTAL ALLOCATED</td>
<td>$ 25,713</td>
<td>$ 25,285</td>
<td>$ 50,998</td>
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