

TO: JAMES L. APP, CITY MANAGER
FROM: RON WHISENAND, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: 2010 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
DATE: NOVEMBER 17, 2009

Needs: For the City Council to (a) decide which applications for the City's 2010 Community Development Block Grant (CDBG) funds should be recommended in the *Draft* Annual Action Plan and (b) set a date for the public hearing for the 2010 CDBG Fund allocations.

Facts:

1. October 19, 2009 was the deadline for submittal of applications for 2010 CDBG funds. As of that date, the City received 23 applications (including applications from the City for "capacity-building" and administrative use of CDBG funds). The total amount of funding requested for the 23 applications comes to \$838,600. Attached is a table and a narrative summary of the 23 applications. Binders containing all of the applications will be available at the Community Development Department counter, Library Reference Desk, and in the City Council's office.
2. The U.S. Department of Housing and Urban Development (HUD) is not expected to publish the amounts of available 2010 CDBG funds to be distributed to recipients until Spring 2010. The city assumes it will be entitled in 2010 to the same amount it received in 2009, which was \$277,207.
3. The City receives its allocations of federal CDBG funds through the County of San Luis Obispo. The County takes the lead role in administration of the CDBG program. This includes the preparation, adoption and annual updating of a "Consolidated Plan", which HUD approves following adoption by the County Board of Supervisors. Under a cooperation agreement with the County, the City retains the right to decide how its allocation of CDBG funds will be used.
4. In December 2009, the County will publish a Draft "Consolidated Plan", which will list summaries of the activities that are recommended for consideration by the city councils and Board of Supervisors at public hearings to be conducted in February and March 2010.
5. It is proposed that, at its meeting of November 17, 2009, the City Council review all of the applications and recommend those applications to be listed in the Draft Consolidated Plan as being *recommended* for funding.
6. The Draft Consolidated Plan will be considered by the Council at a public hearing to be conducted in early March 2010. At that hearing, the Council may consider any of the applications filed by October 19, 2009, whether or not they are recommended for funding in the Draft Consolidated Plan.
7. Federal regulations impose several limits on the use of CDBG funds as follows:
 - a. At least 70% of all funds *must* be spent on activities that benefit low income persons, and no more than 30% *may* be spent on activities that eliminate blight; (NOTE: No applications for blight elimination projects were submitted in 2010.)
 - b. No more than 15% of CDBG funds *may* be used for public service activities;
 - c. No more than 20% of CDBG funds *may* be used for administrative uses;

8. The \$277,207 are available to be divided among the proposed activities, as shown below:

\$180,626 minimum for low income benefit – non-public service projects
\$ 41,581 maximum for low income benefit – public service programs
\$ 55,000 maximum for administration and capacity-building
\$277,207 Total

Analysis and
Conclusion:

Non-Public Service Applications (Public Facilities, Housing, Economic Development Projects)

Non-public service applications are applications that apply for funding for activities that aid in community development actions that eliminate slums and blight, avoid the deterioration of property, neighborhood, and community facilities of importance to the welfare of the community, principally serving persons of low and moderate income. Examples of activities CDBG funds can be used for are construction, reconstruction, rehabilitation (including removal of architectural barriers to accessibility), and installation of public facilities and improvements when the primary beneficiaries of the project are of low-income.

Since 2007, the City has allocated CDBG and Workforce Housing Reward Grant funds to design and construct sidewalks and related improvements in Riverside Avenue and 24th Street adjacent to the Paso Robles Event Center (PREC). To date, these funds have been used to design the improvements, construct an LED-lighted crosswalk at the Main Entrance to the PREC, and pay PG&E fees for the Riverside Avenue Phase. Presently, a balance of \$389,000 remains allocated to construct the Riverside Avenue Phase. On November 2, the City received an updated cost estimate of \$365,000 to construct the Riverside Avenue Phase. This cost estimate recommended an additional \$73,000 for contingencies. A complete budget, including funds for bid costs (printing, postage and legal notices) would total \$440,000. Therefore, the present balance is \$51,000 short. (The Redevelopment Agency has approved use of Redevelopment Funds for the 24th Street phase.) This project should be ready to go to bid in December.

The City has also initiated applications for three LED-lighted crosswalks in Uptown and the replacement of a deteriorating asphalt sidewalk in Turtle Creek Park with a concrete walk. Option “A” (presented below) proposes that the Turtle Creek sidewalk, LED Crosswalk at Spring and 26th Street (where the street is presently being rebuilt in conjunction with the reconstruction of Flamson Middle School), and the LED Crosswalk at 34th and Oak Street be funded. The LED Crosswalk at 34th and Oak Street was requested by the principal for Georgia Brown School and is supported by the Police Department. The amount of funding suggested for this project is \$16,000, which would be enough to construct a new handicapped ramp on the west side of Oak Street and reconstruct the deteriorated handicapped ramp on the northeast corner of 34th and Oak Streets. Should there be savings from the Riverside Avenue and Turtle Creek Sidewalk projects, they could be applied to install an LED system at 34th and Oak Streets, otherwise installation of the LED system would have to be completed in another year.

The Housing Authority of the City of Paso Robles has also applied for \$200,000 in CDBG funds to construct a new community center as part of the redevelopment of Oak Park. As discussed in the attached summary of applications, it is not recommended that this project be funded with CDBG funds.

Public Service Applications

Public services are those activities in which non-profit organizations provide services to low income clients. For several years, the City has received more requests for grants to support public services than it has CDBG funds that may be used for such purposes, and 2010 is no exception. If the

\$41,581 available for public services were equally-distributed among all of the 13 applicants for these funds, each would receive about \$3,200.

In 2009, the City required applicants for public services funds to submit certain information to supplement their CDBG applications. Such information included estimates of the number of city residents to be served by their programs, statements of their total requests for CDBG or other grants from other jurisdictions in which their clients reside, information about their annual budgets, etc. In order that the City Council have adequate information on which to base a decision to appropriately allocate the limited public service funds, City staff intends to solicit similar information from public services applicants for 2010 CDBG applications.

The supplemental information will not be available for Council's review on November 17. Therefore, for the Draft Annual Action Plan, it is suggested that the Council confirm whether or not the City will fund public service applications at the full 15% allowed by federal regulations (as it has done for several years now). The final decision on which public service applications would be funded, would be deferred until the public hearing in March 2010.

Administration and Capacity Building

Administration and capacity building services are activities that consist of using City staff time to implement programs identified in the City's Housing Element of the General Plan and in its Redevelopment Implementation Plan to benefit low and moderate income persons and to aid in the prevention or elimination of slums or blight. This activity will further the City's efforts to provide affordable housing to low and moderate income households.

CDBG Regulations provide that no more than 20% of all entitlement and Program Income CDBG funds in any Program Year may be used for administrative purposes. Since becoming entitled to CDBG funds in 1994, the City has split its administrative allotment between grant administration and capacity building.

Options for Draft One Year Action Plan

There are many more applications than there will be CDBG funds to support. One potential funding option has been prepared for the Council's consideration. Some of the 23 applications do not appear in the option; the reasons for this are discussed in the attached summary of applications.

In Option A, priority is given to continuing the installation of sidewalks and related improvements in Riverside Avenue and 24th Street, adjacent to the Paso Robles Event Center, which was begun with an allocation of 2007 CDBG funds and Workforce Housing Reward Funds. Additionally, Option A assumes that the Council will want to allocate the full 15% allowable for public service applications.

Option A provides for funding the following activities:

Sidewalks on Riverside Ave and 24 th Street.....	\$ 46,126
LED Crosswalk at Spring & 26th Streets.....	\$ 28,800
LED Crosswalk at 34 th & Oak Streets *.....	\$ 16,000
Turtle Creek Sidewalk.....	\$ 89,700
Public Services Activities.....	\$ 41,581
Administration & Capacity Building	\$ 55,000
	\$277,207

Regardless of which activities are listed in the Draft Consolidated Plan as being recommended for funding, the Council will have the authority to approve any of the submitted applications for CDBG funds following a public hearing to be scheduled for early March 2010.

March Public Hearing Dates

Possible dates for the March public hearing are:

- a. Thursday, March 4 (special Council meeting);
- b. Tuesday, March 2 (regular Council meeting).

In past years, the CDBG public hearings have taken as many as 2 hours. A special meeting provides a better environment for focusing on the allotments and reduces the amount of time that the public has to wait to speak.

Policy

Reference: Federal regulations for the Community Development Block Grant Program

Fiscal

Impact: Participation in the federal CDBG Program has involved and will continue to demand a commitment of staff resources. Utilizing CDBG funds avoids adverse impacts on the City's General Fund. It should be noted that any funding request that would come from administration would have an equal adverse effect on the City's Redevelopment Low and moderate Income Housing Fund or the General Fund.

Options:

Subject to public testimony, via minute action:

- A. (1) Identify the following applications to be listed in the Draft One Year Action Plan as being recommended for funding

Sidewalks on Riverside Ave and 24 th Street.....	\$ 46,126
LED Crosswalk at Spring & 26th Streets.....	\$ 28,800
LED Crosswalk at 34 th & Oak Streets *.....	\$ 16,000
Turtle Creek Sidewalk.....	\$ 89,700
Public Services Activities.....	\$ 41,581
Administration & Capacity Building	<u>\$ 55,000</u>
	\$277,207

* Construction/reconstruction of handicapped ramps in preparation for future LED-lighted crosswalk.

- (2) Set Thursday, March 4, 2010 as the date for the public hearing for 2010 CDBG allocations.

- B. Amend, modify or reject the foregoing options.

Prepared by: Ed Gallagher, City Planner

Attachments:

- 1. Table Summary of the Applications for 2010 CDBG Funds
- 2. Narrative Summary of 2010 CDBG Applications

CITY OF PASO ROBLES: 2010 CDBG APPLICATIONS

A. Public Facilities, Building Rehab, Housing, Economic Development Projects (National Objective: Low Income Benefit)

#	Applicant	Program/Project	Amount Requested
1	City of Paso Robles	Construct sidewalks on 24 th Street and Riverside Avenue at Paso Robles Event Center	\$180,450
2	City of Paso Robles	Replace sidewalks on Brookhill Drive in Turtle Creek Park	\$89,700
3	City of Paso Robles	Install an LED-lighted crosswalk at Spring and 26 th Streets	\$28,800
4	City of Paso Robles	Install an LED-lighted crosswalk at Spring and 36 th Streets	\$28,800
5	City of Paso Robles	Install an LED-lighted crosswalk, 2 handicapped ramps, and a small retaining wall at Oak and 34 th Streets	\$44,800
6	Housing Authority of the City of Paso Robles	Community center at Oak Park Public Housing	\$200,000
7	Transitional Food & Shelter	Acquire a Residential Care Home in Atascadero	\$100,000
8	Mission Community Services Corp.	Women's Business Center Program	\$ 5,000
	Total Requested		\$677,550
	Total Available		\$180,626 *

* Assumes that \$41,581 is used for Category B.

B. Public Services (National Objective: Low Income Benefit)

#	Applicant	Program/Project	Amount Requested
9	Community Action Partnership of SLO County (CAPSLO - formerly EOC)	Senior Health Screening Program	\$ 2,350
10	CAPSLO	Teen Academic Parenting Program	\$ 2,850
11	Lifestyles Recovery Center	Drug and Alcohol Abuse Counseling	\$12,000
12	Transitional Food & Shelter	Motel Voucher Program for the homeless	\$25,000
13	The Literacy Council	The Literacy Program	\$ 4,000
14	Paso Robles Fellowship Development	Meals, showers, and clothing for the homeless.	\$ 16,000
15	Big Brothers & Big Sisters	Mentoring Program for disadvantaged youth	\$ 2,350
16	El Camino Homeless Organization	Homeless shelter operating costs and motel vouchers	\$15,000
17	Boys and Girls Club of North SLO County	Project Learn (homework completion/tutoring)	\$ 3,500
18	211 SLO Hotline	211 Crisis Hotline	\$ 4,500
19	Loaves and Fishes	Food Pantry	\$ 4,500
20	Partnership for the Children	Dentistry for Low Income Children	\$10,000
21	Food Bank Coalition of SLO County	Senior Brown Bag Program	\$4,000
	Total Requested		\$106,050
	Total Available		\$41,581

C. Administration and Capacity-Building

#	Applicant	Program/Project	Amount Requested
22	City of Paso Robles	Capacity-Building Program: activities to implement Housing Element Programs	\$27,500
23	City of Paso Robles	Administration of City's CDBG Program and all CDBG-funded activities	\$27,500
	Total Requested		\$55,000
	Total Available		\$55,000

CITY OF PASO ROBLES: 2010 CDBG APPLICATIONS

Estimated Revenues

2009 HUD Entitlement	277,207.00	Amount expected to be allocated to the City from HUD
Program Income	0.00	Amount from repaid CDBG-funded loans (through September 30, 2009)
Total	277,207.00	

Expenditure Summary

A. Low Income Benefit- non public service	113,966	Must be at least 70% of \$277,000 (this amount calculated after deducting \$61,000 in administrative funds). May not exceed 30% of \$308,083
B. Blight Elimination	66,660	NOTE: No applications for blight elimination projects were submitted. The tables above, therefore, indicate that the \$66,660 will be combined with the \$113,966 to provide a total of \$180,626 for low income benefit projects.
C. Low Income Benefit - public service	41,581	May not exceed 15% of \$277,207 (this amount calculated before deducting administrative funds).
D. Administration & Capacity-Building	55,000	May not exceed 20% of \$277,207
Total	277,207	

SUMMARY OF 2010 CDBG APPLICATIONS

Public Facilities, Building Rehab, Economic Development Projects

1. **24th Street Sidewalks and Related Improvements: \$180,450.** This project is initiated by the City of Paso Robles and consists of design and construction of concrete sidewalks and related improvements within the public streets' rights-of-way along the frontage of Paso Robles Event Center (south side of 24th Street, east of Riverside Avenue, and east side of Riverside Avenue, south of 24th Street). Associated improvements would include: curbs, gutters, concrete drive approaches, street lights, street trees, retaining walls, ornamental iron fencing, and crosswalk improvements. This project is "Phase 2" of a project that also includes sidewalks and related improvements along the west side of Riverside Avenue, between 21st and 24th Streets ("Phase 1").

In 2009, the City's Redevelopment Agency approved an amendment to the Redevelopment Implementation Plan that would allow \$1.5 million in Redevelopment funds to be used for this project. CDBG funds from prior years have been used to prepare design plans for this project. An application for 2010 CDBG funds was prepared to have a place to spend any CDBG funds allocated to other activities that might otherwise go unspent if they could be completed under budget. An award of \$5,000 is suggested as part of Option A for this purpose.

In the last 4 years, the City of Paso Robles has experienced increased pressure to make all public facilities accessible to the physically-disabled. The PREC is the largest visitor attraction in the City and has the highest degree of urgency for access improvements.

The amount of funds proposed above for this activity are a "placeholder". On November 2, the City received an updated cost estimate for Phase 1 (Riverside Avenue) improvements which revealed that the City has a sufficient amount of CDBG funds to complete Phase 1 if there are no contingencies. An additional allocation of \$45,000 - \$50,000 would provide a prudent contingency budget. Should there be any unused funds upon completion of the project, they would be put toward Phase 2 improvements.

This activity qualifies for CDBG funding as a public facility improvement under Section 24 CFR 570.201(c). The national objective achieved is benefit to low and moderate income persons (physically disabled) in accordance with 24 CFR 570.208(a)(2).

2. **Reconstruct Damaged Sidewalks in Turtle Creek Park: \$89,700.** This project is initiated by the City of Paso Robles and consists of removing the existing asphalt sidewalk and replacing it with a Portland Cement Concrete sidewalk. The estimated length of the sidewalk is 2,000 linear feet. Minor grading may be necessary to prepare the base and remove tree roots.

In the late 1970's/early 1980's an asphalt sidewalk was installed on the north side of Brookhill Drive, in Turtle Creek Park, which abuts Sierra Bonita Homes, a subdivision of 550 single family attached homes in which residency is limited to persons 40 years or older. However, most residents are seniors (62 or older). Turtle Creek Park is a linear park that follows a creek through the Sierra Bonita Subdivision and offers passive recreation (i.e. walking and picnic tables) primarily to its residents. Over the past 30 years, The asphalt walkway has been damaged by tree roots and other wear and tear. It now presents a tripping hazard to the seniors using the park.

This activity qualifies for CDBG funding as a public facility improvement under Section 24 CFR 570.201(c). The national objective achieved is benefit to low and moderate income persons on an area-wide basis, as provided in 24 CFR 570.208(a)(2). Turtle Creek Park is located in the heart of Block Group 1 of Census Tract 102.02, and more than 51% of the households in this block group are of low or moderate income.

3. **Install LED-Lighted Crosswalk at Spring and 26th Streets: \$28,800.** This project is initiated by the City of Paso Robles and consists of installing an LED-lighted crosswalk adjacent to George Flamson Middle School. The primary beneficiaries of the project would be students that live north of the school.

This activity qualifies for CDBG funding as a public facility improvement under Section 24 CFR 570.201(c). The national objective achieved is benefit to low and moderate income persons on an area-wide basis, as provided in 24 CFR 570.208(a)(2). Flamson School and the intersection of Spring and 26th Streets are located in the heart of Block Group 1 of Census Tract 101 , and more than 51% of the households in this block group are of low or moderate income.

4. **Install LED-Lighted Crosswalk at Spring and 36th Streets: \$28,800.** This project is initiated by the City of Paso Robles and consists of installing an LED-lighted crosswalk on a pedestrian route to Georgia Brown Elementary School and the proposed Early Childhood Development Center to be developed by the First 5 Commission/County Office of Education on the northwest corner of Spring and 36th Streets. The primary beneficiaries of the project would be students that live east of these school sites.

This activity qualifies for CDBG funding as a public facility improvement under Section 24 CFR 570.201(c). The national objective achieved is benefit to low and moderate income persons on an area-wide basis, as provided in 24 CFR 570.208(a)(2). Flamson School and the intersection of Spring and 26th Streets are located in the heart of Block Group 1 of Census Tract 101 , and more than 51% of the households in this block group are of low or moderate income.

5. **Install LED-Lighted Crosswalk at Oak and 34th Streets: \$44,800.** This project is initiated by the City of Paso Robles and consists of installing an LED-lighted crosswalk on a pedestrian route to Georgia Brown Elementary School. The project would also include construction of a handicapped ramp and retaining wall on the west side of Oak Street and reconstructing a damaged handicapped ramp on the northeast corner of Oak and 34th Streets. The primary beneficiaries of the project would be students that live east of the school.

This activity qualifies for CDBG funding as a public facility improvement under Section 24 CFR 570.201(c). The national objective achieved is benefit to low and moderate income persons on an area-wide basis, as provided in 24 CFR 570.208(a)(2). Flamson School and the intersection of Spring and 26th Streets are located in the heart of Block Group 1 of Census Tract 101 , and more than 51% of the households in this block group are of low or moderate income.

6. **Oak Park Public Housing Community Center: \$200,000.** The Housing Authority of the City of Paso Robles has requested funds from the City to build a new community center at Oak Park Public Housing as part of its proposed redevelopment. The redevelopment project would entail the replacement of the existing 148 units and the addition of perhaps as many as 150 additional units. The existing community center at the George Stephan Center would have to be removed as part of this project.

As of October 2009, the Housing Authority, in partnership with the Housing Authority of the County of Monterey (HACM), has applied for about \$38 million dollars in Federal funds (Neighborhood Stabilization Grant 2, a form of ARRA/Stimulus Bill funds) to leverage other funding sources (e.g. Federal Tax Credits) to redevelop Oak Park. The Housing Authority has communicated an expectation that the redevelopment project would likely be carried out in three phases.

According to the application for CDBG funds, NSP2 funds cannot be used to construct a community center. The application also anticipates that the City's Redevelopment Agency would contribute \$166,000 in Redevelopment Funds for this project. However, no application for redevelopment funds has been submitted.

The City is working with the Housing Authority to formulate a development plan for the redevelopment project that will be consistent with the Uptown/Town Centre Specific Plan. Architects for the Housing Authority and the City will meet in late October to attempt to achieve a common vision. Federal regulations generally require that 2010 CDBG funds be spent within 1.5 years or be forfeited. This does not appear to be feasible given the present state of design of the project. Further, it would be premature to attempt to estimate the costs associated of developing a community center until an acceptable development plan is agreed upon by both the Housing Authority and the City. Therefore, it is not recommended that 2010 CDBG funds be awarded to this project.

A better source of funding for this project would be Federal Home Investment Partnership Act (HOME) funds. Although the City is not directly entitled to HOME funds, the County has previously awarded HOME funds to projects such as Chet Dotter Senior Housing, which received more than \$1.1 million in HOME funds.

7. **Acquire a Residential Care Home in Atascadero: \$100,000.** This application was filed by Transitional Food & Shelter and requests that the City contribute funds to share the costs of purchase of a property in Atascadero with three existing units to be converted into a residential care home (6 or fewer residents) for very-low income disabled persons. The applicants have been renting units using funds allocated to their motel voucher program and are seeking to reduce rental costs.

The application does not specifically state that the applicants would forego an award of public services funds for motel vouchers if this was approved. However, it appears that this is their intent.

The purchase price of the property is \$500,000, and the applicants would like to install more bathrooms and doors at an estimated cost of \$50,000. According to their application, the sources of the \$550,000 include \$100,000 each in CDBG funds from the cities of Paso Robles and Atascadero and from the County and \$250,000 in HOME funds from the County. (The applicants have applied for \$525,000 in HOME funds as a contingency.) No other sources of funds are proposed.

The County has reported that it has received more than \$6 million in applications for HOME funds, but only \$1.44 million are available. The likelihood of the applicants obtaining sufficient federal funds from the CDBG and HOME programs to accomplish their goal appears to be remote. For this reason, this application is not suggested for inclusion in the Draft One Year Action Plan.

This activity qualifies for CDBG funding as an acquisition by a non-profit organization under Section 24 CFR 570.201(a). The national objective achieved is benefit to low and moderate income persons on a limited clientele basis, as provided in 24 CFR 570.208(a)(2), which defines the homeless as a class of people that are primarily of low and moderate income.

8. **Women's Business Center Program: \$5,000.** This application was filed by Mission Community Services Corp. and requests that the City contribute funds to share the costs of operation of a county-wide program to provide training for small businesses operated or being started by an estimated 40 low income persons. Although the program is entitled "Women's Business", grant recipients need not be women.

In previous years, this application was filed by the Small Business Development Center (SBDC), in partnership with Cuesta College. The City has yet to award CDBG funds for this type of activity. For this reason, this application is not suggested for inclusion in the Draft One Year Action Plan.

SUMMARY OF 2010 CDBG APPLICATIONS, Page 4

This activity qualifies for CDBG funding as a special economic development activity under Section 24 CFR 570.203. The national objective achieved is benefit to low and moderate income persons.

Public Services

NOTE: Public Services to low income persons are eligible for CDBG funding under Section 24 CFR 570.201(e). The national objective achieved is benefit to low and moderate income persons in accordance with 24 CFR 570.208(a)(2). Recipients must demonstrate that 51% or more of their clients qualify as low and moderate income persons.

9. **Senior Health Screening Program: \$2,350.** This application was filed by Community Action Partnership of San Luis Obispo County (CAPSLO, formerly EOC) and requests that the City contribute funds to share the costs of operation of a county-wide senior health screening program, which is expected to serve approximately 600 low income seniors county-wide.

The City has supported this program since 2001 and allocated \$1,900 in CDBG funds in 2009.

10. **Teen Academic Parenting Program (TAPP): \$2,850.** This application was filed by CAPSLO and requests that the City contribute a share of the costs to operate a county-wide counseling and child care program for pregnant and parenting teen mothers and fathers in all cities in San Luis Obispo County, which is expected to serve approximately 115 low income persons (mothers, fathers and children) county-wide.

The City has supported this program since 2001 and allocated \$2,300 in CDBG funds in 2009.

11. **Drug/Alcohol Counseling for Youth and Adults: \$12,000.** This application was filed by Lifestyles Recovery Center and requests funds for operating expenses for their drug and alcohol counseling services for low income persons and for a volunteer training program. The applicant's project they will serve an estimated 2,160 low income households per year.

The City has supported this program since 2002 and allocated \$4,750 in CDBG funds in 2009.

12. **Motel Voucher and Apartment Program: \$25,000.** This application was filed by Transitional Food and Shelter has requested the City to assist in their program of providing motel and apartment rooms for those homeless that are too ill to stay at a shelter.

The City has supported this program since 2001 and allocated \$19,650 in CDBG funds in 2009.

13. **The Literacy Program: \$4,000.** This application was filed by the Literacy Council and requests that the City contribute a share of the costs to operate a county-wide program to provide English Language classes to an estimated 665 low income adult persons (county-wide). The funds would be used for salaries, equipment and operating expenses for one year.

The City has supported this program since 2002 and allocated \$1,900 in CDBG funds in 2009.

14. **Christ Kitchen and CBS Ministry Programs: \$16,000.** This application was filed by Paso Robles Fellowship Development, Inc. (affiliated with the Second Baptist Church) and requests that the City assist

their programs of providing meals, showers, and donated clothing for the homeless. According to the application, \$16,000 will benefit 75 persons per day.

The City has supported this program in 2001 and in 2007 with an allocation of \$11,106 in CDBG funds for this activity. In the past, the applicants have demonstrated an ability to spend only about \$5,000 per year. CDBG regulations require that public service grants be spent within one year. Therefore, any award greater than \$5,000 would not likely comply with these regulations.

15. **Mentoring Program: \$2,340.** This application was filed by Big Brothers & Big Sisters and requests that the City contribute a share of the costs to operate a county-wide program to provide mentoring services to 220 “at-risk” youth from low income households (county-wide). The funds would be used for salaries, equipment and operating expenses for one year.

The City has supported this program since 2002 and allocated \$1,900 in CDBG funds in 2009.

16. **Shelter Services: \$15,000.** This application was filed by El Camino Homeless Organization (ECHO) and requests that the City contribute a share of the costs to operate their homeless shelter a church in Atascadero along with the help of covering costs of providing motel vouchers for homeless that meet certain criteria. Their application indicates that they annually provide services to an estimated 575 persons.

The City has supported this program since 2005 and allocated \$4,750 in 2009.

17. **Project Learn: \$3,500.** This application was filed by the Boys and Girls Club of North San Luis Obispo County and requests that the City contribute a share of the costs to operate an after-school homework/tutoring program in Paso Robles. An estimated 260 children will benefit from this program.

The City has supported Boys and Girls Club educational programs 5 times since 1996. The most recent award was in 2005 with a grant of \$12,564.

18. **211 Crisis Hotline: \$4,500.** This application was filed by Hotline of San Luis Obispo County and requests funds for operating expenses for their program that provides crisis counseling to an estimated 21,400 persons county-wide and 2,300 from Paso Robles.

The City supported this program in 2005 with a grant of \$5,350.

19. **Food Pantry: \$4,500.** This application was filed by Loaves and Fishes and requests funds for operating expenses for their program that distributes food to about 5,000 very low income persons in the greater Paso Robles Area.

The City supported this program in 2005 with a grant of \$5,350.

20. **Children’s Dentistry Program: \$10,000.** This application was filed by Partnership for the Children and requests funds for operating expenses for their program that provides dentistry to an estimated 100 children in low income households at Clinica de Tolosa at 717 Walnut Drive in Paso Robles.

The City supported this program in 2005 with a grant of \$3,000.

21. **Senior Brown Bag Program: \$4,000.** This application was filed by the Food Bank Coalition of San Luis Obispo County and requests that the City contribute a share of the costs to operate a county-wide program to provide food to an estimated 1,100 low income seniors.

The City supported Harvest Bag, which later merged with the applicant, in 2007 with a grant of \$800. The City also directly supported the applicant in with a grant of \$31,000 to establish the Paso Robles office.

Administration and Capacity-Building

22. **Capacity-Building: \$27,500.** This activity is classified as an administrative use of CDBG funds. The activity consists of using City staff time to implement programs identified in the City's Housing Element of the General Plan and in its Redevelopment Implementation Plan to benefit low and moderate income persons and to aid in the prevention or elimination of slums or blight. This activity will further the City's efforts to provide affordable housing to low and moderate income households.

The City of Paso Robles has annually conducted a CDBG-funded capacity building program since 1994.

23. **CDBG Program Administration. \$27,500.** The City of Paso Robles has initiated an application to use \$27,500 or about 10 percent of the total amount of 2010 CDBG funds to administer the CDBG program and all of the activities that are approved.

CDBG Regulations provide that no more than 20% of all entitlement and Program Income CDBG funds in any Program Year may be used for administrative purposes. Since becoming entitled to CDBG funds in 1994, the City has split its administrative allotment between grant administration and capacity building.