

TO: James L. App, City Manager  
FROM: Ed Gallagher, Community Development Director  
SUBJECT: 2013 Community Development Block Grant (CDBG) Program  
DATE: February 7, 2013

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Needs: For the City Council to conduct a noticed public hearing and decide which activities are to be approved for funding with the City's 2013 Community Development Block Grant (CDBG) funds.

- Facts:
1. The City is expected to have \$167,775 in CDBG funds available for activities in 2013 from HUD.
  2. From the \$167,775 in 2013 CDBG funds, \$134,220 (80%) will be available for projects and programs and \$33,555 (20%) could be used for program administration.
  3. In October 2013, the City received 16 applications for 2013 CDBG funds totaling \$525,427. Attached are a table and a narrative "Summary of the 2013 CDBG Applications", both of which summarize the 16 applications.
  4. Binders containing all of the applications are available at the reference desk in the Library, at the public counter/reception desk at City Hall, and in the Council's office.
  5. CDBG regulations stipulate that at least 70% of each year's allotment be spent on activities that benefit low income persons, that no more than 30% may be spent on activities that eliminate blight, and that 20% of the total may be spent for administration. (CDBG funds spent on administration are assumed to provide benefit to low income persons and to eliminate blight in the 70%/30% ratio.)
  6. CDBG regulations also provide that no more than 15% of each year's funds *may* be used for public service activities such as homeless services, health services, programs for at-risk youth, etc. In 2013, this 15% cap would amount to \$25,166. Public service activities are classified as benefiting low income persons.
  7. If the \$167,775 in CDBG funds are allocated per the ratios mentioned above, the allotments would be as follows:  
  
\$109,609 minimum for low income benefit – non-public service projects  
\$ 25,166 maximum for low income benefit – public service programs  
\$ 33,000 maximum for administration and capacity-building  
\$167,775 Total
  8. At its meeting of November 20, 2012, the City Council directed that the Draft One Year Action Plan for spending the City's allotment of 2013 CDBG funds include the following projects:
    - LED Crosswalks
    - Handicap ramps
    - Administration
    - Turtle Creek Sidewalks
    - Public Services Grants
    - Capacity Building

9. It should be noted that the City Council is not obligated to approve the allocation of 2013 CDBG funds contained in the draft plan, and may, upon completion of a public hearing, approve any of the applications and may adjust the amounts of funds to be awarded for any given activity as long as the awards comply with regulatory limits discussed in Facts # 5 & 6.
10. The City Council directed staff to solicit additional information from applicants for public service grants to supplement the information provided in the applications filed in October. The information provided by public services applicants have been inserted into the binders described in Fact #4.
11. The US Department of Housing and Urban Development (HUD) has notified the County and City that substantial changes to the administration of public services grants are necessary in order to ensure compliance with Federal Regulations governing the CDBG Program. These will be discussed in detail in the Analysis and Conclusion section of this report.

Analysis and  
Conclusion:

#### Public Improvement Projects

Of the three City-initiated applications for public improvements: Turtle Creek Sidewalks, Handicapped Ramps, and LED Crosswalks, the project with the greatest need is the Turtle Creek Sidewalks project. In 2012, the City completed the Scott Street component of this project by constructing sidewalks at the Dog Park. The City has used CDBG funds to design improvements for the replacement of the badly-deteriorated asphalt walk along Brookhill Drive and needs to complete construction of that component before undertaking other public works projects (or risk having to return CDBG funds spent on the design).

The projected budget for the Brookhill Drive component is \$317,500, which includes an estimated construction cost of \$230,000 plus \$87,500 for contingencies, construction management, testing, and bidding costs. Available CDBG funds from prior years totals \$131,434, which leaves a gap of \$186,016. The most CDBG funds that can be allocated (assuming that the City continues to allocate 15% to public services and 20% to administration) totals \$109,609, which does not sufficiently close the gap.

Federal regulations that require timely use of funds will prevent the City from "banking" large amounts of CDBG funds for future use (i.e., waiting until 2014 CDBG funds are available to complete the budget). The City could bid the entire project with an itemized list of components, so that, if the lowest bid exceeds the budget, the project can be pared down to fit the budget, leaving some work for a subsequent contract that could be pursued with additional CDBG funds (e.g., in 2014).

Option A recommends allocations to the Turtle Creek Sidewalks and Handicapped Ramps Projects. Funds from both activities can be used for the Turtle Creek Sidewalks Project, since it includes handicapped ramps. The proposed split maximizes the City's options for use of CDBG funds, should some contingency arise in which it became urgent to build handicapped ramps elsewhere.

#### Public Service Applications

In 2011 and 2012, HUD increased its efforts to ensure that CDBG recipients fully comply with a variety of Federal Regulations for such matters as income qualification, procurement

procedures, accounting principles, environmental review, etc. They have applied pressure to the County (as the direct recipient of CDBG funds) to closely monitor subrecipients (e.g., the City and non-profit organizations that obtain public service grants) and maintain adequate records. These efforts also included a study of the necessary administrative tasks and costs to attain the minimum level of compliance. HUD has concluded that the average cost to properly administer any such public service grant is about \$8,000 and has directed that the minimum public service grant should be \$10,000.

The \$8,000 average cost of administration would include staff time by both the City and the County. City staff estimates that the average amount of time it has spent in the past was a little more than \$5,000 per grant. That amount would increase as the City would need to more-closely monitor grantees' performance, as required by HUD.

Many, but not all, applicants use CDBG grants to cover their own administrative overhead associated with delivering their service. In such a case, a \$10,000 grant with government \$8,000 administrative overhead is essentially equivalent to an \$18,000 grant in which at least 44%, and often much more is used for administrative overhead. It is noteworthy that some applicants use the grants to purchase goods or services that directly benefit clients and others use volunteers to deliver the services.

Through 2012, the City has made public service grants as low as \$1,000. With the new direction from HUD, if the City wishes to continue to make public service grants, its options are to either make minimum grants of \$10,000 or partner with other jurisdictions to jointly support organizations so that the combined grants amount to \$10,000 or more.

Since the City is expected to have \$25,166 to grant in 2013, its options are;

- a. Make one or two public service grants in which both are \$10,000 or more;
- b. Make several public service grants provided that those in amounts less than \$10,000 are also supported with grants from other jurisdictions so that the combined amounts are \$10,000 or more;
- c. Make no public service grants in 2013.

The City received 10 applications for public service grants in 2013. It will no longer be possible to make grants to all applicants. With the changes directed by HUD, the following challenges have arisen:

- Based on historical grants, as noted in Attachment #4 (Analysis of CDBG-Funded Public Service Grants), several applicants do not appear to have sufficient support from local jurisdictions to assemble a joint application in the amount of \$10,000.
- Some grantees have encountered difficulties complying with Federal regulations. One has been advised that their clientele does not categorically qualify as a class of persons that HUD considers to be of low income and they have not maintained client registration records that document income levels. Another has requested more than \$10,000, but has a record of having difficulty spending \$5,000 within the one year allotted by Federal regulations. A third has recently notified the City that it lacks capacity to meet Federal accounting/audit requirements

Option A proposes that the City make one public service grant in 2013 to Transitional Food and Shelter (TFS) in the amount of \$25,166 for the following reasons:

- TFS does not use the CDBG funds for their administrative overhead, but for motel vouchers and rents for their clients.
- In the early 2000s, they regularly received grants of \$24,000. Therefore, they have capacity to use all of the funds within a year.
- The homeless are considered by Federal Regulations as a class of persons that are primarily low income. This helps reduce staff time in administration of the grant, as fewer variables have to be documented.
- The homeless have perhaps the most acute need for assistance. TFS' clients are the medically-fragile homeless, who cannot stay at a shelter. The Housing Element of the City's General Plan includes an Action Item to "Continue to participate in the countywide Ten Year Plan to End Homelessness."

TFS is the applicant that recently notified the City that it lacks capacity to meet Federal accounting/audit requirements and is seeking a partner to sponsor their program. It is suggested, therefore, that an allocation to TFS be conditions upon them finding a qualified and capable sponsor by July 1, 2013 or the full allocation will be transferred to El Camino Homeless Organization (ECHO). ECHO operates a homeless shelter with volunteer labor. Generally 30-40 percent of their clients come from Paso Robles.

Option B proposes that no public service grants be made in 2013 for the following reasons:

- The relatively high amount of overhead necessary to comply with Federal regulations making such grants an ineffective use of public funds.
- Uncertainty whether other jurisdictions will participate in amounts sufficient to bring the combined grants up to \$10,000.
- Problems many applicants have had in complying with Federal regulations.

In Option B, the \$25,166 is allocated to the Turtle Creek Sidewalks project.

### Administration

The County, as the direct recipient of CDBG Funds from HUD, must complete several complex plans (e.g., Consolidated Plan, Citizen Participation Plan, Fair Housing Plan) and complex accounting activities in order that they, and the participating cities, can receive CDBG Funds. Last fiscal year, the County reported that it had to use \$54,000 in General Funds to supplement the 20% of CDBG funds HUD allows for administration; this year they project that their General Fund will need to use \$71,000 in General Funds.

The County has informally (via inter-agency staff meetings and email) requested that the City allocate a portion of its 20 percent administrative funds for the following purposes:

1. To cover a portion of the County's costs for overall CDBG program administration (e.g., preparing the major plans and managing the CDBG accounting system).

2. To cover the County's portion of administration of public service grants.

However, the County has not made this request formally in via a letter from the County Administrative Officer. If the City Council elects to allocate 20 percent for administration, the County could make that request and the City Council could consider it at a later date, but preferably prior to July 1, 2013, when staff may begin charging its time for administrative purposes.

Policy

Reference: Federal regulations for the Community Development Block Grant Program

Fiscal

Impact: The City is not required to spend any portion of its annual allocation of CDBG funds on program administration. Since the City became entitled to directly receive CDBG funds in 1994, it has opted to spend 20% on administrative activities. Generally, such activities include: direct administration of the CDBG Program and the activities it funds, be they public improvement projects or public services, and "capacity-building" activities that are designed to benefit low income persons. Capacity-building activities have included staff time spend on updating the Housing Element, preparing ordinances to implement Housing Element policies, staff time spent on providing support for affordable housing projects (e.g. Oak Park redevelopment). The 20% for administration does not cover staff's time spent on all CDBG administrative and capacity building activities. That is, such activities are "backfilled" with General Funds.

Options:

Upon completion of a public hearing, take one of the following actions:

- a. Option A: Adopt the attached Resolution 13-XX to allocate the City's allotment of 2013 CDBG funds as follows:

Public Facilities (2013 CDBG Funds allocated as shown below) .....	\$109,609
Turtle Creek Sidewalk.....	\$99,609
Handicap Ramps .....	\$10,000
 Public Services Activities (2013 CDBG funds allocated as shown below) .....	\$ 25,166
Transitional Food and Shelter (TFS).....	\$25,166 *

\* Subject to the condition that TFS contracts with a sponsoring agency with capacity to operate TFS' program per Federal regulations no later than July 1, 2013. Should TFS fail to accomplish this, the grant will be given to El Camino Homeless Organization (ECHO).

Capacity Building (an administrative use of CDBG funds) .....	\$ 16,500
Administration .....	\$ 16,500
Total .....	\$167,775

- b. Option B: Adopt the attached Resolution 13-xxx to allocate the City's allotment of 2013 CDBG funds as follows:

Public Facilities (2013 CDBG Funds allocated as shown below) .....	\$134,775
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Turtle Creek Sidewalk.....	\$124,775
Handicap Ramps .....	\$ 10,000
Public Services Activities (2013 CDBG funds allocated as shown below) .....	\$ 0
Capacity Building (an administrative use of CDBG funds) .....	\$ 16,500
Administration .....	<u>\$ 16,500</u>
Total .....	\$167,775

Attachments:

1. Resolution Adopting an Annual Action Plan for 2013 CDBG Funds
2. Table Summary of the Applications for CDBG Funds
3. Narrative Summary of CDBG Applications
4. Analysis of CDBG-Funded Public Service Grants
6. Newspaper Notice Affidavit

RESOLUTION NO. 12-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
DETERMINING THOSE PROJECTS TO BE FUNDED WITH THE CITY'S ALLOTMENT  
OF 2012 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS  
AND \$25,352 IN RE-PROGRAMMED 2010 CDBG FUNDS

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WHEREAS, the City has been notified by the Federal Department of Housing and Urban Development (HUD) that it is entitled to receive Community Development Block Grant (CDBG) funds; and

WHEREAS, via a Cooperation Agreement with the County of San Luis Obispo (hereafter referred to as "County") executed on June 28, 2005, the City waived its individual entitlement status for a period of three years with an option for an automatic three year renewal in order that the County and the cities located therein may qualify as an "Urban County"; and

WHEREAS, on June 2, 2008, the City Council adopted Resolution 08-087 approving a three year renewal of the 2005 Cooperation Agreement; and

WHEREAS, via the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of CDBG funds; and

WHEREAS, based on the CDBG entitlement allocation for 2010, the City expects to receive \$300,090 in entitlement CDBG funds in 2011; and

WHEREAS, the City has \$8,100 in Program Income from repaid CDBG-funded loans that needs to be re-programmed; and

WHEREAS, the City has \$50,000 in unused 2009 CDBG funds from the Riverside Avenue Sidewalks Project that can be reprogrammed; and

WHEREAS, on September 22, 2010, the urban county published a "Request for Proposals" for projects to be funded under the 2011 CDBG Programs, which provided that proposals were to be submitted by October 22, 2010; and

WHEREAS, on October 7, 2010, the urban county conducted a public meeting in Atascadero for residents of the City and of northern San Luis Obispo County to ascertain the housing and community development needs to be addressed in the Consolidated Plan; and

WHEREAS, on January 26, 2011, the urban county conducted a public meeting in Atascadero for residents of northern San Luis Obispo County, including the City of Paso Robles, to accept comments on the Draft 2011 Consolidated Plan; and

WHEREAS, on February 1, 2011, the City published a notice in the Tribune, indicating that a public hearing would be conducted on the Draft 2011 Annual Action Plan on March 3, 2011; and

WHEREAS, on February 15, 2011, the City published a notice in the Tribune, indicating that a public hearing would be conducted on the Draft 2010 Annual Action Plan on March 3, 2011 to consider re-programming unspent 2009 CDBG funds that had been allocated to the Riverside Avenue Sidewalks Project to the 36<sup>th</sup> Street Improvements Project; and

WHEREAS, at its meeting of March 3, 2011, the City Council conducted a public hearing to obtain public testimony on the proposed Draft Consolidated Plan;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of El Paso de Robles, California, as follows:

**SECTION 1.** To recommend that the Board of Supervisors for the County of San Luis Obispo amend the 2009 Annual Action Plan to reprogram \$50,000 in unused 2009 CDBG funds from the Riverside Avenue Sidewalks Project to the following activity:

**36<sup>th</sup> Street Improvements:**

Applicant:.....City of Paso Robles

Activity Description: Install curb, gutter, sidewalks, handicapped ramps, handicapped handrails, and street trees on the north side of 36<sup>th</sup> Street, east of Oak Street; install handicapped ramps and handicapped handrails at the northwest corner of Oak and 36<sup>th</sup> Streets and on the west side of Oak Street, north of 36<sup>th</sup> Street; install a new ADA-compliance handicapped ramp on the southwest corner of Oak and 36<sup>th</sup> Streets and replace sidewalks that do not meet ADA standards.

CDBG Eligibility:.....Public Facility (24 CFR 570.201(c))

National Objective:.....Low and Moderate Income Benefit

Explanation: .....(1) Area-wide basis (24 CFR 570.208(a)(1)): All proposed improvements are located in Census Tract 101, in which 62% of the households are of low or moderate income; (2) Limited-clientele basis (24 CFR 570.208(a)(2)): Handicapped ramps serve the physically-disabled, which are considered to be a group that is principally of low and moderate income.

**SECTION 2.** Based on an expectation that the City will receive \$300,090 in 2011 CDBG funds and because the City will reprogram \$8,100 in Program Income, to recommend that the Board of Supervisors for the County of San Luis Obispo adopt the 2011 Draft Annual Action Plan, a copy of which shall be kept on file in the Community Development Department, which shall include the following programs to be funded with the City's allotment of CDBG funds:

**Public Facilities**

*Public Facilities are eligible to receive CDBG funds under Section 24 CFR 570.201(c)*

**1. Turtle Creek Sidewalks: \$65,000**

Applicant:.....City of Paso Robles

Activity Description: Replace an existing deteriorating 40+ year old asphalt sidewalk along the north side of Brookhill Drive in Turtle Creek Park with a Portland Cement Concrete sidewalk; add 4 handicapped ramps to provide access to the sidewalk; and replace 2 existing non-ADA-compliant ramps. The 2,000 foot long asphalt walkway has been damaged by tree roots and other wear and tear. It now presents a tripping hazard, primarily to seniors who live in the adjacent Sierra Bonita Neighborhood. The requested \$65,000 will supplement \$89,700 in 2010 CDBG Funds awarded to this project.

National Objective:.....Low and Moderate Income Benefit

Explanation .....(1) Area-wide basis (24 CFR 570.208(a)(1)): 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; (2) Limited-clientele basis (24 CFR 570.208(a)(2)): Handicapped ramps serve the physically-disabled, which are considered to be a group that is principally of low and moderate income.



2. **Handicapped Ramps: \$75,000**

Applicant:.....City of Paso Robles

Activity Description: Install handicapped ramps where none presently exist and replace non-ADA-compliant ramps in various locations on the West Side. The following priorities are suggested:

- City Park (between Spring, Pine, 11<sup>th</sup>, and 12<sup>th</sup> Streets): 4 ramps at the corners of the Park;
- Northwest corner of 36<sup>th</sup> and Oak Streets (on the path between the First 5 Center and Georgia Brown School): 1 ramp;
- North and south sides of 24<sup>th</sup> Street, at the Paso Robles Event Center's Livestock Gate: 2 ramps;
- West side of Spring Street at 11<sup>th</sup> Street (in front of the Paso Robles Inn at the western end of the crosswalk to the Park): 1 ramp;
- At the 4 corners of 13<sup>th</sup> and Park Streets (this would also entail constructing bulb-outs at the corners and possibly installing pavers in the sidewalk, which would entail considerably more than \$7,500 per corner);
- Other locations on the West Side of Paso Robles.

National Objective:.....Low and Moderate Income Benefit

Explanation .....Limited Clientele basis (24 CFR 570.208(a)(2)): Handicapped ramps serve the physically-disabled, which are considered to be a group that is principally of low and moderate income.

3. **LED-Lighted Crosswalks: \$63,176**

Applicant:.....City of Paso Robles

Activity Description: Install LED-lighted crosswalks at locations with high volumes of pedestrian traffic to enhance public safety. The following priorities are suggested:

- 34<sup>th</sup> and Oak Streets;
- 24<sup>th</sup> Street, at the Paso Robles Event Center's Livestock Gate;
- Spring Street at 11<sup>th</sup> Street (between City Park and the Paso Robles Inn);
- 13<sup>th</sup> and Park Streets.

National Objective:.....Low and Moderate Income Benefit

Explanation .....Area-wide basis (24 CFR 570.208(a)(1)): All proposed crosswalks are located in Census Tract 101, in which 62% of the households are of low or moderate income.

**Public Services**

*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.*

4. **Motel and Apartment Program: \$11,614**

Applicant:.....Transitional Food and Shelter

Activity Description: .....Motel and apartment rental expenses for homeless persons that are too ill or disabled to stay at a shelter.

5. **Emergency Shelter: \$5,400**

Applicant:.....El Camino Homeless Organization (ECHO)

Activity Description: .....Operating expenses for an emergency shelter located in Atascadero that serves the North County.

6. **Christ Kitchen and CBS Ministry Programs: \$5,400**  
 Applicant:.....Paso Robles Fellowship Development  
 Activity Description: .....Purchase food, supplies, and operating expenses for providing meals, showers, and donated clothing to the homeless in the Paso Robles area.
  
7. **Teen Academic Parenting Program (TAPP): \$2,200**  
 Applicant:.....Community Action Partnership of San Luis Obispo County (CAPSLO)  
 Activity Description: .....Operating expenses for a County-wide counseling and child care program for pregnant and parenting teen mothers and fathers
  
8. **The Literacy Program: \$2,200**  
 Applicant:.....Literacy Council  
 Activity Description: .....Operating expenses for a County-wide program to provide English Language classes.
  
9. **Mentoring Program: \$2,200**  
 Applicant:.....Big Brothers & Big Sisters  
 Activity Description: .....Operating expenses for a County-wide program to provide mentoring services to "at-risk" youth.
  
10. **Drug/Alcohol Counseling for Youth and Adults: \$4,700**  
 Applicant:.....Lifestyles Recovery Center  
 Activity Description: .....Operating expenses for a drug and alcohol counseling services for low income adults and youth in the Paso Robles area.
  
11. **Project Learn: \$4,500**  
 Applicant:.....Boys and Girls Club of North San Luis Obispo County  
 Activity Description: .....Operating expenses for after-school programs for youth n in the Paso Robles area.
  
12. **Senior Nutrition Program: \$4,500**  
 Applicant:.....Senior Nutrition Program of San Luis Obispo County  
 Activity Description: .....Operating expenses for a County-wide program to provide hot meals to seniors
  
13. **Senior Health Screening Program: \$2,300**  
 Applicant:.....Community Action Partnership of San Luis Obispo County (CAPSLO)  
 Activity Description: ..... Operating expenses for a county-wide senior health screening program

**Administration and Capacity-Building**

*Administration and Capacity-Building activities are eligible for CDBG funds under Section 24 CFR 24 CFR 570.205. Section 570.208(d)(4). provides that administrative and capacity building activities serve the National Objectives of low income benefit and elimination of blight in direct proportion to all other City allocations in a given Program Year.*

14. **CDBG Program Administration. \$30,000**  
 Applicant:.....City of Paso Robles  
 Activity Description: ..... Administer the CDBG program and all of the activities that are approved.
  
15. **Capacity-Building: \$30,000**  
 Applicant:.....City of Paso Robles

Activity Description: .....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.

**SECTION 3.** If, after the adoption of this resolution, the City learns that the amount of 2011 CDBG funds varies from the \$300,090 expected, the additional or reduced CDBG funds shall be allocated as follows:

- A. If the amount of change (addition or reduction) is within twenty percent (20%) of the expected allocation of \$300,090, the City Manager may administratively direct that the amounts to be allocated to the 15 activities listed in Section 2 of this resolution may be revised in a proportionate manner and subject to conformance with federal regulations for allocating CDBG Funds set forth in 24 CFR Part 570.
- B. If the amount of change (addition or reduction) is greater than twenty percent (20%) of the expected allocation of \$300,090, the City Council shall conduct a subsequent public hearing, to be noticed in accordance with federal regulations governing the Consolidated Plan set forth in 24 CFR Part 91 to allocate any additional funds or to distribute any reduction.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 3rd day of March 2011 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Duane Picanco, Mayor

ATTEST:

\_\_\_\_\_  
Theresa Variano, Deputy City Clerk

## Attachment 2

### CITY OF PASO ROBLES: 2013 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	Replace damaged sidewalks in Turtle Creek Park	\$134,000
2	City of Paso Robles	Install/replace handicapped ramps at various locations City-wide	\$50,000
3	City of Paso Robles	Install LED-lighted crosswalks at various locations of City	\$20,000
4	Tri-Counties Housing Corp.	Purchase property	\$185,000
	<b>Total Requested</b>		<b>\$389,000</b>
	<b>Total Available</b>		<b>\$109,609 *</b>

\* Assumes that \$25,166 is used for Category B.

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

#	Applicant	Program/Project	Amount Requested
5	Community Action Partnership of SLO County (CAPSLO)	Senior Health Screening Program	\$8,300
6	CAPSLO	Teen Academic Parenting Program	\$8,127
7	Transitional Food & Shelter	Medical Fragile	\$17,000
8	Food Bank	Farm to Family Produce Program	\$5,000
9	Big Brothers & Big Sisters	Mentoring Program for disadvantaged youth	\$5,000
10	Senior Nutrition of SLO County	Senior Nutrition Program	\$10,000
11	Lifestyles Recovery Center	Group Counseling	\$7,000
12	El Camino Homeless Org.	Homeless shelter operating costs and motel vouchers	\$7,000
13	Loaves & Fishes	Food Pantry	\$6,000
14	PR Fellowship Development	Providers of meals and care for homeless	\$ 30,000
	<b>Total Requested</b>		<b>\$103,427</b>
	<b>Total Available</b>		<b>\$25,166</b>

**C. Administration and Capacity-Building**

#	Applicant	Program/Project	Amount Requested
15	City of Paso Robles	Capacity-Building Program: activities to implement Housing Element Programs	\$16,500
16	City of Paso Robles	Administration of City's CDBG Program and all CDBG-funded activities	\$16,500
	<b>Total Requested</b>		<b>\$33,000</b>
	<b>Total Available</b>		<b>\$33,000</b>

## Attachment 2

### CITY OF PASO ROBLES: 2013 CDBG APPLICATIONS

#### Estimated Revenues

2013 HUD Entitlement	167,775	Amount expected to be allocated to the City from HUD
Re-Programmed CDBG	0	
Total	167,775	

#### Expenditure Summary

A. Low Income Benefit- non public service	109,609	Must be at least 70% of \$167,775 (this amount calculated after deducting \$33,000 in administrative funds and \$25,166 in public service funds).
B. Blight Elimination	0	May not exceed 30% of \$167,775 (assuming \$33,000 spent on administrative funds).
C. Low Income Benefit - public service	25,166	May not exceed 15% of \$109,609 (this amount calculated before deducting administrative funds).
D. Administration & Capacity-Building	33,000	May not exceed 20% of \$167,775
Total	167,775	

NARRATIVE SUMMARY OF 2013 CDBG APPLICATIONS

Public Facilities

1. Turtle Creek Sidewalks:

Applicant: ..... City of Paso Robles

Amount Requested:..... \$134,000

Activity Description: This component 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 regarding may be necessary to prepare the base and remove tree roots. The project also includes installation of new handicapped ramps and replacement of non-compliant ramps.

CDBG Eligibility: Public Facility (24 CFR 570.201(c))

National Objective: ..... Low and Moderate Income Benefit

Explanation..... (1) Area-wide basis (24 CFR 570.208(a)(1)): Turtle Creek Park and Scott Street are 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; (2) Limited-clientele basis (24 CFR 570.208(a)(2)): Handicapped ramps serve the physically-disabled, which are considered to be a group that is principally of low and moderate income.

2. Handicapped Ramps:

Applicant: ..... City of Paso Robles

Amount Requested:..... \$60,000

Activity Description: The project consists of installing handicapped ramps in locations where they do not exist and replacing existing handicapped ramps that do not comply with standards consistent with the Americans with Disabilities Act (ADA). This project will address "removal of architectural barriers" and benefit the physically disabled, a class of people regarded to be principally low income. These can be provided anywhere in the City.

CDBG Eligibility: Public Facility (24 CFR 570.201(c))

National Objective: ..... Low and Moderate Income Benefit

Explanation..... Limited Clientele basis (24 CFR 570.208(a)(2)): Handicapped ramps serve the physically-disabled, which are considered to be a group that is principally of low and moderate income.

3. **LED-Lighted Crosswalks:**

Applicant: ..... City of Paso Robles

Amount Requested:..... \$60,000

Activity Description: The project consists of installing an LED-lighted crosswalk systems at intersections with high volumes of pedestrian traffic. LED lights are installed in the ground (crosswalk) that flash and alert oncoming traffic that pedestrians are using the crosswalk. There are advance flashing LED pedestrian signs ahead of the lighted LED crosswalks to give advanced warning to drivers of the upcoming crosswalks. The LED lights are activated by the pedestrian via a push button located at the crosswalks. The purpose of LED-lighted crosswalk systems is to enhance pedestrian safety by giving motorists advance warning of pedestrians in the crosswalks. The beneficiaries will include resident and visitor pedestrians, some of which will be physically-disabled.

CDBG Eligibility: Public Facility (24 CFR 570.201(c))

National Objective: ..... Low and Moderate Income Benefit

Explanation..... Area-wide basis (24 CFR 570.208(a)(1)): All proposed crosswalks are located in Census Tract 101, in which 62% of the households are of low or moderate income.

National Objective: ..... Elimination of Blight

Explanation..... All of the locations are within the City's Redevelopment Project Area, which is defined as a blighted area. The 2010-2014 Redevelopment Implementation Plan provides documentation that lack of safe pedestrian crossings contributes to a blighting condition.

**Economic Development Projects**

4. **Property Acquisition:**

Applicant: ..... Tri-Counties Community Housing Corporation

Amount Requested:..... \$185,000

Activity Description: Request money to help with the purchase of property in the North County for developmental disabled persons.

CDBG Eligibility:..... Property Acquisition (24 CFR 570.201(a))

National Objective: ..... Low and Moderate Income Benefit

The City has yet to award CDBG funds for this type of activity. This application was not suggested for inclusion in the Draft One Year Action Plan.

**Public Services**

*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.*

5. **Adult Wellness and Prevention Screening Program:**

Applicant: ..... Community Action Partnership of San Luis Obispo County (CAPSLO)  
Amount Requested:..... \$8,300  
Activity Description: ..... Operating expenses for a county-wide senior health screening program.  
Number of beneficiaries:... 550 persons county-wide.

The City has supported this program continuously since 2001 and allocated \$1,250 in 2012.

6. **Teen Academic Parenting Program (TAPP):**

Applicant: ..... Community Action Partnership of San Luis Obispo County (CAPSLO)  
Amount Requested:..... \$8,127  
Activity Description: ..... Operating expenses for a County-wide counseling and child care program for pregnant and parenting teen mothers and fathers.  
Number of beneficiaries:... 90 persons county-wide.

The City has supported this program continuously since 2001 and allocated \$1,450 in 2012.

7. **Emergency Shelter:**

Applicant: ..... Transitional Food and Shelter (TFS)  
Amount Requested:..... \$17,000  
Activity Description: ..... Operating expenses for various emergency shelters for medically-fragile persons located County-wide.  
Number of beneficiaries:... 300 persons in county-wide.

The City has supported this program continuously since 2005 and allocated \$5,166 in 2012.

8. **Farm to Family:**

Applicant: ..... Food Bank  
Amount Requested:..... \$5,000  
Activity Description: ..... Operating expenses to provide fresh produce to schools and neighborhoods County wide.  
Number of beneficiaries:... 44,000 persons county-wide.

Food Bank did not apply for CDBG funds in 2012, but have in the past. In 2010 the City allocated 2,300.

9. **Mentoring Program:**

Applicant: ..... Big Brothers & Big Sisters  
Amount Requested:..... \$5,000  
Activity Description: ..... Operating expenses for a County-wide program to provide mentoring services to "at-risk" youth.  
Number of beneficiaries:... 190 persons county-wide.

The City has supported this program continuously since 2002 and allocated \$1,450 in 2012.

10. **Senior Nutrition Program:**

Applicant: ..... Senior Nutrition Program of San Luis Obispo County  
Amount Requested:..... \$10,000  
Activity Description: ..... Operating expenses for a County-wide program to provide hot meals to seniors  
Number of beneficiaries: . 1532 persons county-wide.

The City supported this program in 2012 with a grant of \$1,250.



11. **Drug/Alcohol Counseling for Youth and Adults:**

Applicant: ..... Lifestyles Recovery Center

Amount Requested:..... \$7,000

Activity Description: ..... Operating expenses for a drug and alcohol counseling services for low income adults and youth in the Paso Robles area.

Number of beneficiaries:... 300 persons (per month) in Paso Robles.

The City has supported this program most years since 2002 and allocated \$1,450 in 2012.

12. **Emergency Shelter:**

Applicant: ..... El Camino Homeless Organization (ECHO)

Amount Requested:..... \$7,000

Activity Description: ..... Operating expenses for an emergency shelter located in Atascadero that serves the North County.

Number of beneficiaries:... 375 persons in North County.

The City has supported this program continuously since 2005 and allocated \$2,550 in 2012.

13. **Food Pantry:**

Applicant: ..... Loaves & Fishes

Amount Requested:..... \$6,000

Activity Description: ..... Provides food to low to very low income people of Greater Paso Robles area.

Number of beneficiaries:... 1805 households in Paso Robles.

This program received \$1,250 in 2012.

14. **Christ Kitchen and CBS Ministry Programs:**

Applicant: ..... Paso Robles Fellowship Development

Amount Requested:..... \$30,000

Activity Description: ..... Purchase food, supplies, and operating expenses for providing meals, showers, and donated clothing to the homeless in the Paso Robles area.

Number of beneficiaries:... 10,000 persons in North County.

The City has supported this program in 2001, 2007, 2010, and in 2011. In 2012, \$5,000 was granted.

**Administration and Capacity-Building**

19. **CDBG Program Administration.**

Applicant: ..... City of Paso Robles

Amount Requested:..... \$16,500

Activity Description: ..... Administer the CDBG program and all of the activities that are approved.

CDBG Eligibility: ..... Program Administration (24 CFR 570.206)

National Objective: ..... Low and Moderate Income Benefit; Blight Elimination

Explanation..... Administration and Capacity Building (24 CFR 570.208(d)(4)): This section provides that administrative and capacity building activities are considered to address National Objectives.

20. Capacity-Building:

Applicant: ..... City of Paso Robles

Amount Requested:..... \$16,500

Activity Description: ..... 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 Eligibility:..... Capacity Building Activities (24 CFR 570.205)

National Objective: ..... Low and Moderate Income Benefit; Blight Elimination

Explanation..... Administration and Capacity Building (24 CFR 570.208(d)(4)): This section provides that administrative and capacity building activities are considered to address National Objectives.

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

Attachment 4

Analysis of CDBG Funded Public Services Grants

**2013 Applications**

	Paso	Atas	County	SLO City	Morro Bay	AG	Total
CAPSLO - Senior Health	8,300	0	0	0	0	8,100	16,400
CAPSLO - TAPP	8,127	0	0	0	0	0	8,127
TFS	17,000	3,000	1,000	1,000	1,000	3,000	26,000
Food Bank	5,000	5,000	5,000	5,000	5,000	5,000	30,000
BBBS	5,000	5,000	0	0	5,000	5,000	20,000
Senior Nutrition	10,000	10,000	0	10,000	10,000	10,000	50,000
Lifestyles	7,000	0	0	0	0	0	7,000
ECHO	7,000	32,000	0	0	0	0	39,000
Loaves & Fishes	6,000	0	2,000	0	0	0	8,000
PR Fellowship Development	30,000	0	0	0	0	0	30,000
<b>Total</b>	<b>103,427</b>						<b>234,527</b>

**2012 Approvals**

	Paso	Atas	County	SLO City	Morro Bay	AG	Total
CAPSLO - Senior Health	1,250					2,200	3,450
CAPSLO - TAPP	1,450						1,450
TFS	5,166						5,166
Food Bank	0						0
BBBS	1,450					1,340	2,790
Senior Nutrition	1,250						1,250
Lifestyles	1,450						1,450
ECHO	2,550	6,700					9,250
Loaves & Fishes	1,250	8,650					9,900
PR Fellowship Development	5,000						5,000
<b>Total</b>	<b>20,816</b>						<b>39,706</b>

**2011 Approvals**

	Paso	Atas	County	SLO City	Grover	AG	Total
CAPSLO - Senior Health	1,900				3,329	1,250	6,479
CAPSLO - TAPP	1,830					876	2,706
TFS	9,646				3,329	2,501	15,476
Food Bank	0						0
BBBS	1,830				3,329	876	6,035
Senior Nutrition	3,740				3,329	2,501	9,570
Lifestyles	3,900						3,900
ECHO	4,470	12,500					16,970
Loaves & Fishes	0	10,000					10,000
PR Fellowship Development	4,470						4,470
<b>Total</b>	<b>31,786</b>						<b>75,606</b>

**2010 Approvals**

	Paso	Atas	County	SLO City	Grover	AG	Total
CAPSLO - Senior Health	2,300					974	3,274
CAPSLO - TAPP	1,600				2,529	1,624	5,753
TFS	11,614				2,476	2,706	16,796
Food Bank	2,300				2,829	2,706	7,835
BBBS	1,600	1,624			4,685	974	8,883
Senior Nutrition	0						0
Lifestyles	4,100						4,100
ECHO	5,400	16,238					21,638
Loaves & Fishes	2,300	8,119					10,419
PR Fellowship Development	5,400						5,400
<b>Total</b>	<b>36,614</b>						<b>84,098</b>

PROOF OF PUBLICATION

LEGAL NEWSPAPER NOTICES

PLANNING COMMISSION/CITY COUNCIL  
PROJECT NOTICING

Newspaper: Tribune

Date of Publication: January 29, 2013

Hearing Date: February 7, 2013  
(City Council – Special Meeting)

Project: 2013 Consolidated Plan

I, Theresa Variano, employee of the Community Development Department, Planning Division, of the City of El Paso de Robles, do hereby certify that this notice is a true copy of a published legal newspaper notice for the above named project.

Signed:   
Theresa Variano

forms/newsaffi.691

CITY OF EL PASO DE ROBLES  
NOTICE OF PUBLIC HEARING  
2013 Consolidated Plan

NOTICE IS HEREBY GIVEN that the City Council of the City of El Paso de Robles will hold a Public Hearing on the following matters:

1. Draft 2013 Annual Action Plan for Federal Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Service Grant (ESG), and American Dream Downpayment Initiative (ADDI) Programs. The Annual Action Plan is a component of the 5 year Consolidated Plan for these funding programs. The City Council will be deciding which applications for the City's share of 2013 CDBG funds, which is estimated to be \$167,775 will be approved and will be making a recommendation to the County Board of Supervisors regarding the proposed expenditures of 2013 HOME, ESG, and ADDI Funds.

This hearing will take place in the Conference Room at the Paso Robles Library/ City Hall, 1000 Spring Street, Paso Robles, California, on Thursday, February 7, 2013, at the hour of 7:00 pm.

**All interested parties may appear and be heard at the above hearing.**

Copies of the staff report with the proposed funding are available at Paso Robles City Hall, 1000 Spring Street, Paso Robles, and will be posted on the City's web site: [www.prcity.com](http://www.prcity.com) one week prior to the hearing. Copies of the staff report may be purchased at City Hall for the cost of reproduction.

Comments on the Draft 2013 Annual Action Plan may be mailed to the Community Development Department, 1000 Spring Street, Paso Robles, CA 93446 or e-mailed to [CDdirector@prcity.com](mailto:CDdirector@prcity.com) provided that such comments are received prior to the time of the hearing.

If you have questions about this matter, you may call Darren Nash, Associate Planner, at (805) 237-3970 or send email to [dnash@prcity.com](mailto:dnash@prcity.com).

Darren Nash, Associate Planner  
January 29, 2013 7012119