

**Draft Consolidated Annual Performance and Evaluation Report
(CAPER)**

For the
Fiscal Year
July 1, 2009 – June 30, 2010

Mayor Ashley Swearingin

City Council

Larry Westerlund – District 4, Council President
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*City of
Fresno,
California*

Federal Program Entitlement Allocations for the:

Community Development Block Grant (CDBG)
HOME Investment Partnerships (HOME)
Emergency Shelter Grant (ESG)

Housing and Community Development Commission

Roegina Cox – Chair
Armando Rodriguez – Vice Chair
Izzy Einsidler – Commissioner
Jeffrey Harrington – Commissioner
Louise Bauer Davoli – Commissioner
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EXECUTIVE SUMMARY

The City of Fresno receives an annual allocation of Community Development Block Grant (CDBG), Home Investment Partnerships Act (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter Grant (ESG) funds from the United States Department of Housing and Urban Development (HUD). These funds represent \$12.25 million of housing and community development funds to provide decent housing, a suitable living environment, and to expand economic opportunities, primarily for low to moderate income households.

In addition to the annual entitlement funding, Congress adopted several housing and financial stimulus packages that provided local jurisdictions with additional financial resources to combat the economic challenges facing cities nationwide. During Program Year 2009 the City received funding from Neighborhood Stabilization Program funds through the Housing and Economic Recovery Act of 2008 (HERA); a Homeless Prevention and Rapid Re-Housing, Lead Based Paint, and additional CDBG funds through the American Recovery and Reinvestment Act of 2009. This report will summarize the project of the aforementioned funds, remaining balances, and projected outcomes.

HUD requires jurisdictions receiving entitlement grants to prepare a five-year Consolidated Plan, an annual Action Plan, and an annual performance report known as the Consolidated Annual Performance and Evaluation Report (CAPER). The performance report, due to HUD on September 30 of each program year, must describe program/project expenditures, status, and accomplishments of all activities funded by the four entitlement programs during the preceding twelve month period ending June 30, 2009.

Accordingly, the City of Fresno prepared the CAPER report on the progress and performance of the 2006-2010 Consolidated Plan and the Annual Action Plan. The Annual Action Plan identifies specific projects and programs that will be administered during HUD's program year. This CAPER report covers the 2009 Program Year commencing upon July 1, 2009 through June 30, 2010, which is the time period used by HUD's Integrated Disbursement and Information System (IDIS). Also, it is the time period that the City of Fresno refers to as Fiscal Year 2010 (FY 2010).

The City's Consolidated Plan provides a strategic plan that identifies the housing and community development needs of low and moderate income residents. One of the City's primary objectives is to address the need for increasing the affordable housing opportunities for low and moderate income households; with special emphasis on minorities, persons with disabilities, the homeless, large families, persons living in substandard housing, and persons paying rent that exceeds fifty percent of their monthly income. Programs were identified that would improve both the quantity and quality of the affordable housing stock in the city. Other objectives identified in the Consolidated Plan included upgrading the city's infrastructure needs in low- and moderate-income neighborhoods, initiating programs to reduce crime, undertaking a code enforcement program and reducing homelessness in the city.

The CAPER begins with a narrative that addresses the ten goals in the same order as they are described in the City of Fresno's FY 2009-2010 Annual Action Plan. Additionally, this performance report includes narratives and data provided from each City department awarded federal entitlement funding, the City's internal record-keeping system, the HUD-sponsored Integrated Disbursement and Information System (IDIS) accounting program, and other outside sources receiving HUD entitlement funding.

Throughout the report, references are made to CDBG target areas. A map describing these CDBG target areas is shown on the next page. The target areas are census tracts and block groups where more than fifty-one percent of the residents had low and moderate incomes as reported in the 2000 U.S. Census. The map serves as a guide to easily locate areas of low and moderate income concentration. Demographic data is based upon the 2000 Census. The U.S. Census Bureau underwent the 2010 Census. Data derived from the 2010 Census will be incorporated in HUD entitlement reporting.

RESOURCES AVAILABLE

During the program year the City received federal and state funds to meet the goals outlined in the Consolidated Plan. Table 1, below, indicates the financial resources available to the City of Fresno from multiple funding sources under various programs during the 2009 Program Year. Specifically, Table 1 includes federal funds the City received directly. Table 2 provides funds from state, redevelopment, private funds administered by the City of Fresno and its collaborative housing partners, the Redevelopment Agency and the Fresno City Housing Authority.

Table 1
Resources Available for Housing and Community Development

	Funding	Program Income	Carryover	Re-Programmed Funds	Totals
Federal Entitlements					
Community Development Block Grant	7,629,459	376,300	700,000	66,400	8,772,159
HOME Investment Partnerships	3,972,126	50,000	862,974	-0-	4,885,100
Emergency Shelter Grant	335,628	-0-	-0-	-0-	335,628
Housing Opportunities for Persons with AIDS	315,824	-0-	-0-	-0-	315,824
American Dream Downpayment Initiative	-0-	-0-	22,353	-0-	22,353
HERA and ARRA Stimulus Funding					
Neighborhood Stabilization Program	10,969,169	-0-	-0-	-0-	10,969,169
Homeless Prevention Rapid Re-Housing	3,130,746	-0-	-0-	-0-	3,130,746
Lead Based Paint Grant	3,000,000	-0-	-0-	-0-	3,000,000
CDBG-R	2,047,341	-0-	-0-	-0-	2,047,341

Table 2
State, Local, and Other Federal Resources

State/Local/Other Federal Resources	Funding
CalHome Homebuyer Program	750,000
CalHome Rehabilitation Program	1,300,000
Redevelopment Agency	2,500,000
Section 8 Program	32,415,686
McKinney Vento	4,429,176
Federal Aviation Administration	1,000,000

Table 3
Housing Resources available through the Fresno City Authority

Program	Housing Information
Public Housing Program	1,105 units
Capital Funds	2.682 million
Farm Labor Housing	40 units
CHFA Section 8 New Construction	50 households
Emergency Housing	32 units
Home Ownership Opportunities	14 units
Mortgage Credit Certificates (MCC)	22 households
Homeowner Training Program	234 participants
Section 8 Rental Assistance	7,395 households

The single largest source of affordable housing in the city is provided by the Fresno City Housing Authority. Table 3 above provides a listing of Housing Authority programs. The Housing Authority manages and maintains 1,105 public housing units owns and manages an additional 50 multi-family unit complexes, and provides Section 8 rent subsidies to approximately 7,395 families.

HUD PROGRAM YEAR 2009 ANNUAL ACTION PLAN

The City's current Consolidated Plan identifies ten priorities for the CDBG, HOME, ESG, and HOPWA program funds. These ten priorities address the most critical housing and community development needs in the city. Since resources are limited, the City Council must annually review the priorities identified in the five-year Consolidated Plan, annually adopt and follow a course of action, called the Annual Action Plan, that concentrates on the ten priorities. As needs are addressed, funding levels may shift between priorities from year to year.

Performance Measurement System

Jurisdictions receiving HUD entitlement funds prepare performance measures to enable the agency to capture the impact the federal funds have on low and moderate income households. The City used program year 2009 federal entitlement funds to continue promoting community, housing, and economic development for the City's low and moderate income persons. The City has developed its objective and outcome measures based upon the needs identified by the community in the Consolidated Plan. The City seeks to meet the following objectives:

- Increase the availability of decent housing
- Increase the affordability of decent housing
- Increase accessibility to decent housing
- Increase accessibility to a suitable living environment
- Increase the availability and accessibility of economic opportunities
- Sustainability of a suitable living environment
- Sustainability of decent housing

The activities and projects adopted by the City Council are based upon selecting activities that assist the City in meeting the outcomes. The City seeks to achieve the following outcomes:

- Increase affordable housing opportunities for very-low and low income households;
- Improve the existing housing stock for very-low and low income households;
- Provide assistance to public agencies and nonprofit organizations providing services to very-low and low income households;
- Provide assistance for the homeless and those at risk of becoming homeless;
- Provide public facility improvements to facilitate neighborhood revitalization, such as infrastructure and public works projects;
- Pursue increased housing opportunities and assistance for those displaced through either code enforcement or redevelopment;
- Provide economic development and employment opportunity programs;
- Provide funds to suppress crime in low income high-crime neighborhoods;
- Monitor progress of federal entitlement programs to achieve housing and community development needs of the community.

Past Performance of Objectives

Increase the Availability of Decent Housing – HOME funds are used to meet this objective through the New Construction and CHDO Programs. During the program year no new construction projects were initiated. The concentration in Program Year 2009 was to provide additional funding to existing HOME-funded projects to increase the chances of funding through the State Tax Credit Allocation Program.

Increase the Affordability of Decent Housing – HOME funds are used to provide gap financing to developers for the development of new multi-family and single family housing. During the 2009 Program Year the City continued to fund the New Construction and CHDO Programs to meet this performance objective. The City did not appropriate funding for homeownership assistance this program year.

Increase the Accessibility to Decent Housing – Fair Housing Programs and the First-Time Homebuyer Counseling

Program assists the City in ensuring that LMI persons have access to decent housing. During the program year 300 persons participated in workshops and/or were counseled in preparation for a home purchase. The fair housing program ensures persons are made aware of their rights to live in the environment of their choice and the homebuyer counseling prepares persons access to information that will enable them to make a housing choice. Both programs met their annual goals.

Increase Accessibility to a Suitable Living Environment – Many CDBG areas have blighted conditions that have accrued over time for lack of a concerted community development effort. Through the CDBG-funded Concrete Reconstruction Program, the No Neighborhood Left Behind Program, a \$46 million dollar bond to provide infrastructure improvements, and the CDBG-funded Code Enforcement efforts, the City has seen a substantial impact on blighted conditions. During the program year 65 curb cuts were constructed with non-CDBG funds and over 8,869 code violations were addressed.

Sustainability of a Suitable Living Environment – The City continues its effort to work with neighborhood organizations to suppress crime in low income areas. In conjunction with these efforts is the rehabilitation of community centers and neighborhood centers that provide programs for low income youth.

Sustainability of Decent Housing – HOME-funded programs such as the Owner-Occupied Rehabilitation, the Rental Rehabilitation, the Emergency Grant and the Senior Paint Program assist the city in maintaining its affordable housing stock to sustain decent housing. The Emergency Grant and Senior Paint Program see great success each year. Both Owner-Occupied and the Rental Rehabilitation Programs have been re-tooled and heavily marketed. During the program year 87 units were sustained as decent housing.

In addition to the Consolidated Plan, the City Council adopted local housing policies addressing the following five priorities:

- Public facilities
- Housing rehabilitation and acquisition (including code enforcement)
- New construction of affordable housing
- Crime awareness
- Emergency shelters and transitional housing.

The ultimate success of administering the federal funds is based on the ability of the City to allocate its funds in ways that will maximize the impact on the city's neighborhoods and its low- and moderate-income residents. In some cases, such as with the HOME and ESG programs, the City, and/or the agency receiving the funds, is required to provide "match" funds to meet program requirements. For example, private donations, volunteer hours, State and local grants to homeless service providers are used to match ESG Program funds.

A match for the HOME program may be in the form of waived recording fees; program income from the Rental Rehabilitation Program; the City's tax increment; sweat equity; and the present value of the interest subsidy for loans made at rates below market in conjunction with the Home Buyer Assistance Programs. For this report, "matching funds" are locally-generated funding sources that are required to be contributed to the project. In other cases, grant funds "leverage" other local funds. In this report, leveraged funds are generated by the project without being required by the funding source. Examples of leveraging by the City of Fresno include home loans funded through private lenders in conjunction with the City's home buyer assistance programs; financing obtained by private developers that receive HOME funds to develop a housing project.

In addition to leveraging, the efficient use of funds includes the establishment of valid and cost effective programs which address the priorities established in the Consolidated Plan. It also includes recognition that outside organizations may be better equipped than the City to implement certain programs and conduct certain activities in order to meet specific community needs. The Consolidated Plan process has developed into a partnership linking numerous public, nonprofit and private organizations for maximum effect.

ASSESSMENT OF PROGRAM YEAR 2009 ANNUAL ACTION PLAN
ACCOMPLISHMENTS TO THE CONSOLIDATED PLAN

Within the context of the ten priority needs identified in the City's Consolidated Plan, ten goals were adopted in three Plan components. These included the following:

GENERAL HOUSING PLAN

- Goal 1:** New Construction of Affordable Housing
- Goal 2:** Housing Rehabilitation and Acquisition Programs
- Goal 3:** Redevelopment and Relocation
- Goal 4:** Plan Improvements

NON-HOUSING COMMUNITY DEVELOPMENT PLAN

- Goal 5:** Public Facilities and Improvements
- Goal 6:** Crime Awareness

ANTI-POVERTY PLAN

- Goal 7:** Emergency Shelter and Transitional Housing / Prevention of Homelessness Permanent Housing for Homeless
- Goal 8:** External Support and Coordination of Services
- Goal 9:** Economic Development
- Goal 10:** Monitoring

GENERAL HOUSING PLAN

Goal 1: *Increase housing opportunities for very low- and low-income families with an emphasis on households with five or more members through new home construction and increased ownership opportunities.*

Implementing Programs

New Construction of Affordable Housing

During the 2009 Program Year the City did not commit HOME funds for new projects. The City used previous year HOME funds to increase funding on existing HOME-funded projects. This was done in an effort to maximize local funding for tax credit application purposes.

Community Housing Development Organization (CHDO)

During the 2009 Program Year the City did not commit HOME-CHDO funds for new projects.

Status of Previously Funded and Slow Moving Projects

Echo Street Rehabilitation - Marko Construction Group

On August 28, 2007, the City of Fresno approved a \$214,000 HOME Program Agreement with Marko Construction Group for the rehabilitation of a duplex at 164 North Echo Avenue (Census Tract No. 6). Rehabilitation work is approximately 90% complete and is expected to be finished by October 31, 2010.

Palm View Gardens (Transit Village) – ROEM Development Corporation

On December 10, 2008, the City of Fresno approved a Disposition and Development and HOME Agreement with ROEM Development Corporation for construction of 133 affordable senior housing units to be located on the south side of Kings Canyon between Willow Avenue and Adler Avenue in southeast Fresno (Census Tract No. 29.02). On July 30, 2009, the City approved \$1 million in HOME Program funds for land acquisition and construction of Palm View Gardens. On March 4, 2010, the City approved an additional \$1 million to assist ROEM with increasing its tie-

break score at the first round of Low Income Housing Tax Credit (LIHTC) funding. Since the additional funds were not enough to secure an award of tax credits, on June 24, 2010, the City approved an additional \$500,000 for a total of \$2.5 million in HOME funds loaned to the project. The additional funds generated a LIHTC tie-breaker score of 70.11%. As of June 30, 2010, ROEM is awaiting announcement of the second round tax credit awards which is expected to be released in late September 2010.

Bastian Court – Bastian Partners

The City of Fresno approved HOME Program funds in the amount of \$3,050,000 for the proposed Bastian Court Apartment complex located at 2133 Stanislaus St. in downtown Fresno. The project will consist of 60 affordable multi-family units. Demolition of an existing vacant commercial building is now completed. Construction of this project is pending a receipt of LIHTC funds. The parcel is located in Census Tract No. 1.

Parc Grove Commons, Phase II – Better Opportunity Builders

Parc Grove is a two-phased public housing project being developed by the City of Fresno Housing Authority and Better Opportunities Builders, a non-profit CHDO developer. The project will consist of approximately 500 multi-family housing units and be located at the southeast corner of Fresno Street and Clinton Avenues (Census Tract No. 34). In March of 2008, the City of Fresno approved a \$2 million HOME CHDO Agreement for the construction of Phase II, which will consist of 215 units. On September 1, 2009, the developers were awarded \$25 million in Low Income Housing Tax Credits for the project. The developers were previously awarded \$1 million in Federal Home Loan Bank Affordable Housing Program funds. Construction of the project commenced on February 4, 2010. The project is expected to be completed on March 15, 2011.

South Clara Estates - Fresno West Coalition for Economic Development

In May 2005, the City awarded \$550,000 in CHDO funds to FWCED for the development of 10 affordable single family homes. The CHDO funds will be used for development costs and mortgage assistance. Fresno West Coalition for Economic Development was unable to continue as the project sponsor and therefore assigned the project to Habitat for Humanity Fresno in November 2008. The project is under construction and is expected to be completed in December 2012. The project is located at 195 W. North Ave. in Census Tract No. 10.

Arbor Court (formally known as Laurel Homes) – EAH Inc.

In June 2005, the City of Fresno approved \$750,000 in CHDO funds to EAH for development of Arbor Court, a Section 811 affordable housing development for persons with disabilities, to be located at 4830 E. Laurel Avenue (Census Tract No. 29.02). In April of 2009, the City approved an additional \$650,000 in HOME CHDO funds to the project. On June 30, 2010, EAH was awarded over \$2.2 million in Section 811 funds from the U.S. Department of Housing and Urban Development for the project. Once completed, the Arbor Court development will consist of 19 multi-family units for persons with disabilities. Construction is scheduled to commence on July 1, 2010 and be completed on December 31, 2010.

Ventura Avenue & Seventh Street

In a joint effort to revitalize a blighted neighborhood block in southeast Fresno, the City's Downtown and Community Revitalization Department, Housing and Community Development Division and the Fresno Redevelopment Agency purchased three parcels for development of a mixed-use project. The parcels are located at Ventura Avenue and Seventh Street (Census Tract No. 13.01). In April of 2010, AMCAL Multi-Housing, Inc. was selected as the developer to purchase the properties and construct the project, which will consist of 6,200 square feet of commercial/retail space and affordable senior housing units.

Completed Projects

Single-Family Homes - Habitat for Humanity Fresno

On April 30, 2009, the City of Fresno approved a \$177,000 HOME Program Agreement with Habitat for Humanity for the construction of two single-family homes to be located at 172 and 182 North Echo Avenue (Census Tract No. 6). The families completed construction of their homes on June 3, 2010.

Technical Support for Tax Credit Applicants

The City provided technical support for seven new tax credit applications to ensure the availability of additional low-income, multi-family rental units. See the table below for information regarding these seven projects. On each project, the City assisted the State of California with its application analysis by verifying that the zoning, building and general information provided in the tax credit application was accurate.

**Table 4
Tax Credit Projects Provided Technical Assistance**

2010 TAX CREDIT PROJECTS				
<i>Reviewed by the City during the program year and submitted for first or second round approval to the California Tax Credit Allocation Committee</i>				
Project	Location	Units	HOME Funds	Status
Renaissance at South Clara (New permanent supportive housing)	503 "G" and 518 "F" Street	70	-0-	Applied for second round of funding. Award announcement to be released in September 2010.
El Cazador Apartments (Rehabilitation of affordable rental units)	4851 North Cedar Avenue	100	-0-	Applied for second round of funding. Award announcement to be released in September 2010.
Pacific Gardens (Rehabilitation of affordable rental units)	5161 E. Kings Canyon Road	56	-0-	Applied for second round of funding. Award announcement to be released in September 2010.
Bridges at Florence (New affordable senior housing)	649 E. Florence Avenue	73	-0-	Applied for second round of funding. Award announcement to be released in September 2010.
Palm View Gardens (New senior housing)	5070 E. Kings Canyon Road (partial)	73	\$2.5M	Applied for second round of funding. Award announcement to be released in September 2010. Applied at the first round of funding but did not receive an award at the first round of funding.
Bastian Court (Mix-use development)	2139 Stanislaus Street	89	\$3M	Applied for second round of funding. Award announcement to be released in September 2010. Applied for the first round of funding but did not receive an award at the first round of funding.
Trinity Gardens (Rehabilitation into permanent supportive housing)	532 S. Trinity	20	-0-	The City of Fresno Housing Authority was awarded \$2.8M in LIHTC set-aside funds for support housing.

Goal 2: *Improve the available housing stock for low- and very low-income households.*

Implementing Programs

Housing Rehabilitation and Acquisition Programs

Code Enforcement Program

The City continued to maintain code enforcement activity to ensure that existing housing is safe, sanitary, and decent. Funding for code activities was from the CDBG Program, City Community Sanitation fees, and the City General Fund. A total of 8,869 code violation complaints in CDBG areas were processed during the program year.

In CDBG eligible areas, the City received 1,785 housing code complaints related to health and safety issues involving both single family and multi-family residential units. Code Enforcement staff received approximately 5,271 public nuisance and 1,774 zoning cases involving the elimination of visual blight, trash, inoperable vehicles, and zoning violations, which in part, involved the elimination of illegal land uses or compliance with property

development standards. Code staff also investigated 1,521 weed abatement cases, and 137 sign cases and 36 Dangerous Building code violations in CDBG areas. Staff focused on the investigation and correction of all substandard conditions found. Property owners who failed to comply were subject to citation and legal action. The actions taken in the CDBG-eligible areas included enforcement of the housing code, dangerous building code, public nuisance ordinance, and zoning ordinance.

Code Enforcement inspectors are instructed to routinely refer housing code violators to the City's Housing Division's Rehabilitation Program, the Redevelopment Agency's Minor Repair Program and the Economic Opportunities Commission Weatherization Program.

The City's Code Enforcement Program was awarded \$3,375,200 of CDBG funds in the program year. Other City resources paid for activities in non-CDBG areas. Code Enforcement activities are being done in conjunction with public works improvements and housing rehabilitation to arrest the decline of the CDBG-eligible areas.

Home Improvement Program (HIP)

The program provides funds in the form of a zero percent interest deferred payment loan to low-income households for rehabilitation of their owner-occupied home. The City layers funding for its Home Improvement Program with HUD HOME Program funds and State of California CalHome Program funds. In the 2009 program year, the City set aside a total of \$125,000 in HUD HOME funds and a total of \$687,320 in carryover from a previous State of California CalHome Program award, for rehabilitation activities. In late 2009, the State of California placed a freeze on CalHome Program reimbursements which temporarily rendered the Home Improvement Program inactive. During the program year, a total of 2 owner-occupied homes were rehabilitated with \$26,831 in HOME and \$26,795 in CalHome Program funds. The low number of program participants was the result of economic conditions, the State's freeze on program dollars, and time required to restart the program once the freeze was lifted.

Disabled Accessibility Grant Program

The program provides funds to low-income seniors or individuals with physical disabilities to make accessibility improvements to their owner-occupied home. Eligible improvements include widening of exterior doors and installation of ramps, grab bars, lower lever faucets, and roll-in shower stalls. The program is available citywide. A total of \$80,000 of HOME funds was set aside in the program year for the Disabled Accessibility Grant Program activities. A total of 2 homes were improved with accessibility items, with HOME expenditures of \$14,922.

Senior Paint Program

The program is an exterior painting program available to the City's senior residents. The painting is performed by a licensed contractor and program funds are provided to participants as a grant. During the program year, 47 senior households benefited from the program for a total of \$146,155 in CDBG funds expended. Race and ethnicity information for the program activities are provided in the following tables.

Emergency Grant Program

The program provides a maximum of \$6,000 in grant funds to address serious health and safety issues, in owner-occupied homes, that have that have been identified by City staff. This program was funded with \$25,000 in CDBG funds. During the program year, four households benefited from the program and a total of \$21,984 was expended in CDBG funds. Participant race and ethnicity information is provided in the table below.

Housing Rehabilitation – The following tables provide performance, income, and race and ethnicity data for housing rehabilitation programs administered by the City.

**Table 5
Housing Rehabilitation Programs Accomplishments**

Program	Units Rehabilitated		HOME Funds	CDBG Funds
	Projected	Actual		
Home Improvement Program	25	2	26,831	-0-
Disabled Accessibility Grant Program	8	2	14,922	-0-
Senior Paint Program	50	47	-0-	146,155
Emergency Grant Program	4	4	-0-	21,984
TOTAL	87	55	41,753	168,139

**Table 6
Race of Beneficiaries for Rehabilitation Programs**

Project/Program	Caucasian		African American		Asian & White	
	Total	Hispanic	Total	Hispanic	Total	Hispanic
Home Improvement Program	2	1	0	0	0	0
Disabled Accessibility Program	2	0	0	0	0	0
Senior Paint Program	37	7	9	0	1	0
Emergency Grant Program	4	3	0	0	0	0

**Table 7
Income Level of Beneficiaries for Completed Projects**

Program	Income Levels of Programs				
	Income Level			Large Households	Met Section 215 Requirements
	0-30%	31-50%	51-80%		
Home Improvement Program	0	1	1	0	2
Disabled Accessibility Grant Program	0	1	1	0	2
Emergency Grant Program	0	2	2	0	n/a
Senior Paint Program	6	17	24	0	n/a

Other City Programs

Redevelopment Agency - Rehabilitation Program

The Redevelopment Agency (RDA) of the City of Fresno contracted with the Fresno City Housing Authority to implement the Community Housing Partnership Program. The RDA provided tax increment housing set aside financing to provide grants and loans from \$6,500 to \$29,500 to low and moderate income households for minor and major rehabilitation of their single family homes. During the program year the Housing Authority completed 26 rehabilitation projects in eight target areas.

SMART Program

The SMART Program began acoustically treating homes in the airport noise contours in 1995. Acoustic insulation is a rehabilitation activity that reduces the impact of aircraft noise from the Fresno Yosemite International Airport on residences in areas determined to exceed an average noise level of 65 Community Noise Equivalent Level (CNEL). The average cost per home is about \$28,450 (\$20,779 for modifications; plus \$7,539 per home for consultant design, construction management, and administration costs). Each property owner signs an aviation easement and owner participation agreement that is recorded on the property.

From 1995 to July of 2007, 784 homes near the airport were rehabilitated through the SMART Program. Approximately 42 homes are currently in design as of September 2009. Approximately 22 homes are scheduled to be completed by March 2010.

Funding for the SMART Program has been 90% from Federal Aviation Administration (FAA) Airport Improvement Grants (AIP) and 10% Airport generated revenues. The funding formula has been modified by the federal government to be 95% FAA AIP and 5% Airport revenue. The City received and is using FAA grant funding in the amount of \$1 million in 2008-2009.

Other Regulatory Information

Access to Housing for Large Families

In an effort to meet the needs of large families (five or more persons per household), the City continues to encourage development of affordable housing for large families.

Affirmative Marketing Plans

The City approved Affirmative Marketing Plans for the following development projects during the program year: Parc Grove Commons and Fulton Plaza. As projects that are currently under construction get closer to completion, Affirmative Marketing Plans will be developed and reviewed for compliance with HOME Program regulations.

Efforts in Meeting Worst Case Needs

The City's housing programs under the new construction and acquisition/rehabilitation of rental housing categories are designed to meet worst case needs. Worst case needs are defined as households that spend $\geq 50\%$ of their income on rent. As part of the City's Housing Development Program, the City seeks partnership opportunities with residential developers and encourages the development and rehabilitation of housing that will provide an affordable rent to very low-income families. Currently, the City is providing HOME Program funds to the following projects that will assist in meeting worst case needs: Parc Grove Commons, Palm View Gardens, Arbor Court, Echo Duplex Rehabilitation, Echo Single-Family Homes, Garrett Single-Family Homes, and Bastian Court.

Activities to Promote Access to Affordable Housing

City of Fresno housing staff participated in a number of activities that promoted the City's affordable housing programs and projects. Many of the events were held in partnership with HUD and other nonprofit housing agencies. Some of the events that City staff participated in to further promote access to affordable housing included the following:

- 10X10 Blue Ribbon Committee meetings
- Housing Special Revenue Funds meetings
- Housing and Community Development Commission meetings
- Making Transit Oriented Development a Reality workshops
- Lowell Community Neighborhood Meeting
- Federal Reserve Bank Conferences
- San Joaquin Housing Collaborative Meetings
- Valley wide meetings focusing on addressing foreclosure issues
- Community Plan Charrettes for downtown and southwest Fresno

During the reporting period, the City also invested staff time and resources in various other housing activities to promote accessibility to affordable housing including:

- Housing Resource Center: City staff continues to partner with the Community Housing Council of Fresno and the Fresno Housing Resource center, a community non-profit housing organization that provides professional homeownership information and education. Services provided include: access to pre-purchase counseling and credit counseling referrals, access to financing, access to listings of affordable housing in Fresno County (urban and rural), financial education, including predatory lending awareness and related housing and economic development services.
- Community Housing Council: City staff partners with other local, non-profit and private partners to jointly address the affordable housing concerns of the Fresno area.

Lead-Based Paint Regulations

The City's federal Lead-Based Paint Practice has been in place since September 15, 2000. During this time, City staff continued to encourage new contractors to obtain lead-based paint certifications and to attend lead-based paint workshops to increase their understanding of the process for identifying and mitigating lead-based paint hazards. As of April 22, 2010, the City placed into practice, HUD's Renovation, Repair, and Painting rule by requiring contractors performing renovations in lead-based paint units to be EPA-certified renovators. This requirement now applies to all City of Fresno affordable housing projects.

Leveraging of Funds for Housing Programs

The City has designed its housing programs to assist low-income families, while leveraging funds in a sound, business-like manner. The housing projects completed resulted in leveraging a total of \$2,164.00. See the table below for details.

Table 8 Sources of Leverage		
Programs/Projects	Leverage Amount	Leverage Source(s)
Owner-Occupied Housing Rehabilitation	\$68.00	Private Financing
Senior Paint/Weatherization	\$2,096.00	Private Financing

Matching Requirements

HUD requires participating jurisdictions to provide a twenty-five percent match for the HOME Program. HUD has reduced the match requirement for the City of Fresno to zero percent because of local economic conditions. The City continues to track its matching funds for use in future program years. During the program year, the City generated a total of \$9,079.87 in matching funds from the following sources:

- Program income derived from loan payoffs to the old Rental Rehabilitation Program. This generated \$8,272.87 in additional funds.
- Fees waived by the Fresno County Recorder; \$75 from fees waived in the Home Improvement Program and \$732 from fees waived for development projects.
- In addition, the City carried over \$6,018,494 in excess matching funds from prior years. Details of the HOME Match Report (HUD Form 40107-A) can be found at the end of the CAPER, Appendix B. As a point of clarification, matching funds were already provided from the various sources and can be used to meet the matching requirements of the HOME program. They are funds on paper and do not constitute real funds that could be used for construction activities.

**Table 9
HOME Match Sources**

Programs/Projects	Match Amount	Match Source(s)
Rental Rehabilitation Program	\$ 8,272.87	Program income derived from loan payoffs to the old Rental Rehabilitation Program
Home Improvement Program	75.00	Fees waived by the Fresno County Recorder
Housing Development Projects	732.00	Fees waived by the Fresno County Recorder
Total	\$9,079.87	

Goal 3 - Residential Displacement and Relocation: Provide increased housing opportunities and assistance for those displaced through either code enforcement or redevelopment.

Implementing Programs

Relocation

It is City policy not to cause the relocation or displacement of any persons affected by any housing program. In the event displacement should occur, appropriate relocation measures will be employed as required by the City's relocation procedures pursuant to HUD regulations.

During the 2009 Program Year there were no activities that triggered the Uniform Relocation Act.

Goal 4 - General Plan Improvements: Monitor and complete the update of the City's General Plan and update the Housing Element and housing data regarding the development of affordable housing for very low- and low-income families. Continually improve all other City regulations and processes that affect housing access and affordability.

Implementing Programs

General Plan Update

The City completed the update to the General Plan and Housing Element. The 2025 Fresno General Plan was adopted by the City Council in November 2002. The updated Housing Element was adopted June 18, 2002.

As part of revising the Housing Element, the City conducted a housing quality survey to determine the condition of the housing units constructed prior to 1960. The survey estimates the number of units in the city that are in need of rehabilitation and replacement. According to the survey, 88.6% of the housing stock is in sound condition. In summary:

- The study identified that 21,805 of the 24,600 houses surveyed are in sound condition;
- Another 2,165 are in need of minor repair;
- The survey indicated 507 houses are in need of moderate repair
- Eighty-eight houses need substantial repair; and,
- Thirty-four of the houses surveyed are dilapidate and need to be demolished.

To prepare the Housing Element, the City worked with the Council of Fresno County Governments and the cities within the county to develop a Housing Allocation Plan to ensure that sufficient low-income housing is constructed within the county. Incorporation of land-use policies to accommodate a diversity of housing sizes and types, as well as higher residential densities, provide increased opportunities for affordable housing.

The 2025 General Plan calls for redistributing a projected population of approximately 10,000 people from the western and eastern fringes to the central portions of the metropolitan area. Revitalization and enhancement of the established urban core will continue to be the major focal point of the plan's vision. The Plan projects the rehabilitation of 1,000 dwelling units and construction of 1,000 new infill dwelling units generally within CDBG target areas. The target area for this redistribution is between Ashlan, Jensen, Willow and West Avenues.

As part of the strengthening of the established urban core, the Mayor and City Council established revitalization of downtown and its surrounding neighborhoods as a priority. To achieve this goal the City provided \$900,000 of CDBG funds to the Downtown and Neighborhood Revitalization Department to prepare Specific Plans and Community Plans for Downtown Fresno and surrounding neighborhoods. The goal is to attract business investment and development, protect the urban core; and, to make development easier, less expensive, and predictable. During the program year the consultant began engaging the community and gathering input as part of the plan preparation process. It is anticipated the plans will be complete in 2011 for a total cost of \$2.6 million.

Activities to Encourage Housing Development - To encourage the development of affordable housing, the Planning and Development Department continues to monitor these specific issues:

a. **Density Bonus**

Provide incentives to developers through the provision of higher densities, financial incentives, or fee waivers in exchange for a commitment to provide housing for very low- and low-income families or senior citizens.

b. **Higher Densities**

The City has limited acreage designated or zoned for higher density development (20 or more units per acre). The addition of property with such a designation provides greater opportunities for affordable housing. The General Plan recommended an activity center concept to encourage well planned and appropriately clustered higher density, mixed use developments.

Status: The 2025 General Plan was adopted during the program year, November 2003. The activity center concept was incorporated into the Plan. Proposed specific plans will be developed to implement the concept.

c. **Policies to Encourage Increased Average Residential Densities**

The policies recommend that all properties within the City's sphere of influence be planned for urban densities. Utilization of this standard will provide for overall higher planned residential densities which can reduce land costs per unit and thus encourage more affordable prices. The Draft General Plan proposed to eliminate the rural residential designated land use category and designate additional land for higher density categories.

Status: The adoption of the 2025 General Plan eliminated the rural residential land use category. As an outcome of the 4,000 or more multiple family unit entitlement application filings:

- 161 units will be built at a density of 45 units/gross acre;
- 171 units will be built at 23 units/gross acre or more;
- 906 units will be built at densities of 17-20 units/acre.

d. **Mixed Density Policies, Ordinances and Zone District Standards**

The City's planned communities ordinance allows for unified developments that would include a mix of residential densities and commercial land uses. Code standards can be adjusted through the planned community process to increase overall residential densities while retaining quality community design. Increased densities result in decreased land costs per unit and therefore encourage decreased per-unit costs to provide greater opportunities for mixed income groups. Residential and commercial land uses can be combined within the same project through the Commercial Professional (CP) and Residential Professional (RP) zone districts. The goal is to create higher density, more urban type mixing of land uses throughout the City.

Status: The City continues to encourage the use of these provisions to stimulate affordable housing development for low and moderate income families.

e. **Mixed Income Opportunity Housing**

Although not in ordinance form, units can be developed and/or sold at market rate with some assistance, below market rate, or through innovative financing programs. The State Department of Housing and Community Development encourage cities to increase densities which will allow for a greater mix of income groups. The City has continued to support to the Housing Authority in obtaining additional Section 8 vouchers for lower income persons in the City. The City also has provided incentives to various nonprofit organizations to provide greater housing opportunities for lower income people and through its support of tax credit projects to encourage the mixing of income groups.

NON-HOUSING COMMUNITY DEVELOPMENT PLAN

Goal 5 - Public Facilities and Improvements: Provide public facility improvements to facilitate neighborhood revitalization.

Implementing Programs

Neighborhood Infrastructure Program

The City continued its ongoing program to concentrate CDBG funds toward the rehabilitation of existing tree-damaged sidewalks, curbs, gutters and street surfaces as part of its goal to support the revitalization of low- and moderate-income neighborhoods that are deteriorating or threatened with deterioration. Funding was accomplished through the use of CDBG monies, Fresno gas tax funds, Measure C, and other sources as they became available.

The City concentrates street improvements within CDBG designated neighborhoods. Neighborhoods selected for the improvements must meet two criteria: the existence of drainage facilities and the existence of some portion of curb and sidewalk. The areas selected in this program year did not need a full street infrastructure reconstruction; instead, the goal was to provide a renewed and complete infrastructure. The completion of this project encourages neighborhood revitalization and discourages the collection of debris and allows for routine cleaning activities such as street sweeping. During the 2009 Program Year the City received CDBG funds through the ARRA funding and utilized stimulus funding to carry out street reconstruction programs. Only \$100,000 of CDBG entitlement funds were appropriated to provide infrastructure improvements in low mod income neighborhoods.

The table below identifies Program Year 2009 concrete reconstruction improvement projects paid for with CDBG funds. Code enforcement, street sweeping, Community Sanitation Division activities, tree trimming, neighborhood watch, and DCST activities were budgeted as part of each department operating budget. Any costs paid with CDBG funds for such projects by individual departments are covered under the specific departmental activity described elsewhere in this report.

Table 10
Neighborhood Infrastructure Program

Project	Location	Funding
Sidewalk Reconstruction	Bulldog Lane/ Cedar to Fourth	50,000
Concrete Reconstruction	Olive/Hedges and Crystal/Hughes	50,000

Slow Moving and Previously Funded Projects

Chinatown Community Center

The project will provide funds to make some improvements to a building at 934 "F" Street in the Chinatown section of the City. The building will be used as a community center for providing social services to the local residents. No funds were expended during the reporting period.

West Fresno Healthcare Coalition

During the 2005 Program Year the City amended the Annual Action Plan to reflect a change in the activity of the service center. The amendment included the West Fresno Healthcare Coalition acting on behalf of the Ivy-Carver Association to develop a multifaceted service center including education, social and health services for low income residents of the area. Planning for the project continued during the program year. The agency has developed a collaborative relationship with a national philanthropic group and the scope of the project is expected to change to comprehensive one-stop services for the low income area. Future CAPERs will detail the accomplishments of the project.

Goal 6 - Crime Awareness: *Improve public safety and to provide funds to increase law enforcement services, primarily in CDBG eligible areas. The budget would be allocated from the public services portion of the CDBG entitlement.*

Implementing Programs

District Crime Suppression Teams (DCST)

The District Crime Suppression Teams were initially formed in April 2002. The teams were designed to provide an immediate response to violent crimes in progress, and to reduce crime and calls for service by utilizing a problem solving philosophy.

District Crime Suppression Team officers do not generally respond to routine calls for service from the public, but instead direct their efforts in a proactive approach to address criminal offenders before they strike. The DCST enhance the level of service provided by patrol officers and provide an increased visibility of uniformed patrol officers in the neighborhoods they serve. District Crime Suppression Teams in the Southwest, Central, and Southeast policing districts have focused on preventing and responding to violent crime quickly, in those neighborhood plagued with higher rates of crime, and calls for service relating to narcotics, prostitution, gang activity, and violent crime.

These teams placed a strong emphasis on preventing criminal activity through quick apprehension of those who commit crimes. They worked very closely with other units within the department so that when suspects were identified they could be quickly apprehended, before having an opportunity to commit additional crimes. Additionally, they worked closely with allied agencies, such as the California Department of Correction (Parole), to locate and apprehend dangerous subjects who have violated their parole or absconded from parole supervision. The District Crime Suppression Teams worked in conjunction with both Parole and Probation to conduct parole and probation searches of residences of those suspected of continued criminal activity.

Many of the CDBG eligible neighborhoods are plagued with neighborhood "Drug Houses" and street narcotics sales. This activity negatively impacts the quality of life for the neighborhood. Not only does narcotics activity lead to violence, it intimidates and causes fear for those who live in the neighborhood. Crimes Suppression Teams have actively worked to address these locations by conducting undercover narcotics investigations, serving narcotics search warrants, and utilizing other specialized enforcement tactics.

Gang members are involved in a wide range of criminal activity, to include graffiti, drug manufacturing and dealing, thefts, assaults, robberies, and murders. Many of the gang members are on probation and parole. The connection between gang members and dangerous criminal activity is evident. Because of this connection, Crime Suppression Teams have also focused their efforts on suppressing gang activity.

District Crime Suppression Team members have often been the first units to arrive at the scenes of violent in progress crimes such as robbery, assault, and murder. Their quick response and special training, in tactics, has often times allowed them to make arrests at the scene of a crime, resulting in an enhanced investigation and a safer community. DCST was awarded \$100,000 of CDBG funds with an area benefit to low mod income persons.

Care Fresno Program

Care Fresno is a non-profit organization that assists the CDBG-funded District Crime Suppression Teams in lower income neighborhoods. Care Fresno targets neighborhoods that have an established history of crime patterns. The DCST officers work to address crime in these targeted neighborhoods and then requests Care Fresno, as needed, to follow up with longer term neighborhood interaction. The mission of Care Fresno is: "Building partnerships to restore and maintain safe neighborhoods." Care Fresno was awarded \$30,000 of CDBG funds and directly benefitted 345 low/mod income children.

Care Fresno provided tutoring services, collaborative services, support groups, life skills training, and homework sessions to 302 unduplicated low income children and 30 families during the 2009 Program Year.

ANTI-POVERTY PLAN

Goal 7 - Emergency Shelter and Transitional Housing / Prevention of Homelessness / Permanent Housing for Homeless: Continue to provide assistance for the homeless and those in danger of becoming homeless and improve the communication and service delivery capabilities of agencies and organizations that provide programs to assist the homeless.

Implementing Programs

Continuum of Care Plan

The mission of the Fresno-Madera Continuum of Care (FMCoC) is to prevent, reduce and ultimately end homelessness in the Fresno/Madera metropolitan and rural areas. The Continuum of Care was developed through an active participatory process involving the City, the local HUD office and agencies serving veterans, homeless, seniors, persons with disabilities, HIV/AIDS, mental illness, and substance abuse as well as health organizations and churches. These advocates represent persons that may, or may not, be homeless, but have special needs that may require supportive housing, including persons with HIV/AIDS.

Goal and priority setting and the identification of obstacles are the responsibility of the participating homeless providers through the FMCoC. The City and local HUD roles are primarily advice and support. The FMCoC became the forum by which local priorities were established for local providers in applying for State Emergency Housing and Assistance Program (EHAP) funding. During the program year, local agencies received over \$3.7 million dollars in EHAP funds.

- Certificates of Consistency were provided to each of the agencies for their Continuum of Care Supportive Housing Program and Shelter Plus Care Program. The agencies demonstrated consistency with the priorities established in the City of Fresno's Consolidated Plan.

Emergency Shelter Grant (ESG) Program

The City continued to fund shelters for the homeless to carry out Consolidated Plan priorities. In Program Year 2009 ESG funding was provided to: the Marjaree Mason Center, the Poverello House, the Fresno County Economic Opportunities Commission (EOC) Sanctuary Youth Center, EOC Transitional Living Center, Turning Point of Central California, and Spirit of Woman. Table 11 provides details on the performance of the ESG Program.

**Table 11
ESG Performance**

	City Admin	EOC Sanctuary	EOC TLC	Marjaree Mason	Poverello House	Spirit of Woman	Turning Point	Total
Meals		15,030	2,641	66,920	309,543	78,936	0	473,070
Shelter		3,003	7,816	39,256	0	30,994	9,945	91,014
Grant	\$ 16,781	49,371	18,594	87,867	92,667	44,840	25,508	\$ 335,628
Match	\$ 16,781	49,371	18,594	87,867	92,667	44,840	25,508	\$ 335,628
Source of Match	CDBG	Health & Human Services; Community Services Block Grant	Health & Human Services; Community Services Block Grant. California Wellness Foundation	Donations	Donations	County of Fresno Transitional Housing Rent. County of Fresno Department of Behavioral Health	West Care	

Housing Opportunities for Persons with AIDS (HOPWA)

The City of Fresno is a new entitlement community to the HOPWA Program. HOPWA provides supportive service and housing funds for persons with HIV or AIDS. The State of California administers this program on behalf of the City of Fresno. HOPWA services are carried out by the largest public health care provider, Fresno County Department of Public Health alongside its other supportive service programs.

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Senior Meal and Recreation Program

CDBG funding was provided in the amount of \$553,700 to the Senior Meal and Recreation Program. The program serves older adults through a variety of recreation activities, special events, excursions, social dances, health, fitness and dance instruction, technology, financial management, safety awareness, and nutritious meals. Meals are served Monday through Friday, excluding holidays, at 16 Senior Hot Meal sites. The following table summarizes the number of persons served at the various sites.

**Table 12
Senior Meal Beneficiaries by Site**

Site	Meals Served	Senior Activity Participation
F.I.R.M.	2548	5955
Glen Agnes	2269	5064
Highway City	3192	3685
Hinton	4396	4297
Lafayette	3213	3427
Learning Center	4144	4740
Mosqueda	6179	17149
Pinedale	7606	8479
S.C.V.	13016	15087
Ted C. Wills	11787	16833
Calwa	2914	3232
Einstein	3013	3577
Las Casitas	1801	2742
Mary Ella Brown	1563	1822
Quigley	2220	2364
Romain	1361	1956

Goal 8 - External Support - Public Services: Depending on funding availability, continue to provide assistance to public agencies and nonprofit organizations providing neighborhood housing services, supportive services to the homeless, adults with physical and/or mental impairments, the mentally ill, victims of domestic violence, and households with abused children among others. Coordinate with public agencies providing job training, life skills training, lead poisoning prevention and remediation and other education programs that support the City’s housing and community development strategies.

Implementing Programs

City staff evaluated Program Year 2009 grant applications based upon Consolidated Plan priorities, community priorities, prior commitments, and the availability of funding. HUD allows the City to fund up to 15% of its CDBG allocation for public service activities. The City budgeted public service activities under CDBG for: Senior Nutrition Program, Care Fresno, ByDesign Financial Solutions, Fire Suppression and Education, District Crime Suppression Team Program, Central California Legal Services, Fresno Center for New Americans and Reading and Beyond. The following table summarizes the public services provided through CDBG, the award amount and the number of low/mod income persons benefitting.

**Table 13
Public Service Performance**

Agency/Department	Income Categories			Performance Measure		CDBG Award	CDBG Expended
	Very Low 0-30%	Low 31-50%	Moderate 51-80%	# served	Unit of Measure		
ByDesign Credit and Financial Education	99	121	48	300	Persons	50,000	50,000
CARE Fresno Coordination of neighborhood activities and services	276	24	3	302	Persons	30,000	30,000
Cen Cal Legal Services Tax Education & Assistance	577	368	71	1,000	Persons	25,000	14,202
Fresno Center for New Americans Crime Awareness Services	Program continued into the next fiscal year. Performance will be reported in the next CAPER.				Persons	26,000	0
Fresno County EOC Sanctuary Youth Center Homeless Youth Services	Program continued into the next fiscal year. Performance will be reported in the next CAPER.				Homeless	29,000	0
Reading and Beyond Literacy classes	5	82	0	87	Persons	30,000	26,735
Police Department Crime Suppression				186,317	Low/Mod Areas	100,000	100,000
Fire Department Fire Suppression				58,579	Low/Mod Areas	150,000	150,000

Goal 9 - Economic Development: Promote economic development and redevelopment.

Implementing Programs

Empowerment Zone Designation

On January 1, 2002, the City was one of only seven cities nationwide to be designated in Round III as an Empowerment Zone (EZ) by the U.S. Department of Housing and Urban Development (HUD). This designation is for a nine-year period and will provide:

- Wage Credits including Employment, Work Opportunity and Welfare to Work tax credits.
- Specialized Deductions for buildings and equipment, including increased Section 179 and environmental clean

up cost deductions.

- Bond Financing including EZ Facility and Qualified Zone Academy bonds.
- Capital Gain incentives such as non-recognition of gain on sale of EZ assets and partial exclusion of gain from sale of EZ stock.
- Housing Tax credits for newly constructed or renovated rental housing including New Markets Tax Credits and Low Income Housing Tax Credits.

Since receiving the federal empowerment designation, job and economic development activities have focused on three primary areas: 1) job retention and attraction; 2) workforce development; and 3) access to capital. The following is an examination of the successes realized in each of the three areas:

While attracting new companies to Fresno is a significant element in the overall strategy for reducing Fresno's chronic unemployment, it is recognized that 70% of all new jobs will be generated by existing firms. To acquaint the 2,600 businesses located in the Empowerment Zone with the incentives and programming available, the Empowerment Zone Board of Directors have produced and distributed newsletters, produced marketing materials in both English and Spanish, an information based website and marketing CD. In addition, a professional continuing education program was conducted to provide Certified Public Accountants with Empowerment Zone information.

The Fresno Empowerment Zone, in close partnership with the Workforce Investment Board, EDD, Workforce Connection and Center for New Americans have produced two job fairs. These fairs have attracted over 60 employers and 700 applicants.

The Fresno Empowerment Zone Board of Directors has led an initiative to develop a private sector, Community Reinvestment Act Microloan program. The fund is expected to cap at \$1.1 million in funds and will focus on loans under \$50,000.

Section 108 Loan Repayments - Eligibility: Low/Mod Direct Benefit; Economic Development.

Since 1996, the City has received four separate Section 108 loans: 1) the Security Pacific Towers project; 2) the Regional Medical Center project; 3) FMAAA Senior Resource Center; and 4) Parks/Streets. No new loan activity occurred during the 2008 Program Year with the exception of repayments. The City appropriated \$549,900 to meet the loan payments on the aforementioned loans.

Goal 10 – Monitoring: *Establish and implement a monitoring program for the Consolidated Plan and other housing activities.*

Implementing Programs

CDBG Administration and Monitoring

HUD permits the City to utilize a portion of each grant to prepare the annual funding application and performance reports, monitor approved activities, develop programs, assure citizen involvement in the process, provide technical assistance and take necessary steps to ensure federal program requirements are met.

CDBG administration also includes expenses incurred through the administration of the Emergency Shelter Grant (ESG). ESG regulations limit administration costs to 5% of the total grant. The actual implementation of the program exceeds this amount and is charged to CDBG administration. As well, expenses incurred from staffing citizen meetings, environmental assessment of projects, and other operational costs are charged to CDBG administration. The City appropriated \$660,900 on CDBG program administration, \$16,781 on administration of the ESG Program, and \$397,212 on HOME Program Administration, and \$740,000 on HOME Program Delivery.

City staff conducts monitoring activities based upon the type of project, the complexity of the project and/or the assistance needed by the entity receiving the funding.

CDBG and ESG Monitoring – During the program year City staff conducted both on-site monitoring and financial

monitoring of all CDBG and ESG funded projects. Prior to executing the CDBG or ESG contract City staff conducts a pre-contract site visit to ensure the services can be carried out by the agency and to ensure the site and activity is accessible to persons with disabilities.

- Financial Monitoring – Staff conducts monthly and quarterly desk reviews of documents submitted by the agency when a request for a drawdown of funds is made from the CDBG award. Documents are reviewed to ensure expenses incurred are CDBG or ESG eligible. The frequency of the desk review depends upon the how the contract is set up to reimburse the agency.
- On-Site Monitoring – Staff conducts on-site monitoring of CDBG and ESG funded activities at least once a year, but more frequently depending upon the capacity of the agency. The frequency of an on-site monitor is dependent upon several factors:
 - Newly funded activities are monitored at least twice a year.
 - Construction activities are monitored several times through the duration of the project for progress and cross-cutting regulations such as prevailing wage.

During the program year the City did not make any findings on funded activities.

Historic Preservation Program

As part of its administration, the City uses CDBG funds to cover part of its historic preservation program. The City is a Certified Local Government (CLG) under a Programmatic Agreement with the State Office of Historic Preservation. As a CLG, the City can independently review projects which use federal funds that may affect houses and buildings that are, or may be, of historic value. CDBG provides partial funds for the Historic Preservation Manager to evaluate the historical nature of federally funded projects as it pertains to preparing recommendations for retrofitting or rehabilitating a structure, and completing the environmental review process.

The City Council first adopted a Historic Preservation Ordinance in 1979. The Ordinance established a Historic Preservation Commission which oversees the Official List of Historical Resources. The Commission also reviews applications and permits affecting potential historic resources within the City limits.

Fair Housing Program

The City of Fresno adheres to Fair Housing laws and regulations in accordance to HUD requirements. The City classified its CDBG contribution to the Fair Housing Council as an administrative cost. Education and fair housing monitoring components are met through a subcontract with the Fair Housing Council of Fresno County. The City awarded \$40,000 to Fair Housing Council for the program year.

Fair housing means that all people will have equal access to housing opportunities regardless of race, color, religion, sex, disability, familial status, sexual orientation, source of income, or national origin. The City actively and financially supports the FHCCC to further affirmative fair housing counseling, outreach and education, referral for discrimination complaints, tenant and home buying counseling, and identifying impediments to fair housing.

The FHCCC deals exclusively with fair housing enforcement and related educational activities and provides an immediate and direct influence on activities and decisions of local government, housing providers, financial institutions, insurance companies and low income housing providers involving fair housing issues. Examples of activities taken by the FHCCC include:

- Evaluation of planning and zoning issues and building codes to lessen impacts on seniors and persons with disabilities.
- Analysis of expenditures of federal funds to ensure that requirements to affirmatively further fair housing are met.
- Evaluation of the impact of bank mergers, closures and acquisitions and their impact on those who have traditionally suffered discrimination in obtaining mortgages, financing and refinancing as well as market penetration into minority and integrated neighborhoods.
- Ensuring that people receive equal treatment and access to rental housing.

- Resolution of fair housing disputes and complaints.
- b. Investigation of Housing Discrimination Claims - In Fresno, FHCCC received over 1,732 housing discrimination complaints during the program year. Of these complaints, 389 cases were located in Fresno and 136 were opened for further investigation, pending referral to the State, HUD, or a private attorney.

FHCCC also receives landlord/tenant complaints that are outside of fair housing jurisdiction. These complaints are referred to appropriate agencies, i.e., Central California Legal Assistance, Small Claims Advisor's office, Attorney Referral Services, city and county code enforcement entities, or the Better Business Bureau's Dispute Settlement Center.

- c. Fair Housing Literature and Translations: Fair housing literature has been developed in English, Cambodian, Hmong, Laotian, Spanish and Vietnamese. In addition, a fair housing manual for housing providers was made available. Literature has been distributed to over 100 community agencies and schools.

Other Fair Housing Activities

The City has participated with the Americans with Disabilities Act Advisory Council and the Committee for the Employment of Persons with Disabilities to provide information regarding strategies to affirmatively further fair housing for special needs groups. These groups were also provided information on the City's housing programs.

HOME Administration and Monitoring

The City approximated HOME program administration at \$397,212, based upon program income information available. HOME Monitoring – During the program year City staff monitored the construction progress of housing development activities; occupancy monitoring for the Homebuyer Programs, and affordability requirements on existing housing development projects funded under the HOME Program. Each development project is assigned a project manager that monitors the project from pre-development to completion. The monitoring consists of site visits, compliance with housing quality standards, compliance with the contract's scope of work, and prevailing wages. There were no findings issued during the 2009 program year on HOME funded projects.

HUD Regulations limit HOME administrative costs to 10% of the entitlement and program income. However, there are certain program delivery costs that are eligible under the CDBG Program. During the program year, \$740,000 was awarded for staff to offset the costs of delivering the City's Housing Rehabilitation, HOME-CHDO, and Housing Development Programs.

ESG Administration and Monitoring

The City also budgeted \$16,781, the full 5% administrative costs permitted for the ESG program. The City conducted 7 on-site monitoring visits to the agencies during the program year to ensure program compliance. During the program year the City expended \$16,781 of ESG funds for monitoring and administration of the program. The 5% cap on administrative costs does not cover the full cost of administering the program; the balance is offset by through CDBG administrative costs.

AFFIRMATIVE MARKETING - MINORITY BUSINESS ENTERPRISE AND WOMEN BUSINESS

Enterprise Analysis

The City has adopted a policy statement expressing a commitment to use Disadvantaged Business Enterprises (DBE), which includes the former Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) in all aspects of contracting financed in whole and in part by the federal government. The policy is to create a level playing field on which DBEs can compete fairly for federal contracts and subcontracts. In compliance with rules and regulations contained in 49 CFR Part 26, the City DBE policy and commitment are directed at construction projects and procurement of professional services, supplies, equipment, and materials. The objective of the DBE program is to involve disadvantaged business enterprises in all aspects of federal contracts.

The City Manager has general responsibility for implementing the DBE policy. The DBE program is routinely administered by the City's DBE/Small Business Coordinator in the General Services Department. The DBE Liaison Officer is responsible for carrying out technical assistance activities for disadvantaged business enterprises and for disseminating information on available business opportunities so that disadvantaged business enterprises are provided an equitable opportunity to bid on City contracts. The objectives of the DBE Program are listed, as follows:

- Aggressively seek out and identify firms owned and controlled by socially and economically disadvantaged individuals who are qualified to provide the City with required goods, materials, supplies, and services needed for the City's operations.
- Develop and implement information and communication programs and procedures geared to acquaint prospective DBEs with the City for contracting and procurement procedures and requirements.
- Contribute to the economic stability and growth of DBEs in the Fresno metropolitan area.
- Attain the annual DBE participation goals as established with the Federal Transit Administration, the Federal Aviation Administration, the Federal Highway Administration, and any other federal agencies requiring goal submission and to meet all federal guidelines in the administration of this program.

The City has an Affirmative Marketing Policy and has developed a plan for use in accordance with HOME Program regulations. The Policy is applied to all programs where required by the HOME Program.

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ADDITIONAL RESOURCES AVAILABLE THROUGH COLLABORATIVE EFFORTS

Fresno Housing Authority

The Housing Authority of the City of Fresno (Housing Authority) acquires well-located, market-rate, multi-family rental complexes for the purpose of maintaining affordable rents. The Housing Authority acquires these projects through a variety of financing instruments. Since the program was implemented in January 1994, there have been 290 rental units acquired by this method. The Housing Authority receives an annual allocation of Capital Funds from the U.S. Department of Housing and Urban Development.

The City also prepared Certifications for additional HUD FY 2009 SuperNOFA applications under the following three Housing Authority program applications: Healthy Homes Demonstration Program, Family Self Sufficiency Program, and Mainstream Housing Opportunities for Persons with Disabilities.

Housing Programs

The single largest source of affordable public housing in the Fresno area is the Housing Authority. In its role as a provider of affordable rental housing, the Housing Authority provides the following tenant services:

Public Housing Units - The Housing Authority manages and maintains 964 public housing units in fourteen complexes within the city, and 141 single family homes on scattered sites throughout the City. Vacancy rates continue to be almost nonexistent.

Since 1990, over \$30 million has been spent on rehabilitating complexes throughout the city. During the 2009 Program Year, the Housing Authority received \$2.682 million from HUD's Capital Fund Program. This program and similar programs in the past have allowed the Housing Authority to modernize nearly all of the complexes in the City, since 1980. In the last 12 years, all complexes in West Fresno have received modernization funding. During the program year the Housing Authority demolished an aging public housing complex known as Fungston Place and has a tentative commitment of \$700,000 in HOME funds to develop up to 456 units for low and moderate income persons.

Section 8 Units - Within the city, the Housing Authority provides Section 8 rent subsidies to about 7,395 families, including the Welfare to Work, Beyond Housing (for elderly/disabled families), and Family Unification programs. The Housing Authority also offers programs that assist low-income home buyers:

Homeownership Opportunities Program - The Homeownership Opportunities Program allows current public housing tenants who are prospective home buyers to accumulate a down payment, called a Home Ownership Reserve. This reserve comes from the Housing Authority's budgeted maintenance costs. Tenants of single family homes owned by the Housing Authority receive the benefit of accumulating any maintenance reserve on the assumption that they perform routine maintenance themselves on their lease option home, thereby saving the Housing Authority labor and material costs. A training course is provided to tenants teaching them the skills necessary to perform routine maintenance tasks as well as useful information about home ownership. This course has been a key ingredient to the success of the Homeownership Opportunities Program.

Mortgage Credit Certificate Program - A Mortgage Credit Certificate (MCC) program is administered by the Housing Authority. This program provides first-time home buyers a 15% tax credit on annual interest paid on the primary mortgage. The credit is taken annually as long as the owner occupies the residence and maintains the original mortgage.

Housing-Related Self-Sufficiency Programs

Over the years, the Housing Authority has developed a variety of programs to help address problems and encourage families to achieve economic self-sufficiency. These programs include the following: Family Self-Sufficiency Program, Resident Initiatives, Family Education Centers, Karl Falk Memorial Scholarship Program, Youth Mentor Program and Building Stronger Families Program.

AFFIRMATIVELY AFFIRMING FAIR HOUSING

Analysis of Impediments

The City, through its policies, programs and practices, supports and promotes fair housing. The City has formally certified that it affirmatively furthers fair housing as a matter of City policy, and as a condition of receiving federal funds. The Analysis of Impediments (AI) is a comprehensive review and analysis of policies, procedures and practices, in both the private and public sectors, which impede protected classes from fair housing choices. In the AI the City details the impediments and effects fair housing discrimination has on all protected classes. The document was adopted by the City Council on December 14, 1999, and has been accepted by HUD.

The Analysis of Impediments identified the following eight impediments and corresponding actions that the City would take to address those impediments over several years. Under each action, there is a listing of the City's activities that were undertaken during the program year to address the impediment. Details of many of these activities are provided elsewhere in the Annual Action Plan Goals and Accomplishments section of the CAPER. Notations are made in this section indicating where those details can be found.

Impediment 1: Substantial Number of Neighborhoods in Need of Revitalization.

Action: Rehabilitate housing, upgrade infrastructure and improve services necessary to increase the supply of safe, decent and affordable housing for low income households including minorities, persons with disabilities, the homeless and large-family households.

- **Rehabilitation Programs:** The City continued its efforts in the rehabilitation of housing and the completion of deferred maintenance. Accomplishments were met through the Owner Occupied Housing Rehabilitation Program, Senior Paint and Emergency Repair Grant Program, the Rental Rehabilitation Program and the Redevelopment Agency's Repair Program. A detailed listing of the programs can be reviewed under Goal 2.
- **Accessibility:** CDBG, HOME and ESG funding applications include a section highlighting the inclusion of accessibility features.
- **Lead-Based Paint:** During the program year, the City evaluated its projects for compliance with lead-based paint regulations. Information regarding the status of the City's compliance can be found under Goal 2.
- **Infrastructure:** The City continues its investment of Neighborhood Infrastructure projects to construct or reconstruct streets, curbs, gutters and sidewalks, upgrade streetlights and install accessibility features in low-income areas. A detailed listing of the new features can be reviewed under Goal 5. During program year 2009 the City primarily used stimulus funding to fund this program.
- **ADA Building Upgrades:** The City continued ongoing public building upgrades to comply with Americans with Disabilities Act (ADA) requirements and monitoring of compliance features.
- **Crime Prevention:** Funding was directed to the District Crime Suppression Team (DCST) to directly address crime within low income neighborhoods. Care Fresno, a nonprofit agency, works with the Police Department to reduce crime in neighborhoods, particularly in apartment complexes. The agency designs, coordinates and manages self-sustaining programs to help targeted neighborhoods maintain healthy and safe living environments with the ultimate goal of crime prevention. Many of the activities Care Fresno provides are targeted to at-risk youth. Activities include homework sessions, parental mentoring, and special programs such as Crime Scene Investigation (CSI) classes to teach problem solving skills. Goal 6 details specifics on both DCST and Care Fresno activities.
- **Code Enforcement:** The Code Enforcement Unit has continued its work week to include Saturday and Sunday to better respond to enforcement calls that occur on the weekend. A detailed listing of program accomplishments can be reviewed under Goal 2.

Impediment 2: Insufficient production of affordable units and rehabilitation of existing units by nonprofit organizations and private sector developers.

Action: Increase new construction production and rehabilitation of existing affordable housing by increasing the expertise and capacity of the nonprofit housing community and stimulating the private sector.

- **Nonprofit Housing Organizations:** During the program year, City staff worked with prospective Community Housing Development Organizations (CHDOs).
- **Tax Credit Projects:** City staff provided technical support for the review of six tax credit applications for the development of affordable multi-family units. To assist in making the projects competitive, the City developed a process in August 2000, where Tax Credit Community Revitalization Areas could be designated administratively. As a result, the City began seeing local housing projects approved. Details on the tax credit applicants can be reviewed under Goal 2.
- **Mobilehome Parks:** The City continued to administer the Mobilehome Rent and Stabilization Ordinance with City General Funds. Approximately two-thirds of mobile home park residents are elderly, receive a fixed-income, are unemployed and in lower income categories. The Rent and Stabilization Ordinance seeks to protect mobile home park residents from excessive rent increases, while at the same time providing mobile home park owners a just, fair and reasonable return on their investment.

Impediment 3: Inability of low-income families to purchase adequate housing.

Action: Increase the number of qualified home buyers, the number of loans approved for low-income individuals or households (including minority, persons with disabilities, homeless and large-family households), and the number of homes purchased in low-income areas including an increase in personal income through economic development activities.

- **Assistance to Prospective Home buyers:** The City continued its efforts to improve the production of affordable housing for low-income families through financial support of nonprofit organizations, such as CDBG-funded ByDesign Financial Solutions. This agency provides homeowner education, credit and budgeting education through its series of workshops and confidential counseling. During the program year, the agency conducted 50 home buyer education classes in which 65% were of low and moderate income. The Housing Authority also has a first-time homebuyer training program. This will enhance Goal 2.
- **CHC:** The Community Housing Council (CHC) is a group of lenders and housing experts that address housing issues within the community. They sponsor and provide the format and details for housing trade shows. The City provides the meeting room and staff representation for the group.
- **Housing Seminars:** Housing seminars are provided to prospective homeowners by lenders and nonprofit agencies. Staff participated in numerous activities to promote and encourage participation in the City's home buyer programs. Many of the events were in partnership with HUD and other nonprofit housing agencies. City Staff participated in a variety of home buyer and neighborhood events, Fair Housing Conference and HUD events. Details are listed under Goal 1.
- **Economic Development:** The City funds programs to sustain economic development with other funding sources. Programs such as the Inner City Fee Reduction Program, Economic Development Program and Enterprise Zone incentives to stimulate economic development and employment for low-income persons. The City received a HUD Empowerment Zone designation in fall 2001. See Goal 9 for details.
- **Home Ownership:** The Housing Authority provided Mortgage Credit Certificates and Homeownership Opportunities Program loans to further assist low-income families in purchasing adequate housing.
- **HMDA:** During the program year, the City did not conduct an analysis of the Home Mortgage Disclosure Data (HMDA) prepared by the Federal Reserve System. The last analysis was done in November 1999, when the City completed one for the 1992-1997 data. Further analysis will be done in the next fiscal year, since the City

needs about three to four years of data to identify meaningful trends. Previous studies have indicated an overall positive trend in home lending patterns. The differences between Caucasians and two protected groups declined substantially during the period. However, there still appears to be a disparity between African-American and Caucasian home mortgages. For details, refer to the City's Analysis of Impediments.

- **Affirmative Marketing:** The City has an Affirmative Marketing Policy (Equal Opportunity Housing). The policy assures that housing units funded with City HOME Program funds are marketed in such a way that those that are socially and/or economically disadvantaged are informed when units become available and are encouraged to apply and have an equal opportunity to rent or own a home. There weren't any HOME-funded housing projects were required to prepare and implement a plan during the program year. A copy of the policy is on the City's web page.

Impediment 4: Insufficient participation of low-income group and minority volunteers in housing planning, programs and decision-making processes.

Action: Continue to promote diversity of composition on all appointed Boards, committees, Task Forces and Commissions that reflect the cultural, social, racial, economic, family make-up, sex, health, disabilities, age and other characteristics of the population; continue to promote volunteerism and participation in community activities affecting housing.

- **Mayor's Appointments:** The Mayor maintains an eleven-member Mayor's Organization of Volunteer Expertise (MOVE) which included African Americans, Hispanics, Southeast Asians, and Caucasians.
- **Languages:** The City continues to print housing information in a variety of languages.

Impediment 5: Inability to maximize the potential for zoning, building and safety codes to positively impact housing supply and programs due to outdated U.S. Census data and General Plan.

Action: Obtain year 2000 census data as soon as available. Complete current General Plan update and prepare new Housing Element. Review and improve City codes and ordinances. Improve and step up enforcement and permitting processes.

- **General Plan:** The 2025 General Plan was completed in November 2002. See Goal 4 for details.
- **Housing Element:** The City of Fresno adopted the revised Housing Element on June 18, 2002. See Goal 4 for details.
- **Reasonable Accommodations:** The City adopted a reasonable accommodation ordinance. See Goal 4 for details.
- **ADA Plan:** The City hired a consultant in March 2002 to prepare a Self-Evaluation and Transition Plan to identify needs and to develop an implementation strategy to meet Americans with Disabilities Act (ADA) requirements. The Plan identifies ADA deficiencies in City buildings and public works facilities, including curb cuts improvements. As part of this process, fifty people participated in a City-conducted open house to discuss ADA issues.
- **ADA Advisory Committee:** The City ADA Advisory Committee meets ten times a year with City staff to identify and review issues that adversely affect persons with disabilities. Some of those issues were pedestrian accessibility to sidewalks, crosswalks and intersections and street lighting.

Impediment 6: Difficult for local, state and federal programs to eliminate housing discrimination.

Action: Document, investigate and monitor registered complaints of housing discrimination. Increase community awareness and knowledge of fair housing rights and responsibilities. Implement program for recognizing, monitoring and deterring discrimination even in its subtlest forms.

- **Fair Housing Council:** The City provides funding to the Fair Housing Council to provide fair housing education to the general public, local and regional training and mediation services between tenants and landlords.
- **RentSense:** The public can access and explanation of fair housing laws and practices 24 hours a day through RentSense, a taped housing and referral service.
- **Housing Information:** The City posts housing, training and workshop information on its Website.

Impediment 7: Lack of sufficient housing and services for those who are homeless or threatened with homelessness.

Action: Improve services and increase housing opportunities for the homeless and those threatened with homelessness including minorities, persons with disabilities and large family households.

- **ESG:** The City is committed to meeting the needs of the homeless and those threatened with homelessness. The City continues to meet this goal through the use of the Emergency Shelter Grant (ESG) Program. Details of agencies receiving ESG can be reviewed under Goal 7.
- **Collaboration:** City staff continues to play an active role in the Continuum of Care Collaborative meetings to ensure that needs of the homeless are met. See details under Goal 7.
- **Workshops:** The City conducted two application workshops to assist applicants in preparing City funding requests related to accessing CDBG, HOME and ESG funds.
- **Monitoring:** The City regularly monitors ESG recipients to ensure that funding is used properly and in accordance with federal regulations. During the program year, staff has utilized its monitoring handbook which provides for uniform review and monitoring procedures of funding recipients.
- **Police Support:** The Police Department has developed relationships with the Fresno Rescue Mission, Poverello House and the Marjaree Mason Center for Victims of Domestic Violence, so that they are able to refer persons to the appropriate center that are in need of these services. In addition, services for runaway youth are directed to Sanctuary Youth Center for youth that are either homeless or unable to live with their parents or guardians. The Police Department also has chaplains available to assist the homeless, when needed.

Impediment 8: Inadequate financial resources for implementation of housing plans and programs.

Action: The City will (a) seek additional funding with the community, nonprofit and private sector groups, other cities and counties, regional partners, legislative advocates and state and federal agencies, (b) match, leverage and invest funding to maximize purchasing power, (c) continue to streamline development processes to avoid duplications of efforts, and (d) take actions to stimulate economic development.

- **Leveraging:** Grant funds administered by the City are used to maximize their effectiveness through leveraging of funds and matching its funds. During the program year, the City leveraged over \$22,732 in private funds with its HOME funds.
- **Other Funding Sources:** City staff continues its research to identify other sources of funds to assist in meeting the needs of the community. During the reporting period the City applied and was granted State CalHome funds to assist first time home buyers with the down payment of a house purchase.
- **Matching Funds:** During the year, the City HOME program generated an additional \$2,309,666 in matching funds. The funds were derived from program income from the Rental Rehabilitation Program (RRP); loan payoffs; the present value of interest subsidy for loans made at rates below market; present value of interest subsidy created by seller and broker buy-down of interest rates for loans; fees waived by the Fresno County Recorder; sweat equity; and cash contributions from other non-City programs.

City of Fresno Self Evaluation of the 2009 Program Year

This CAPER represents the last action plan of the 2006-2010 Consolidated Plan. The City, by way of its FY 2009-2010 Annual Action Plan, focused on ten priorities identified in the Consolidated Plan and described, at the beginning of this CAPER report. On an annual basis, various priorities will be emphasized over the five year Consolidated Plan period, as the City responds to community input, needs and accomplishments. The following highlights some of the activities that have taken place with Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grant (ESG) and other City resources during the past program year:

Housing Policy Adopted

On April 9, 2002, the City Council adopted the following housing policies: 1) Improve and preserve the quality of housing in our existing neighborhoods; and 2) Increase the quantity of affordable housing. As part of the action, the Council approved two recommendations identifying several programs that could be implemented to address City needs. In addition, the City has requested technical assistance from HUD through their consultant, ICF Consulting, to evaluate and modify the City's housing programs.

Empowerment Zone

The City of Fresno has been an Empowerment Zone community since 2002. The designation provides a variety of incentives to businesses located or wanting to locate in specific lower- income neighborhoods. There are also incentives to employ lower-income residents.

Housing Rehabilitation

The City improved the condition of 80 housing units during the program year through the various rehabilitation programs. The City's SMART Program completed noise abatement activities on 32 homes. The goals for the City's major rehabilitation program were less than projected.

Homeownership Programs

The City did not appropriate funding for homeownership programs during the program year.

Large Families

One of the goals of the Consolidated Plan is to address the needs of large families. Through the Home Buyer Assistance Program, the Closing Cost Assistance, and Owner Occupied Housing Program, the City assisted 5 large families.

Habitat for Humanity

The City and Habitat for Humanity have worked together to complete the subdivision known as Crossroads. This project which utilized CHDO funds for infrastructure improvements. Habitat for Humanity, the project developer, is behind schedule in constructing the houses. During the program year, four homes were constructed.

Tax Credits

The City was instrumental in supporting six tax credit projects involving during the program year, which exceeded the goal projected in the Annual Action Plan. The tax credit projects reviewed during the program year total 470 units. The City has taken a proactive position in assisting the State in their analysis and in creating community revitalization areas. These actions have reportedly made a difference in project approval in this very competitive process.

Support of Grant Applications

The City has actively supported local agencies and nonprofit organizations applying for federal grant funds. During the 2008 Program Year, the City supported Housing Authority efforts in obtaining HUD grant funding for its programs. The City supported local homeless providers in applying for HUD's Supportive Housing Program funds. The City also supported fair housing groups in obtaining HUD funds and Fresno City College in obtaining special assistance for minority students. The City provided 35 Certificates of Consistency with the Consolidated Plan and the Empowerment Zone Strategy during the program year.

Mobilehome Ordinance

The City has had a mobile home rent stabilization ordinance in place since 1988 to protect low income persons who own their units and vulnerable to unfair space rent increases.

Lead Based Paint

The federal government has had major public health concerns about lead-based paint and has ordered cities and counties to remove lead-based paint as part of its housing rehabilitation program. The City was one of only a few cities in the state that met the September 15, 2000, deadline for complying with federal Lead-Based Paint regulations.

Crime Prevention

During the program year serious crime activity increased throughout Fresno. This reflects the need to continue implementing programs to mitigate criminal activity in low/mod income areas.

Code Enforcement

The City addressed more than 7,394 code violations during the year. City staff continues to use other funds to educate the public on applicable municipal codes that assist in sustaining low income neighborhoods.

Street Improvements

Nearly every low income neighborhood has received public works infrastructure improvements in the past five years.

Neighborhood Facility Improvements

During the program year the Boys and Girls Club received \$74,000 to rehabilitate the structure; Marjaree Mason Center, a shelter for battered children and spouses was awarded \$59,000 in CDBG funds to rehabilitate the exterior of the building.

Continuum of Care Collaborative

The City continues to support the efforts of the Continuum of Care Collaborative (a group of homeless service providers) in their effort to access Supportive Housing Program funds to address the needs of homeless persons. By working together, local agencies were able to obtain more than \$4 million from HUD in Supportive Housing Program and Shelter Plus Care funds.

Matching Funds

The City has exceeded matching requirements for the HOME and ESG programs. HOME matching funds totaled \$95,588 and ESG matching funds totaled \$656,493.

Staff Training

The City staff participated in a number of training sessions to remain current on federal program requirements. The subject of these workshops included managing the CDBG and HOME Program, program financing, fair housing, Green Building development, and tax credit financing.

Citizen Participation Plan

The City continues to provide opportunities to for citizens to participate in the grant funding process, review and comment on community development and housing projects. The City conducted four public hearings during the program year, and two application workshops.

Drawdown Rates

The City continues to draw down CDBG funds on a quarterly basis and meet the timeliness test 45-days prior to the end of the program year. However, City staff continues to work diligently on ensuring the drawdown and commitment requirements under the HOME Program are met. The City has aggressively outreached to nonprofits and CHDOs in an effort to increase new construction development. With the recent enactment by HUD not allowing jurisdictions to utilize program income to meet its commitment and expenditure requirements is expected to create some difficulty.

HUD Monitoring of Entitlement Programs

HUD did monitor the City during the program year. The City passed the CDBG monitoring review, which determined the City has the continued capacity to administer the federal entitlement programs.

Relocation

As mentioned in previous sections of this report, there were no activities that triggered the Uniform Relocation Act.

Federal Requirements

CDBG funds were used to primarily address the needs of lower income persons. All projects undertaken were eligible and each met the national objectives of their respective programs. In the program year 100% of the CDBG funds met the national objective to benefit lower income persons. Administrative costs for the CDBG program were at 18.56%; well below the HUD limit of twenty percent. HOME administrative costs were at ten percent and ESG at five percent.

In summary, the City, along with its many community partners, continue to work to make significant progress in meeting goals set forth in its Consolidated Plan. This does not negate the fact that there are still unmet needs that require attention. With a continued five-year focus on the ten priorities as noted in the Consolidated Plan, the City anticipates similar progress toward meeting the needs of low- and moderate-income persons, which include minorities, persons with disabilities, the homeless, large families, senior citizens, persons living in substandard housing and persons paying rent that exceed 50% of their monthly income.

Public Review and Comment

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Written Comments

Comments on the CAPER may be made to the City by two methods:

1. Mail or hand-deliver to:
City of Fresno
Finance Department/ Budget Division
ATTN: Crystal Smith
2440 Tulare Street, Suite 100
Fresno, California 93721
2. Send comments by electronic mail to crystal.smith@fresno.gov

All comments must be received no later than the close of business on September 29, 2010, at 5:00 p.m.

At the end of the 15-day public review, written comments will be reviewed and responded in a timely manner. A copy of any written comments will be included in this section of the CAPER and submitted to HUD.

Results of the Comment Period

At the conclusion of the public review period the City will submit all written comments.

Changes to Text during the 15-Day Review Period

City staff will include any text changes occurring to this draft document in the final CAPER report.

Comments Received During the 2009 Program Year

January 26, 2010

Needs Hearing: Received comments from the public stating CDBG funds are over used by City Departments.

List of Documents Available to the Public

Documents available to the public are: 2006-2010 Consolidated Plan; 2008 Consolidated Annual Performance and Evaluation Report; 2009-2010 Annual Action Plan; Citizen Participation Plan; Analysis of Impediments. Documents can be found at www.fresno.gov/budget.

AMENDMENTS

There were no amendments to the FY 2009-2010 Annual Action Plan.

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APPENDICES

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APPENDIX A

CDBG SUMMARY OF ACCOMPLISHMENTS

Complete Performance Reports for all HUD Entitlement Programs can be found at

2440 Tulare Street Suite 100
Fresno CA 93721

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APPENDIX B

HOME MATCH REPORT

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PROGRAM YEAR 2008

HOME MATCH REPORT

Date of HOME Commitment	Project I.D.	Balance	
7/1/2009	Excess match from prior year	\$6,018,494.83	
6/30/2009	Program income from Rental Rehabilitation Program (RRP)	8,272.87	
6/30/2009	Waived recording fees - Home Improvement Program	75.00	
6/30/2009	Waived recording fees - Housing Projects	732.00	
		\$6,027,574.70	

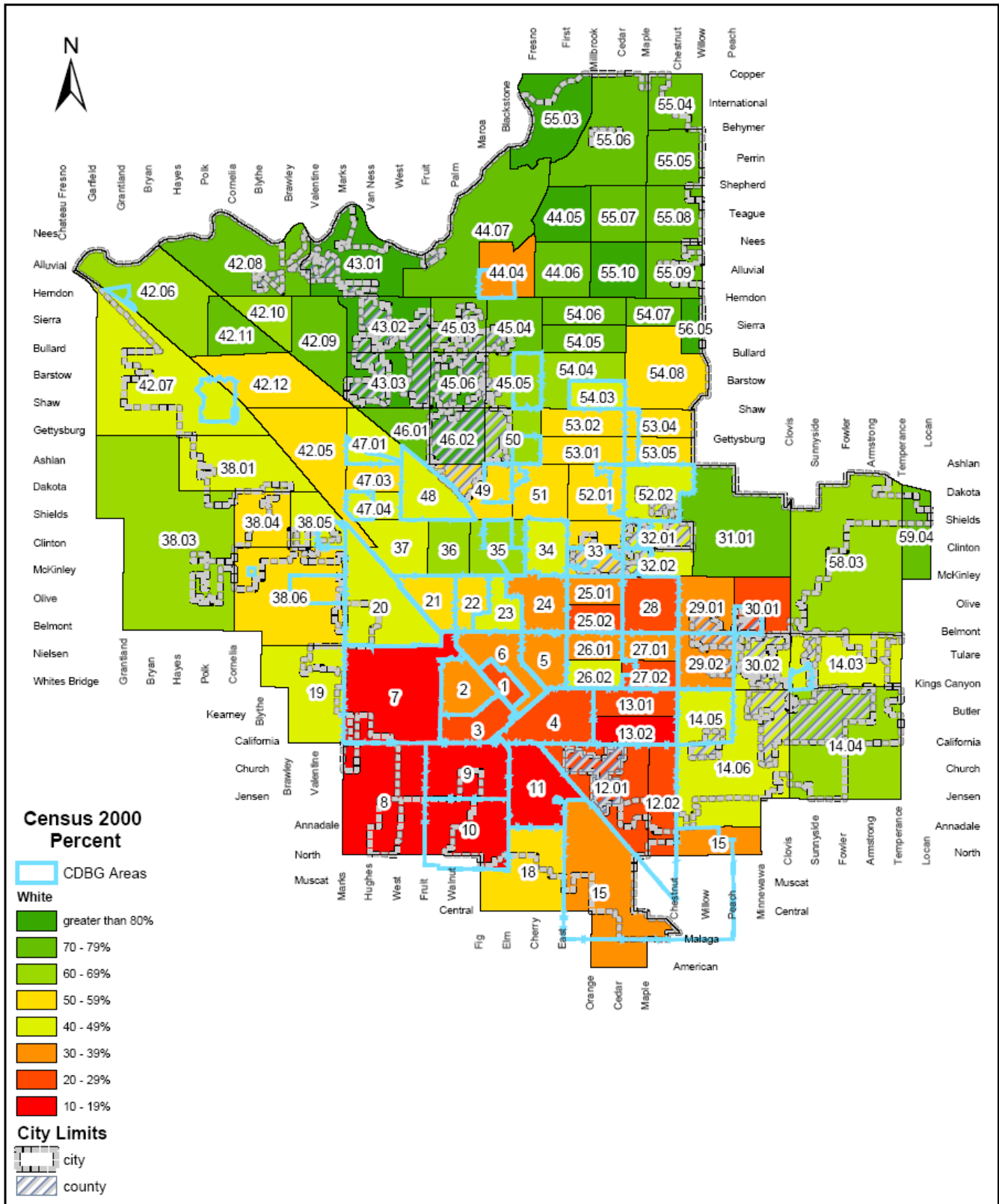
		HOME Investment	Activity Type	Match Liability Incurred	Match Spent	Balance	Location of Match Investment
2/2/2010	5637	\$29,998.00	1	0.00		6,027,574.70	
4/25/2007	5341	25,026.00	4	0.00		6,027,574.70	
6/30/2004	5060	651,586.58	5	0.00		6,027,574.70	
6/21/2006	5310	318,600.26	5	0.00		6,027,574.70	
9/24/2008	5554	1,124,455.32	5	0.00		6,027,574.70	
6/16/2010	5685	160,000.00	5	0.00		6,027,574.70	
Totals		\$2,309,666.16		\$0.00			

APPENDIX C

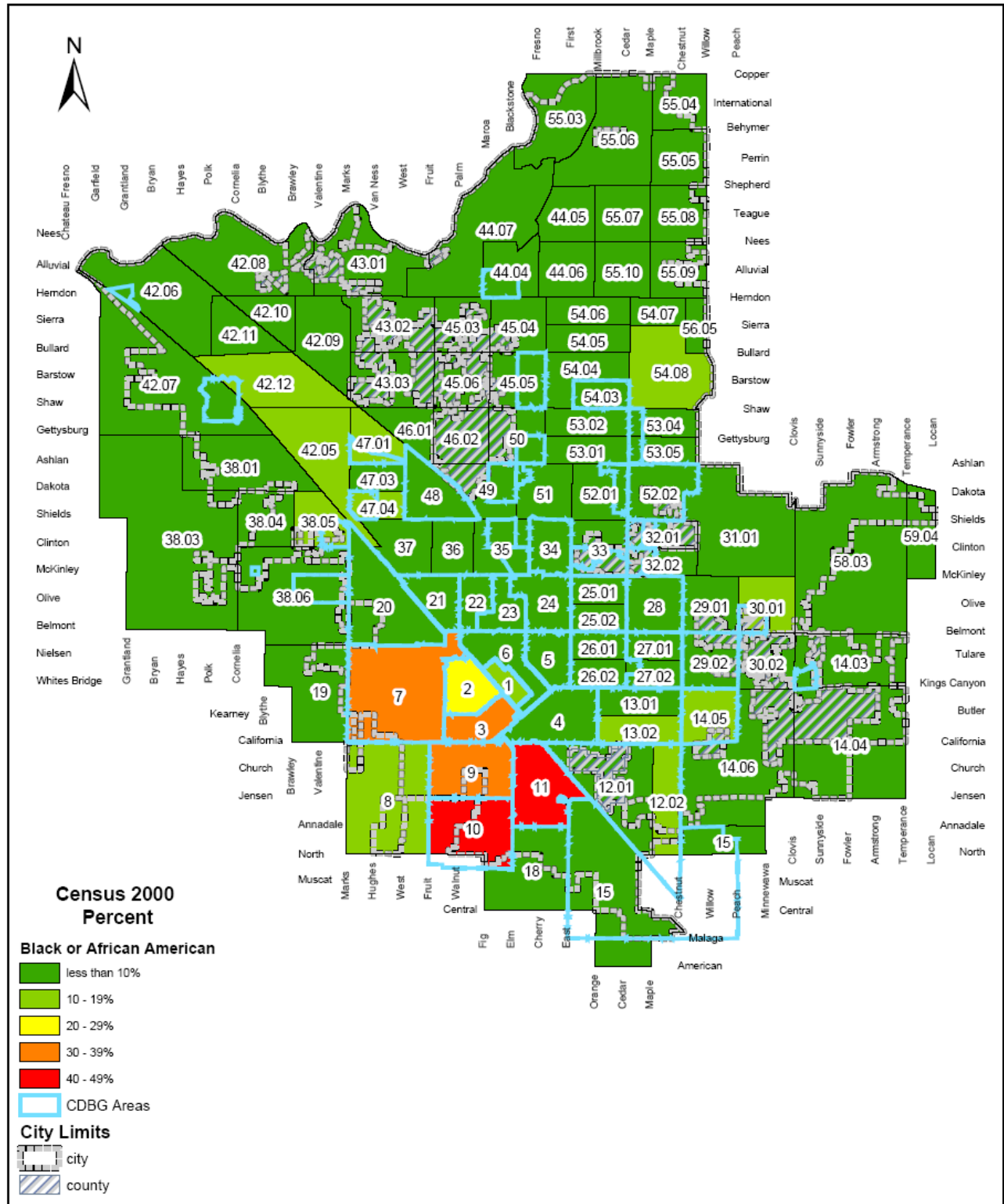
MAPS

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Concentration of Caucasian Population



Concentration of African American Population



Concentration of Asian American Population

