City of Berkeley

Program Year 2003
ANNUAL ACTION PLAN
(for Housing and Community Development)

May 14, 2003

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City of Berkeley
2003 Annual Action Plan

Executive Summary

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Attachments:
- **A. CDBG/ESG Project Map and Chart Containing Project Address,**
- **B. ConPlan Priorities Addressed, and Service Area**
- **C. IDIS List of Proposed CDBG and ESG Projects**
- **D. IDIS Detail of Individual Projects**
- **E. List of all CDBG, ESG, CSBG, GF Projects by Source**
- **F. City Council Report (includes information on basis for City Manager and Commissions funding recommendations, and funding resolutions, with chart of projects to be funded)**
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CITY OF BERKELEY PROGRAM YEAR 2003 ANNUAL ACTION PLAN
EXECUTIVE SUMMARY

The downturn in the economy, the severe budget crisis at the State level, and changing federal priorities have resulted in the City having fewer resources available to meet its Consolidated Plan goals of addressing the needs of its poor and low income populations and those with special needs, which have also been hardest hit by those same factors. The housing crisis noted in past years is continuing with housing sales prices still soaring beyond the reach of low and moderate income first-time homebuyers and rental costs for newly vacated units are beyond the affordability level of low income residents. The number of homeless people and residents with special needs continues to be high but educational and social services programs are being slashed.

A total of 125 proposals were received under a coordinated Request for Proposals, which covered the Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), Community Services Block Grant (CSBG), and various General Funded programs (42 of the proposals received were reviewed for CDBG/ESG funding). About $12 million was requested under the consolidated RFP; approximately $8.9 million total is available for allocation. The CDBG amount is about 5% less than in the current year, the ESG amount is $3,000 higher, and there is a 10% reduction in General Funds.

Federal	Local General Funds
CDBG: $4.26 million;	Anti-Poverty: $1.34 million
ESG: $139K;	Homeless services: $1.29 million
CSBG: $176K;	Other Low/Mod Community Development: $858K

The only new CDBG projects funded this year are in the public/community facilities category and for homeless services listed below. The total amount in the public/community facilities category is actually lower than the current year, although the projects are different. Some adjustments were made to continuing programs; CDBG funding was cut for the Jobs for Homeless Consortium.

A Better Way - Office Expansion ($35,000)
Alzheimer's Services of the East Bay - Facility Improvements ($25,000)
Center for the Education of the Infant Deaf - New Campus Construction ($31,901)
Lifelong Medical Care West - Berkeley Family Practice Drainage Improvements ($15,000)

A total of $72,000 in CDBG monies have been added to address critical need in homeless services
Options Recovery Services - Detoxification Services ($18,582)
Options Recovery Services - Day Substance Abuse Treatment ($35,722)
Lutheran Church of the Cross - Youth Emergency Assistance Hostel ($15,000)

The CDBG allocation for the Rental Housing Safety Program (RHSP) is $279,792. If the Council adopts a proposed fee to fund the RHSP, then those funds will be available to increase funding for the following CDBG-funded projects: the Housing Trust Fund (HTF), Berkeley Food and Housing Project, A Better Way Office Expansion, Alzheimer's Services' facilities improvements, and the new campus construction for the Center for Education of the Infant. Funds will also be used for improvements at the James Kenney Recreation Center and for the new West Campus Pool Roof.

In addition to the funding listed above, the City Council has allocated $1.41 million under the HOME Program (an increase of $243K over this year's allocation). Of the HOME amount, 90% has been

placed in the HTF for affordable housing development and 10% is for program administration. Eight proposals have been received for HTF funding totaling approximately $13 million; approximately $2 million is available. One proposal (Ed Roberts Campus) and Ashby Lofts has requested Section 108 monies. In July 2003, Council is expected to make funding decisions on the HTF proposals and Section 108 requests. The City intends to apply for a $ 1 million grant when the State issues a Request for Proposals under its newly created State HTF Program.

The City of Berkeley Program Year (PY) 2003 Action Plan was approved by the Berkeley City Council on May 13, 2003 after an extensive public review process which began in October. It was led by the Housing Advisory Commission (HAC) for the Federal CDBG, ESG, (and the HOME and Section 108 programs), by the Homeless Commission for Homeless Services proposals, and by the Human Welfare and Community Action Commission for poverty programs. Four public hearings were held by various commissions (two by the HAC for CDBG and ESG) and one by City Council. Hundreds of people attended these hearings, virtually all in support of the proposals and against proposed cuts. Over 100 persons attended the HAC's May 1st public hearing on use of HTF (includes HOME) and Section 108 monies. The City has increased coordination for allocation of CDBG and other funds to community agencies and in the coming year will use a streamlined process to administer community agency contracts.

Copies of the entire PY 2003 Annual Action Plan with attachments can be found at the Central Public Library, at the Housing Department, and on the web at www.ci.berkeley.ca.us/housing.

PROGRAM YEAR 2003
DRAFT ANNUAL ACTION PLAN
TO MEET THE CITY OF BERKELEY'S CONSOLIDATED PLAN
FOR HOUSING AND COMMUNITY DEVELOPMENT

A. OVERVIEW

The current economic and political situation in the country and the state has deepened the housing and community development crisis noted in past years. In the area of affordable housing, unlike what would be expected, the downturn in the economy has not resulted in falling housing prices. Housing sales prices still rose 20% from last December and are out of the reach of low and moderate income first-time homebuyers. Rental housing prices have stabilized and may even have dropped slightly (see attachments) but average costs for newly vacated units are still above the affordability level of low-income residents.

The downturn in the economy necessitates even more strongly the need to provide affordable housing and public services to the poor and those who are low income. However, this is becoming less possible as those programs face cuts at all government levels. At the federal level the government's "pre-emptive" war in Iraq and tax reductions will result in funding cuts for important housing and social programs to assist poor families and children, the elderly, those who are disabled, and others with special needs. There is also concern about the impact on fair housing and other civil rights of Berkeley's minority populations.

The negative economic situation is compounded by the state's fiscal crisis. With a state deficit of over $38 billion, education, social services, and revenue sharing with the county and local governments have been targeted for cuts. At the local level, the City anticipates over seven million-dollar reductions in General Funds for FY 2003-2004 because of reduction in state monies and local revenues. That budget deficit for FY 2004-05 is projected at $15 million. The Berkeley Unified School District is facing a $12-14 million deficit.

Although Berkeley remains committed to continued funding of its affordable housing and social programs contained in the 5-year Consolidated Plan, to implement its Homeless Continuum of Care Plan, and to further fair housing, the City's proposal is for a 10% cut in General Funded social programs, as well as cuts to staffing levels, and faces an enormous challenge in avoiding even deeper cuts given the dire financial situation. In terms of federal monies, there has been an $110,000 reduction in the 2003 CDBG allocation which, when combined with less program income, is expected to result in about $225,000 to $300,000 less in CDBG monies available in the coming year. Conversely, the HOME Program allocation has increased by $243,151 (from $1,166,000 to $1,409,751) and the ESG allocation by about $3,000. Community agencies are expected to continue receiving fewer private grants, which for many constitute a large percentage of their budgets.

In November 2002 the City issued a combined Request For Proposals (RFP) for CDBG, ESG, CSBG/GF Anti-Poverty Program, Measure O Homeless Assistance Program, and Other General Funds allocations to community agencies. A total of 125 proposals for over $12 million have been received The amount available this year is approximately $8.9 million. More details of amount requested and funded vailable are contained below and in the Attached May 6, 2003 Council Report.

Program	# of Proposals	Amount Requested (in 000's)	Amount Available (in 000's)	FY 2002-03 Funding (in 000's)
CDBG	36	$6,339,000	$4,262,103	$4,617,610
ESG	6	$ 139,000	$139,000	$136,000
Non CDBG/ESG Homeless Proposals	35	1,962,443	1,287,787	1,441,442
GF Anti-poverty	39	$1,866,014	1,342,949	1,536,491
Other General Funds	11	about $2 mil	858,302	n/a

For the HOME Program, the City's formula allocation for PY 2003 is $1.4 million. All but 10% of this amount (which will be used for program administration) will be placed into the Housing Trust Fund (HTF) for affordable housing developments. The City has received a total of 8 proposals for a total request of approximately $10,000,000 with total development costs of about $79 million. The total amount of HTF available is approximately $2.2 million. The City hopes to apply for $1,000,000 in State HTF monies made available through passage of State Proposition 46**.**

In terms of community development, the City has received a request for $6 million in funding request under the Section 108 Program for the Ed Roberts Campus (this facility will bring together at one site a number of services for the disabled community). Total development cost for that project is estimated at $35 million. Affordable Housing Associates has also asked for a $692,000 Section 108 funding for its 1001 Ashby Avenue live/work development (total development cost approximately $15 million).

The preliminary draft of Program Year (PY) 2003 Action Plan was issued in February to inform the public of the status of the allocation process underway and was updated in April to reflect new information available and the City Manager's (CM) preliminary funding recommendations and the Housing Advisory Commission's final recommendations. The Draft Action Plan and the CM's and HAC's final funding recommendations are expected to be brought to City Council for the May 6th public hearing. The Council is expected to take final action on May 13, 2003. A Council hearing on General Funds, Measure O, and CSBG-funded projects will take place on May 20th, with Council action expected by June 17th.

1. Public Review and Allocation Process

In order to receive federal Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), and HOME Program monies, localities must develop an Annual Action Plan (which includes applications for CDBG, ESG, and federal HOME Program) for meeting its 5-year Consolidated Plan (ConPlan) goals. The Program Year 2003 Annual Action Plan and projects adopted must be consistent with the City's 2000-2005 ConPlan's primary goals of maintaining the City's ethnic, social, and economic diversity through activities to maintain affordable housing, social services, job creation, and other programs which assist the poor and low/moderate income Berkeley residents. However, the achievements are expected to be less than projected because of reduced funding available and increased costs.

The City's public participation process is similar to that of previous years, but because of the uncertain budget information, the City Manager's preliminary funding recommendations were received later than in previous years. The Human Welfare and Community Action Commission (HWCAC) and the Homeless Commission held a joint public hearing in October 2002 on community needs of those who are poor, at-risk of homelessness, or who are homeless. That meeting was well attended. The HAC held the two HUD- required public hearings, one in December at the beginning of the process and the other in February prior to the HAC and the City Manager making their funding recommendations. There were many other public meetings held by the HAC and its CDBG Subcommittee to discuss the proposals received. The City Council held a public hearing on May 6th. Collectively, hundreds of people expressed their opinion about various proposals at the public meetings held. The

minutes of

the three commission public hearings are contained in the attachments. The City Council public hearing can be viewed online in the City Clerk's Web page.

The schedule for CDBG and ESG funding is contained below. Parallel schedules for CSBG/GF Anti-Poverty Program, and Homeless Services Program was also undertaken. The City Council made funding decisions for the CDBG and ESG proposals submitted on May 13, 2003 in order to meet the HUD May 15th submission deadline. Funding for the CSBG/GF Anti-poverty Program and Homeless Services Program may occur later as part of the City's schedule for approval of the General Fund budget, which must occur before the beginning of the new Fiscal Year which starts July 1st.

Below is the summary of the CDBG, ESG allocation schedule:

November 2002	Issuance of a Request for Proposals (RFP) for the CDBG and ESG programs. This year in addition to the CSBG/GF Anti-Poverty Program, the RFP included submission of proposals for other General Funded Projects, which in past years had gone directly to Council without an extensive public review process.
December 5, 2002	Public hearing by the HAC in December on community needs,
January 9th -Feb.5th	Public presentations on proposals submitted
February	Weekly meetings by CDBG Subcommittee to obtain detailed information on proposals.
March 6, 2003	The Housing Advisory Commission (HAC) holds a public hearing on the proposals received Preliminary Draft Annual Action Plan which is also made available for public review. That Draft is to be further refined as the allocation process continues.
April 3, 2003	City Manager makes CDBG/ESG preliminary recommendations The HAC finalizes its CDBG/ESG recommendations.
May 6/May 13, 2003	City Council holds public hearing/adopts funding allocation
May 15, 2003	The City submits to HUD the Annual Action Plan/CDBG, ESG and HOME applications.

In addition to the City's standard Brown Act notification and posting requirements, the CDBG public hearing notices were made available ten days in advance, agencies submitting proposals were individually notified, the HAC agendas were placed on the City's Website, and a notice of each hearing was published in the Daily Cal.

The allocation of federal HOME monies goes through a separate allocation process. Except for the 10% administration portion, the HOME allocation is placed into the Housing Trust Fund (HTF) Program and goes through the selection process established for that program. The schedule for use of the HOME monies is as follows:

December 2002 - Request for Proposals for HTF and Section 108 monies issued
February 21, 2003 - proposals received.
March - Proposals reviewed by City staff, a technical committee that is advisory to the City Manager, and the HTF Subcommittee.
April - Applicants make presentations to the HAC
May – HAC holds public hearing
June – HAC and City Manager makes recommendations to Council
July –Council makes funding decision.

2. Goals and Priorities

The 2003 Annual Action Plan is consistent with City Council goals for the biannual budget year (FY 04 and FY05 which correspond to the CDBG Program Year 2003 and 2004). The goals are to:

- Promote affordable housing
- Provide healthy youth alternatives
- Increase business efforts that enhance employment opportunities for low income residents (General Funds are used to for the City's WorkSource Program)
- Reduce poverty
- Promote neighborhood stability
- Ensure public safety
- Implement and coordinate needed public/private improvements
- Provide solutions for the health disparities problem in our community
- Rehabilitate/upgrade the BHA's low income public housing units.

The City's use of CDBG, ESG, and HOME Programs is crucial to meeting the City's goals.

3. Trends and Conditions Update

Last year's Consolidated Plan Update included information on racial/ethnic changes in the City based on the 2000 Census. The census figures showed that the White and Black population continued to decline and that the Asian population and the Hispanic/Latino population increased (Analysis of the 2000 Census done by Housing Department staff shows that the total of non-college student households that are below poverty increased in the City as a whole from 6,513 in the 1990 Census to 7,542 but decreased in the Neighborhood Strategy Area from 2,907 in 1990 to 2,848. Additional comparisons between the 1990 and 2000 Census are contained in the attachments.

In terms of Berkeley's homeless population, Berkeley is part of a major countywide survey (including half hour interviews with all clients using homeless services) undertaken in the last week of February to get the most accurate count to date of the number of homeless people in Alameda County (and in Berkeley) and their needs. Interviews undertaken thus far by Housing Department staff have put a human face on the extent of health and other problems faced by this portion of the City's population and the concerted effort that will be required to begin to address them.

Providing affordable housing and services to those who are homeless, have special needs, or have a desire to become first-time homeowners is increasingly difficult in Berkeley in the coming fiscal year. As can be seen below, housing sales prices continued to rise 20% from December 2001 to December 2002. Although it is unclear what the housing market will be like in these uncertain times, even if housing prices stabilize, they are beyond the reach of even moderate income first time homebuyers.

Sale Prices	**2002**	**2001**	**% Change**
Median Single Family	$520,500	$491,000	6.0%
#sales	540	532	
Condominium	$335,000	$301,500	11.1%
#sales	92	105	
Apartment Buildings	$650,000	$675,000	-3.7%
sales	29	28	
average per unit	$86,250	$96,250	-10.4%

Rent prices have stabilized and there are indications that the vacancy rate is substantially higher than in the past years, although no scientific study has been undertaken to determine the vacancy level. The figures below provided by the Rent Board compares the Citywide average rents in 1998, 2000, and 2002 and the median rents on new tenancies since January 1998 when the vacancy decontrol law went into effect.

Citywide Average Rents
The Chart below contains the average rents and median increases in rental housing in Berkeley since 1998.
Citywide Average Rents (all units)

	1998		2000		2002		1998-2002	2002 median for new rentals	
	month	annual	month	annual	month	annual	Increase in annual rent	month	annual
Studio	$353	$6,420	$605	$7,260	$750	$9,000	$2,580	$875	$10,500
1bdrm	$637	$7,644	$725	$8,700	$914	$10,968	$3,324	$1,175	$14,100
2bdrm	$813	$9,756	$925	$11,100	$1,180	$14,160	$4,404	$1,600	$19,200

An indicator that rent prices continue to be unaffordable to low income individuals and families is the number of persons requesting assistance to the City's Homeless Prevention Program (HPP). That program, although funded through General Funds last year at a higher level than in previous years, continues to be unable to meet all the requests for assistance and grant monies allocated were finished by the end of the 2002. In April $19,708.52 in unspent FY 2001 ESG monies was allocated to allow continuation of that program. A new security deposit assistance program has been instituted solely for Section 8 tenants as a way to free up some of the HPP monies for non-Section 8 tenants. Additionally, the City proposes to place some of the HIV/AIDS tenants receiving rent subsidies into the Section 8 Program and placing the savings into the HPP.

Experts disagree as to how long the downturn in the economy will continue in the Bay Area. The City of Berkeley faced a revenue shortfall of $2.86 million; this coming year the shortfall is expected to be about $ 7 million and $15 million in FY 2005. Departments are being asked to provide budgets with 10% and 20% decreases and employee cutbacks are expected. While the City is committed to funding housing and social services, the City Manager is recommending an overall 10% cut in General Funds to community agencies to help deal with the deficit. The City must approve a balanced budget by June 25, 2003.

The impact of the downturn in the economy in California is also seen in the City's WorkSource Program (which also contains the unemployment Department) and by job training/placement agencies. An October 2002 Report prepared by the Urban Institute and Cal State University Hayward entitled "Closing the Gap" assesses the gap between employer needs and the workforce in Contra Costa and Alameda Counties and shows that the meltdown of the Dot.com industry did not hit the East Bay as hard as the other two major Bay Area economic centers (because of its highly diversified economy). Nonetheless, the study reports that employment in the construction industry continues to be weak and that some of the newly created jobs in the non-educational local and state government sector will disappear. According to that study, the unemployment rate in Alameda County went from 2.9% in January 2001 to 6.6% in July 2002 (more recent figures for 2003 are at 6.3%). Also troubling is the recent report that the gap in income in the working population between the Latino and Black population is widening.

Major problems for providing the training needed by low income households for jobs available have surfaced as a result of the Governor's budget which proposes major cuts in education, health, and social services as a way to deal with the state's budget crisis. For example, public education both K-12 and community colleges have received major cuts, elimination of summer programs will leave parents without child care, and cuts to the CalWorks Program (including eliminating a $302 million cost-of-living adjustment for that program) impact those who are trying to get back in the job market.

Another employment issue that has surfaced in the City is that of the number and impact of day laborers that are attempting to obtain work by standing in street corners in parts of West Berkeley. The City has been working with the Multi-Cultural Institute to assist the day laborers and try to minimize negative impacts on nearby residents and businesses. In the coming year, the City is encouraging that job training/placement agencies find ways to collaborate and evaluate outcomes so as to obtain the best possible uses of their resources. However, the difficulty of finding work for these laborers has increased in the current economy.

The Governor's budget also has major negative impacts for other low income residents and those with special needs. For example, according to a message from the Board of Bonita House, Inc., the Governor has proposed a $49 reduction in monthly payments to the blind and disabled living on SSI payments, Medi-Cal eligibility will be limited to families with income

at or below 61% of the Federal Poverty Level ($10,000 for a family of three). Many of the mental health services previously covered by Medi-Cal will be eliminated. Fo community agencies are facing significant proposed cuts from the Alameda Behavioral Care - BOSS $300,000 and elimination of Bonita House's Creative Living Center (about 10% of their agency budget). Berkeley Place's Casa de la Vida is on the list to be cut entirely and the East Bay Community Recovery is also identified for a substantial cut.

4. CDBG and ESG Proposals Received

Please note the following:

- Of the 46 proposals received, 32 were for continued funding and 15 were for new activities (1 housing, 5 public services, 8 public/community facilities, and 1 planning and administration). The largest request is for Housing activities ($3.4 million), followed by Public Services $1.4 million; Planning & Administration: $932K, and Public Community facilities: $565K).

- There were fewer requests for ESG monies ($107,000) than the amount available ($139,000). Of the total amount ESG available, there is a 30% cap on services, 5% can be spent for program administration, and the rest must be spent for shelter improvements, certain program operations, or homelessness prevention. During the course of the allocation process, an emergency situation arose at the Harrison House Shelter operated by Building Opportunities for Self Sufficiency (BOSS), Inc. which required that $29,400 be allocated to the City (which owns that site) for removal of underground storage tanks (USTs) found at that shelter. Unspent ESG monies from previous years and $30,742 in FY 2003 monies will be needed to cover the approximate $119,000 needed to remove the USTs. Other projects included for ESG funding include continuing case management services ($30,746) by the Berkeley Emergency Food and Housing Project; $10,954 for counseling services by BOSS, Inc. ($10,954); and $6,700 to the City for program administration costs.

B. HOUSING AND COMMUNITY DEVELOPMENT BUDGET

1. Introduction

Below is a list of funding sources generally included in the Housing and Community Development Budget (the list does not contain federal allocations to the BHA.

In terms of state housing programs, reductions seen in FY 2002-03, which affect Berkeley, are expected to continue (including the Multifamily Housing Program; the EHAP homeless assistance; and the Downtown Rebound Program). Other state housing monies such as the HELP and State Rehab monies will no longer be available. Monies may no longer be available under the AB2034 grant for services and housing for dual-diagnosed mentally ill residents. This is the last year for the $3 million grant that was received in 2001. That program has been extremely successful in stabilizing and finding housing for its clientele and its elimination is expected to have major negative repercussion. On a positive note, California

voters have approved Proposition 46 which provides a Rental Housing Program for affordable housing programs for which the City and developers can apply and establishes a State Housing Trust Fund. If the City can meet the one-for-one match requirement, it may apply for a one-time one million dollar housing development grant.

In terms of federal programs, there is concern that federal proposals will reduce the amount of federal monies available for the state-administered Low Income Housing Tax Credit Program, which is probably the most important program available for development of affordable housing in the state. City Council has approved participation in the HUD Section 108 Loan Guarantee program as a means to leverage CDBG funds for eligible projects. Up to now, HUD has approved four such loans. Ed Roberts Campus has requested a $6 Section 108 million loan and AHA, Inc. has requested $692,000. The public participation process for the Section 108 loans includes a public hearing before the Housing Advisory Commission and approval of loan submission to HUD by the Berkeley City Council.

The City continues to participate in the Mortgage Credit Certificate Program for first-time homebuyers but is not optimistic that anyone will be able to take advantage of that tax credit program because there is virtually no housing for sale in Berkeley within the maximum sales price limits. However, the City continues to refer would-be homebuyers to a countywide program that assists them in becoming homeowners. The BHA is also working with tenants who are able to use their Section 8 subsidy to purchase housing at below market rate made available by non-profit entities.

The state has also passed legislation to make it easier for homeowners to build second units on their property, including allowing second units permits to be issued administratively. The City's Planning Department is considering changes to the City's second unit requirements to be in compliance with State law.

2. Investment and Leveraging Plan for Affordable Housing Developments

The City's investment and leveraging plan to create and maintain affordable housing is to use both government and private financing, and to encourage cooperation between the private non-profit sector and the public sector.

Major components of this year's City leveraging plan are as follows:

- Use the HTF Program to allow comparison and competition among housing proposals.

- Work with developers of affordable housing who are not willing to meet the HTF requirements but are willing to provide some level of affordable housing beyond what is required by the City's Inclusionary Zoning Ordinance.

- Use the federal Low Income Housing Tax Credit, the Section 108 loan Program, to obtain below market financing.

- Require City-funded non-profit housing developers to continue to attend peer evaluation workshops to share ideas on how to strengthen areas of weaknesses.

- Carefully assess proposals by considering feasibility and cost-effectiveness in producing immediate and direct impacts; having applicants show evidence of substantive and effective past performance in similar activities (or willingness to joint venture with an experienced developer); and requiring evidence of capacity in attaining greater self-sufficiency and less reliance on City funding.

- Require inspection fees for the Rental Housing Safety Inspection Program. The City Council will be considering approving a fee schedule for rental units to make the program self-sufficient.

- Encourage housing developers to apply for government and other funding as a way of leveraging City Housing Trust Fund monies.

- Revisit the City's housing mitigation fees.

- Except in limited situations, continue to give loans instead of grants and allow re-use of repayments for the initial purposes.

- Continue to participate in the city-wide the Grants Coordination Group to ensure that each Department is aware of, and applies for, grants that are available and are in keeping with the City's goals and priorities.

C. STRATEGIES FOR MEETING HOUSING NEEDS

In addition to using the resources cited above and leveraging existing funds better, in this coming year, staff availability permitting (there are considerable staff reductions expected), the City will:

- Coordinate staff of the Planning and Housing departments to help ensure implementation of the Housing Element, including negotiation and monitoring of the Inclusionary Zoning requirement.

- Re-examine the Inclusionary Zoning Ordinance for better coordination with state density bonus requirements.

- Re-examine the Condominium Conversion Ordinance to determine if they can be revised to assist in maintaining/creating affordable housing.

- Continue to require long-term affordability (55 years) for HTF-assisted projects and to target some of the HTF to assist those with special needs

(seniors, disabled residents, families with children), those who are homeless or at risk of homelessness, and very low income families (especially through the Section 8 Program).

- Have HAC review housing projects receiving City assistance that do not meet the HTF guidelines but are being funded to meet other City goals to determine if more affordable units than is required under inclusionary zoning is feasible.

D. BERKELEY HOUSING AUTHORITY (BHA) ACTIONS

This coming year the BHA's major goals are to:

- Eliminate Section 8 Program's dependency on the General Fund
- Increase the lease-up rate. Currently the lease up is 1,525 units, next year's goal is to reach 1,660 units. A total of 17,00 lease up is needed for 100% lease up.
- Continue the EPP (Emergency Priority Program) which gives priority for Section 8 subsidies to Section 8 eligible Berkeley tenants at risk of becoming homeless.
- Whenever possible, place persons receiving City HIV/AIDS on the Section 8 Program.
- Using the $120,000 Section 108 Program loan repayment to allow renovate all LIPH units, including landscaping and other outside improvements.
- Ensure that all rehab of the LIPH units are undertaken within the planned timelines.
- Increase the public housing lease up rate to 100%.
- Hire an outside property management firm to ensure proper management of the 75 units of public housing.
- Implement the newly-created Security Deposit Assistance Program.
- Continue to improve the coordination with the Shelter Plus Care Program so that no eligible tenant loses housing opportunities as a result of delays or other BHA-related problems (this year the BHA received $70,000 in administration fees for the Shelter Plus Care Program and a similar amount is being requested for FY 2003-04).
- Where possible, convert Section 8 leases to homeownership subsidies for Section 8 tenants who have found a home to purchase and have a feasible plan to do so.
- Increase coordination between the RHSP and the Section 8 units to ensure that those units are in compliance with housing safety codes.
- Consider the feasibility of alternatives to BHA ownership of the LIPH units.

E. HOMELESS SERVICES

1. Priorities and Activities

Assisting those who are homeless continues to be a very high priority for Berkeley and the City has increased CDBG funding for homeless activities. The attached budget worksheet contains proposals to be funded in the coming FY. Those proposals are in conformity with the City's Continuum of Care Plan which guides the homelessness prevention effort. That plan's overall goals are to maintain existing services and facilities, homelessness prevention, and provide transitional and permanent housing with services. One particular area of priority this year is funding a substance abuse/ detoxification treatment program for those who are homeless.

Major issues/areas of actions in this coming year include:
- Environmental issues concerning removal of the underground storage tanks at the Harrison House Shelter and expansion of Harrison House.
- Dealing with reduced funding (although a 10% overall reduction to General Fund community agencies are being recommended, some agencies may receive a larger cut in order to maintain homeless services at the same level).
- Addressing the needs of homeless youth. (Operation of the Youth House on King Street was transferred this year from BOSS, Inc. to Fred Finch, Inc.)
- Considering merging the Homeless Commission with the Human Welfare and Community Action Commission.
- Continue close coordination between the Housing and HHS departments, to address the serious health and other health needs of those who are homeless.
- Continue to participate actively in the Countywide Continuum of Care Council to provide integrated services at the regional level and evaluate and try to meet the needs as expressed in the February survey of those who are homeless.
- Collaborate with the County in applying for SHP monies to maintain funding for existing homeless programs and try to obtain funding for needed new ones.
- Finetune the Homelessness Prevention Program administered by ECHO, Inc. and the HIV/AIDS Housing Assistance Program, merging the two to improve effectiveness and considering use of the Section 8 program to increase subsidies to those with HIV/AIDS. - ECHO and the City will consider transferring CDBG monies from ECHO's Shared Housing Program to the Homelessness Prevention Program to increase coordination among programs and focus money on most-needed activities.
- Streamline contract administration and monitoring of homeless services providers to improve service delivery and focus on outcomes.
- Continuation of regional state/federal policy coordination and advocacy. Staff will also be involved in the countywide request for proposals, application-preparation, and project prioritization process once HUD issues the SuperNOFA for Supportive Housing Program funding.
- Proper implementation and fiscal administration of the Shelter Plus Care Program and the Winter Shelter and Vouchers Program.
- Improve Interdepartmental coordination.
- Hold weekly meetings with other Housing Department staff to coordinate activities, which impact those who are homeless or at risk of homelessness.
- In terms of homeless battered women, the City has leased of the City-owned Byron Street

transitional housing facility that has been transferred from the Women's Refuge to the Berkeley Women's Daytime Drop-In Center. City staff will monitor the operations at that facility once rehabilitation on that property is completed.

F. PROGRAMS/PROJECTS TO MEET HOUSING PRIORITIES

There was only one new housing proposal requesting CDBG funding this year to provide fire safety and handicapped accessibility to a transitional housing facility operated by Sobriety Through Education and Peer Support (($44,700). That project was not recommended for funding given the reduction in CDBG funds this year. However, the project was referred to CIL and Rebuilding Together for possible assistance.

Summary of Housing Programs and Goals			
Program	**Units**	**Status**	**Beneficiary/priority/comment**
Program: HTF Priority - Development of permanently affordable housing **Priority – Creating housing for people with special needs.** All HTF projects are required to be affordable at 60% of AMI. The majority are affordable to households at 30% - 50% of median income or below. Since November 1999, 20% are to be affordable to households at 30% of AMI. The vast majority of projects are targeted to households with special needs.			
1320-22 Haskell Street NCLT (South Berkeley)	5units	continuing	Project now completed. Delay selling units due to NCLT staff turnover.
2517 Sacramento Street (Outback Housing) Affordable Housing Associates	29 srs.	Continuing	HTF $1,400,000 000 (includes HELP loan replacement). Received Project-based Section 8 for 27 units. Will re-submit Section 108 application to HUD. DLA for $150,000 in predevelopment completed .New Senior rentals over ground floor commercial. Total 40 units of which 29 are affordable. Total development cost is approximately $7.8 million. The project is in litigation.
2577 San Pablo Avenue Jubilee Restoration, Inc./RCD	27	Continuing	HTF $1,252,108 approved (includes HELP loan replacement). The project received HUD 202 funding and has requested another $1,194,548 in HTF. Total project cost is $6,083,556.
2612 San Pablo Jubilee Restoration, Inc.	125 units	new	Requested $3 million for Jubilee Village, a new development with total cost of $27,433,943.
3132 M.L. King, Jr. Way Prince Hall Arms (South Berkeley)	37 units	continuing	Mixed-use bldg. w/ low income senior housing in South Berkeley. Demolition was completed. This project has run into serious difficulties and the owner is still trying put together a viable development. Permits have expired.
1719-25 University Avenue	27 units	continuing	Disabled & non-disabled low income housing.

Summary of Housing Programs and Goals			
Program	**Units**	**Status**	**Beneficiary/priority/comment**
AHA, Inc.			Property acquisition completed. City assistance includes, HTF ($1,903,141) 14 Section 8 Project-based units, and Section 108 assistance. AHA applied for, but did not receive federal Tax Credits. Sponsor considering bond financing
711 Harrison St. – Ursula Sherman Village BOSS, Inc.	6 bdrms + 7 units	continuing	HTF approved $600,250 for Picante House (now Sankofa House) and $150,000 for USV. Draft EIR under review. HTF application $1,793,484. Transitional housing for homeless households with children; homeless men with children.
1419 Ashby Ave. Northern California Land Trust	4 units	continuing	HTF $220,000. Reviewing bid for construction of limited appreciation condominiums. In addition to the HTF monies received, NCLT has requested another $277,759 to complete the project. Total project cost $1, 265, 759.
Sacramento & Woolsey NCLT	5 units	new	$683,657 requested for housing and community garden project. However, this project is now withdrawn
1001 Ashby Ave. AHA, Inc.	50 units	new	AHA is requesting $2 million in HTF and $692,000 in Section 108 to develop 50 affordable units (20 Section 8)Acquisition of vacant property to develop for affordable housing, $500,000 HELP loan received. Council waived first right of refusal to allow AHA to acquire the property from the railroad.
Pre-development of special needs housing RCD, Inc.	n.a.	new	Predevelopment stage for a new special needs housing (address not identified but RCD working with realtor).
Oxford Plaza RCD/Equity Community Builders (ECB)	90	new	At the direction of City Council, staff is working with the Planning Commission and the HAC on the development of a mixed-use affordable housing, low-cost space for arts, environmental center, commercial/retail space, and parking on a city-owned parking lot on Oxford Street. RCD/ECB were selected as the developers. They have requested $2.5 million in HTF. Total project cost $21 million.
South Berkeley Ashby Bart Station City of Berkeley	n.a.	continuing	Explore creation of affordable housing for teachers and City employees on its air rights over the South Berkeley BART Station.
University Students Coop Assoc.	2 facilities		HTF request for $1 million for seismic and disabled accessibility for Cloyne Court and Casa Zimbabwe. USCA also recommended for $35,000 in CDBG

Summary of Housing Programs and Goals			
Program	**Units**	**Status**	**Beneficiary/priority/comment**
			monies for accessibility improvements.
Inclusionary Zoning Projects Continued from Previous Year (new proposals are contained in the next page approximately 80 inclusionary zoning units would be received if all developments completed as planned)			
2002 Acton (at University) Panoramic Interests/Jubilee Restoration	20 units	continuing	15 units at 50% of AMI, 5 units at 80% of AMI out of a total 60-72 units. In exchange for the affordable units, the State will sell land (approx. 22,000 sq. ft.) for $118,000.
2161 Allston Way	12 units	continuing	Inclusionary units – 6 units at 80% of AMI and 6 units at 50% of AMI in a 60 unit bldg.
2700 San Pablo Avenue Jubilee Restoration/Panoramic Interests	7 units	continuing	Owner partnering with a for-profit. Receiving Redev. & Bayer monies but not through the HTF program. Total number of units 39 (9 of these are affordable).
2612 San Pablo Avenue (Jubilee Village) – Jubilee Restoration	125 units	new	HTF application for $3 million. Environmental review required. $25,000 predevelopment loan received.
Other Housing Affordability Activities			
U.A. Housing Coop, 1473 Addison St. Investigate Change in ownership to take out current limited partner. Received $25,000 predevelopment loan agreement.			
2111 McKinley Street Transitional House. HTF loan of $190,000 approved. Lead assessment needed.			
2213 Byron Street (Women's Daytime Drop-in Center), City owned property, Transitional housing for women and families. $245,000 budget PW to bid work, extension received from HUD.			
Priority: Housing Rehabilitation/Repair for residents with special needs (All rehab/repair programs targeted at 50% of median income or below, at least half benefit those who are extremely low income [30% of median or below]). The figures below are the ones used last year. If funded at the same level, the same level of activities are anticipated.			
Seniors and Disabled Rehab Loan Program (Citywide)	10 units	projected	HH income requirement 50% of AMI or below. Deferred, zero interest loans. About 12 households expected to be assisted to be used in tandem with state monies.
Rebuilding Together through Christmas in April (Citywide)	20 units	projected	Program beneficiaries are poor elderly and disabled, minority households. Most of the houses to be rehabbed will be in the NSA. About 1500 volunteers provide labor. Some materials discounted or donated.
Minor Home Repair Community Energy Services Corp. (Citywide)	300 units	projected	Minor repairs and disaster resistance repairs. Security window bars. HH income primarily 30% of AMI. Program beneficiaries may include low income families in addition to those who are elderly and disabled.
Disabled Accessibility Program CIL (ramps and interior retrofit)	39 units	projected	Program beneficiaries are those who are disabled. 10 wheelchair ramps; 29 interior retrofits.

Please note that the above projects do not included in this list (Section 8 Program, Shelter Plus Care, Homelessness Prevention Program, HIV/AIDS Housing Assistance Program). A list and comparison of proposals for HTF funding under the latest funding cycle is contained in the attachments.

Other Pending Inclusionary Zoning Projects

Project	total Units	Inclusionary Units
December 2002 Use Permits		
2076 Ashby	11	3-4
2628 Telegraph	15	4
January		
2310 Fulton	74	11
Unscheduled		
2526 Durant	44	9
1950 MLK Jr. Way (Library Gardens Apartments)	197	40
2501 Telegraph (approximate)	66	11

1. Housing Development

The Housing Trust Fund will continue to be used as the principal source to fund housing development for permanently affordable housing and transitional housing, especially for people with special needs. It is unclear how many projects can be completed this year given the limited amount of HTF available (about $1 million in the current year and possibly another $1 million in HOME funds in the next fiscal year).

2. HOME Program

Allocations of HOME monies are placed in, and subject to, the HTF Guidelines requirements, which are stricter than the HOME requirements. The federal HOME Program is the largest contributor to the HTF with an allocation for FY 2003-2004 of $1,409,751. Of that amount, $1,268,776 is to be placed in that HTF and $140,975 (10%) is to be used to administer the program. Any HOME repayments received will also be placed in the HTF and used for HOME-eligible projects during the HTF round. Specific HTF proposals to be funded with HOME monies will not be decided until July 2003. The City will allow use of HOME monies for refinancing purposes if such a proposal is submitted and the HTF review process indicates that such use would be an effective way of maintaining low income housing

The City's required HOME match of $317, 194 can be easily met through excessive matches paid in previous years and the City's General Fund contributions to the Housing Trust Fund and through General Fund monies allocated to the HTF. Affordable Housing Associates (AHA) and Resources for Community Development (RCD), Inc. will continue to act as the City's Community Housing Development Organizations (CHDOs) for use of the 15% HOME set-aside for such organizations. There are proposals submitted for funding by those two agencies which would meet the CHDO requirements if funded such as AHA's 1001 Ashby Avenue development and RCD's Oxford Plaza Development.

3. Section 108 Funding

Under the Section 108 Program, the City can get a line of credit that is five times its CDBG entitlement amount which would make available approximately $19 million in below market financing. Activities eligible under the Section 108 programs are similar to those for CDBG and include:

Economic development activities
Acquisition of real property
Rehabilitation of publicly owned real property
Housing rehabilitation eligible under CDBG
Construction, reconstruction or installation of public facilities
Related relocation, clearance and site improvements
Payment of interest on the guaranteed loan and issuance costs of public offerings
Debt service and loan loss reserves
In limited circumstance, housing construction as part of economic development

HUD has approved a Section 108 loan application for RCD's Adeline Street Development, which is now complete. Three other projects have received Council approval for submittal to HUD as follows:

- Loan for rehabilitation of the 75 units of public housing owned by the Berkeley Housing Authority - $1,400,000.
- Loan for development by Affordable Housing Associates (AHA), Inc. of senior housing at 2517 Sacramento Street - not to exceed 431,000.
- Loan for development by AHA, Inc. for its University Avenue Development -$800,000.

The Ed Roberts Campus (to be developed on the BART air rights at Adeline and Woolsey) has requested $6 million in Section 108 funding to create a facility for multiple agencies serving the disabled community. AHA, Inc. has requested for $692,000 for its 1001 Ashby Live/Work development. Other projects may ask for Section 108 funding during the course of the year either as a way to leverage the City's Housing Trust Fund (HTF) or other types of affordable housing or economic developments for which the HTF is not appropriate. In such a case, the established public allocation process will be followed.

4. Housing Programs to Maintain the Housing Stock

The City is expected to continue to fund housing rehab/repair programs (Rebuilding Together (previously Christmas in April), Minor Home Repair, and the Seniors and Disabled Housing Rehabilitation Program), because these have been successful and fill the priority of assisting people with special needs (low income seniors and disabled persons), and will also help maintain the housing stock. However, the lead remediation requirements have place a burden of the Seniors and Disabled Housing Rehabilitation Program by increasing costs and expanding the scope of services.

This year the City will begin to enforce an ordinance that requires buildings that present an

earthquake hazard to be seismically improved. The City will explore locating funding sources for earthquake-safety activities that will benefit low-income residents. Especially targeted are "soft-story" buildings.

Certification as to their rental unit(s) safety by property owners as required under the Rental Housing Safety Program is an important preventive measure to increase the safety of the City's rental housing stock**.** Both CDBG monies and General Funds were used to operate that program this year. The City is considering alternative ways to make the program self-sufficient.

5. Lead Remediation Program

The City and community agencies' federally-assisted rehabilitation projects will follow federal guidelines for lead remediation. The City has trained staff with the proper Certification to monitor Senior Housing Rehabilitation Loan Program Projects and HTF projects and will work with Alameda County in doing so. Rebuilding Together will continue to work with Alameda County to undertake lead identification and abatement activities in homes where lead remediation is required.

6. Fair Housing

The City has as a primary goal a commitment to maintaining the diversity of its population. It actively promotes fair housing and reducing impediments to it and discourages housing discrimination. One of the new concerns regarding fair housing is that in the current political atmosphere, fair housing and other civil rights of some of Berkeley's residents may be at risk. The City is committed to safeguarding those rights and has a Peace and Justice Commission to advise the Council on such matters.

In terms of fair housing activities, the City is funding Housing Rights, Inc. and coordinating with that organization to implement the City's anti-housing discrimination program. Housing Rights, Inc. will educate about housing discrimination laws and take actions to help ensure enforcement of the law in instances where violations occur. In addition to investigating discrimination complaints, holding workshops, disseminating housing rights information, continuing to provide fair housing services and do outreach to minority groups at risk of discrimination and undertaking housing rights advocacy, the City plans to:

- Educate city staff, Commissions, and housing community agencies about fair housing and ADA requirements and include reviews of publicly assisted projects for disability/ADA compliance.

- Continue to refine the City's Analysis of Impediments to Fair Housing.

- Explore the possibility of passing legislation against predatory lending practices. Federal, State, and regional studies indicate that such practices exist. The HAC has recommended that Council consider passing an ordinance similar to that passed in Oakland and is waiting until a lawsuit is settled to undertake the necessary

research.

- Use General Fund monies and take other measures to create/maintain affordable housing.

- Provide rent eviction assistance through the East Bay Community Law Center.

- Provide Rent Board funding to tenant/landlord mediation and organizing efforts.

In addition to Housing Rights, Inc., this coming year, Eden Council for Hope and Opportunity (which is receiving CDBG monies from Berkeley to administer the Homelessness Prevention Program and the Senior Home Equity Conversion Program) is expected to merge with a fair housing organization (Mid-Peninsula Fair Housing, Inc.). This should add fair housing counseling as an adjunct to its other services since its clientele may at time face discrimination.

7. Anti-Displacement

No displacement is expected from use of CDBG or HOME monies. City staff will work with the BHA to ensure that any temporary relocation of tenants from the public housing units follows Uniform Relocation Act requirements. Housing Department staff will also provide information about the City 's Relocation Ordinance and referral to available services to approximately 120 persons (including fire victims) who have to move temporarily to bring properties into code compliance even where no City monies are involved.

The Housing Department has several programs to assist those who have to relocate due to private action, including a relocation ordinance, an emergency housing assistance program, and will institute a referral system to help tenants with special needs to find housing. Temporary displacement may result because of newly enacted earthquake retrofitting legislation and lead reduction legislation.

G. ANTI-POVERTY STRATEGY/PUBLIC SERVICES

The City is continuing to use a multi-faceted approach to reducing poverty by funding over 50 community agencies that offer needed services such as child care and health care, being actively involved in job creation/job placement activities, and funding community development activities. The overall priority in the area of reducing poverty is the continuation
of existing public services programs. However, because of budgetary constraints, funding for such services may be reduced.

One of the major concerns this year is the deadline for many on CALWORKS of the TANF subsidies at a time when unemployment is rising. For the first time, the state of California is preparing an Anti-Poverty Plan but it is doubtful that such a plan will have major impact without the State's funding commitment to anti-poverty programs.

CDBG monies are being requested to be used for funding non-profit job training/placement agencies: AJOB, ICS, WERC, the Multi-Cultural Institute, and Jobs Consortium). If funded, these agencies will be asked to coordinate activities with the City's One Stop Employment Center.

The City General Fund anti-poverty budget is expected to be less than this year.

The City will continue to operate the Workforce Investment Act's One-Stop Employment/Career Center, which assists about 900 persons a month. This center provides universal "core" employment services, intensive services, and WIA training. It partners with EDD, Vista College, Berkeley Adult School, and BOSS, Inc., all of which have an office at the One-Stop Center. It collaborates with EASTBAY WORKS which allows centralized regional service for Bay Area residents. It also coordinates activities with ICS and is planning closer coordination with AJOB and other job training entities.

- Require, and monitor, use of the First Source Hiring Program for City-assisted housing development projects.

- Explore additional ways to improve/increase the services available to assist day laborers being employed from the street and to reduce tensions with residential and commercial neighbors.

- The City's YouthWorks Program will continue working with the Berkeley Unified School District, local businesses and merchants to obtain employment and training for young people.

- Continue to coordinate between the City and the Berkeley Unified School District to address the educational and skills development challenges faced by Berkeley youths.

H. COMMUNITY DEVELOPMENT PROJECTS

Many of the projects in the category of housing, public services, public/community facilities improvements, and planning serve the purpose of community development as well. In the housing category many projects also have a major community development objective. For example: The Rebuilding Together project not only helps preserve housing and assists those with special needs, it also engenders community development through the use of hundreds of volunteers.

I. LOCATION OF SERVICES

The majority of housing and services are expected continue to be targeted in the Neighborhood Strategy Area (NSA) consisting of South and West Berkeley, which is the part of the City that has the highest level of low income and minority residents, and the greatest need for revitalization. The Consolidated Plan has identified Census Tracts 4220, 4221, 4231, 4232, 4233, 4234, and 4240 as the census tracts where the minority population is 10% above the citywide level. All of them are included as part of the NSA. Many of the services programs (CDBG/ESG, as well as the City's General Fund/CSBG Anti-Poverty Program) are also located in the NSA. Other programs are available citywide and/or located outside the NSA but most of their beneficiaries are from the NSA or are low income.

J. PROGRAM ADMINISTRATION

1. Housing Department

The Housing Department is under the direction of the Office of the Director which also coordinates planning and other activities with other Departments and the City Manager's Office for the smooth operation of existing programs, creation of new ones, and exploration of additional housing and community development resources.

The administration for the CDBG, ESG, HOME, GF/CSBG, and Measure O and other homelessness prevention programs is consolidated in the Program Planning, Management and Budget (PPMB) Division of the Housing Department. Other administrative activities of PPMB staff include: issuing the consolidated RFP for funding for community agencies, coordinating and other General Funded programs; monitoring affordable housing projects related to the Housing Trust Fund; undertaking planning activities in the area of housing, homeless programs, and community development (working closely with the Health and Human Services Department and the Planning and Development Department); and coordinating implementation of the General Plan's Housing Element. In view of expected reduction in resources, staff will reduce the number of invoices and reports to be submitted to the City by community agencies as follows: contracts under $10,000 1 payment, 2 reports; contracts between 10,000 and $50,000, 2 payments and two reports; contracts over $50,000 4 payments and four reports.

The Housing and Energy Services Division staff, funded through CDBG and General Funds, administers housing development, housing rehab and anti-blight programs, the Rental Housing Safety Program, weatherization and other programs to increase energy efficiency.

The BHA operates the largest affordable housing program (about 1,600 units in the Section 8 Housing Assistance Program), 61 units of public housing and 14 units of state-assisted units. The BHA is involved with other programs, which provide permanent housing for those who are homeless (Section 8 Mod Rehab units and Shelter Plus Care).

2. Planning and Development Department
The Planning Department has primary responsibility to ensure that programs and activities are in keeping with the City's General Plan. The Planning and Development Department also has lead responsibility for administration of the Zoning Ordinance and its revisions, area plans, and strategic plans, many of them impacting housing in the City.

3. Health and Human Services Department
As described in the Consolidated Plan, the Health and Human Services Division is the other major Department with primary responsibility for health programs, recreational programs, and social services programs to assist residents with special needs, including those who are homeless. HHS operates the One-Stop Employment Center (is part of the Workforce Investment Act) and coordinates the First Source Program with other City programs involving job placement for low income persons.

4. The Rent Board
The Rent Board is responsible for administering the Rent Stabilization and Good Cause for Eviction Ordinance and provides information, referral, and counseling to both tenants and owners. It funds two non-profit organizations to assist in tenant counseling and eviction prevention.

5. Monitoring Program
Program requirements for the City's affordable housing programs are incorporated into contracts, deed restrictions, and loan documents to ensure compliance. Program requirements include those established by Federal regulations for CDBG, HOME and ESG and those established by ordinances and resolutions of the Berkeley City Council. Once projects are completed, the monitoring responsibilities are generally separated into the following components: CDBG and ESG monitoring, affordable housing project monitoring, and other monitoring. The Housing Development staff will monitor projects until construction completion. Thereafter, monitoring is transferred to PPMB staff. Funding for monitoring comes out of the CDBG Program and General Funds. The degree of monitoring that can be taken this year will be dependent on ultimate staff reductions faced by the Housing Department.