

2010-2015 Consolidated Plan and 2010-2011 Annual Plan

**for federally-funded community development programs
operated by the State of California:**

Community Development Block Grant (CDBG)
CDBG-Recovery Program (CDBG-R)
Disaster Recovery Initiative (DRI)
Neighborhood Stabilization Program (NSP 1)
Home Investment Partnerships Program (HOME)
Emergency Shelter Grants (ESG)
Homelessness Prevention and Rapid Re-Housing Program (HPRP)
Housing Opportunities for Persons with AIDS (HOPWA)
Lead Based Paint Hazard Control Program (LHCP)

State of California
Arnold Schwarzenegger, Governor



Business, Transportation and Housing Agency
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May 2010

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Consolidated Plan (ConPlan) 2010-2015

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Summary

The overall goal of the community planning and development programs covered by this document is to develop viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities principally for low- and moderate-income persons. This draft Consolidated Plan (ConPlan) enables the State of California to examine the housing and community development needs of the state and to develop programs that effectively utilize the scarce resources available to address these concerns and improve the quality of life for its low- and moderate-income residents.

California's 2010-2015 ConPlan includes an assessment of housing-related and nonhousing community development needs and obstacles, including the needs of homeless and other special-needs populations, a five-year strategy to address these needs, and a plan to encourage and facilitate input into the ConPlan by other public agencies, private parties and individuals with similar interests and/or activities. This document also includes a more detailed one-year Annual Plan (AP) for the near-term uses of federal housing and community development funds available to the State. The AP will be updated and submitted to the U.S. Department of Housing and Urban Development (HUD) annually through the five-year planning period of this ConPlan.

The ConPlan and AP are prerequisites for receipt of the State's allocation of federal funds for the following programs:

- Community Development Block Grant (CDBG)
- CDBG-Recovery Program (CDBG-R)
- Disaster Relief Initiative (DRI)
- Neighborhood Stabilization Program (NSP 1)
- Home Investment Partnerships Program (HOME)
- Emergency Shelter Grants (ESG)
- Homelessness Prevention and Rapid Re-Housing Program (HPRP)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Lead Based Paint Hazard Control Program (LHCP)

These programs are described in more detail in the Summary section and the individual program sections of the AP part of this document.

Five-Year Goals

The State of California retains four over-arching goals for the State's use of federal community development funds:

- Goal 1: Meet the housing needs of low-income renter households, including providing homeownership opportunities for first-time homebuyers.**
- Goal 2: Meet the housing needs of low-income homeowner households.**
- Goal 3: Meet the housing, supportive housing, and accessibility needs of the homeless and other special needs groups, including the prevention of homelessness.**
- Goal 4: Mitigate impediments to fair housing.**

Public Participation in the 2010-2015 ConPlan

1. Citizen Participation Requirements and Plan

This Citizen Participation Plan sets the policy for involving citizens in the decision-making, review, and comment process for the Consolidated Plan (ConPlan), the Annual Plan (AP), subsequent AP Updates, and the Consolidated Annual Performance and Evaluation Report (CAPER). To encourage additional public input in the preparation of these documents, public notices containing a description of the draft document and related amendments, inviting comments, and announcing public hearings are routinely mailed directly to local governments, other interested parties, and depository libraries, and placed on the Department's website at <http://www.hcd.ca.gov/hpd/hrc/rep/fed/>. Notices are also published in newspapers of record to notify the public of the document development process, timelines, and participation options.

The Department of Housing and Community Development (HCD, or the Department) will continue to consult with other State agencies to explore ways to improve program coordination and the effects of the consolidated planning process on the consumers and clients of the other agencies. A listing of State departments and agencies involved in the consultation process is given below.

This draft ConPlan and AP was available for comment from all interested parties for a 30-day period, April 1 – April 30, 2010. Two in-person public hearings were held on April 22, 2010 in Coachella and on April 28 in Sacramento, and two conference call opportunities were held on April 21 and April 26, to allow the public to respond, comment or ask questions in a public forum. For details see the Public Notices in Appendix M.

Copies of the draft ConPlan and AP were made available for review at the Department's Housing Resource Center, and copies of the Public Notice were e-mailed to CDBG, HOME, ESG, HOPWA and LHCP program contacts and interested parties. Both publications were available on the Department's website at <http://www.hcd.ca.gov/hpd/hrc/rep/fed/> and also at public depository libraries as identified in the notice (see Appendix M) throughout the public comment period. HCD's website is at <http://www.hcd.ca.gov>, and the email address is caper@hcd.ca.gov.

Following are more details of how California complies with federal regulations governing public participation and the development of the ConPlan, the AP and the CAPER:

Development of the Plan (Section 91.115(b)(1)): Prior to adoption of the ConPlan, the State made available to citizens, public agencies, and other interested parties information about the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons displaced. The State made this information available, prior to adoption of the ConPlan, at County Planning Departments, State Depository Libraries, at the public hearing locations, and upon request. This information was made available at least 30 days prior to adoption of the Plan.

Availability of Plan (Section 91.115 (b)(2)): For future Annual Plan Updates (APs) of the ConPlan, the State will publish the proposed AP and make it available as noted above. Copies will be provided upon request to any interested party. In addition, summaries of the AP will be published in at least 3 major newspapers of general circulation throughout the State. The summary will describe the contents and purposes of the Plan and will describe how copies of the entire Plan can be reviewed.

Public Hearing on Consolidated Plan (Section 91.115 (b)(3)): The State will hold at least one public hearing to solicit comments on housing and community development needs prior to publishing the AP and the ConPlan for review. This hearing will be held in conjunction with the public hearing(s) on the CAPER, which typically occur in September.

Public Hearing Notice (Section 91.115(b)(3)(i)): The State will provide notification of the public hearings concerning the draft AP and ConPlan at least 14 days prior to the public hearing. Notification of the public hearing(s) concerning the CAPER will be provided at least 7 days prior to the public hearing(s). The notification will be provided by posting on HCD's website, some direct mailings to interested parties, and through a notice in major newspapers of general circulation. The State will consult with interested public and private agencies to encourage wide distribution of notices of the public hearings. Copies of notices will be provided to public and private agencies upon request, for distribution to their members.

Location of Public Hearings (Section 91.115(b)(3)(ii)): Public hearings on the AP will be held in at least two locations throughout the state at times and locations designed to

facilitate attendance by potential and actual beneficiaries and ensure adequate accommodation for persons with disabilities. The current locations of public hearings reflect requests by members of public and private agencies; the State will consider requests for additional or alternative locations to ensure adequate opportunities for interested parties to participate.

Non-English Speaking Needs (Section 91.115(b)(3)(iii)): The State will make every effort to accommodate the needs of non-English-speaking residents at all public hearings. A translator for Spanish speaking residents can be available at all hearings upon prior request. The State will solicit information about the need for translators for public hearings in the notification of the hearing. All requests for assistance will be accommodated to the extent possible. HCD maintains a list of staff that can provide translating services in American Sign Language.

Comments (Section 91.115(b)(4-5)): The State will provide a minimum comment period of 30-days for comments on the ConPlan and AP, and 15 days for comments on the CAPER.

The State will consider written comments, including via facsimile or e-mail, received and provided at the public hearings on the ConPlan, AP and CAPER. The State will also solicit and consider comments received in a manner convenient to the public. The three documents will be revised as appropriate to include written responses to all comments received.

Amendments (Section 91.115(c)): The State will amend its ConPlan under the following circumstances:

- (1) to reflect a major change in the allocation priorities or a major change in the method of distribution of funds;
- (2) to conduct an activity with program funds or income, not specifically described in the action plan; or
- (3) to revise the purpose, scope, location, or type of beneficiaries of proposed activities.

Citizen Participation Requirements for Local Governments receiving CDBG (Section 91.115(e)): The State encourages participation of citizens in all aspects of the State's CDBG program, including the planning and development of the State's program, the local application and implementation process, and by program beneficiaries. To promote participation of citizens as program beneficiaries, especially targeted income group persons, the State encourages applications by local governments where high rates of poverty exist, and encourages eligible local governments to use CDBG funds to principally benefit targeted income group households. The State requires local governments that receive CDBG funds from the State to comply with at least the following citizen participation requirements:

- (1) Local governments that apply for and administer CDBG funds must have active citizen participation processes that encourage participation by targeted income persons and by

residents of neighborhoods with high concentrations of housing and community development needs and targeted income group individuals and households.

- (2) In accordance with federal regulations (24 CFR, §570, 570.486), the State requires local governments to meet federal citizen participation and noticing requirements. The required citizen participation activities include holding accessible public hearings after proper notice. Proper recordkeeping is required. The State monitors for compliance with these federal requirements during its review of each grantee's performance.
- (3) Local governments must meet the needs of non-English speaking persons where significant numbers exist. The State requires local governments to include in their applications maps showing concentrations of non-English speaking persons, and the State reviews local grantee records to verify that the grantee has addressed the needs of non-English speaking persons in the local citizen participation process, including in the distribution of notices and other materials.
- (4) In accordance with CPD Notice CPD-05-03, issued by the U.S. Department of Housing and Urban Development (HUD), Community Planning and Development, on June 6, 2005, regarding the New Freedom Initiative, local governments participating in the CDBG Program are encouraged to expand their outreach efforts to persons with disabilities. This expansion is intended to ensure that persons with disabilities are aware of the support that may be available to them through CDBG-assisted programs in the jurisdictions in which they reside. The State recommends that local government applicants and grantees of the State CDBG Program notify and partner with local disability advocacy groups, Independent Living Centers (ILCs), and persons with disabilities to identify the needs of persons with disabilities and to determine how best to address the identified needs. The New Freedom Initiative is intended to remove the barriers to community living that are present in the lives of persons with disabilities.

Availability of Plan to Public (Section 91.115(f)): The ConPlan, AP, any substantial amendments, and the CAPER are available upon request to the public and any interested party. These materials were provided in a form accessible to persons with disabilities upon request. Copies are available for review at HCD and on the HCD website.

Records Access (Section 91.115(g)): The State will maintain complete and accurate records relating to the ConPlan and the State's use of assistance under the programs covered by the plan for the preceding five years. The State will provide timely access to this information and records to any citizen, public agency, or interested party upon request.

It is the intent of the State, except when necessary, not to initiate changes in the AP that would require a substantial amendment to the ConPlan except when the ConPlan is otherwise being revised (e.g., 5 year updates and annual APs). This will ensure that interested parties will be adequately aware and informed of opportunities to participate in

the revision and implementation of the ConPlan. The State will, however, entertain requests and recommendations at any time for consideration in subsequent planned amendments.

The criteria for determining what constitutes a substantial amendment include:

- (1) Any proposed change that would, in effect, constitute a revision in funding priorities or a major change in the method of distribution of funds.
- (2) Any proposed change that would substantially alter the ability of applicants to compete for funds or substantive changes in the specified uses of funds. Minor adjustments to scoring criteria would not constitute a substantial amendment and only need to be reflected in the Notices of Funding Availability (NOFAs).
- (3) Any proposed change that would substantially limit the beneficiaries of the activity.
- (4) Any proposed activity not previously described in the action plan that is inconsistent with existing activities or priorities.

Any substantial amendment will only be adopted after adequate public participation has been provided in accordance with the requirements of this Citizen Participation Plan. Such participation shall include wide distribution of proposed substantial amendments (including but not limited to county planning departments, depository libraries, and posting on HCD's website), at least a 30-day public comment period, and at least one public hearing.

The State will consider all comments and views of citizens and local governments received in writing, or orally at public hearings in preparing and adopting any substantial amendment of the ConPlan. A summary of all comments and the State's responses will be included in any substantial amendment of the ConPlan.

Performance Reports (Section 91.115(d)): The State shall provide adequate notice of and opportunity to comment on annual performance reports (ie, the CAPER). Such notice will be provided by wide distribution of the notice (including but not limited to county planning departments, depository libraries, and posting on HCD's website), including at least a 15-day public comment period, and at least one public hearing. In addition to comments received through public hearings, the State will accept public comments in any form convenient to the public, including through written responses, facsimile, and e-mail.

The State will consider all comments and views received in writing or orally at public hearings in preparing the CAPER. A summary of all comments and the State's responses will be included in the CAPER.

Complaints (Section 91.115(h)): The State will appropriately respond to all complaints regarding the ConPlan, amendments, and performance reports. Specifically, the State will provide a written response within 15 working days, where practical, to every written citizen complaint regarding the ConPlan, amendments, and performance reports. Comments received during the public hearing and comment period described above will be addressed

as described in Section 91.115(b)(4-5). The State will respond to all complaints in a timely manner and in a form most appropriate for the circumstances. Records of all complaints received and their responses will be maintained by the State for a period of five years. In addition to the processes described above, the State encourages public participation through the establishment of advisory committees and technical assistance workshops and ongoing technical assistance efforts

2. Consultation with State Agencies

On January 19, 2010, HCD convened a consultation meeting with other State (and two invited federal) agencies with activities and interests in the field of housing and community development, to discuss how this ConPlan might or should affect the customers and clients of State government, and to explore ways to improve program coordination with other State programs, and the outcomes for their customers and clients. Agencies invited to participate in this meeting included:

- California Commission on Aging
- California Environmental Protection Agency
- California Housing Finance Agency
- Department of Aging
- Department of Community Services and Development
- Department of Health Services
- Department of Development Services
- Department of Education
- Department of Fair Employment and Housing
- Department of Food & Agriculture
- Department of Mental Health
- Department of Social Services
- Department of Transportation
- Department of Veteran's Affairs
- Department of Water Resources
- Employment Development Department
- Governor's Office of Planning & Research
- Tax Credit Allocation Committee
- US Department of Agriculture Rural Development
- US Department of Housing and Urban Development

Also invited were members of the Strategic Growth Council (SGC), a cabinet-level committee created by legislation in 2008, which coordinates the activities of State agencies to improve the environmental and infrastructure impacts of their decisions. The SGC membership includes the officers and representatives of several cabinet-level agencies concerned with housing, health, resources and the environment, plus a public representative.

The meeting was attended by 32 representatives from the invited entities. Following presentations to the group as a whole by the five ongoing programs covered by this plan, attendees divided into smaller groups to discuss how to improve the coordination and effectiveness of State activities in these areas:

- Affordable Housing Development and Rehabilitation (including lead hazard control)
- Infrastructure and Economic Development
- Homeless Assistance and Other Special Needs

The small group discussions generated agreements for possible further coordination and action on issues such as identifying best practices for mold and asbestos mitigation, revising physical needs assessment standards for building repairs and replacement, updating fair housing information, disseminating green building standards, providing lead hazard control training, and seeking more housing assistance for special needs populations such as persons with mental illness, youth transitioning out of foster care, and persons leaving prison.

3. Web-based Public Feedback Forums for local public agencies and private entities

To obtain similar feedback from the hundreds of local public agencies, nonprofit housing and social service entities, and other private parties around the state that have interests in the use of federal community development funds, HCD conducted four web-based public feedback forums, and one in-person meeting, during the period February 2-9, 2010. The topics and schedule for these meetings were as follows:

- February 2 – Rental New Construction and Rehabilitation (web conference)
- February 3 – Homeowner New Construction and Rehabilitation (web conference)
- February 4 - Infrastructure and Economic Development (web conference)
- February 8 - Homeless Assistance and Other Special Needs (web conference)
- February 9 - In-Person Forum - All Topic Areas, held at HCD Headquarters, 1800 Third Street; Room 183, Sacramento

Each session included short PowerPoint presentations about the programs related to the topic area, followed by questions for web-based discussion among the participants and feedback to HCD staff. Eighty-five people registered for the web sessions and nineteen attended the in-person forum.

The issues raised for discussion included, but were not limited to:

- For rental housing – deep per-unit subsidies vs. assisting more units, evaluating developer and sponsor financial health, the future of tax credits, assessing community needs, improving local jobs-housing balance
- For homeowner housing – preserving long-term affordability, foreclosure prevention, improving first-time homebuyer assistance

- For infrastructure and economic development – best uses of CDBG funds, how to increase CDBG expenditure rates, grantee needs for technical assistance
- For homeless and special needs assistance -- best uses of FESG and HPRP funds, merger of these two programs into the Emergency Solution Grants program in 2011, whether to retain the option for two-year grants, best uses of complementary State-funded Emergency Housing Assistance Program Capital Development deferred-payment loans (EHAP-CD), best coordination practices with HOPWA program

4. Public Review of Draft ConPlan; Public Hearings

This draft ConPlan and AP was available for comment from all interested parties for a 30-day period, April 1 – April 30, 2010. Two in-person public hearings were held on April 22, 2010 in Coachella and on April 28 in Sacramento, and two conference call opportunities were held on April 21 and April 26, to allow the public to respond, comment or ask questions in a public forum. For details see the Public Notices in Appendix M.

In addition, a hyperlink to the Consolidated Plan was e-mailed to local advocates, local program grantees and other service providers. The Department had interpreters available for various languages, and upon request made these services available. Copies of the public notices are included as Appendix M.

The Department considered all comments and views of citizens and local governments received in writing, faxed or emailed. A summary of all comments received and the State's responses are included beginning on page 13.

In addition, the Department conducted a comprehensive survey to assist in identifying community needs and provide an opportunity for comment and consultation. The survey asked each respondent to prioritize community needs in the areas of housing, homeless programs and community assistance, public works/infrastructure, community facilities, public services, economic development and obstacles to affordable housing. The survey was sent to all eligible jurisdictions and previous grantees of the five HUD funded programs and was also available online through the Department's website. The Department received 410 responses from local jurisdictions and non-profit organizations. The survey results are discussed later in more detail in appropriate sections and a copy of the survey questions and responses collected is included in Appendix F.

Annual Consolidated Planning Process

Typical Annual Development Cycle for ConPlan, Annual Plan Update (AP), and Consolidated Annual Performance and Evaluation Report (CAPER)	
Program Year is the State Fiscal Year: July 1-June 30	
1.	<u>Late August</u> : Draft Consolidated Annual Performance and Evaluation Report (CAPER) covering the previous fiscal year is issued for 15-day public review & comment period.
2.	<u>Early September</u> : Public hearings are held on draft CAPER .
3.	<u>October 1</u> : Deadline for submittal of revised CAPER to HUD regional office. Schedule and scope of possible further revisions depend on HUD comments.
4.	<u>February</u> : Development begins of ConPlan Annual Plan Update (AP) that will cover the next fiscal year.
5.	<u>April</u> : 1) Draft AP is issued around April 1 for 30-day public review and comment period. 2) Development begins of CAPER that will cover the current fiscal year. 3) Public hearings are held on draft AP .
6.	<u>May 15</u> : Deadline for submittal of revised AP to HUD regional office. Schedule and scope of possible further revisions depend on HUD comments.
CYCLE REPEATS ANNUALLY	

Public Comments and Responses

No comments were received at the public hearings or during the conference call opportunities. One written comment was received, from Andrea Luquetta, staff attorney for the Western Center on Law and Poverty, writing also on behalf of several other legal aid and affordable housing advocate entities. The letter expressed concern that the ConPlan does not address the decision in *Palmer/Sixth Street Properties, L.P. v. City of Los Angeles*, 175 Cal.App.4th 1396 (2009), which held that the city's inclusionary housing requirement -- to set aside units in new rental housing developments for low- and moderate-income tenants or pay the city an in-lieu fee -- violates the Costa-Hawkins Rental Housing Act (Civil Code Sec. 1954.50 et seq.), which gives developers and landlords the right to set initial rents for new or newly vacated dwelling units.

Ms. Luquetta deemed the *Palmer* decision to be “a significant impediment to fair housing [emphasis added] because inclusionary housing is an affordable housing tool that promotes integration.” She commented that the ConPlan leaves local jurisdictions “without guidance or resources to safeguard or otherwise amend local inclusionary policies that have been shown to diversify the geographic distribution of affordable housing in communities . . . California is obligated under federal law to analyze and address all fair housing impediments.” She asked that the ConPlan and the Annual Plan “include an analysis of the impact of *Palmer* in order to ensure that the state's certification to HUD that it is affirmatively furthering fair housing is bona fide.”

Response:

24 CFR 91.325 requires that the Department, as a direct recipient of CDBG, HOME, ESG, HOPWA, and Lead Program funds, certify that it will affirmatively further fair housing, which means that it will conduct an analysis of impediments (AI) to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. HUD's Community Planning and Development (CPD) Notice on this topic states that a report on the implementation of the AI, summarizing the impediments identified in the analysis and describing the actions taken to overcome the effects of the impediments, is to be included in the recipient's Consolidated Annual Performance Evaluation Report (CAPER).

While the Department has included some discussion of fair housing impediments and actions to overcome them in the draft ConPlan, 24 CFR Part 91 requires only that we certify that we will conduct an AI, with appropriate follow-up and recordkeeping. The Department is not required in the ConPlan itself to analyze the specific impacts of a particular local court decision, nor is the Department required to discuss in the ConPlan itself possible State actions to overcome the effects of any identified impediments.

Nonetheless, the Department appreciates Ms. Luquetta's concern, and we will discuss possible inclusion of this issue in the AI component of the upcoming CAPER Report.

Housing and Community Development Needs

Demographic Trends

California's population experienced substantial growth in the past decade between 2000 and 2009, increasing by more than 4 million to a total population of 38,487,889. The State's population is expected to grow at a rate of 1.2 percent on an average annual basis, adding approximately 470,000 individuals each year. If present trends continue, California's population will likely exceed 41 million by July 1, 2015.¹

	2000	%	2010 (projected)	%	2015 (projected)	%
Under 19	10,234,631	30.20%	10,986,221	28.00%	11,453,567	27.55%
20 to 24	2,381,288	7.00%	2,927,448	7.50%	3,234,972	7.78%
25 to 34	5,229,062	15.40%	5,398,929	13.80%	5,808,564	13.97%
35 to 44	5,485,341	16.20%	5,658,343	14.40%	5,203,817	12.52%
45 to 54	4,331,635	12.80%	5,561,057	14.10%	5,681,101	13.67%
55 to 64	2,614,093	7.70%	4,248,191	10.80%	4,909,844	11.81%
Over 65	3,595,658	10.70%	4,466,578	11.40%	5,281,087	12.70%
Total	33,871,648	100%	39,246,767	100%	41,572,952	100.00%

Source: Department of Finance, Population Projections for California and Its Counties 2000-2050, by Age, Gender and Race/Ethnicity, Sacramento, California, July 2007.

The greatest increases in population growth are expected to be for individuals over 65 years of age. As of Census 2000, seniors (those aged 65 and older) represented approximately 11 percent (3,595,658) of California's total population. This segment of the population is projected to account for more than 14 percent of the State's population (a total of more than 2,755,056 persons) by 2020.²

Ethnic Composition

Population growth increments and rates will also vary widely by race and ethnicity. Hispanics (both immigrants and native born) are projected to account for 65 percent of the State's population growth between 2000 and 2020 when 41 percent of the Californians are projected to be Hispanic.

Two-thirds of the Hispanic population in California is under the age of 35. Due to their relative youth, the rate of household formation and entrance into the workforce, this segment of the population will constitute the greatest level of housing demand over the next several decades. Many are now just entering the peak home buying periods of their life stage. Nationally, minorities accounted for about 40 percent of the net increase in homeowners during the 1990s.

Projected Ethnic Composition Changes 2000, 2010 to 2020				
	2000	2010	2015 (projected)	% Change 2010-2015
White	16,047,989	15,377,948	16,473,512	7.1%
Hispanic	11,082,985	15,181,594	16,313,610	7.5%
Asian	3,746,292	4,713,693	5,116,779	8.6%
Pacific Islander	111,200	151,365	173,398	14.6%
Black	2,222,816	2,628,971	2,341,461	-10.9%
American Indian	192,753	398,048	270,906	-31.9%
Multiracial	639,163	795,148	883,286	11.1%

Source: 1990 & 2000 US Census and Department of Finance Projections, State of California, Department of Finance, Population Projections for California and Its Counties 2000-2050, by Age, Gender and Race/Ethnicity, Sacramento, California, July 2007.

In California, Hispanics accounted for 20.4 percent of new homeowners during the period from second quarter of 2001, which was up from 18.1 percent for the same period in 2000.³ However, less than 21 percent of the Hispanic population are California homeowners, significantly lower than the overall statewide homeownership rate.⁴ For example, the 2000 Census figures indicate 44 percent of Hispanic households are homeowners⁵ compared to 57 percent of total households Statewide.⁶ Some indication of reasons for this disparity (beyond language barriers) may lay in credit constraints, the ability to access credit, along with the unaffordable and inaccessible supply of housing relative to demand in California.

According to the 2000 Census, median income for California Hispanic households was \$36,532. By comparison, the statewide median income was \$47,493.⁷

Based on lower household incomes and the income necessary to qualify for most market-rate homeownership programs, there is a need for assistance for Hispanic first-time homebuyers.

Affordability and Homeownership Trends

The State had a total of 12,177,852 households based on 2006-2008 American Community Survey (ACS) 3-Year Estimate data of which 58 percent (7,063,154) were owner households and 42 percent (5,114,698) renter households. Statewide, the overall rate of homeownership in California generally increased between 1990 and 2007. In 1990 the total percent of homeownership in California was 55.6 percent. Ten years later (2000), the rate was 56.9 percent and by 2005-07, the rate was 58.4 percent, a 2.8 percent increase from the 1990 figure.

The California Association of Realtors First-time Buyer Housing Affordability Index measures the percentage of households that can afford to purchase an entry-level home in California. Third quarter 2008 data from that index stood at 64 percent of all

households in the third quarter of 2009 compared with 55 percent of households (revised) in the third quarter of 2008 which could afford an entry level home.⁸ This improvement in affordability is in part due to the impacts of the foreclosure crises and lower home prices in parts of the State. January 2010 data from the California Association of Realtors indicates median prices have fallen in most California counties relative the median price figures from January 2005.

Median Existing House Prices for Select California Counties 2005, 2008 and 2009					
County	Jan-05	Dec-08	% Change 2005 to 2008	Dec-09	% Change 2008 to 2009
Fresno County	\$240,000	\$174,000	-27.5%	\$160,000	-8.0%
Kern County	\$266,000	\$155,000	-41.7%	\$130,000	-16.1%
Los Angeles County	\$495,750	\$336,980	-32.0%	\$353,560	4.9%
Monterey County	\$612,500	\$255,000	-58.4%	\$250,000	-2.0%
Nevada County	\$470,000	\$330,500	-29.7%	\$349,000	5.6%
Placer County	\$462,000	\$318,250	-31.1%	\$275,250	-13.5%
Riverside County	\$411,000	\$207,000	-49.6%	\$195,000	-5.8%
Sacramento County	\$365,000	\$181,660	-50.2%	\$189,140	4.1%
San Bernardino County	\$356,000	\$180,000	-49.4%	\$153,250	-14.9%
San Diego County	\$508,000	\$300,000	-40.9%	\$329,000	9.7%
San Francisco Bay	\$740,500	\$465,640	-37.1%	\$536,070	15.1%
Santa Clara County	\$656,000	\$512,450	-21.9%	\$560,000	9.3%
Ventura County	\$600,000	\$370,750	-38.2%	\$427,890	15.4%

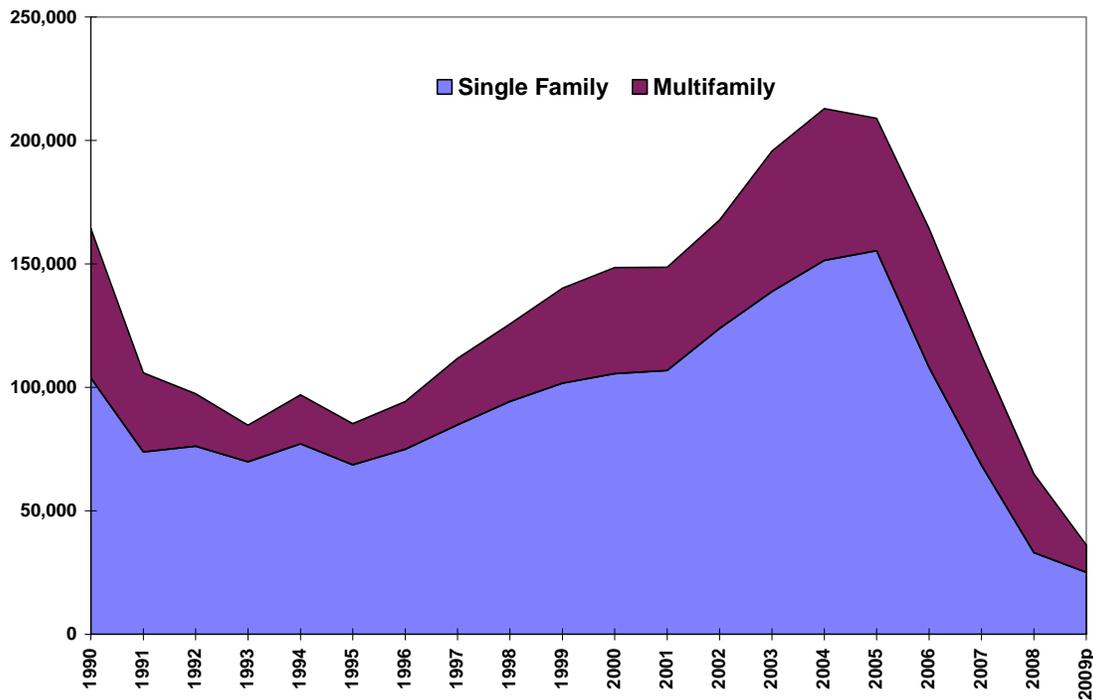
Source: Trends in California Real Estate, California Association of Realtors, January 2010.

Escalating median prices prevalent through the first half of the decade have slowed, and some areas of the State have experienced decreases in median home prices over the last two to three years resulting in improved affordability for some areas of the State. However, California continues to lack an adequate supply of housing, in the right locations and affordable to families, the workforce, and special needs populations.

Prior to the economic downturn and foreclosure crisis, California had experienced decades of undersupply, contributing to significant price escalation and the affordability crisis. The long term lack of supply and long-sustained increases in median home prices experienced through the initial years of the current decade have not been mitigated by record foreclosures and market conditions. Ongoing factors contributing to California's continuing housing supply and affordability problems are highlighted below (Please also refer to page 34 for additional data and information on the impacts of foreclosures):

- The current inventory of foreclosed units does not eliminate the need for more housing.** The sustained housing supply deficit is not eliminated with the current stock of foreclosed units. California has already fallen behind in its housing need relative to population and employment growth. A decline in new construction in the 1990s directly led to dramatic price increases and increased overcrowding. By Census 2000, California had 1.7 million overcrowded households; two-thirds of these were renter households.
- The rate of new home construction continues to decline.** Housing production has not kept pace with the State's housing needs, especially for renter households and low-income owner households throughout the State. In February 2009, residential permits were issued at a seasonally adjusted annual rate of 28,847 units, down more than 62 percent from a year earlier. Single-family permits were down 48 percent, while multifamily permitting was down 74 percent. But by the spring of 2009, the for-sale housing stock had fallen below a six-month supply, implicating the need for increased supply. Between 2000 and 2009, California's population grew by an average approximating 440,000 people annually (1.29 percent) and is projected to gain around 470,000 annually over the next 10 years. Construction has lagged significantly below the annual need to accommodate this projected population growth.

California Building Permit Activity 1990 to 2009



- **The State’s chronic housing affordability gaps, particularly in higher cost urban areas, have not been solved despite the improved affordability of ownership housing due to the foreclosure crisis.** With the collapse of the housing market, homeownership rates declined in 2007 and 2008. The third quarter 2008 reported affordability index data for first-time homebuyers remained at less than 50 percent in many counties, and between 30-40 percent for several populous counties. These conditions have swelled the ranks of the homeless, with many families struggling to meet food, housing, and transportation costs.
- **There is a large unmet need for rental housing affordable to lower-income households.** For example, only a quarter of eligible households nationally actually receive tenant-based rental assistance, leaving a large proportion of renter households paying too much for housing, doubling up, or living in substandard conditions. Sixty-four percent of lower-income renter households have housing cost burdens exceeding 30 percent of their income. While in some markets, homeownership has become more affordable, rents are still too high for many lower-income families and workers. A 2009 study by the Center of Housing Policy found that 7 of the 12 least affordable rental markets are in California. Unfortunately, the foreclosure crisis has only exacerbated rental housing needs, as an estimated quarter of foreclosed units were rentals. Additionally, there may be increased demand for rental housing units due to people having to rent after being foreclosed on, or because more limited access to credit / mortgages has made it difficult for people to buy a home.
- **There is a mismatch between the existing housing stock and the demand for housing by type and location.** Despite vacant foreclosed units, much of this housing does not meet consumer demands. Today’s young adults have a stronger preference for urban living than their predecessors and demand for smaller homes close to services and transit is rising. In addition, many older Californians desire or need smaller sized units, close to amenities or services. Yet vacant foreclosed units in outlying suburban areas will not meet the need or demand for more infill housing accessible to jobs and transit in more central locations, necessary to reduce the costs of energy, transportation and greenhouse gas emissions. Nor does the existing housing stock meet the need for different housing types including “greener” development, smaller homes or mixed-use housing.

Below is a summary of housing needs with detailed information about low- and moderate-income households provided through the 2000 Comprehensive Housing Affordability Strategy (CHAS) data. The CHAS data details households identified to have any of the following housing problems: overcrowding, lacking a kitchen or bathroom, and high cost burdens (unaffordability).

With the State’s strong population growth and continuing housing supply and affordability problems as detailed above, the CHAS data indicates the following findings and areas of need:

- Housing affordability remains a problem:** According to the 2000 CHAS data, nearly 34 percent of all California households were “cost burdened” with housing costs exceeding 30 percent of their income. Of lower-income households, 62 percent paid greater than 30 percent of their incomes for housing – 34 percent of which paid more than 50 percent of their income towards housing. The existence of overpayment situations is greatest among lower-income renter households – with 64 percent experiencing overpayment problems.

California Housing Cost Burden by Household Income Level - 2000						
Cost Burden	Households by Income Level					
	Less than 30% MFI		Less than 50% MFI		Less than 80% MFI	
	Number	Percent	Number	Percent	Number	Percent
Renters						
Greater than 30%	767,210	77%	1,377,405	76%	1,805,660	64%
Greater than 50%	637,145	64%	881,045	49%	948,095	34%
Total Households	1,000,250		1,813,020		2,814,415	
Owners						
Greater than 30%	273,640	71%	561,230	66%	993,674	59%
Greater than 50%	222,590	58%	407,645	48%	592,349	35%
Total Households	384,014		856,114		1,697,563	

Source: HUD, Comprehensive Housing Affordability Strategy (CHAS) special tabulations from Census 2000

- The lower the income, the greater the problems:** Not surprisingly, housing problems get worse as income levels fall. For example, among all households, 44 percent had identified housing problems while 79 and 78 percent of extremely low- and very low-income households had housing problems. According to 2000 Census data, 24 percent of all households are very low-income (50 percent of median income). This includes 36 percent of renter households.

Distribution of Total State Households by Very Low- and Low-Income Categories 2000 CHAS Data
Extremely Low Income Households
<ul style="list-style-type: none"> • 12% of all households are extremely low-income • 20 % of all renter households are extremely low-income
Very Low-Income Households
<ul style="list-style-type: none"> ▪ 24% of all households are very low-income ▪ 36% of renter households are very low-income
Low-Income Households
<ul style="list-style-type: none"> ▪ 40% of all households are low-income ▪ 56% of renter households are low-income

- *Very low-income, large family renters:* The category showing the highest percentage of housing problems was renters with large families (five or more persons) with household incomes of at or below 50 percent of area median income (extremely low- and very low-income). Among these families, 97 percent of extremely low-income households and 95 percent of very low-income households had housing problems.
- *Extremely Low-Income Households:* According to CHAS 2000 data, 20 percent of all renter households in California are extremely low income (ELI), making 30 percent or less of area median income. Of these ELI households, 81.9 percent experienced housing problems and 76.7 percent paid greater than 30 percent of their income towards housing costs. ELI housing needs require specific housing solutions such as deeper income targeting for subsidies, housing with supportive services, single-room occupancy (SRO's) and/or shared housing, and rent subsidies. The State has recognized this deeper affordability need by expanding the housing element update process through Government Code (GC) Section 65583(a) to require quantification and analysis of existing and projected housing needs of ELI households. ELI is a subset of the very low-income and is defined as 30 percent of area median and below.

Comprehensive Housing Affordability Strategy (CHAS) Data Housing Assistance Needs of Low and Moderate Income Households

Name of Jurisdiction: California		Source of Data: CHAS Data Book				Data Current as of: 2000 Census					
Household by Type, Income, & Housing Problem <i>ELI – Extremely Low income</i> <i>VL – Very Low income</i> <i>L – Low income</i> <i>M – Moderate income</i> <i>MFI - Median Family Income</i>	RENTERS					OWNERS					Total Households
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
Household Income <=50% MFI (ELI and VL)	344,660	646,560	335,000	486,800	1,813,020	411,249	210,095	114,040	120,730	856,114	2,669,134
Household Income <=30% MFI (ELI)	209,065	332,745	161,320	297,120	1,000,250	180,589	92,950	40,400	70,075	384,014	1,384,264
% with any housing problems	70.9	87.8	97	74.9	81.9	68.1	79.1	92.6	70.1	73.7	79.6
% Cost Burden >30%	68.6	81.5	85.6	72.2	76.7	67.6	75.9	80.9	68.8	71.3	75.2
% Cost Burden >50%	51.7	69.7	65.1	64.7	63.7	48.9	68.1	72.1	59.8	58	62.1
Household Income >30% to <=50% MFI (VL)	135,595	313,815	173,680	189,680	812,770	230,660	117,145	73,640	50,655	472,100	1,284,870
% with any housing problems	74.8	87.2	95.3	87.5	86.9	46.3	78.7	93.1	73.6	64.6	78.7
% Cost Burden >30%	71.7	77.3	63.2	84.7	75.1	46	74.7	77.9	72.6	60.9	69.9
% Cost Burden >50%	37.6	27.3	13.8	43.9	30	25.3	55	47.1	54.5	39.2	33.4
Household Income >50 to <=80% MFI (L)	102,155	410,305	200,510	288,425	1,001,395	314,849	271,170	163,865	91,565	841,449	1,842,844
% with any housing problems	58.5	63.2	87.2	59.9	66.6	30.9	70.4	86.2	67.5	58.4	62.8
% Cost Burden >30%	54.8	41.3	22.2	54.8	42.8	30.6	65.8	59.2	66.4	51.4	46.7
% Cost Burden >50%	15.6	4.9	1.7	9.6	6.7	14.1	29.7	16.9	34.9	22	13.7
Household Income >80% MFI (M)	146,954	908,040	259,900	822,215	2,137,109	932,389	2,556,075	736,380	623,820	4,848,664	6,985,773
% with any housing problems	22.1	24.1	66.3	14.6	25.4	14.1	23.7	46.3	29.8	26.1	25.9
% Cost Burden >30%	18.6	7.3	3.7	10.3	8.8	13.9	20.8	18.4	28.9	20.1	16.7
% Cost Burden >50%	4.4	0.5	0.2	0.8	0.8	3.5	3.3	2.4	5.7	3.5	2.7
Total Households	593,769	1,964,905	795,410	1,597,440	4,951,524	1,658,487	3,037,340	1,014,285	836,115	6,546,227	11,497,751
% with any housing problems	57.6	53.1	84.1	42.7	55.3	27.7	31.7	58	40	35.8	44.2
% Cost Burden >30	54.6	38.2	38	38.7	40.3	27.4	28.6	31.8	39	30.1	34.5
% Cost Burden >50	30.6	17.4	16.7	19.4	19.5	13.5	9.7	10.8	16.4	11.7	15

Source: Census 2000, Comprehensive Housing Affordability Strategy

Special Needs Populations

Special needs populations include some of the most vulnerable groups, including persons with alcohol or drug addiction, the physically and mentally disabled, the elderly, and persons with HIV/AIDS who require specific supportive services such as counseling, physical therapy, transportation services, medical treatment and assistance with routine daily living activities. The table below estimates the number of people in various special needs populations. Providing supportive services as part of housing services is one means of addressing the needs of the whole person instead of dealing with the need for shelter separately from the person's other needs. Where the person has multiple needs, not just a need for affordable and or accessible housing, this approach can be an excellent system for delivering needed services.

As indicated in the table below, the largest special needs group is children and youth followed by the elderly, and physically and mentally disabled populations. One strategy to alleviate the incidence of poverty among families with children is to provide for large family rental units to alleviate overcrowding as well as supportive services such as day care, community facilities and access to health services. Specific needs of the elderly and disabled populations, such as access to housing, health, and transportation services are integral to providing viable solutions.

Special Needs Populations		
Households in Need of Supportive Housing		
<i>Note: Information provided below reflects the most recently available data from a variety of sources</i>		
	Number	Percent of Population
Frail Elderly (> 65 years)	4,116,747 ^{ix}	11.2%
Severe Mental Illness	1,882,822 ^x	5.1%
Developmentally Disabled	661,620 ^{xi}	1.8%
Physically Disabled	1,863,570 ^{xii}	5.0%
Persons with Alcohol/Drug Addiction	168,670 ^{xiii}	0.5%
Persons with AIDS/ HIV	102,812 ^{xiv}	0.3%
Farmworkers	448,183 ^{xv}	1.2%
Women Experiencing Psychological or Physical Domestic Violence	861,184 ^{xvi}	2.3%
Children and Youth	9,372,950 ^{xvii}	25.5%
Emancipated Foster Youth	See page 27 for a description of Emancipated Foster Youth needs	
Homeless Individuals and Families	See page 28 for a detailed description of homeless needs	

An important part of promoting suitable living conditions for those with special needs is the provision of appropriate supportive services. As outlined in Appendix C, the State of California has an extensive ongoing system of social services administered by various State agencies and departments to provide institutional care, client-based community or residential services, and housing-based supportive services to those in need.

Frail Elderly

California’s elderly population is growing rapidly, and will increase over the next 30 years with the aging baby boomers. According to the US Census Bureau, in 2008 there were 4,116,747 people 65 and over.^{xviii} Figures outlined in the 2009-2013 California State Plan on Aging project a 128 percent increase from 6.4 million individuals aged 60 and above in 2010 to 14.6 million by 2050 - comprising 25 percent of California’s population. The Department of Aging has predicted that by 2010, there will be 628,276 Californians age 85 and over. By 2050, this number will reach 2.9 million, a 364 percent increase.^{xix} The 85 year and over group has a significantly higher rate of functional limitations.

The fit elderly are individuals over 65 years of age living independently at home or in sheltered accommodation. They are freely ambulant and without health problems and do not receive regular prescribed medication.

The frail elderly are generally categorized as individuals over 65 years of age dependent on others for activities of daily living, and often in institutional care. They are not independently mobile and may require regular prescribed drug therapy.

Statistics and predictions emphasize the urgent need for strengthening home- and community-based service infrastructure for the growing elderly population. In addition, elderly persons residing in rural areas often face geographic isolation and have a higher low-income percentage than other areas, thus increasing the need for services to address housing and service needs. The following chart outlines these and other difficulties faced by California’s elderly population.

California’s Aged 60+ Population	
	Percent
Below Poverty Level	10.4%
Medi-Cal Beneficiaries	15%
Poor or Near Poor (0-199% of poverty level)	29.5%
Percent with Any Disability	49.7%

Source: 2009-2013 California State Plan on Aging

Persons with Developmental Disabilities

Affordable and accessible housing is a cornerstone to individuals with developmental disabilities residing in their local communities. The term developmental disability refers to severe and chronic disability attributable to a mental or physical impairment, such as mental retardation, cerebral palsy, epilepsy, or autism that begins before individuals reach adulthood (Welfare and Institutions Code, Section 4512). The Department of Developmental Services (DDS) is the State agency responsible for assisting over 210,000 children and adults with developmental disabilities. DDS contracts with 12 nonprofit regional centers throughout California to coordinate and provide ongoing services and support in such areas as independent living, personal care, mobility, behavior and socialization (visit www.dds.ca.gov for more information).

To live in the least restrictive community settings, many individuals with developmental disabilities require deeply subsidized housing. However, as increasing numbers of individuals choose to live in the community, or move from large institutional settings, there exists a shortage of affordable and accessible housing to meet the needs of these individuals. As a result, individuals who might otherwise live independently in the community are often forced to live in more restrictive community care facilities and smaller institutional settings.

As one of its highest priorities, DDS actively pursues projects that will increase the capacity and construction of affordable and accessible housing in the least restrictive community settings.

Farmworkers

According to USDA's Census of Agriculture for 2007, California farm employment totaled 448,183 employees working on 29,661 operating farms. This represents a 16 percent decrease from the figures presented in the 2002 Census. Of the total for 2007, 57 percent worked less than 150 days annually reflecting the seasonal nature of the work. The following is a comparison of several county farmworker populations according to the 2007 Census of Agriculture.

California's 2007 Farmworker Population				
	Total Farms	Total Workers	Days Worked	
			150 +	< 150
California Statewide	29,661	448,183	191,438	256,745
Fresno County	2,825	52,727	14,873	37,854
Kern County	858	29,283	13,607	15,676
Riverside County	1,197	16,069	7,945	8,124
San Joaquin County	1,541	23,037	7,529	15,508
Tulare County	2,103	24,978	12,549	12,429

Source: USDA National Agricultural Statistics Service, 2007 Census of Agriculture

Approximately 50 percent of farmworkers are accompanied by a spouse, child, or parent. The median number of children in families of farmworker parents is two, but 40 percent of farmworker parents are reported to have between three to seven children in the household.^{xx} Farmworkers and their families cope with substandard housing conditions fraught with serious health and sanitation problems. To avoid harassment, they often live out of sight in undeveloped canyons, fields, squatter camps, and back houses.

Privately owned employee housing (licensed by the State of California) has been steadily diminishing. In 2000, employers owned 1,000 employee housing developments sheltering an estimated 23,000 farmworker households. In 2008, the year for which the most accurate totals are available, there were approximately 794 licensed employee housing developments with capacity for 19,818 farmworker households.

Persons Living with AIDS

A March 2008 research paper published by the National AIDS Housing Coalition states housing is increasingly identified as a strategic point of intervention to address HIV/AIDS and overlapping vulnerabilities associated with race and gender, extreme poverty, mental illness, chronic drug use, incarceration, and histories of exposure to trauma and violence, as well as homelessness. Housing assistance has been shown to decrease health disparities while reducing overall public expense and/or making better use of limited public resources.^{xxi}

The HOPWA Program provides tenant based rental assistance, emergency rental, utility and mortgage assistance, housing placement assistance, and supportive services to persons living with HIV/AIDS who are at risk of homelessness. This assistance, when coupled with the Ryan White Programs-funded supportive services, allows residents to remain in their homes. The prevention of homelessness is an essential component of the HOPWA Program, particularly with the advent of life-prolonging medications with rigorous protocols that are better served by stability in the person's living situation. HOPWA will work towards the prevention of homelessness through the strategies set forth in the HOPWA Annual Action Plan.

Lead-Based Paint Hazards

The Consumer Product Safety Commission banned the use of lead-based paint in housing in 1978. According to the National Safety Council, approximately 38 million US homes contain lead paint. Any housing built prior to 1979 is considered to be at risk of containing some amount of lead-based paint. Older housing is more likely to have lead-based paint and the amount of lead pigment in the paint tends to increase with the age of the housing. In particular, housing units constructed prior to 1950 have been found to have some of the highest levels of lead-based paint. The lead paint becomes a hazard when it is chewed, begins to peel, chip or flake, or turn to dust due to abrasion or the hazardous material becoming exposed and/or airborne.

According to 2000 Census data, California had a total of 8,071,841 housing units built prior to 1978, 25 percent of which were constructed prior to 1950. Of these, 4,420,232 (55 percent) are owner occupied and 3,651,609 (45 percent) are renter occupied.

As reported in HUD's "Comprehensive and Workable Plan for the Abatement of Lead-Based Paint in Privately Owned Structures" report to Congress, lead-based paint is widespread in housing. The revised estimate is that 64 million homes of privately owned housing units built before 1980, have lead-based paint somewhere in the building. Twelve million of these homes are occupied by families with children under the age of seven years old. An estimated 49 million privately owned homes have lead-based paint in their interiors.^{xxii}

Lead hazards can pose a risk for all people who are exposed; however, children under the age of six are most at risk. Lead interrupts the cognitive development that normally occurs in a child's early years causing a range of problems from Attention Deficit Disorder and loss of IQ points to coma and even death. In 2007, the California Department of Health Services (DHS) data indicated that approximately 3,250 children (aged 6 years or younger throughout the State were identified as having elevated blood lead levels.^{xxiii} Additional information on the needs of these families is included in the LEAD program narrative beginning on page 63.

According to the Centers for Disease Control and Prevention (CDC), about 1.6 percent of children living in the United States between the ages of one and five years have an unacceptably high level of lead in their blood (i.e., 10 micrograms or more of lead per deciliter of blood), which may result in learning disabilities, reduced intellectual ability, or other problems.^{xxiv} This rate of elevated blood-lead levels is much less than it was only a few years ago, between 1991 and 1994, when the CDC estimated that 4.4 percent of such children had elevated lead levels. The drop in blood-lead levels resulted, at least in part, from the success of federal programs aimed at reducing childhood exposure to house dust containing lead-based paint (LBP) from deteriorated or abraded surfaces of walls, door jambs, and window sashes. It is not necessary for a child to eat paint chips to become poisoned: normal hand-to-mouth behavior in a lead-contaminated home can deliver enough lead to damage the developing nervous system of a child under the age of seven years. Poor children are at special risk because inadequate nutrition increases lead absorption by the body.

Emancipated Foster Youth / Aging Out of Foster Care

Although foster care is intended to be temporary—while the social services agency assists the family toward reunification or moves toward another permanency option such as adoption or legal guardianship—approximately 20,000 foster youth "age out" of the system each year in the U.S.^{xxv} The terms "aging out" or "emancipated" are used to describe foster youth who are discharged from the foster care system when they attain a certain age.

In addition to the lack of familial support, former foster youth often have not received the same quality education as their peers due to frequent school changes; therefore, they are

much less likely to attend college and much more likely to be unemployed. Former foster youth who are employed upon emancipation lack the education and/or work experience to make much more than minimum wage.

Of the over 4,000 emancipated youth in California, an estimated 2,600 (65 percent) emancipate without a place to live. Existing housing programs for this population meet less than 10 percent of the need.^{xxvi} Transitional and permanent housing options are necessary for this subpopulation, along with rental assistance, to enable this group to afford housing while working on securing education, gainful employment, and other independent living skills.

Victims of Natural Disasters

Over the last several years, local communities in California have been hit hard by natural disasters, such as the 2008 wildfires that hit 15 counties throughout the State causing an estimated \$1.3 billion in damage, as well as the recent floods and mudslides in coastal California. These disasters destroy or severely damage both single family and multifamily housing, causing many individuals and families to lose their homes. The need for emergency housing, temporary relocation assistance/temporary rental assistance, housing rehabilitation assistance, and permanent replacement housing increases with natural disasters. Consequently, many communities turn to the Department to request use of our funds specifically in response to these kinds of natural disasters.

Homeless Needs and Planning

Ending Chronic Homelessness

The federal government has established a goal of ending chronic homelessness by 2012. As part of this effort, the Federal Interagency Council on Homelessness has been re-established to coordinate this effort among the 20 federal agencies serving the homeless. The definition of chronic and other types of homelessness has been established by HUD as follows:

Temporary Homelessness: Those that stay in the system for brief periods and do not return. This group consists of about 80 percent of the homeless population and, based on national research, they consume about 32 percent of the resources devoted to support the homeless.

Episodic Homelessness: Those that move in and out of the system on a fairly regular basis over time and consist of about 10 percent of the homeless. They consume approximately 18 percent of the resources devoted to the support of the homeless.

Chronic Homelessness: An unaccompanied individual with a disabling condition who has been homeless for a year or more, or those who have experienced at least four episodes

of homelessness within three years. This group represents about 10 percent of the homeless and consumes about 50 percent of the resources supporting the homeless.

According to the U.S. Department of Health and Human Services, chronic homelessness is associated with extreme poverty, poor job skills, lack of education, and serious health conditions such as mental illness and chemical dependency. The 2008 Annual Homeless Report to Congress reported approximately 157,277 homeless individuals living in California (.43 percent of the population) – meaning one out of every 230 people in California is homeless. This count only minimally estimates homelessness, due to difficulties in identifying and counting persons in unsheltered locations, but ranks California among the top four states with the largest concentration of homeless individuals and families.

With approximately 70 percent of California's homeless population unsheltered, California ranks the highest out of eight states where there are higher portions of homeless populations unsheltered than sheltered. As of 2008, 70 percent of the State's homeless population was unsheltered.^{xxvii} Approximately one-quarter of the homeless are families. In the 2008-09 school year, nearly 150,000 school-aged children experienced homelessness.^{xxviii} Rural counties experience homelessness more severe in some categories than in urban areas. Rural counties have much higher percentages of female homelessness and persons homeless due to domestic violence, higher number of persons homeless for longer than one year, and slightly higher unemployment rates when compared to urban areas. Although housing costs in rural areas are lower, wages are significantly lower as well. Many rural residents are at risk of becoming homeless because they cannot make sufficient income to meet housing costs. Elderly on small, fixed incomes and those with sporadic and seasonal employment, such as farmworkers, are particularly vulnerable to homelessness.^{xxix}

Continuums of Care

The Continuum of Care (CoC) is a set of three competitive programs based on the McKinney-Vento Homeless Assistance Act to address the problems of homelessness in a comprehensive manner in concert with other federal agencies. California has a total of 42 Continuum of Care Programs (See Appendix E for a listing of CoC Programs). All CoC programs in California are operated at the local level. CoC Plans describe the process of providing opportunities for persons who are homeless with a range of options to fit the specific housing and service needs of the client. The Department as a State agency does not operate a separate statewide CoC program in California.

To comply with HUD requirements to present information on the statewide homeless population, the Department compiled information available from local CoC plans. The tables, included as Appendix E, provide information obtained through surveys sent to local CoC providers, and outline the homeless subpopulation groups and gaps in housing and service availability based on upon most recent point-in-time surveys of homeless populations. These CoC plans are but one measure of the homeless population. The numbers listed in Appendix E reflect information as reported in these local CoC plans and

do not represent any statewide count, nor do they validate the need for services for the homeless population on a statewide level. There are no standardized methodologies for counting homeless populations and it is critical to note that the representation of the count of local CoCs presented in this Consolidated Plan does not constitute a statewide count of homeless persons nor homeless service providers.

It must also be noted that not all CoC plans were made available to the Department for inclusion in this plan; however the Department will continue to gather information as it becomes available for future reporting. As of February 2010, the state has 42 local CoC programs located in 40 (69 percent) of California's 58 counties. Of those 42 local programs, data from 35 programs are included in the population/subpopulation and housing gap analysis charts presented in Appendix E (a listing of CoCs which provided information in response to the Department's survey is also included in Appendix E).

While the 2008 Annual Homeless Report to Congress estimated a statewide homeless count of 157,277 (or roughly .43percent of the state population), these 35 local CoC programs estimate that in their respective jurisdictions, a total homeless population (including individuals and families) to be 125,006 in the counties they serve.

Of the surveyed homeless population, chronic substance abusers represent the largest subpopulation of homeless individuals, with a total of 37,484 persons (14,121 sheltered versus 23,363 unsheltered) among the reporting local CoC programs. Along with chronic substance abusers, severely mentally ill and veterans comprise the top two subpopulations with 24,849 and 15,082 persons respectively. Chronically homeless individuals represent the largest unsheltered subpopulation with a total of 24,131 individuals (about 20 percent of the total homeless population).

The housing gap analysis provided in Appendix E shows the inventory of available beds of local CoC programs in emergency shelters, transitional housing and permanent supportive housing units as of February 2010 compared to the estimated need in each of these categories for both individuals and families. The greatest need for both homeless individuals and families is in permanent supportive housing.

2009 Demographic Breakdown of California's Homeless Population*	
	Percent of Homeless Population
Chronically Homeless	26.0%
Mental Illness	24.7%
Disabling Condition	56.0%
Veteran	10.0%
Substance Abuse	27.4%
Homeless due to Domestic Violence	13.0%

Source: California's 2009 Homeless Count Summary, Housing California

**Total percentage is over 100 percent due to persons who fall into more than one demographic category*

Implementation of a plan is critical to ending chronic homelessness and alleviating the devastating impact of homelessness. However, as the needs of the chronically homeless are addressed, it is important not to lose focus on the needs of the broader homeless population and those who are at risk of homelessness. Addressing the chronically homeless and homelessness in general will require continued efforts by local, State and federal programs already serving homeless populations, directly or indirectly.

Housing First Model

The Housing First model emphasizes permanent, affordable housing as the most effective way to combat homelessness. The model differs from other approaches in its emphasis on immediate placement into supportive housing and then provision of services necessary to stabilize and keep the individual housed. The model is used for homeless families and individuals and the chronically homeless. Housing is not conditional on compliance with services. Participants must comply with a standard lease agreement and are provided with services necessary to help them do so. This approach reduces time spent homeless and prevents further episodes of homelessness. A central belief of the model is that social services can be more effective when people are in their own home.^{xxx} Other approaches requiring commitment to treatment result in many homeless individuals unable to succeed in the structured continuum approach, and others refuse to accept commitment to services along with housing. Housing First targets these two groups for direct or near direct placement into permanent housing.^{xxxi} Housing First has been endorsed by the Federal U.S. Interagency Council on Homelessness (USICH), the National Alliance to End Homelessness (NAEH), and by most cities that have implemented the model. A number of California jurisdictions have implemented Housing First over the Continuum model of stabilizing the individual through services before permanent housing placement, including San Diego, San Francisco, Los Angeles, Long Beach, San Jose, and Santa Clara.

Statewide Homeless Services

California has an extensive ongoing system of social service organizations that provide institutional care, client-based community or residential services, and housing-based supportive services, including significant mainstream programs and services to prevent homelessness. The State provides funding for homeless services under various programs including, for example, public education, workforce development, Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI), veteran services, unemployment compensation, workers compensation, foster care, and affordable rental housing. Some programs, such as TANF Homeless Assistance (HA) Program provide assistance to those at imminent risk of becoming homeless. The TANF HA Program also provides non-recurring cash assistance to families who are homeless.

California has received formula grants under the McKinney Projects for Assistance in Transition from Homelessness (PATH) Program administered by the Department of Mental Health (DMH). Each participating county is required to annually develop a service plan and budget. Eligible uses of the funds include housing services and supportive services in residential settings.

In addition, the Department continues to work cooperatively with DMH to develop policy and program guidelines that promote collaborative efforts in the area of supportive housing. The Department and DMH jointly manage the California Statewide Supportive Housing Initiative Act (SHIA), created in 1998 to develop affordable housing linked to accessible mental health, substance addiction, employment and other support services. The intent of this initiative is to provide the incentive and leverage for local governments, the nonprofit sector, and the private sector to invest resources that expand and strengthen supportive housing opportunities. A listing of additional statewide programs addressing homeless needs is included as Appendix C.

The California Healthcare Foundation and The California Endowment created the Frequent Users of Health Services Initiative (FUHSI) in 2002. FUHSI was a five-year, \$10 million project aimed to relieve pressure on overburdened systems and to promote more effective use of resources. Six pilot programs to test new models of care for Emergency Department “frequent users” were located in Alameda, Los Angeles, Sacramento, Santa Clara, Santa Cruz, and Tulare Counties. Frequent users are often chronically ill, under- or uninsured individuals who use emergency departments multiple times a year for medical crises that could be prevented with ongoing care. They often experience chronic illness, mental health and substance abuse disorders, and homelessness. Through grant making and intensive programming, the Initiative aimed to build a more responsive care system to decrease frequent users avoidable Emergency Department visits. The Initiative provided or connected frequent users to medical and behavioral health care, transportation, housing, and benefits, ultimately to relieve pressure on overburdened systems and to promote more effective use of resources. Evaluation results show that this multi-disciplinary coordinated care approach, including access to stable housing, can reduce Emergency Department visits and costs while improving the stability and quality of life for patients.^{xxxii}

California Ten Year Chronic Homelessness Action Plan

On August 31, 2005, Governor Schwarzenegger announced an initiative to end long-term homelessness in California by providing integrated permanent housing and services to the long-term homeless in partnership with local governments and the private sector by leveraging State funds for mental health services and housing available through Propositions 1C, 46, and 63. The Governor directed the Department, CalHFA, and DMH to develop an integrated joint funding package to finance permanent supportive housing for chronically homeless persons with severe mental illness. Residents of this housing will receive supportive services from county mental health departments, using Mental Health Services Act (MHSA) funds.

The California Ten Year Chronic Homelessness Action Plan adopted February 2010 outlines five principle goals: (1) establish as a statewide priority the prevention and significant reduction of chronic homelessness; (2) increase the supply of housing affordable for those who are chronically homeless or at-risk of chronic homelessness; (3) promote early identification of those at-risk of chronic homelessness and establish policies and programs to prevent its occurrence; (4) enhance the availability, accessibility and integration of support services needed by those who are at-risk or chronically homeless; and (5) Promote financial stability of the At-Risk and Chronically Homeless Population.^{xxxiii} The Action Plan includes strategies and action steps to successfully implement these goals in the effort to prevent homelessness and shorten the length of time spent homeless. A copy of the State's Ten Year Plan is available on the Department's website at http://www.hcd.ca.gov/Final_Ten_Year_Chronic_Homelessness_Action_Plan.pdf.

Other Efforts Addressing Homelessness

Statutory changes to State housing element law (Chapter 633, Statutes 2007) clarify and strengthen housing element law to promote certainty in zoning and approvals for emergency shelters and transitional and supportive housing. The law takes a fundamental and necessary step toward addressing the critical needs of homeless populations and persons with special needs throughout all communities in California. Generally, Chapter 633 amends housing element law in terms of planning (Government Code Section 65583) and approval (Government Code Section 65589.5) for emergency shelters and transitional and supportive housing as follows:

- At least one zone shall be identified to permit emergency shelters without a conditional use permit or other discretionary action.
- Sufficient capacity must be identified to accommodate each local government's needs for emergency shelters, including seasonal fluctuations, and at least one year-round emergency shelter.
- Existing or proposed permit procedures and development and management standards must be objective and encourage and facilitate the development of or conversion to emergency shelters.

- Emergency shelters shall only be subject to development and management standards that apply to residential or commercial within the same zone.
- Written and objective standards may be applied as specified in statute, including maximum number of beds, provision of onsite management, length of stay and security.
- Transitional and supportive housing shall be considered a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone.
- Denial of emergency shelters, transitional housing or supportive housing is limited by requiring specific findings.

Anti-Poverty Strategy

Based on the 2008 Census Estimates, California has the 21st highest poverty rate of all states including the District of Columbia. According to 2008 Census information, 13.3 percent of the statewide population and 18.5 percent of children in California live below the poverty line. This is higher than the national average of 13.2 percent of total population and 18.2 percent of children.^{xxxiv} Household types most affected by poverty include: female head-of-households, children, ethnic groups (particularly Hispanics and African Americans) and the elderly.

High unemployment also contributes to the growing number of persons living in poverty and places added demands on the Department's programs as well as upon many of the human service programs managed by other state agencies. In addition to the serious consequences for families and individuals, unemployment can severely impact a community. The ability to generate taxes and utility revenues and to incur debt is directly related to the resources that a community's citizens have. High numbers of unemployed persons form populations that hinder a community's ability to be self-sufficient.

The cost of energy represents a burden to the majority of low income households, particularly those on a fixed income. The price of energy used for home usage, particularly electricity and LP gas, has increased. Increases in the cost of energy, coupled with high unemployment and poverty rates and a dilapidated housing stock, has increased the demand for energy-related service. Inability to pay not only leads to shutoffs, but for many creates health concerns and forces families to abandon their homes.

The Department seeks to reduce the number of families and individuals living in poverty, thereby providing a better future for all Californians. This means (1) continuing to provide long-term solutions to the problems facing people in poverty and (2) targeting resources to those with the greatest need. The State has established several goals to reduce poverty among its population:

- Provide a range of services and activities through its federal and State programs that have a measurable impact on conditions of poverty and homelessness.

- Provide activities through its programs and services to assist low-income participants, including the elderly, to secure and retain employment, gain an adequate education, obtain and maintain affordable/accessible housing, obtain emergency assistance to meet immediate and urgent individual and family needs, including health services and remove obstacles blocking the achievement of self-sufficiency.
- Coordinate and collaborate linkages between governmental and other social service programs to assure the effective delivery of such services to low-income individuals.
- Encourage the private sector to become involved in efforts to alleviate poverty and homelessness.

Several State departments administer programs that directly respond to the needs of individuals/families in poverty. These programs, as outlined in Appendix C, are continually assessed to determine their effectiveness and appropriateness in meeting the needs and providing the resources they need to break the cycle of poverty. The goals of these programs are the acquisition of skills, knowledge, and motivation necessary for California's poor to become self-sufficient.

Other Statewide Issues

Impacts of Foreclosures and Subprime Lending

Throughout California, abandoned and foreclosed homes have had an adverse impact on various major metropolitan, suburban and rural areas to varying degrees. Specifically, many jurisdictions have been burdened with a correlated rise in blight, vandalism, illegal occupancy, code enforcement violations, and depressed land values as a result of abandoned and foreclosed homes and the declining housing market. Relaxed underwriting standards for mortgages that have variable interest rate resets have produced an increase in mortgage defaults and eventual foreclosures.

The current foreclosure crisis is affecting the entire housing market, including rental properties. Dependent on their landlord to inform them of a foreclosure, renters are most at risk of being evicted with little notice. With lower incomes and fewer resources, their options after an eviction are often limited. The National Low Income Housing Coalition estimates that 40 percent of the households who lose their homes because of foreclosure are renters.^{xxxv}

California has the nation's second highest foreclosure rate, with one foreclosure filing for every 187 households, according to the February 11, 2010 market report from RealtyTrac.^{xxxvi} Six California metro areas are among the top 10 US metro areas; Modesto at No. 3 (one in every 107 housing units); Stockton at No. 4 (one in 107); Riverside-San Bernardino-Ontario at No. 5 (one in 109); Merced at No. 6 (one in 109); Vallejo-Fairfield at No. 7 (one in 112); and Bakersfield at No. 8 (one in 118). California had a total of 632,573 properties with foreclosure filings, representing 22 of the 2,824,674 properties reported nationwide with foreclosure filings.^{xxxvii} In addition, a reported half

million Californians have sub-prime loans that will jump to higher rates within the next two years.

Foreclosure Filings CY 2009					
	Total Properties with Filings	% Housing Units	# of Housing Units per filing	%Change from 2008	% Change from 2007
United States	2,824,674	2.21	45	21.21	119.67
<u>California</u>	632,573	4.75	21	20.81	153.52
Merced	8,389	10.10	10	1.18	124.85
Riverside	69,855	9.25	11	12.96	134.21
San Joaquin	19,540	8.62	12	-7.51	84.22
Stanislaus	14,812	8.53	12	-0.48	101.09
San Bernardino	56,521	8.30	12	12.04	157.05

Source: RealtyTrac, January 2010

California's annual total is a 21 percent increase over the number of filings for 2008 and a 154 percent increase over the level reported for 2007. With one in every 21 housing units having received a foreclosure filing, California's rate of foreclosure is fourth in the nation. Compared to the rest of the U.S., California has had the highest number of foreclosure filings every month from 2007 through 2009.

Central California has the greatest regional foreclosure rate at 9.5 percent and is second in terms of number of foreclosures at 78,955. Within the Central Region, Merced County displayed the highest percentage of foreclosures, in the region and the entire State at 12.5 percent, followed by San Joaquin County at 11.6 percent, and Stanislaus County at 11.5 percent. These counties also have the highest unemployment rates in the region, and are among the highest in the State. All the counties in the balance of the Central region have an equal or lesser foreclosure rate of 9.5 percent.

Southern California, which encompasses the Counties of Imperial, San Bernardino, Riverside, Los Angeles, Santa Barbara, Ventura, San Diego and Orange, depicts the second highest foreclosure rate at 6.8 percent, the highest number of foreclosures at 243,709 units, and the greatest high-cost loan rate in the region and the entire State at 23.8 percent. The Counties of Imperial, San Bernardino, and Riverside are leading in terms of foreclosure rates at 10.6 percent, 9.4 percent and 9.0 percent, respectively. Los Angeles County has a slightly lower rate at 6.5 percent but has the highest number of foreclosures in the region at 88,606.

Northern California is third in the ranking of regional greatest need, with a slightly higher foreclosure rate than Southern California (6.9 percent versus 6.8 percent), but a considerably lower number of foreclosures at 43,540.

Northern California also ranks third in high-cost loan rates at 21.9 percent. Yuba, Sutter and Sacramento have foreclosure rates of 10.1 percent, 9.2 percent and 7.8 percent, respectively.

Public Health and Housing

Ensuring access to affordable, quality housing goes hand in hand with ensuring safe and healthy housing in California. Substandard housing conditions are more common among people of low socioeconomic status (SES) who suffer, in turn, a disproportionate burden of housing-related health conditions. The US Surgeon General's Call to Action for Healthy Homes promotes housing that is "developed, sited, constructed, maintained and rehabilitated in a manner that promotes the health of residents."^{xxxviii} According to the EPA Office of Radiation and Indoor Air, Americans spend 90 percent of their time indoors^{xxxix}.

The condition and location of homes is critical to improving the health and well-being of California residents. For example, asthma, allergies, and other respiratory conditions can be caused or exacerbated by exposure to mold, cockroaches and rodents, second-hand smoke, use of chemicals for residential construction, chemical cleaning products and toxic pesticides.^{xi} According to the California Department of Public Health, approximately 827,000 children and 2.1 million adults in California currently have asthma.^{xii} Among people in California who have active asthma (doctor-diagnosed asthma and self-reported symptoms in the past year), 20.1 percent of adults and 15.2 percent of children reported mold, cockroaches, mice or rats in their household in the previous 30 days.^{xiii}

Lead poisoning can create major developmental problems, especially for young children, and is often traced to exposure in the home. Risk related to the age of housing is well documented for lead exposure, with pre-1978 housing more likely to have lead-contaminated paint and pre-1990 housing more likely to have environmental contamination from leaded gasoline.^{xiiii} Analysis of environmental investigations performed at residences of California children with lead poisoning in 2000-2002 found that 66-85 percent of the residences had leaded paint and 32-72 percent had lead-contaminated soil.^{xlv}

Accidental injury in the home is a health concern as well. Many home-based accidents can be attributed to structural damage, such as deteriorating stairs and flooring. In addition to repairing structural issues, some falls in the home might be prevented with simple prevention measures such as installation of hand railings on staircases and hold bars in shower stalls. Smoking is a major cause of disease and injury risk in the home as well. Policies that restrict exposure to second-hand smoke in multi-unit housing can reduce disease risk for non-smokers, lower the risk of fires, and be cost-effective for property owners and managers in terms of turnover costs.^{xlv}

Attention to broader environmental concerns can positively impact the healthfulness of housing. Development of residential property near parks and sources of fresh healthy food promote healthy behaviors that reduce risks of diabetes, heart disease and other negative health impacts. Siting property in a manner cognizant of outdoor pollution

sources, such as freeways and agricultural pesticide use, can also have a positive impact on the health of residents. Use of green building standards will also promote the health of residents, as materials are less likely to produce toxic off-gassing. Energy-efficient homes can be built in a manner that makes them less vulnerable to mold, moisture intrusion and pest infestation while reducing their carbon footprint and the far downstream effects on population health.

The US Surgeon General's Office has produced recommended actions for implementing its *Call to Action for Healthy Homes*. To view this resource go to <http://www.surgeongeneral.gov/topics/healthyhomes/actions.pdf>

Support for Sustainable Development Patterns

For much of the last decade, California has been leading and expanding its efforts to promote more sustainable development patterns through support for regional planning, longer term planning for adequate housing, provision of financial incentives via rating and ranking criteria in HCD-administered programs, and inter-agency coordination of housing, transportation, and environmental programs and planning requirements. For example, HCD administered the State's Inter-regional Partnership Program (IRP) which funded the State's first regional blueprint plans addressing inter- and intra-regional development patterns, i.e., the Sacramento Area Council of Government's Regional Blueprint, Southern California Association of Government's Compass 2%, etc. (see www.hcd.ca.gov/hpd/irp/ for additional information). This program was succeeded in 2005 by the Regional Blueprint Program (RBP) (www.calblueprint.dot.ca.gov/) administered by Caltrans in collaboration with the Business, Transportation and Housing (BT&H) Agency, HCD, and the Governor's Office of Planning and Research, with additional involvement of other State agencies. The RBP has awarded a total of twenty million dollars to date in federal regional transportation planning funds to Metropolitan Planning Organizations (MPOs) and rural Regional Transportation Planning Agencies (RTPAs) for adoption and implementation of regional blueprint plans.

The Regional Blueprint planning process engages government entities and the public in articulating a vision for the long term future of their region, based on local values and priorities but informed by advanced GIS modeling and visualization tools and analysis of alternative growth scenarios. The Blueprint Program encourages local government officials to consider a regional context as they make local land use decisions and aids the transportation agencies in their capacity to more effectively integrate transportation and land use planning.

Pursuant to a recent California state law, Chapter 728, Statutes of 2008 (Senate Bill 375, Steinberg), subsequent updates of regional transportation plans (RTPs) by the State's 18 metropolitan planning organizations (MPOs) will be subject to increased integration with housing planning. SB 375 mandates regional targets to reduce greenhouse gas emissions, with final targets to be adopted in September 2010, for the MPO regions. Building upon regional blueprint planning experience, State law will require integration of the housing element law's regional housing needs allocation (RHNA) and RTPs updating

processes, prioritizing transportation funding for projects consistent with regional transportation plans, and streamlined or exempted environmental review incentive for qualifying transit priority affordable, compact, mixed-use projects.

The State's long-standing housing element law will continue to be a cornerstone for attaining more sustainable development patterns, with its requirements for zoning for minimum amounts of housing for all economic segments, planning for a mix of housing types at minimum density standards, including multifamily rental housing and energy conservation policies. Housing elements will continue to be reviewed by HCD for policies including promoting conservation, incentives for the building industry and residents, promoting green building and energy efficient building standards and practices, such as use of photovoltaic systems, water-efficient landscaping for water efficiency and shade, energy efficient irrigation systems, orientation and daylighting, and permeable paving materials.

As a member of subcommittees of the State's Climate Action Team on land use (LUSCAT) and green building, HCD has engaged in planning for measures to reduce greenhouse gas (GHG) emissions subject to the landmark California Global Warming Solutions Act of 2006, Chapter 488, Statutes of 2006 (AB 32, Nunez). The Department is incorporating GHG reduction provisions within its core functions through development and ongoing revision of green building standards developed by HCD and adopted by the Building Standards Commission and through eligibility and rating and ranking criteria for the loans and grants the Department awards for projects that have adopted housing elements in compliance with State law and include advantageous features, (e.g. energy conservation, proximity to services and transit, infill and compact developments), to foster competitive advantage for jurisdictions and/or projects that incorporate such sustainable development objectives.

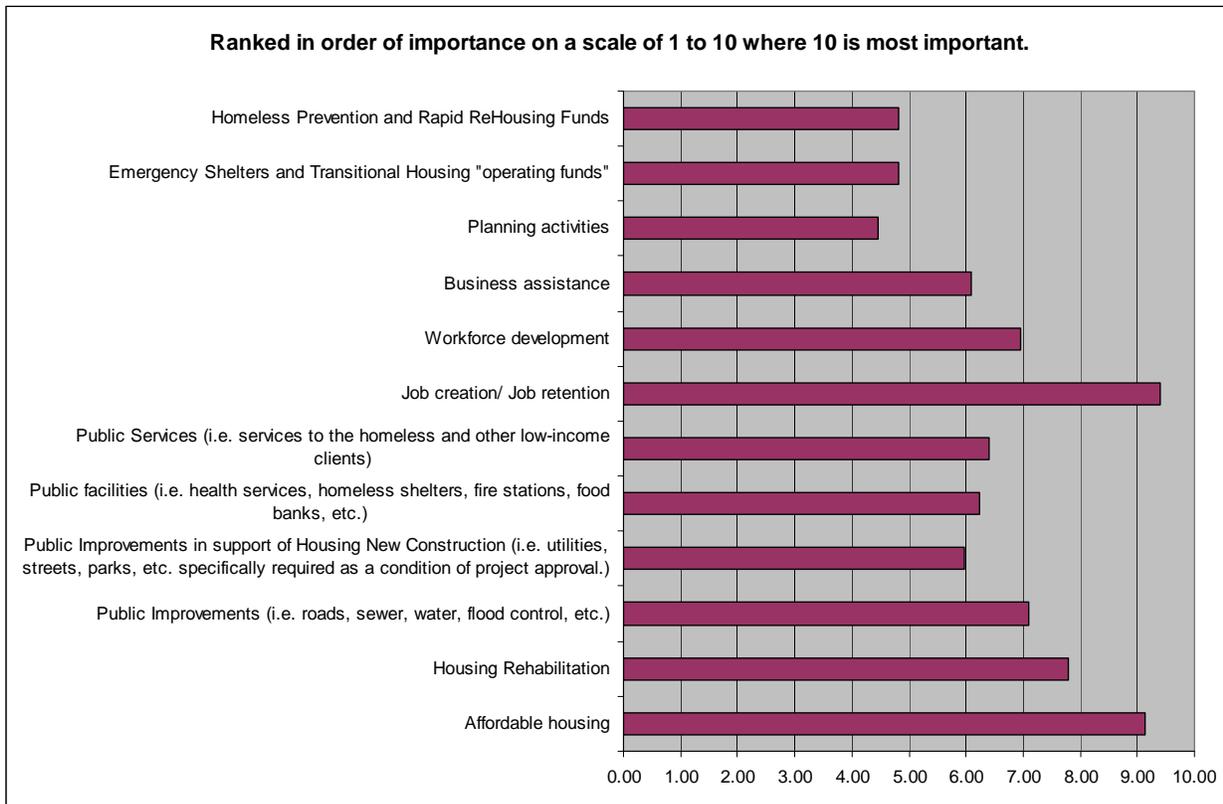
The 2010 State of California Community Needs Survey asked its 415 respondents to rank which activities would be most effective in promoting sustainability and addressing climate change. Providing financial assistance for low-income households to offset costs of weatherization improvements; promoting or establishing mixed-use zoning; and targeting local funds to assist affordable housing developers incorporate energy efficient design and features, were ranked as most effective.

Non-Housing Community Development Needs

This Consolidated Plan estimates the non-housing community development needs by using the results of the 2010 HCD Community Needs Survey. This survey, conducted during January of 2010, was sent directly to all past program grantees and eligible jurisdictions of the CDBG, HOME, ESG, and HOPWA programs as well as community organizations, service providers and local advocacy groups working within non-entitlement jurisdictions. Four hundred and fifteen survey responses were received. For the purposes of the analysis of non-housing community development needs detailed below, only data collected from 200 local government respondents was considered.

The Community Needs Survey asked local government respondents to rank the relative importance of 12 housing and community needs, including housing and public services/facilities, for their relative importance against all other activities.

**CHART 1
Relative Importance of Community Development Needs**

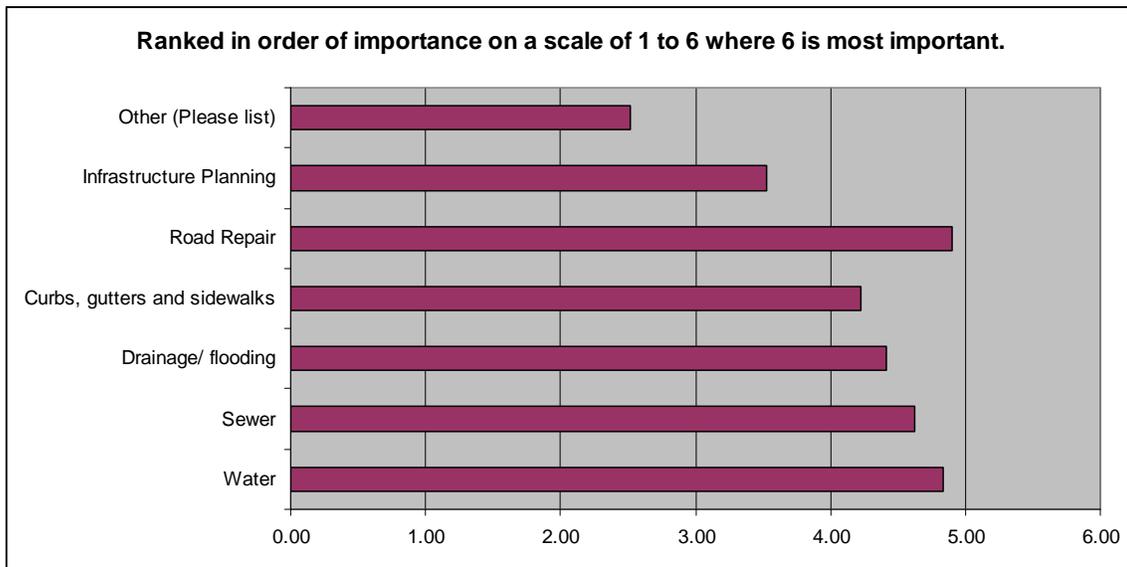


Survey results were also analyzed for non-housing community development needs in the following general categories: public works/infrastructure; public facilities and public services; and economic development. Survey respondents ranked the relative importance of the activities within the general categories as well as their overall need in their community. Please see Charts Two through Five below for respondent rankings.

Seventy five percent of respondents ranked the severity of infrastructure needs in their communities as significant or severe. Only 23 percent found a minor need for infrastructure improvements. Of the infrastructure needs specified in the survey, respondents identified improvements to roads, water, and sewer systems as most important.

In addition to the activities described in Chart 2, respondents also identified a need for street lights, traffic signs, public transportation, ADA compliance improvements, internet access and parks.

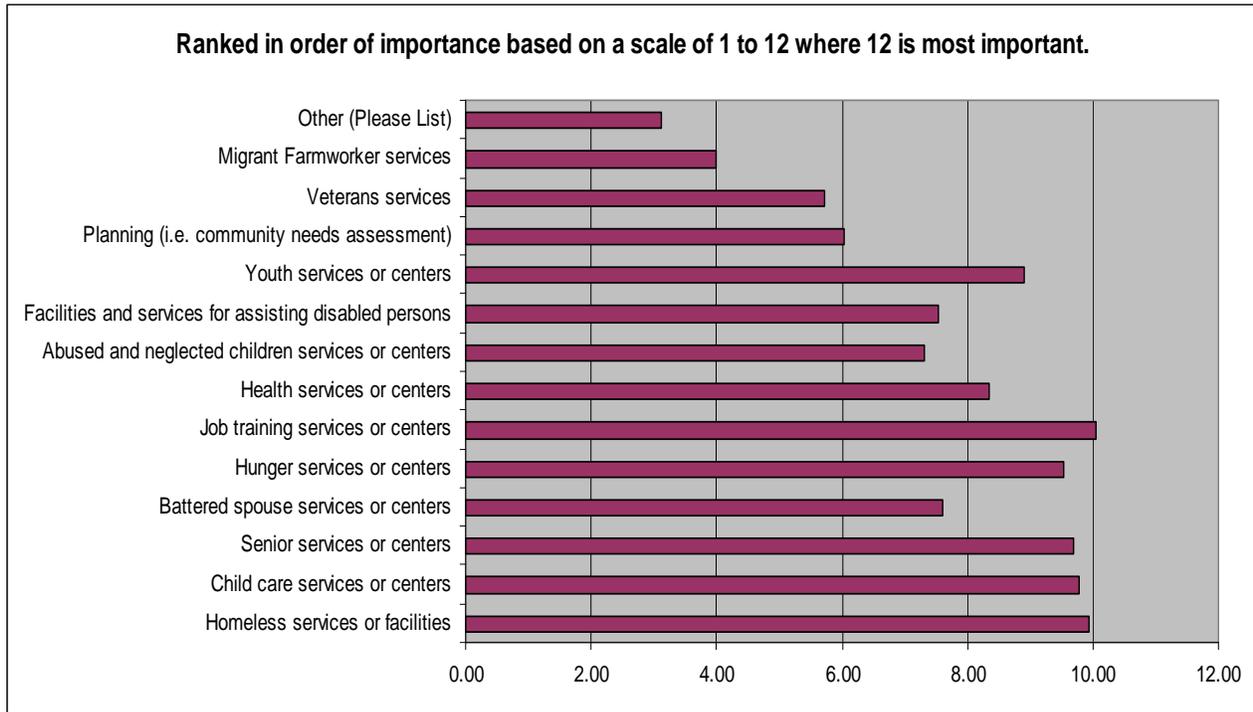
**CHART 2
Infrastructure Development Needs**



Sixty-two percent of respondents ranked the need for expanded public services and facilities to serve low-income households in their jurisdiction as significant. Eighteen percent ranked these needs as severe. Fourteen percent identified these needs as minor.

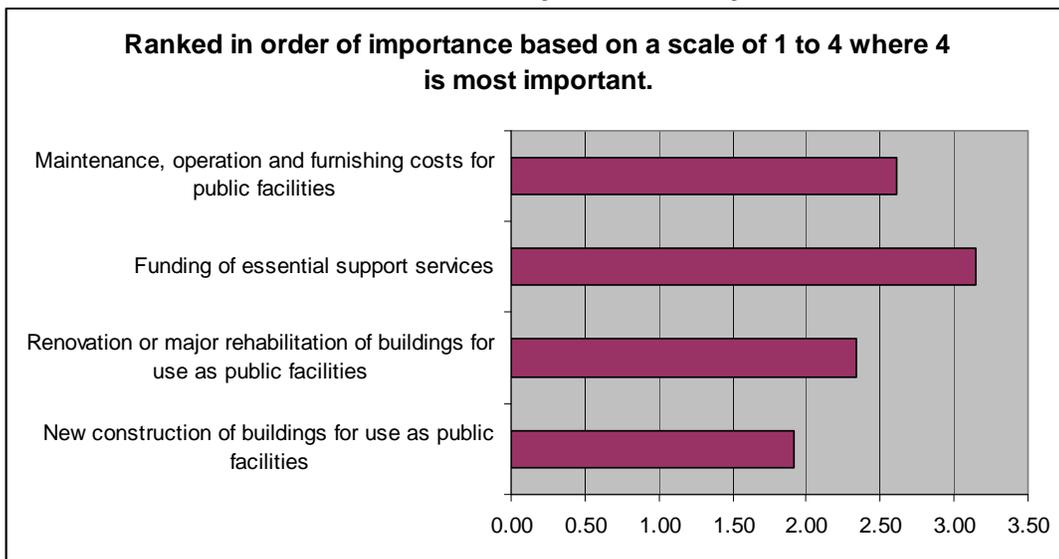
Of the 13 types of public services specified in the survey (homeless, child care, senior, battered spouses, hunger, job training, health, abused and neglected children, disabled persons, youth services, planning, veterans, and migrant farmworker), respondents identified services and facilities for job training, homeless, child care, hunger and senior services or centers as the most important public service needs in their communities.

**CHART 3
Public Service and Facility Assistance Needs**



While responses above indicate the types the services most needed within eligible communities, Chart 4 indicates funding of essential support services as the greatest need compared to funds for maintenance, improvement, or new construction of public facility capital improvements. Sixty percent of respondents ranked the funding of essential support services as most important, followed by maintenance, operation, and furnishing costs for public facilities.

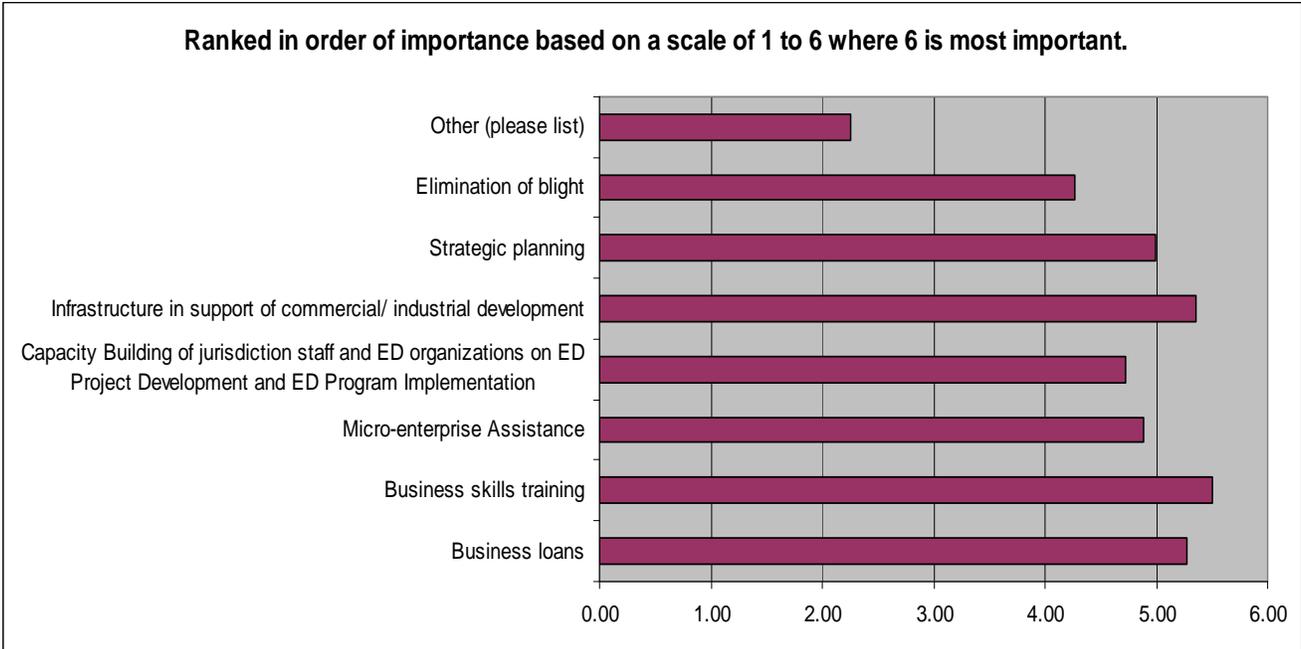
**CHART 4
Public Service Facility and Activity Needs**



Fourty three percent of respondents ranked the need to create or retain jobs for low-income persons and provide business assistance in their community as severe. Another 47 percent ranked these needs as significant. Only eight percent of the respondents identified these needs as minor.

Business skills training, infrastructure in support of commercial/ industrial development, and business loans were identified by respondents as the greatest economic development need in their communities. Micro-enterprise assistance and strategic planning were also identified as relatively important. In addition to the activities described in Chart 5, respondents also identified a need for promoting business development, economic development in support of entry level jobs, and low level job training programs.

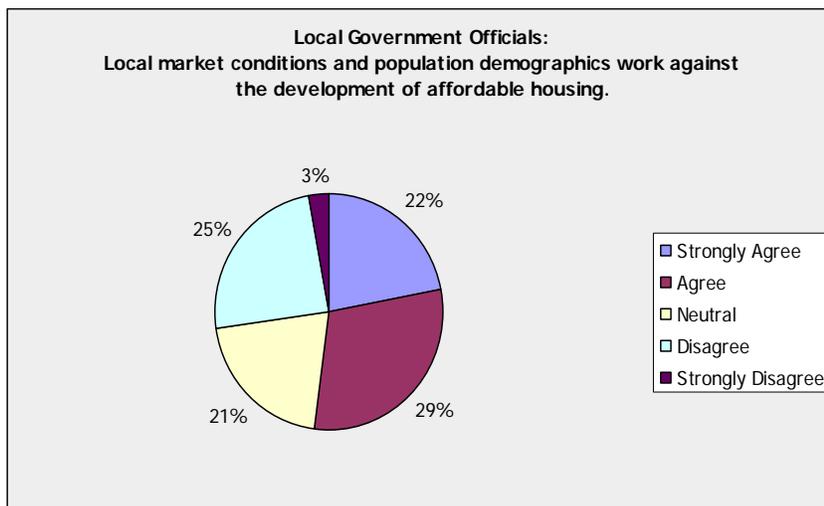
**CHART 5
Economic Development Assistance Needs**



Strategies to Overcome Barriers to Affordable Housing

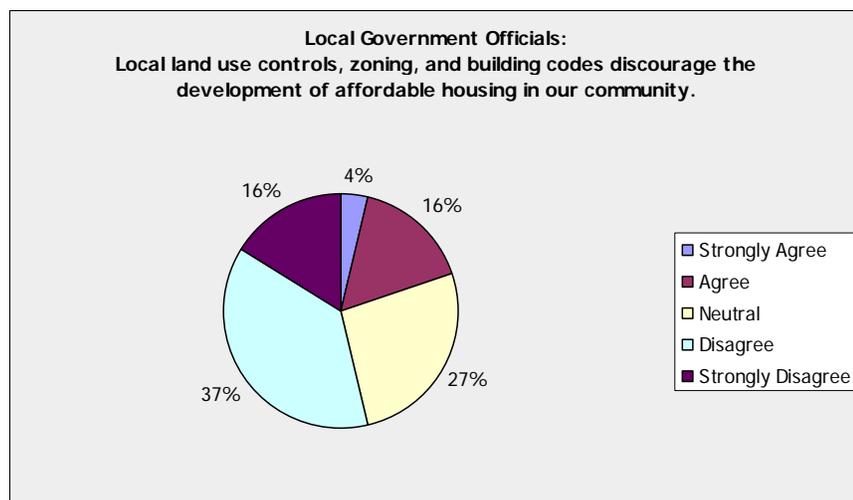
The Cranston Gonzales Affordable Housing Act, which guides Federal and State housing policy, recognizes that the best awareness and understanding of housing needs is found at the local level. While the Department concurs that localities should implement specific regulatory reforms related to affordable housing, it is incumbent upon the State to continue to explore avenues for promoting affordable housing that aid those at the local level.

The Department’s Community Needs Survey asked all 415 respondents representing both local governments and Community organization/Advocates to assess the needs of communities to formulate strategies to respond to local barriers to affordable housing.

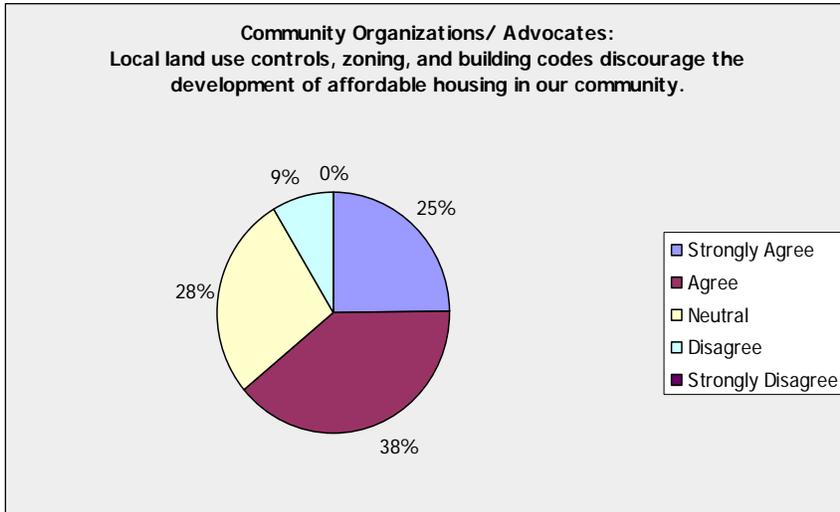


One question asked if local market conditions work against the development of affordable housing. Over 50 percent of local government respondents and 72 percent of Community organization/Advocate respondents strongly agreed or agreed with the statement.

In addition, respondents were asked if local land-use controls, zoning and/or building codes worked to discourage the growth of affordable housing. Of the 200 local government responses, 20 percent strongly agreed or agreed.



However, of the 189 Community organization/Advocate responses, 63 percent either strongly agreed or agreed that local land use controls, zoning, and building codes discouraged the development of affordable housing in their communities.



It is clear from the variety in responses of local government officials and community organizations (including local developers of affordable housing and their advocates), that local land use controls represent a potential constraint to the development of housing affordable to lower-income households.

Respondents were also asked to evaluate the extent NIMBYism (Not in My Backyard) is an obstacle to the development of affordable housing in their communities. An overwhelming percentage of both local governments and community organizations/advocates view NIMBYism as a significant obstacle with 62 percent of local government respondents and 86 percent of Community organization/advocate respondents either strongly agreeing or agreeing with the statement.

State Housing Element Law

The State mandates local governments (Government Code Section 65580) to address housing needs, including the needs of lower-income households, by requiring all cities and counties to have a housing element in their general plan to guide residential development and direct public investments. The housing element has many similar requirements to the federally-mandated Consolidated Plan in that it requires a thorough assessment of housing needs and the adoption of a comprehensive five-year program to address those needs.

State law requires each city and county to adopt a general plan containing at least seven mandatory elements including housing. Unlike the other general plan elements, the housing element, required to be updated every five to six years, is subject to detailed statutory requirements and mandatory review by the Department. Housing elements have been mandatory portions of local general plans since 1969. This reflects the statutory recognition that housing is a matter of statewide importance, and that cooperation between government and the private sector is critical to attainment of the State's housing goals. The availability of an adequate supply of housing affordable to workers, families, and seniors is critical to the State's long-term economic competitiveness and the quality of life for all Californians.

Housing element law requires local governments to adequately plan to meet their existing and projected housing needs including their share of the regional housing need. Housing element law is the State's primary market-based strategy to increase housing supply, affordability and choice. The law recognizes that in order for the private sector to adequately address housing needs and demand, local governments must adopt land-use plans and regulatory schemes that provide opportunities for, and do not unduly constrain, housing development. Cities and counties are required by housing element law to have land-use plans and regulatory policies which facilitate the development of a range of housing types to meet the needs of all income groups. The housing element, which must be developed with public input and participation, serves as the basis for land-use and assistance programs to address local, regional, and state housing needs.

The housing element process begins with the Department allocating a region's share of the statewide housing need to the appropriate Councils of Governments (COG) based on Department of Finance population projections and regional population forecasts used in preparing regional transportation plans. The COG develops a Regional Housing Need Plan (RHNP) allocating the region's share of the statewide need to the cities and counties within the region. The RHNP is required to promote the following objectives:

- (1) Increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner;
- (2) Promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns; and
- (3) Promote an improved intraregional relationship between jobs and housing.

Housing element law recognizes the most critical decisions regarding housing development occur at the local level within the context of the periodically updated general plan. The housing element component of the general plan requires local governments to balance the need for growth, including the need for additional housing, against other competing local interests. Housing element law promotes the State's interest in encouraging open markets and providing opportunities for the private sector to address the State's housing demand, while leaving the ultimate decision about how and where to plan for growth at the regional and local levels. While land-use planning is fundamentally a local issue, the availability of housing is a matter of statewide importance. Housing element law and the RHNP process requires local governments to be accountable for ensuring that projected housing needs for all income levels can be accommodated. The process maintains local control over where and what type of development should occur in local communities while providing the opportunity for the private sector to meet market demand.

In general, a housing element must at least include the following components:

- Housing Needs Assessment: The number of households overpaying for housing, living in overcrowded conditions, or with special housing needs (e.g., the elderly, large

families, homeless), the number of housing units in need of repair, and assisted affordable units at-risk of converting to market-rate. The Assessment should also include the city or county's share of the regional housing need as established in the RHNP prepared by the COG. The allocation establishes the number of new units needed, by income category, to accommodate expected population growth over the planning period of the housing element. The RHNP provides a benchmark for evaluating the adequacy of local zoning and regulatory actions to ensure each local government is providing sufficient appropriately designated land and opportunities for housing development to address population growth and job generation.

- **Sites Inventory and Analysis:** The element must include a detailed land inventory and analysis including a site specific inventory listing properties, zoning and general plan designation, size and existing uses; a general analysis of environmental constraints and the availability of infrastructure, and evaluation of the suitability, availability and realistic development capacity of sites to accommodate the jurisdiction's share of the regional housing need by income level. If the analysis does not demonstrate adequate sites, appropriately zoned to meet the jurisdictions share of the regional housing need, by income level, the element must include a program to provide the needed sites including providing zoning that allows owner-occupied and rental multifamily uses "by-right" with minimum densities and development standards that allow at least 16 units per site for sites.
- **Analysis of Constraints on Housing:** Includes land-use controls, fees and exactions, on- and off-site improvement requirements, building codes and their enforcement, permit and processing procedures, and potential constraints on the development or improvement of housing for persons with disabilities.
- **Housing Programs:** Programs are required to identify adequate sites to accommodate the locality's share of the regional housing need; assist in the development of housing for extremely low, lower- and moderate-income households; remove or mitigate governmental constraints; conserve and improve the existing affordable housing stock; promote equal housing opportunity; and preserve the at-risk units identified.

To assist local governments in conducting complete and appropriate analysis of existing land-use controls, zoning and building codes, the State has developed an on-line technical assistance website, the Building Blocks for Effective Housing Elements (http://www.hcd.ca.gov/hpd/housing_element2/index.php).

In addition, HCD works very closely with its grantees for CDBG, HOME and ESG funds to ensure barriers to fair housing are addressed. Further information on the specific requirements under each of these programs are included in each program section beginning on page 74 of the Annual Action Plan.

Ongoing efforts to Overcome Barriers to Affordable Housing

The Department will continue to participate in meetings with other State departments, professional associations, including the Council of State Community Agencies, the California Rural Housing Coalition, the National Association of Housing and Redevelopment Officials, the Association of California Redevelopment Agencies, the California Association for Micro-Enterprise Opportunity, the California Association for Local Economic Development and a host of other organizations that have an interest in the State's implementation of HUD-funded programs and efforts to identify and remove barriers to the development of housing affordable to lower-income families and workers. These efforts promote program commonalities, maximize resources, integrate eligibility requirements where possible, share "best practices" and promote collaboration efforts at the local level.

Furthering Fair Housing

The State of California is dedicated to the objective of promoting fair housing choice in an affirmative manner. As the lead agency for the administration of HUD's formula block grant programs, the Department's major role is in the coordination, outreach and oversight of fair housing activities by local governments and grantees.

The federal Fair Housing Act prohibits discrimination in housing practices on the basis of race, color, religion, sex, and national origin. In 1988, the Fair Housing Act was amended to provide protections from discrimination in any aspect of the sale or rental of housing for families with children and persons with disabilities. The Act also establishes requirements for the design and construction of new rental or for sale multifamily housing to ensure a minimum level of accessibility for persons with disabilities.

California Government Code Section 12955 et seq. (The Fair Employment and Housing Act) prohibits all housing providers, including local governments, from discriminating in housing development and all actions related to the provision of housing based on race, color, national origin, ancestry, sex, sexual orientation, religion, mental and physical disability, marital status, familial status, source of income and age.

Additionally, Government Code Section 12955 subdivision (l), specifically prohibits discrimination through public or private land use practices, decisions and authorizations. Discrimination in this regard includes, but is not limited, to restrictive covenants, zoning laws, denials of use permits and other actions authorized under the Planning and Zoning Law (Title 7, commencing with Section 65000), that make housing opportunities unavailable. Government Code Section 12955.8 prohibits land use policies and practices that have a disproportionate impact on persons protected by the fair housing laws unless they are necessary to achieve an important purpose sufficiently compelling to override the discriminatory effect and there is not less restrictive means to achieve the purpose.

Government Code Section 65008 prohibits localities from denying the enjoyment of residence, land ownership, tenancy, or any other land use because of religious beliefs or ethnic origins. It also prohibits localities from preventing or discriminating against any residential development or emergency shelter because of the method of financing or the race, sex, color, religion, national origin, ancestry, lawful occupation, or age of the owners or intended occupants.

To promote predictability for the development of housing affordable to lower- and moderate-income households, the Housing Accountability Act (Government Code Section 65589.5) prohibits a jurisdiction from disapproving a housing development project, including housing for farmworkers and for very low, low, or moderate-income households, or conditioning approval in a manner that renders the project infeasible for development for the use of very low, low, or moderate-income households, including through the use of design review standards, unless it makes at least one of five specific written findings based on substantial evidence in the record (Government Code Section 65589.5).

Pursuant to the Housing Accountability Act, a local government is prohibited from making the finding regarding zoning and general plan inconsistency (Section 65589.5(d)(5)) to disapprove a development if the jurisdiction identified the site in its general plan (e.g., housing or land-use element) as appropriate for residential use at the density proposed or failed to identify adequate sites to accommodate its share of the regional housing need for all income groups.

In addition, Chapter 671, Statutes of 2001 (SB 520) requires all localities, under State housing element law, to include as part of a governmental constraints analysis, an analysis of potential and actual constraints upon the development, maintenance and improvement of housing for persons with disabilities and demonstrate local efforts to remove any identified constraints that hinder the locality from meeting the need for housing for persons with disabilities. The element must also include programs that remove the constraints or provide reasonable accommodations for housing developed for persons with disabilities.

State housing element law also requires local governments to include programs to promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability (Government Code Section 65583(c)(5)).

Each local government's housing element should identify program strategies that support and implement State and federal fair housing laws. Such strategies include consultation with fair housing and counseling organizations in the community to document the incidence of housing discrimination and evaluation of the availability of services.

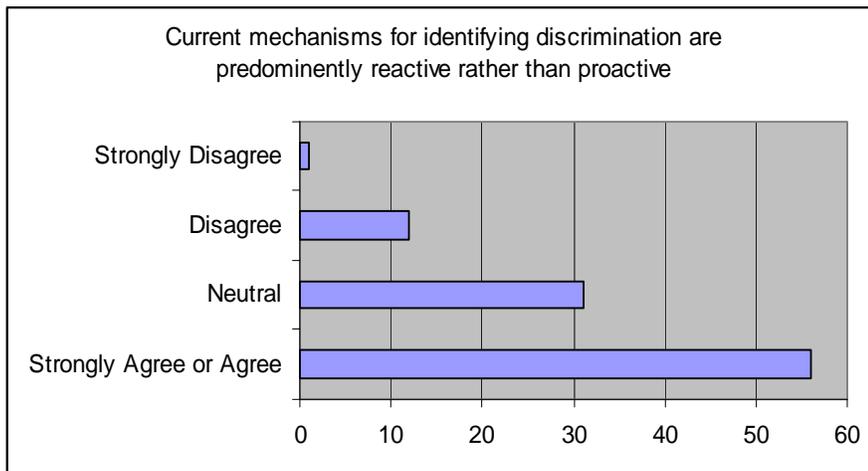
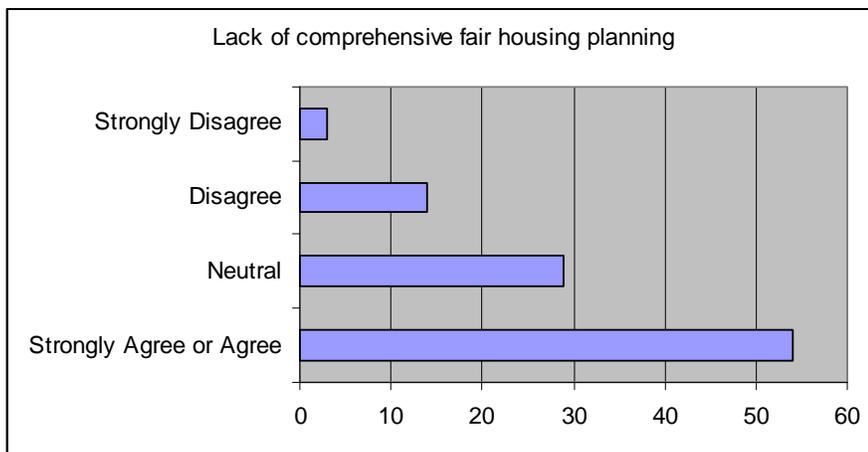
Specifically, a local equal housing opportunity program must provide a means for the resolution of local housing discrimination complaints and should include a program to disseminate fair housing information and information about resources throughout the community. The local program must involve the dissemination of information on fair housing laws, and provide for referrals to appropriate investigative or enforcement agencies. Where appropriate, communities should distribute fair housing information in languages other than English. Sites for display of fair housing information include buses, community and senior centers, local social service offices, and other public locations including civic centers or county administrative offices.

The element must also address any zoning or other land-use laws or practices that either expressly discriminate against a group protected by the fair housing laws or have the effect of discriminating against a protected group (pursuant to Government Code Section 12955.8).

Results of local efforts to remove barriers and further fair housing issues are shown below, compiled through HCD's 2010 Community Needs Survey for responding non-entitlement jurisdictions:

Actions to Remove Barriers and Promote Fair Housing Laws	Percentage of Respondents confirming implementation of action
Adopted a formal process for individuals with disabilities to make requests for reasonable accommodation	61 percent
Zoning laws, policies and practices comply with fair housing laws including ADA compliance and retrofit efforts	86 percent
Adopted universal design standards	57 percent
Provide for reduction in residential parking requirements for persons with disabilities and special needs populations when a reduced need for parking is demonstrated	41 percent
Provide for a broad definition of family to allow for occupancy standards specific to unrelated adults	69 percent

In addition, community organization and local advocate respondents identified that the following potential impediments to fair housing choices are present within the communities their serve:



Analysis of Impediments

The primary function of the Analysis of Impediments to Fair Housing Choice (AI) is to describe California's existing fair housing conditions and how State, local, private, and federal resources will be used to address the identified needs.

The Department is in compliance with applicable HUD regulations and conducts the AI as a requirement to receiving federal funds.

The Department has completed an analysis on impediments to fair housing. Through this analysis the State has identified the following four impediments to fair housing and continues to take appropriate actions to overcome their effects. Additional detail on the State's actions is included in Appendix H.

Identified Impediments to Fair Housing	
Impediment 1	Continued differential treatment of minorities, families with children, and handicapped persons when seeking housing and loans for home purchase
Impediment 2	Lack of affordable housing
Impediment 3	Difficulty obtaining homeowners' insurance for residents of inner cities, regions with earthquake faults, regions with fire hazards, and remote rural areas
Impediment 4	Local regulatory barriers including zoning and NIMBYism hinder the development of affordable housing, multifamily housing, homeless shelters and residential care facilities

Resources Available for Fair Housing Issues

Laws enforced by the Department of Fair Employment and Housing (DFEH) protect individuals and families from illegal discrimination and harassment in housing based on race, color, religion, sex (gender), sexual orientation, marital status, national origin, familial status, source of income, disability, medical condition and age. The DFEH received 1,131 housing-related complaints in 2008. The three greatest areas of complaints included physical or mental disability (41 percent of all complaints), race/ethnicity (19 percent) and familial status (14 percent).

DFEH enforces the Fair Employment and Housing Act (FEHA), the Ralph Civil Rights Act and the Unruh Civil Rights Act by Investigating harassment, discrimination, and hate violence complaints by:

- Helping landlords and tenants resolve complaints involving alleged violations of the laws enforced by DFEH
- Prosecuting violations of the laws enforced by DFEH
- Educating Californians about the laws against discrimination, harassment, and hate violence

Common violations of the FEHA based on the categories listed above include:

- Refusal to rent, lease, or sell housing
- Sexual harassment involving unwanted sexual advances or requiring sexual favors for housing rights or privileges
- Discriminatory policies that result in unequal access to housing or housing services
- Creating property documents, such as deeds and CC&Rs, that contain restrictive covenants limiting sale, rental, or use
- Denial of a home loan or homeowner's insurance
- Failure to provide reasonable accommodation in housing rules, policies, practices, or procedures where necessary to accommodate a disability
- Refusal to permit reasonable modification, at the tenant's expense, when necessary to accommodate a disability. It is also illegal for cities, counties, or other local government agencies to make zoning or land-use decisions or policies that unlawfully discriminate based on the categories listed above.

Additional information on DFEH programs and services is available on their website at <http://www.dfeh.ca.gov>.

The State Department of Consumer Affairs (DCA) also provides information and referrals for complaints regarding landlord/tenant relationships, including repair issues, safety violations, and Health and Safety Code violations. Additional information is available at <http://www.dca.ca.gov/legal/landlordbook/index.html>.

The Department's Mobile Home Ombudsman can help with questions or complaints pertaining to mobilehomes, including health and safety issues, maintenance issues, and warranty issues. Further information is available on the Department's website at www.hcd.ca.gov.

Ongoing State Fair Housing Efforts

The State will continue to act as an information resource for communities facing these and other barriers and to assist localities in overcoming unnecessary regulatory barriers which may increase the cost of housing through the following actions:

- As part of HUD's initiative to reduce regulatory barriers, the Department has completed the Regulatory Relief Questionnaire and made it available to housing authorities, nonprofit organizations and other qualified applicants applying for funds for projects located in unincorporated areas. A copy has been included as Appendix G and is also available on the Department's website at <http://www.hcd.ca.gov/hpd/hrc/rep/fed/hudpartbhcd.pdf>.
- The Building Equity and Growth in Neighborhoods Program (BEGIN) works to reduce regulatory barriers to affordable ownership housing and provides downpayment assistance loans to qualifying first-time low- and moderate-income buyers of homes in BEGIN projects.
- Continue to provide technical assistance and resources to local governments and other organizations on the importance and need for affordable housing and strategies of overcome NIMBYism.
- Update and expand technical assistance materials available on the Department's Building Blocks for Effective Housing Element website

Performance Measures

In accordance with the Final Rule (FR-4970-N-02) published by HUD on March 7, 2006 on the Outcome Performance Measurement System for community planning and development formula grant programs, the State began collecting information on the activities and indicators as outlined in the previous Consolidated Plan (ConPlan) during FY 2006-07. Additional information is in the program narratives in the AP part of this plan.

Monitoring Procedures

Monitoring is discussed in the individual program sections in the AP part of this plan.

Annual Plan 2010-2011

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Summary

This 2010-11 Annual Plan (AP) is the first annual supplement to the new State of California 2010-2015 Consolidated Plan (ConPlan; see earlier in this document), which outlines the State's current housing and community development needs, and sets the State's priorities and strategies to address these needs using federal community development funds from the U.S. Department of Housing and Urban Development (HUD), and from other federal and State sources.

Within the context of the ConPlan, This initial Annual Plan (AP) and four subsequent AP Updates will describe HUD funding levels for each fiscal year, State and other resources available for the year, program operation schedules, the year's goals and planned operations, and the performance measures to determine degrees of success.

1. Ongoing Programs

The ConPlan and the APs are prerequisites for receipt of the State's allocation of HUD funds for the following programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- Federal Emergency Shelter Grant (ESG)
- Housing Opportunities for Persons Living with AIDS (HOPWA)
- Lead-Based Paint Hazard Control Program (LHCP)

These five programs have existed for a number of years, and are expected to continue until altered or ended by federal action. CDBG, HOME and ESG are administered by the California Department of Housing and Community Development (the Department, or HCD). HOPWA is administered by the California Department of Public Health (CDPH), and LHCP is administered by the California Department of Community Services and Development (CSD). These programs are described in more detail in following sections of this plan.

2. Stimulus Programs

In addition to the five ongoing programs listed above, this AP includes information on several federal economic stimulus programs enacted in 2008 and 2009. Some of these are already essentially completed, and others are expected to complete their awards and terminate in 2010 or 2011:

- CDBG-Recovery Program (CDBG-R; administered by HCD)
- Disaster Recovery Initiative (DRI; by HCD; technically, not a stimulus program)
- Neighborhood Stabilization Program (NSP 1; by HCD)

- Homelessness Prevention and Rapid Re-Housing Program (HPRP; by HCD)
- Tax Credit Assistance Program (TCAP; administered by the Tax Credit Allocation Committee (TCAC) in the office of the State Treasurer)

NSP 1 was created by the federal Housing and Economic Recovery Act of 2008 (HERA). CDBG-R, HPRP and TCAP were created by the American Recovery and Reinvestment Act of 2009 (ARRA). DRI is a separate federal enactment and appropriation to assist recovery and relief efforts related to specific recent natural disasters in 11 states. The four programs administered by HCD are discussed later in this AP.

TCAP, administered by the State Treasurer, is not discussed in detail in this plan. For more information, please contact the Tax Credit Allocation Committee (TCAC) in the Office of the State Treasurer (<http://www.treasurer.ca.gov/ctcac/>). A general description is given below for information purposes:

Among its other enactments, ARRA provided states with more than \$325 million nationwide through the Tax Credit Assistance Program (TCAP) to assist projects receiving federal Low Income Housing Tax Credit awards. By federal statute, TCAC was designated California's TCAP administrator by virtue of being the State's tax credit allocating agency.

Beginning in the summer of 2009, TCAC awarded TCAP funds as both equity gap-fillers and cash in lieu of credits. By the end of January, 2010, all available TCAP funding had been awarded to 55 rental housing developments as follows:

- Ten 4 percent tax credit projects received cash in lieu of the credits (\$65,941,813)
- Ten 4 percent projects received gap-filler loans in addition to the credits (\$9,601,993)
- Seventeen 9 percent tax credit projects received cash in lieu of the credits (\$114,478,152)
- Six 9 percent projects received gap-filler loans in addition to the credits (\$5,199,943)
- Twenty-six projects are also receiving TCAP funds to bridge permanent financing provided by HCD housing finance programs. Four of the 26 are receiving this bridge financing only along with Low Income Housing Tax Credits. The total bridge assistance for these projects is \$130,655,213.

These projects are projected to produce 2,986 units of affordable rental housing throughout California. TCAC is delivering the TCAP funds as 55-year, zero-interest fully-deferred loans, except for the HCD bridge loans which are due and payable upon closing of the HCD permanent financing.

3. Goals

The 2010-2015 ConPlan and this AP:

- summarize the State's priorities and strategies for the delivery of funds for housing, and addressing homelessness, community development, lead abatement and housing for persons with special needs;
- provide a platform of actions the State will initiate during the next year to further the goals and objectives of the ConPlan;
- explain the State's method for distributing the funds made available through these programs; and
- provide opportunity for public review and input on the contents of development of the AP and subsequent annual AP Updates.

The State's 2010-2015 ConPlan outlines four over-arching goals which are applicable to the Department's efforts to provide housing and community development needs through a variety of federal and State resources. These include:

- meeting the housing needs of low-income renter households, including providing homeownership opportunities for first-time homebuyers
- meeting the housing needs of low-income homeowner households
- meeting the housing, supportive housing and accessibility needs of the homeless and other special needs groups, including prevention of homelessness; and
- mitigation of impediments to fair housing.

The State's progress in achieving the goals outlined above will be measured through specific objectives, outcome measures and indicators in accordance with the March 7, 2006 Performance Measurement Final Rule published by HUD. Information on the specific required indicators for each program is detailed in the program specific sections beginning on page 29.

4. Performance in 2008-09

During the 2008-09 Program Year (described in the Consolidated Annual Performance and Evaluation Report (CAPER) for 2008-09, submitted to HUD in September, 2009), the CDBG, HOME, ESG and HOPWA programs assisted a total of 83,098 households and homeless individuals and families with housing and supportive services. A total of 6,331 renter households and 1,220 owner households were assisted through the CDBG, HOME and HOPWA programs; 39.5 percent were at or below 30 percent of area median household income (AMI). In addition, ESG and HOPWA assisted a total of 75,547 homeless individuals and families with emergency shelter, supportive services and/or homelessness prevention assistance.

In 2009, the **CDBG** program issued a Notice of Funding Availability (NOFA) that included funds from HUD's annual allocation plus disencumbered funds from prior grant years and any remaining funds not utilized. The CDBG program awarded a total of \$48,397,177 in 2008-09 through the General Allocation, Native American, Colonias and Economic Development components.

Under CDBG, the State funded \$35,767,033 through the General Allocation component. The CDBG Economic Development program awarded \$9,630,144 in grants for Business Assistance and Micro-enterprise programs, and \$950,000 through the Over-the-Counter component. There were 46 Planning and Technical Assistance (PTA) grants awarded under the General and Economic Development programs, totaling \$2,050,000. Of the total \$48,397,177, approximately \$5,342,785 funded pre-commitments from prior years through the 2008-09 allocation. No relocation activity was funded.

In 2008, the **HOME** Program awarded a total of \$63 million in HOME funds to 51 eligible applicants funding 71 activities assisting an estimated 890 households, including first-time homebuyer programs (26 percent), first-time homebuyer new construction (4 percent), rental new construction (55 percent), owner-occupied rehabilitation (14 percent) and tenant-based rental assistance programs (1 percent).

The **ESG** Program funded a variety of projects including emergency shelters, transitional housing, and day centers serving homeless individuals and families, battered women and homeless youth. Homelessness prevention activities, such as eviction prevention, security deposits, housing counseling and legal representation, were also funded. During FY 2008-09, the ESG Program provided assistance to an estimated 67,650 homeless individuals and 2,315 homeless families. A total of \$6.9 million was awarded (including \$440,983 in supplemental awards) to 40 units of local government and non-profit organizations for operation costs, essential service activities, homelessness prevention services, shelter staff administration and grant administration.

The **HPRP** Program met its awarding requirements in accordance with the Grant Agreement. A total of 31 awards were made statewide totaling \$42,688,202.

Program staff developed critical procedures and administrative documents to manage the HPRP Program, including:

- Substantial Amendment to the Consolidated Plan 2008 for HPRP
- 2nd Substantial Amendment to the Consolidated Plan 2008 for HPRP
- Developed emergency state regulations for HPRP including the ISOR and FSOR
- Developed the final state regulations for HPRP
- Developed and released the 2009 HPRP Notice of Funding Availability (NOFA); and the 2009 HPRP Application
- Developed the HPRP Contract Boilerplate with exhibits and provisions for ARRA and Section 1512 reporting
- Conducted HUD/HCD Webinar on HPRP and Data Reporting under HPRP
- Conducted a NOFA/Application Workshop with potential applicants
- Conducted the public hearing on state emergency regulations.
- Developed Monitoring Guidelines
- Developed fiscal and program forms including CAAT Tool; and IPR/QPR instructions and forms

- Developed Program Procedures on cash management; cost verification, site monitoring/desk audits, risk assessments; and report reviews, approvals, and submittals

During FY 2008-09, a total of \$3.54 million in **HOPWA** funds were awarded and 1,860 HOPWA eligible households were assisted through HOPWA funded activities including emergency assistance, transitional housing assistance, independent living, supportive housing and other services. Approximately 56 percent of HOPWA funds were used for the prevention of homelessness among persons living with HIV/AIDS and their families through the use of short-term rent, mortgage and utility assistance payments, facility-based housing assistance and tenant-based rental assistance. In addition, HOPWA sponsors in the 42 eligible counties provided permanent supportive housing placement assistance in the form of security deposits and housing information services to persons who were homeless or at-risk of becoming homeless. Housing placement assistance activities accounted for approximately 12 percent of HOPWA funds expended in FY 2008-09. Approximately 22 percent of the funds expended were used for supportive services, including but not limited to case management, transportation and food vouchers, and hotel/motel vouchers.

During the FY 2008-09, the **LHCP** Program achieved and exceeded the Round 13 program unit goals. Community-Based Organizations (CBOs) are working aggressively to begin remediation work for Round 15. Davis Bacon Act prevailing wage requirements have greatly impacted our activities, but we are still confident that we will reach our program goals by the end of the grant period.

5. Public Participation Process

HCD has the lead role in preparing the ConPlan and its AP Updates for the State of California. The Department solicits input from public, private, and nonprofit organizations, and other State agencies to prepare this AP and subsequent AP Updates in accordance with the Citizen Participation Plan in the ConPlan, beginning on page 4. In this document, public participation is discussed in the ConPlan portion. In subsequent AP Updates, public participation will be discussed in more detail within the AP.

Funding Levels

This 2010-11 Annual Plan (AP) is the first of five Annual Plans to supplement the State of California's 2010-2015 Consolidated Plan. This AP sets the State's priorities and strategies for the delivery of federal funds and explains the State's method of distribution of CDBG, HOME, FESG, HOPWA, and federal stimulus and disaster recovery funds.

The inclusion in this Annual Plan Update of numbers and descriptions for the NSP 1, CDBG-R and HPRP stimulus programs, and the DRI Disaster Recovery Initiative, is for information only, and does not constitute the State's formal application for these funds.

The State anticipates receiving a total of approximately \$151 million in federal funds for 2010-11 for the programs listed below. As in previous years, CDBG has committed to grantees a portion of the 2010-11 allocation during the previous fiscal year. HOME committed most of its 2010 funds in its 2009 NOFA cycle, and will award most of its 2011 funds in 2010. ESG has committed funds in the 2009 NOFA cycle and will commit any unspent funds as a reallocation in the following funding cycle.

Community Development Block Grant (CDBG)	\$39,706,909
CDBG Disaster Recovery Grant (DRI)	\$39,531,784
Home Investment Partnership Program (HOME)	\$58,170,741*
Federal Emergency Shelter Grant (FESG)	\$6,800,000
Housing Opportunities for Persons with AIDS (HOPWA)	\$3,900,000**
Lead Based Paint Hazard Control Program (LHCP)	\$3,000,000***
Total	\$151,109,434

* Includes \$56,472,582 estimated HUD allocation plus \$1,698,159 in estimated rollovers. HOME previously committed nearly 40 percent of these funds under its 2009 NOFA and will award a portion of its 2011 funds during the 2010 funding cycle.

** Actual grant is pending HUD notification. Estimate based on 2009-10 HOPWA grant (which includes Kern and Fresno EMSA grants) and returned or rollover funds from prior year.

***The Lead Hazard Control Program received a 36-month \$3 million HUD grant in April 2009, as part of the American Recovery and Reinvestment Act of 2009 (ARRA), covering the period April 15, 2009 to April 14, 2012. This is Round 15 for the program. LHCP is also closing out activities under its Round 13 grant, which ended October 31, 2009.

Other Resources

In addition to funds available through the HUD programs outlined above, several State funding sources are commonly used in combination with these federal funds.

Low-income housing tax credits, for both federal and State credit programs, are administered competitively on a statewide basis by TCAC, in the State Treasurer's Office. TCAC had available approximately \$730 million (to be claimed over ten years) in federal tax credits for 2008-09 along with \$82 million in State credits.

The **ARRA**, signed into law February 2009, permits the State to exchange a portion of its 2009 credits, and prior-year returned credits, for a federal grant worth 85 percent of the exchanged credits. For more details see page 58.

On September 26, 2008 California received \$529 million from HUD as the state's share of \$3.9 billion from the federal **HERA**. Of those funds, HCD is distributing approximately \$145 million in NSP funds to local jurisdictions to rehabilitate foreclosed homes, eliminate blight and reinvigorate and stabilize the affected neighborhoods and communities that are

hardest hit by the foreclosure crisis. The funds help local governments to purchase abandoned and foreclosed homes and residential property. Consistent with the existing CDBG program administered by HCD and local governments, this funding allows localities to renovate and rehabilitate those homes, eliminate blight and reinvigorate and stabilize the affected neighborhoods. The funds will be awarded within 18 months of their availability. See the program description in the CDBG program section, later in this document.

With the passage of **Proposition 46 and Proposition 1C**, the Department is currently administering more than 20 programs awarding loans and grants to hundreds of local public agencies, private for- and non-profit housing developers and service providers every year to support construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing, child care facilities, homeless shelters, transitional housing and infrastructure.

Awards from these bond-funded programs have been slowed by the action of the State Pooled Money Investment Board (PMIB) in December, 2008, to defer all bond expenditures until the State's budget shortfall is resolved. From that date through February, 2010, there have been three bond sales resulting in approximately \$945 million being available for Proposition 46 and Proposition 1C awards that were made before that date. HCD is funding those projects as cash becomes available. The activities of HCD's non-bond-funded programs (federally funded as described in this plan, and State General Fund-financed) have continued. Summaries of bond-funded activities are in Appendix L

Proposition 46, the Housing and Emergency Shelter Trust Fund Act of 2002, allocated \$2.1 billion to the Department and the California Housing Finance Agency (CalHFA) to administer existing and new programs. As of December 31, 2008, the Department and CalHFA have awarded approximately \$1.8 billion in Proposition 46 funds to eligible cities, counties and for- and non-profit organizations. These funds will create, incentivize, or reward more than 114,000 renter- and owner-occupied homes and shelter spaces.

Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006, extended the nation's largest state-funded affordable housing assistance effort. The State's voters approved the measure by a substantial margin, authorizing \$2.85 billion in State General Obligation bonds to continue several important housing assistance programs, and to begin new programs to improve infrastructure that supports affordable housing. As of December 31, 2008, HCD and CalHFA had awarded approximately \$1.1 billion in Proposition 1C funds, which are expected to assist more than 19,000 households.

Proposition 1C funds were allocated as follows:

\$1.15 billion to continue several Department programs that were created or supported by Proposition 46:

- \$345 million for the Multifamily Housing Program (MHP)
- \$300 million for the CalHome Program

- \$195 million for the Multifamily Supportive Housing Program (MHP-SH)
- \$135 million for the Joe Serna, Jr. Farmworker Housing Grant Program (Serna)
- \$125 million for Building Equity and Growth in Neighborhoods (BEGIN)
- \$50 million for the Emergency Housing and Assistance Program Capital Development

\$1.3 billion for four new programs to be operated by HCD:

- \$300 million for a new **Transit-Oriented Development** Housing Program (TOD) that provides funding for infrastructure and higher-density housing near qualifying transit stations
- \$50 million for housing for **homeless youth**, to be administered through the Multifamily Housing Program (MPH)
- \$850 million for development of public infrastructure projects that facilitate or support **infill housing** construction. Projects could include water, sewer and transportation improvements, traffic mitigation, brownfield cleanup, and up to \$200 million for parks in addition to the parks allocation described below. Chapter 179 of the Statutes of 2007 (SB 86, Committee on the Budget) established criteria for eligible infill housing projects, set HCD's project rating and ranking priorities, and allocated \$60 million of these funds to the California Pollution Control Financing Authority for brownfield cleanup to promote infill.
- \$100 million for the new **Affordable Housing Innovation** Fund, for pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing. Chapter 652 of the Statutes of 2007 (SB 586, Dutton) allocated these funds to four new activities and revived the Local Housing Trust Fund program originally created by Proposition 46. The five activities include:
 - Loan Fund (part of the Affordable Housing Revolving Development and Acquisition Program; \$25 million)
 - Practitioner Fund (part of the Affordable Housing Revolving Development and Acquisition Program; \$25 million)
 - Local Housing Trust Fund Program (LHTF; \$35 million)
 - Innovative Homeownership Program (\$10 million)
 - Construction Liability Insurance Reform Pilot Program (\$5 million)

\$200 million was allocated to the existing Homebuyer's Downpayment Assistance Program operated by the California Housing Finance Agency (CalHFA). Up to \$100 million of this may be expended for land acquisition and the construction of for-sale housing.

\$200 million for the new Housing Urban-Suburban-and-Rural Parks Account. Chapter 641, Statutes of 2008 (Assembly Bill 2494, Caballero) allocated these funds to a new **Housing-Related Parks Program** in HCD, to annually award grants to cities and counties based on their documented numbers of very low and low-income housing construction starts in the preceding calendar year. These grants are to be used for the creation and improvement of parks and recreational facilities.

Cumulative Proposition 46 awards through December 31, 2008 can be seen on HCD's website at http://www.hcd.ca.gov/fa/Consolidated_prop_46_03-12-09.pdf. Cumulative Proposition 1C awards through December 31, 2008 can be seen at: <http://www.hcd.ca.gov/fa/CumulativeProp1Casof12-31-08Updated02-11-09.pdf>.

Priority Housing Needs/Annual Affordable Housing Goals

The State has several priorities that will be integrated through its housing and community development efforts during 2009-10. These priorities have been developed through the analysis of housing needs and market analysis included in the State's 2005-2010 Consolidated Plan. These priorities and objectives are outlined in the following specific program narratives and will be updated as needed through Annual Plan Updates.

The State has identified all categories of households and housing assistance categories in the Priority Housing Needs table on the next page as high priority. The HUD definition of "high priority" for the purpose of completing the table is: activities to address this need will be funded during the five-year period covered by the State's 2005-2010 Consolidated Plan. All of the categories detailed below are of high priority in some eligible jurisdictions statewide, and are all expected to be funded.

Renters (including the homeless and other special needs groups) generally show a higher incidence of housing deficiencies than homeowners, in both total numbers and the percentage of households experiencing housing problems. Renters have median incomes just over half as high as owners, are predominantly low-income, and represent a majority of low-income households. Similarly, renters have much higher rates of overcrowding, more frequently have high cost burdens, and higher percentages live in substandard housing than owner households. Clearly, in setting priorities for housing assistance efforts, there is a priority need to address the housing problems of renters.

The table below presents estimates of the number of households to be assisted with CDBG, HOME, ESG, HOPWA and LHCP funds in 2009-10, including any non-federal funds used in conjunction with federal funds. These estimates are based on past experience and are subject to later revision for any of several reasons: 1) variations in the activities proposed by eligible applicants and approved by HCD, 2) actual accomplishments reported by grantees, including accomplishments still to come using grants from previous years, and 3) estimated HUD 2010-11 funding allocations, which have not been published at the time of writing.

2010-11 Priority Housing Needs (Households)				
		Priority Need Level		Goals
Renter	Small Related	0-30%	High	309
		31-50%	High	348
		51-80%	High	254
	Large Related	0-30%	High	83
		31-50%	High	233
		51-80%	High	135
	Elderly*	0-30%	High	17
		31-50%	High	24
		51-80%	High	21
	All Other	0-30%	High	16
		31-50%	High	49
		51-80%	High	31
TOTAL Renters				1,485
Owner	0-30%	High	255	
	31-50%	High	532	
	51-80%	High	732	
	TOTAL Owners			1,519
Homeless (Individuals & Families)			High	14,000
Non-Homeless Special Needs Populations**		0-80%	High	4,000
Non-Homeless Special Needs Populations**		0-80%	High	2,046
TOTAL Goals				23,050
TOTAL 215 Goals***				1,325

* 35 HOME-assisted Elderly units are also included in Small and Large Related figures, but not in Renter total.

** Persons living with HIV/AIDS

*** HOME funded projects must meet the Section 215 qualification as affordable housing for both rental and ownership units. HOME estimates are based on actual data from 2008-09.

The wide variety of housing, community development and supportive service needs among the approximately 222 eligible HOME, CDBG and ESG jurisdictions plus eligible non-profit entities results in substantial variation in allowable activities from year to year. With the exception of HOPWA, State programs award funds on a competitive basis using a variety of criteria including, but not limited to, applicant capacity and locally identified needs. Consequently, annual goals by activity type cannot be reliably estimated.

This process allows local grantees to determine which of the allowable activities under each program will best address their local needs. Applications received are evaluated based on the needs of the local jurisdiction, proposed use of funds and the applicable regulations and rating factors for each specific program (for additional information refer to the Geographic Distribution and Rating Criteria and program specific sections that follow.

Anticipated Schedule

2010-11 Anticipated Schedule of Program Application and Award Processes				
NOFA	Workshops	Application Deadline(s)	Awards	Contracts
CDBG				
General Allocation				
4/5/10	4/5—5/15/10	6/16/10	9/10	45-60 days after award letter
Native American/Colonias Allocation				
4/5/10	4/5—5/15/10	6/16/10	9/10	45-60 days after award letter
ED Enterprise Fund				
9/10	9/10	12/10	2/11	4/11
ED Over-the-Counter				
6/10	9/10	3/11	TBD	5/11
Planning and Technical Assistance				
9/10	9/10	TBD	TBD	TBD
Neighborhood Stabilization Program (NSP 1)				
Tier I&II 4/6/09 Tier III 4/6/09	Tier I & II 4/7/09 Tier III 4/20/09	Tier I&II 6/4/09 Tier III 6/4//09	Continuous	20-60 days after award letter
Community Development Block Grant-Recovery (CDBG-R)				
TBD	TBD	TBD	TBD	
ESG				
4/13/10	5/13/10	5/28/10	9/30/10	10/1/10
Homeless Prevention and Rapid Rehousing Program (HPRP)				
7/8/09	7/15/09	8/6/09	9/21/09	10/1/09
HOME				
6/1/10	6/10	9/1/10- Programs and Projects	11/10-Programs 2/11- Projects	45-60 days after award letter
HOPWA				
5/10	N/A	6/10	7/10	7/10
LHCP				
No	new	awards	in	2010-11

Geographic Distribution and Rating Criteria

Changes in eligible jurisdictions may occur annually if jurisdictions join or withdraw from a CDBG Urban County Agreement or HOME Consortium within a county, and therefore the listing of eligible jurisdictions by program is updated annually when new data comes from HUD. Additionally, changes in eligible jurisdictions for HOPWA may occur if a metropolitan

area reaches a population of more than 500,000 and has at least 1,500 cumulative AIDS cases. Listings of current eligible jurisdictions are included as Appendices A and B.

Aside from the ESG Program the State does not set priorities for allocation of available funds based on geographic areas of the State. The ESG Program allocates available funds by regions as follows: 33 percent of total available funds to urban counties in Northern California; 24 percent of funds to urban counties in Southern California; 19 percent of funds to rural (non-urban counties); 15 percent of funds shared in a General category; and 5 percent for New Programs.

Programs, however, provide additional rating points or have established set-asides for grantees that meet specified State objectives including but not limited to rural communities, low-income areas and targeted populations. For example, the HOME Program provides 50 points during the rating and ranking process for applicants from rural areas. In addition, HOME Program applicants from documented low-income areas are eligible for up to 450 points for level of community need based on Census factors such as poverty level, housing overpayment by low-income households and overcrowding. ESG Program allocates 19 percent of available funds for jurisdictions in non-urban/rural counties.

Similarly, CDBG applicants can receive up to 100 points based on the percentage of the population within the designated activity area with incomes below the poverty level (see Appendix K for a listing of eligible CDBG and HOME counties by percentage of population in poverty). In addition, up to 300 points are available for applicants with proposed activities where at least 51 percent of the beneficiaries earn no more than 80 percent of the county's area median income.

Areas of minority concentration, as seen in Appendix K, typically also have higher levels of poverty. These areas are typically eligible for ranking points allowable for rural and lower-income areas as stated above.

The CDBG-R program, enacted by ARRA, included the same jurisdictions as those eligible under the CDBG program, listed in Appendix A.

The Homelessness Prevention and Rapid Re-Housing Program (HRPP) under the American Recovery and Reinvestment Act of 2009 is a one-time grant to the Department with an availability period of September 11, 2009 to September 10, 2012. Eligible jurisdictions included both non-entitlement cities and counties as well as entitlement cities and counties throughout the state. Eligible subrecipients included the above jurisdictions and non-profit organizations serving the homeless and those at risk of becoming homeless in those jurisdictions. The HPRP application process was competitive with the following general rating criteria: Applicant Capability, Services Provided, Outreach and Marketing, Fiscal Management, Multi-Agency collaborations, and Applicants serving the non-entitlement areas. The HPRP program is not limited to any geographic location.

Homeless and Other Special Needs Activities

An important part of promoting suitable living conditions for those with special needs is the provision of appropriate supportive services. As described in this ConPlan, California has an extensive system of social service organizations that provide institutional care, client-based community or residential services, and housing-based supportive services, including significant mainstream programs and services to prevent homelessness.

HCD Programs: EHAP-CD, FESG and HPRP

The Department's Emergency Housing Assistance Capital Development Program (**EHAP-CD**), funded through the passage of Proposition 46 and Proposition 1C, is the State's leading source of funds for capital development activities for homeless shelters. To date, EHAP-CD has provided more than \$211 million to 340 local governments and non-profit organizations to preserve or create a total of 13,509 shelter spaces.

The Department, through HUD formula grants under McKinney-Vento administers the Emergency Shelter Grant (**ESG**) program by providing "operating grants" to non-entitlement cities and counties and non-profit organizations serving the homeless and those at risk of becoming homeless. Commencing with federal fiscal year 2011 (2011-2012), the ESG program will evolve into a combination of ESG and HPRP-type activities under the new HEARTH ACT of 2009, currently awaiting the drafting of HUD regulations. ESG will become the Emergency Solutions Grant program with a greater emphasis on homeless prevention.

As a result of ARRA, the Department began administration of **HPRP**. HPRP is a three-year grant program scheduled for completion by September 10, 2012. HPRP provides funding to units of local government and non-profits serving the homeless and those at risk of becoming homeless, through case management, short-term and medium-term rental assistance, utility deposits, security deposits, legal assistance regarding eviction proceedings, and moving costs.

Additionally, the State provides funding for homeless services under various programs including, for example, public education, workforce development, temporary assistance to needy families (TANF), supplemental security income (SSI), veteran services, unemployment compensation, workers compensation, foster care, and affordable rental housing. Some programs, such as the TANF Homeless Assistance Program (HA), provide assistance to those at imminent risk of becoming homeless. TANF HA also provides non-recurring cash assistance to families who are already homeless. HCD continues to assist homeless persons by funding activities of service and housing providers to promote self-sufficiency and provide transitional and permanent housing, and through its collaborative efforts with other State agencies and departments.

PATH

The State also receives formula grants under the McKinney Projects for Assistance in Transition from Homelessness (**PATH**) Program, administered by the Department of Mental Health (DMH), and provides funding for housing and supportive services in residential settings. HCD continues to work with DMH to develop policy and program guidelines to promote collaborative efforts in the area of supportive housing, including participation on the Supportive Services Council and Mental Health Planning Council.

The Department and DMH jointly manage the California Statewide Supportive Housing Initiative Act (SHIA), created in 1998 to develop affordable housing linked to supportive services in mental health, substance addiction, employment training, and other topics.

The intent of this act is to provide incentives and leverage to local governments and the nonprofit and private sectors to invest resources that expand and strengthen supportive housing opportunities.

Governor's Homeless Initiative (GHI)

On August 31, 2005, Governor Schwarzenegger announced an initiative to end long-term homelessness in California by providing integrated permanent housing and services to the long-term homeless in partnership with local governments and the private sector by leveraging State funds for mental health services and housing available through Propositions 46, 1C and 63. The Governor directed the Department, CalHFA, and DMH to develop an integrated joint funding package to finance permanent supportive housing for chronically homeless persons with severe mental illness. Residents of this housing receive supportive services from county mental health departments, using Mental Health Services Act (MHSA) funds.

A NOFA for the Governor's Homeless Initiative (**GHI**) was issued on November 15, 2005 offering funding of approximately \$40 million in permanent supportive housing development financing through the Department's Multifamily Housing Program (MHP), CalHFA construction, bridge and permanent financing, and approximately \$2 million in DMH State-share MHSA funds for rent subsidies.

Applications for funding are no longer being accepted as the funds will be exhausted when HCD gets approval to take the remaining applications forward to the Loan and Grant Committee. To date, MHP has awarded funds to eight recipients, and five more will be recommended for funding when allowed. The Department has received a total of 14 applications requesting funds. If all are approved, the Department will have committed 100 percent of the program's funds.

Governor's Interagency Council on Homelessness

The Department also participates in the Governor's Inter-Agency Council on Homelessness comprised of public, private and non-profit entities committed to ending long-term homelessness, ensuring coordination of efforts, and maximizing the use of resources.

The Council brings together State and federal agencies and departments, local social service, health, law enforcement and other local agencies, local elected officials, non-governmental providers of services to the homeless, homeless advocates and the philanthropic community, to build and operate housing that is accompanied by services for residents.

HIV/AIDS and HOPWA

CDPH-Office of AIDS (OA) is the State's clearinghouse agency for statewide programs and activities that pertain to HIV/AIDS. The OA emphasizes the integration of representatives of HIV/AIDS service agencies, other State departments (such as Corrections, Housing, Rehabilitation, Mental Health, Developmental Services and Alcohol and Drug Programs), local health departments, University-wide AIDS Research Program (University of California San Francisco), and others in information gathering, research and decision-making processes. The ad hoc Interagency AIDS Coordinating Council includes numerous State departments in the review of AIDS service delivery and prevention/education efforts.

The HOPWA Program is based within the CDPH-OA to ensure that all HIV/AIDS service programs, including housing assistance, are coordinated at the State and local levels.

Changes to State housing element law (Chapter 633, Statutes 2007) clarify and strengthen this law to promote certainty in zoning and approvals for emergency shelters and transitional and supportive housing. The law takes a fundamental and necessary step toward addressing the critical needs of homeless populations and persons with special needs throughout all communities in California. Generally, Chapter 633 amends housing element law in terms of planning (Government Code Section 65583) and approval (Government Code Section 65589.5) for emergency shelters and transitional and supportive housing as follows:

- At least one zone shall be identified to permit emergency shelters without a conditional use permit or other discretionary action.
- Sufficient capacity must be identified to accommodate the needs for emergency shelters and at least one year-round emergency shelter.
- Existing or proposed permit procedures and development and management standards must be objective and encourage and facilitate the development of or conversion to emergency shelters.
- Emergency shelters shall only be subject to development and management standards that apply to residential or commercial within the same zone.

- Written and objective standards may be applied as specified in statute, including maximum number of beds, provision of onsite management, length of stay and security.
- Transitional and supportive housing shall be considered a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone.
- Limits denial of emergency shelters, transitional housing or supportive housing by requiring specific findings.
- Some findings shall not be utilized if new planning requirements of Chapter 633 are not met such as identifying a zone without a conditional use permit.

Other Actions

California has the nation's second highest foreclosure rate, with one foreclosure filing for every 173 households, according to the January, 2009 market report from RealtyTrac. In that report, California accounted for 28 percent of the 274,399 foreclosure filings reported nationwide. Merced County had the state's highest foreclosure rate at one filing for every 59 households, Riverside County was second, and Stanislaus County came in third. A half million Californians have sub-prime loans that will jump to higher rates within the next two years. To address the growing foreclosure problem, Governor Schwarzenegger launched a public awareness campaign to educate homeowners about options that can help them avoid losing their homes to foreclosure. The \$1.2 million campaign, funded through existing consumer education efforts within the Business, Transportation and Housing Agency and the State and Consumer Services Agency, will:

- inform borrowers about their options;
- urge borrowers to work with lenders before foreclosure;
- encourage the use of nonprofit housing counselors; and
- partner with local leaders and trusted organizations, like churches and community groups, to further the goals of the campaign.

As part of the Governor's efforts, the following resources are also available to homeowners:

- The "HOPE Hotline" (1-888-995-HOPE or <http://www.995hope.org>), provides free mortgage counseling 24 hours a day, seven days a week.
- A website with helpful information for prospective homebuyers, as well as homeowners who are experiencing difficulty in keeping payments current: <http://www.yourhome.ca.gov/> and the Spanish language version: <http://www.sucasa.ca.gov/>.

Additionally, more than 136,000 mortgage modifications were completed in 2008 under Governor Schwarzenegger's agreement with ten major loan servicers to modify subprime mortgages. The lenders committed to principles that will help preserve homeownership for tens of thousands of homeowners who are at risk of default due to hybrid adjustable

rate mortgages (ARM) and sub-prime mortgages resetting to higher interest rates. The agreement consists of three basic principles directing mortgage lenders to:

- reach out proactively to borrowers well before their loans reset;
- streamline the processes by which they determine whether borrowers may reasonably be expected to be able to make the reset payment; and
- maintain the starter rate for a sustainable period of time for the homeowner who is current on payments, where a lender has determined the borrower's resources are insufficient to make the reset payment.

In addition, the Department will continue to participate in meetings with other State departments, professional associations, including the Council of State Community Agencies, the California Rural Housing Coalition, the National Association of Housing and Redevelopment Officials, the Association of California Redevelopment Agencies, the California Association for Micro-Enterprise Opportunity, the California Association for Local Economic Development and a host of other organizations that have an interest in the State's implementation of HUD-funded programs. These efforts promote program commonalities, maximize resources, integrate eligibility requirements where possible, share "best practices" and promote collaboration efforts at the local level.

Community Development Block Grant (CDBG)

Funds Available

The State's CDBG Program anticipates it will receive an allocation of \$39,706,909 from HUD for 2010-11. The Department will make this funding available to qualifying local jurisdictions in addition to funding made available through disencumbrances or funds returned to the State.

HCD received additional funds under the Housing and Economic Recovery Act (HERA) for the Neighborhood Stabilization Program (NSP 1), and through the American Recovery and Reinvestment Act of 2009 for the CDBG-R program. CDBG will receive Disaster Recover Funds (DRI) in the amount of \$39.5 million. Additional information on NSP and on CDBG-R is included below.

Primary Objectives

The primary objectives of the CDBG program are:

- 1) The development and preservation of cities and counties by providing decent housing, a suitable living environment, and expansion of economic opportunities primarily for targeted populations; and
- 2) Making grants available to eligible jurisdictions where 51 percent of program funds will go toward providing or improving housing opportunities for targeted income groups, or toward activities that are directly related to the provision or improvement of housing opportunities for targeted groups. This may include, but is not limited to, the construction of infrastructure (CCR 7052).
- 3) Reduce the amount of funds unexpended to the HUD recommended ratio of 2.

Program Goals

To achieve the primary objectives, staff and management have set the following program goals for 2010-11:

1. Increase the State expenditure rate by reviewing and streamlining the distribution of funds, starting with the contract development phase, and the timely expenditure of funds by grantees.
2. Consider improvements to the Economic Development allocation to address customer-identified problems, such as: underwriting review, contract length, and complexity of the Over the Counter process.

3. Increase monitoring and technical assistance efforts by conducting more site visits to help ensure compliance with federal overlay requirements and provide guidance on how to maximize the use of CDBG Economic Development resources.
4. Review and update CDBG program regulations to improve administrative procedures. Changes are needed to reflect current business practices and improve program performance.
5. Review and streamline internal processes, including rating and ranking, to ensure a competitive advantage for jurisdictions with demonstrated need, capacity, and a high level of readiness to perform. Evaluate the feasibility of increasing the transparency of competitive application scoring.
6. Consider a review of the Program Milestones for their value in reducing the expenditure rate for the State.
7. Review the State Program Income rules to determine if they benefit or hinder the State's expenditure rate.
8. Analyze the current rating system and make necessary changes to ensure, as much as possible, that there is a level playing field for all eligible activities.
9. Evaluate the degree to which non-housing activities, including public services, public facilities, and community facilities, which only CDBG among all of HCD's programs can assist, should receive an additional priority.
10. Analyze policy changes to allow more effective use of Program Income.
11. Consider improvements to the Planning and Technical Assistance NOFAs to address customer-identified problems, such as: high level of competition, short time period to prepare applications, total amount of available funding, and types of applications.
12. For 2010-11, CDBG will consider the feasibility of awarding State Objective points to applications for development activities located in infill locations. The Department will work with local jurisdictions, especially rural jurisdictions, to develop an infill definition that considers the unique needs of rural communities.

Eligible Jurisdictions

The CDBG Program anticipates having approximately 168 eligible jurisdictions that may qualify to participate during 2010-11. Eligible jurisdictions include incorporated cities under 50,000 population and counties with an unincorporated area population of fewer than 200,000 persons. Eligible cities and counties may apply for CDBG funding under the

various programs made available by the State. The only exceptions are: 1) cities under 50,000 in population that have entered into a three-year urban county Cooperation Agreement with HUD and, 2) any city under 50,000 in population declared a central city of a Standard Metropolitan Statistical Area. Both exceptions are eligible to receive CDBG funds directly from HUD as Entitlement Jurisdictions.

Many of the eligible jurisdictions are concentrated in central and northern California primarily because they are located in rural areas. Most cities in urban areas participate as Entitlement Jurisdictions. Eligible jurisdictions range in population from cities with fewer than 500 people to counties with unincorporated area populations of more than 170,000. Information on eligible jurisdictions including current population is included in Appendix K.

Fund Allocation

The State of California's 2010-11 CDBG allocation from HUD is anticipated to be \$39,706,909. Following are the anticipated allocations of funds by program area in 2010-11:

Colonias: Section 916 of the National Affordable Housing Act of 1990, as amended, established an annual set-aside for activities benefiting the residents of Colonias. In accordance with direction from HUD, the State will set aside 5 percent of the allocation, an estimated \$1,985,345 for Colonias in 2010-11.

Economic Development (ED): California Health and Safety Code 50827 and Title 25 of the California Code of Regulations (CCR) Section 7062.1 require the Department to set aside 30 percent of the annual federal CDBG award for ED activities. This amount is expected to be \$11,912,072 for 2010-11. ED funds will be allocated as follows:

- California Community Economic Enterprise Fund (Enterprise Fund): The amount allocated to this component will be \$3,407,072 for 2010-11.
- "Over-the-Counter" (OTC) ED Component: In 2010-11, the Department will allocate 59 percent of the ED balance for this component, or an estimated \$7,000,000.
- Economic Development - Planning and Technical Assistance (ED PTA): This amount will be approximately \$1,505,000 for 2010-11.

General Allocation The General Allocation does not have a prescribed set aside. The amount available is the amount remaining after the mandated set-asides for other program areas. For 2010-11, this is estimated to be \$22,421,949.

General - Planning and Technical Assistance (PTA) Pursuant to Health & Safety (H&S) Code Section 50833(b), the Department shall determine and announce in the NOFA the

percentage of the general CDBG Allocation to be set aside for general planning and technical assistance (PTA) grants. The Department anticipates this amount will be \$1,000,000 for 2010-11.

Native American Activities: Pursuant to H&S Code Section 50831 and Title 25 CCR 7062, the State annually sets aside 1.25 percent of its CDBG award for grants to non-recognized tribes and Rancherias. This amount is expected to be \$496,336 for 2010-11.

Match: The program will satisfy the federal 2 percent match requirement by using excess match reported from prior CDBG fiscal years, the State General Fund allocation, in-kind contributions from the Department, and match reported by grantees in their quarterly financial reports.

State of California
CDBG Program, 2010-11 Allocation
as of June, 2010 (updated estimates)

HUD Allocation
\$42,877,288

HUD Allocation
Available for Local Assistance
\$40,926,299

Colonias
\$2,143,864

Native
American
Allocation
\$535,966

General Allocation
\$25,383,283

Economic
Development
Allocation
\$12,863,186

General Program
\$23,883,283

General PTA
\$1,500,000

Enterprise Fund
\$4,363,186

Over-The-
Counter
\$7,000,000

ED PTA
\$1,500,000

Methods of Distribution

Funds will be distributed pursuant to Code of Federal Regulations (CFR) Title 25, Part 570, CCR Sections 7056, 7060, 7064, 7072, 7078, 7062.1, and H&S Code Sections 50832, 50833, and 50834. The following represents a brief description of the method of distribution for each of the CDBG program components:

Colonias: This component of the CDBG Program provides direct community development benefits to Colonias located in the non-metropolitan border region. All cities and counties eligible under the State CDBG (non-entitlement) Program which contain Colonias as defined in Section 916 (e)(1) of the National Affordable Housing Act of 1990 may qualify.

A Colonia is defined as a distressed, non-entitlement jurisdiction within 150 miles of the California-Mexico border. The amount applied for under the Colonias Allocation does not count against any funding limits for the CDBG General and ED Allocations. The Department typically issues a funding notice for the Colonias component once every two years under this competitive award process.

Economic Development: The CCR Section 7062.1(d) stipulates that, based upon prior years' demand, the Department will determine what percentage of the ED funds will be set aside for Enterprise Fund applications.

- Enterprise Fund: This component primarily funds business and microenterprise assistance programs. Grantees make loans to businesses to create or retain jobs, fund infrastructure improvements needed to accommodate business expansion or retention projects, or fund micro-enterprise assistance activities that will foster the development of micro-enterprises. Projects for which \$250,000 or more is requested must be reviewed by the CDBG ED Loan Advisory Committee. CDBG reserves the option to take projects that are immediately under this threshold to the ED Loan Advisory Committee for recommendation to the Director. The Department typically issues an annual funding notice for this award process.
- OTC ED Component: H&S Code Section 50834 requires a separate NOFA to be issued for this component, which funds “ready-to-go” business expansion, public infrastructure in support of commercial residential developments, or job retention projects. All projects under this component are presented to the ED Loan Advisory Committee for recommendation to the Director. The Department will entertain applications on an ongoing basis.
- ED PTA: H&S Code Section 50833(a) states the Department shall determine and announce in the NOFA the amount that will be made available for PTA activities. The Department typically issues a combined General and ED PTA funding notice. Funding decisions are made on a first-come, first-served basis, and based on eligibility threshold criteria.

General Allocation: This component funds a variety of CDBG-eligible activities. The Department typically issues an annual NOFA, and reviews applications through a competitive rating and ranking process. States may fund up to 65 different activities under the CDBG Program. Primary activities include housing rehabilitation, homeownership assistance, public facilities, public services and public improvement activities, and new housing construction in limited circumstances.

General PTA: The Department makes this funding available through a single-funding cycle announced annually by NOFA. Funding decisions are made on a first-come, first-served basis, based on eligibility threshold criteria.

Native American: Under the Native American program, funding decisions are made through a competitive rating and ranking process. Primary activities include housing rehabilitation, homeownership assistance, public facilities, public services, public improvements, and new housing construction in limited circumstances.

Application Review & Award Amounts

CDBG funds are awarded by the Department, primarily through a competitive process, to non-entitlement local governments which do not receive formula CDBG grants directly from HUD. The General, Native American and Colonias applications are evaluated according to the criteria prescribed by CCR Section 7078 and are ranked according to the total number of points received. Activities that provide relatively high percentages of benefits to low-income persons, and address serious community development needs, receive the most points. Other rating factors include community poverty rate, local capacity, past performance, other funding, and projects meeting one or more State objectives.

Economic Development

Under the ED Allocation, maximum award amounts are as follows:

- California Community Economic Enterprise Fund: Applications will be evaluated using the criteria described in CCR Section 7062.1(b). The principal evaluation criteria are local need for the program, local capacity to operate the program, commitment of other funding, and existence of a local ED plan. Under the Enterprise Fund Component, eligible CDBG jurisdictions may apply for a maximum grant of \$300,000 in 2010-11.
- OTC ED Component: OTC applications will be evaluated based on criteria described in CCR Section 7062.1(c), consisting principally of unemployment rate, CDBG funds per job, other funding, past performance, and low administrative funding requested. If the application receives half the available points under these criteria, it is further evaluated for feasibility, capacity, terms, ownership, relocation of jobs, and opportunities for low-income job seekers. The maximum award amount is \$2.5 million per application per program year. Applicants may apply for up to \$5 million over a two-year period.

Any new funding cap established in a NOFA may be waived for the ED Allocation if funding is still available after September 1st of each program year. Unless a waiver of the funding cap is approved, no single jurisdiction may receive more than the maximum amount established in a NOFA (formerly \$1.3 million) for total funding from the General and ED Allocations.

Colonia and General Allocation

Pursuant to CCR 7064, Colonia and General Allocation maximum awards are as follows:

- The maximum award per application under the General/Colonia Allocation is \$800,000.

- Each application will be limited to one of the following scenarios:
 - Up to \$400,000 for one of the following programs: housing rehabilitation or public services or homeownership assistance.
 - Up to \$600,000 for a housing combination program consisting of a housing rehabilitation program and a homeownership assistance program. Grantees may transfer funds between the two activities as needed, with written approval from HCD.
 - Up to \$800,000 for two programs, one of which is a housing program (rehabilitation or homeownership assistance), and the other of which is a public service program (up to five public service activities), each program with up to \$400,000.
 - Up to \$800,000 for up to two eligible projects (public improvements, public improvements in support of new housing construction, public facilities, multi-family rehabilitation, real property acquisition or new housing construction).
 - Up to \$800,000 for a combination of one eligible program (up to \$400,000) and one eligible project, or a combination of a housing combination program (up to \$600,000) and one eligible project.

A 10 percent set-aside of General Allocation funds is allowed for any CDBG-eligible activity, limited to one activity per application. This activity will not be rated and ranked, but the application must include all documents related to it.

PTA Grants

The Department divides the PTA funds into the General Allocation and the ED Allocation. Applicants can request up to \$70,000 under the General Allocation and \$70,000 under ED for project-specific planning activities. In addition, under the ED Allocation, an applicant can apply for up to \$70,000 for preparation of one or more OTC funding applications or for an application for Enterprise Zone designation. If an applicant does not request a full \$70,000 in planning funds for a project-specific activity, then it may request up to \$35,000 for one or more proposed studies not directly related to a specific project. All applications must meet the threshold criteria in H&S Code Section 7056.

Native American: The maximum award from the Native American Allocation is \$800,000 per eligible Native American tribe or area. Funds will be awarded to applicants with the highest overall score until available funding is exhausted. Consistent with a competitive application process, there is no assurance that all applications will be funded. Amounts applied for under this allocation do not count against any General or ED Allocation limits.

Program Income

During 2010-11, the State anticipates CDBG-eligible jurisdictions will receive program income of approximately \$20 million. Most of these funds will be obligated in accordance with approved local Program Income Reuse Plans. At least 40 percent of program income is typically expended through housing rehabilitation, housing acquisition/homeownership assistance, economic development assistance to businesses, and micro-enterprise revolving loan accounts. Some is expended through other activities in open CDBG grants. Unexpended program income for a program year will be returned to the State for reallocation to CDBG grants.

Section 108 Loan Guarantees

HCD has not issued any Section 108 loan guarantees, and has no immediate plans to do so.

Float-Funded Activities

The State has not undertaken a float-funded activity and has no plans to do so in the near future.

Antidisplacement and Relocation Assistance Plan

Please refer to Appendix J.

Monitoring

CDBG will continue to use the risk assessment tool to measure risk associated with all non-planning General Allocation grants to determine which of these grants require on-site monitoring. All non-planning ED Allocation grants will continue to receive on-site monitoring. On-site monitoring of high-risk General Allocation grants and all ED Allocation grants, along with some desk monitoring of the remaining grants and current tracking system for grantee reporting, will ensure long-term compliance with requirements of the program, including comprehensive planning requirements.

Performance Measurement

CDBG has incorporated HUD's new performance measurement system into its application and report forms as detailed in the final rule on performance measures published by HUD on March 7, 2006 (FR-4970-N-02).

Once funded, grantees are required to collect data and report on their accomplishments, which the State enters into IDIS. HCD has pre-determined specific output indicators based on the type of activity. Most of these indicators are the same as those used in the past. New information and instructions concerning Performance Measures are included in the updated Grant Management Manual, Chapter 12, available on HCD's website at <http://www.hcd.ca.gov/fa/cdbg/manual/>

Stimulus Funding Programs

The following information on the Neighborhood Stabilization Program and the American Recovery and Reinvestment Act are general descriptions based on the statutes. As needed, HCD will develop more detailed amendments to the Consolidated Plan in response to HUD regulations for these Acts.

Neighborhood Stabilization Program (NSP 1)

Primary Objective

The Department will assist in rejuvenating neighborhoods and communities hardest hit by the foreclosure crisis by allocating NSP1 funds provided through the federal Housing and Economic Recovery Act of 2008 (HERA), and any subsequent re-allocations from HUD, to address the problem of abandoned and foreclosed homes in the areas of greatest need throughout California.

Program Goal

The Action Plan was approved by HUD and the contract signed March 20, 2009 for NSP 1 funds to be distributed within an 18-month timeline, to purchase foreclosed-upon and abandoned houses for the purpose of rehabilitation and resale to low and moderate income families, to meet the national objective of benefiting Low and Moderate and Middle Households (LMMH), meaning all individual or family beneficiaries must be at or less than 120 percent of area median income (AMI).

At a minimum, the State will use 25 percent of the allocated NSP 1 funding to serve persons with income at or below 50 percent of AMI.

Funds Available

HUD allocated approximately \$384.5 million to 46 CDBG entitlement cities and counties in California and \$145,071,506 to the State of California.

Eligible Applicants

HCD has awarded funds based on the methodology suggested by HUD, explained in the adopted Substantial Amendment. The methodology is outlined in the NSP Action Plan, under Appendix A and can be found on the Department's website at: <http://www.hcd.ca.gov/fa/nsp/>. Appendices B and C of the Action Plan list the allocation and the jurisdictional grantees. Eligible jurisdictions that qualified for NSP 1 funding are also identified in Appendix G of this Annual Plan Update.

NSP 1 eligible applicants include California cities, counties and Indian Tribes with the greatest percentage of home foreclosures, highest percentage of homes financed by a subprime mortgage-related loan, and areas identified by the State as likely to face a significant rise in the rate of home foreclosures. NSP 1 targeted funding toward areas of greatest need, identified as having the following conditions:

1. The greatest percentage of home foreclosures;
2. The greatest percentage of homes financed by a subprime mortgage related loan; and
3. Likely to face a significant rise in the rate of home foreclosure.

Joint applications were encouraged for applicants with contiguous boundaries, but cities within the same county could were allowed to join together to submit a joint application. Joint applicants were allowed to apply for up to a combined maximum dollar amount as defined in the NOFA. Joint applications required a lead agency, and all the applicants entered into a joint agreement.

Distribution of the NSP 1 Allocation

Allocations

The Department awarded NSP 1 funds based on the following three factors:

Tier 1: For this tier the Department excluded those jurisdictions that received an allocation from HUD either directly or indirectly through an Urban County agreement. All other jurisdictions were eligible for consideration. The minimum allocation under Tier 1 was \$1 million.

Tier 2: For jurisdictions that did not reach the \$1 million Tier 1 threshold, HCD allowed jurisdictions to apply through a joint agreement with other contiguous jurisdictions or jurisdictions that were within the same county. Counties were permitted to receive any

allocated amounts not requested by their cities, provided their total allocation met the minimum of \$1 million.

Tier 3: The Department set aside 25 percent of the State's allocation (including 5 percent general administration) for cities and counties that met HUD's requirement for housing targeted to households at or below 50 percent of area median income (AMI), provided the applicant has met the \$1 million threshold required under Tier 1 and Tier 2. The Department awarded Tier 3 funds through an over-the-counter process.

Eligible Use of Funds

Funds are to be used to help individuals and families whose incomes do not exceed 120 percent of AMI (moderate-income persons). The program also requires that at least 25 percent of the funds be used to house individuals and families whose incomes do not exceed 50 percent of AMI (low-income persons). Any profit from the sale, rental, rehabilitation or redevelopment of these properties will be reinvested to further activities under the program. Eligible NSP 1 activities are as follows:

1. The establishment of financing mechanisms for the purchase and redevelopment of foreclosed homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low-, moderate-and middle-income homebuyers;
2. The purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
3. The establishment and operation of land banks for homes that have been foreclosed upon;
4. The demolition of blighted structures; and
5. The redevelopment of demolished or vacant properties.

Program Income

Program income generated from NSP 1 must be reused within 90 days, or remitted to the Department. The Department plans to reallocate remitted program income.

Monitoring

HCD will monitor grantees per NSP 1 federal register guidance, by conducting on-site reviews of any sub-recipients, designated public agencies, and units of general local government deemed necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2). The Department will use a system similar to the State's existing CDBG Program monitoring policies and procedures to ensure compliance with federal guidelines. This includes oversight for compliance with the requirements for the

prevention of fraud, waste, and abuse of funds. Monitoring will address program compliance with contract provisions, including national objectives, financial management, the requirements of 24 CFR Part 85 relating to procurement, and all applicable federal overlay requirements. The State will also meet all HUD requirements for reporting on each NSP 1 grant and/or sub-grant that is required through HUD's Disaster Recovery Grant Reporting (DRGR) system.

Performance Measurement

The Department will be required to comply with Performance Measurements specifically established for the NSP 1. Performance measurement data will include the following:

- a. The proposed number of foreclosed homes to be purchased from lenders at a minimum discount of one (1) percent,
- b. The proposed number of homes to be rehabilitated,
- c. The proposed number of homes that will be made available as affordable housing for purchase at below-market value by income-eligible low-, moderate-, and middle-income households (LMMH) as homebuyers,
- d. The proposed number of units to be demolished,
- e. The proposed number of multi-family units made available at affordable rents for LMMH households, and
- f. The proposed number of beneficiaries by income level, including individuals and families under the 50-percent AMI directly assisted with NSP 1 funds.

American Recovery and Reinvestment Act of 2009 (ARRA):

CDBG-Recovery Program (CDBG-R)

Primary Objective

The objective of ARRA funding is to help stimulate the economy in the non-entitlement communities of the State by funding CDBG eligible activities that are consistent with the overall purpose of ARRA.

Program Goal

Give priority to projects that are ready to proceed, have all needed funding committed, and will be able to expend CDBG-R funding by September 30, 2012.

Funds Available

The Recovery Act appropriated \$1 billion of CDBG funding and distributed \$980 million to grantees that received CDBG funding in FY 2008. The Department was awarded \$10,652,033.

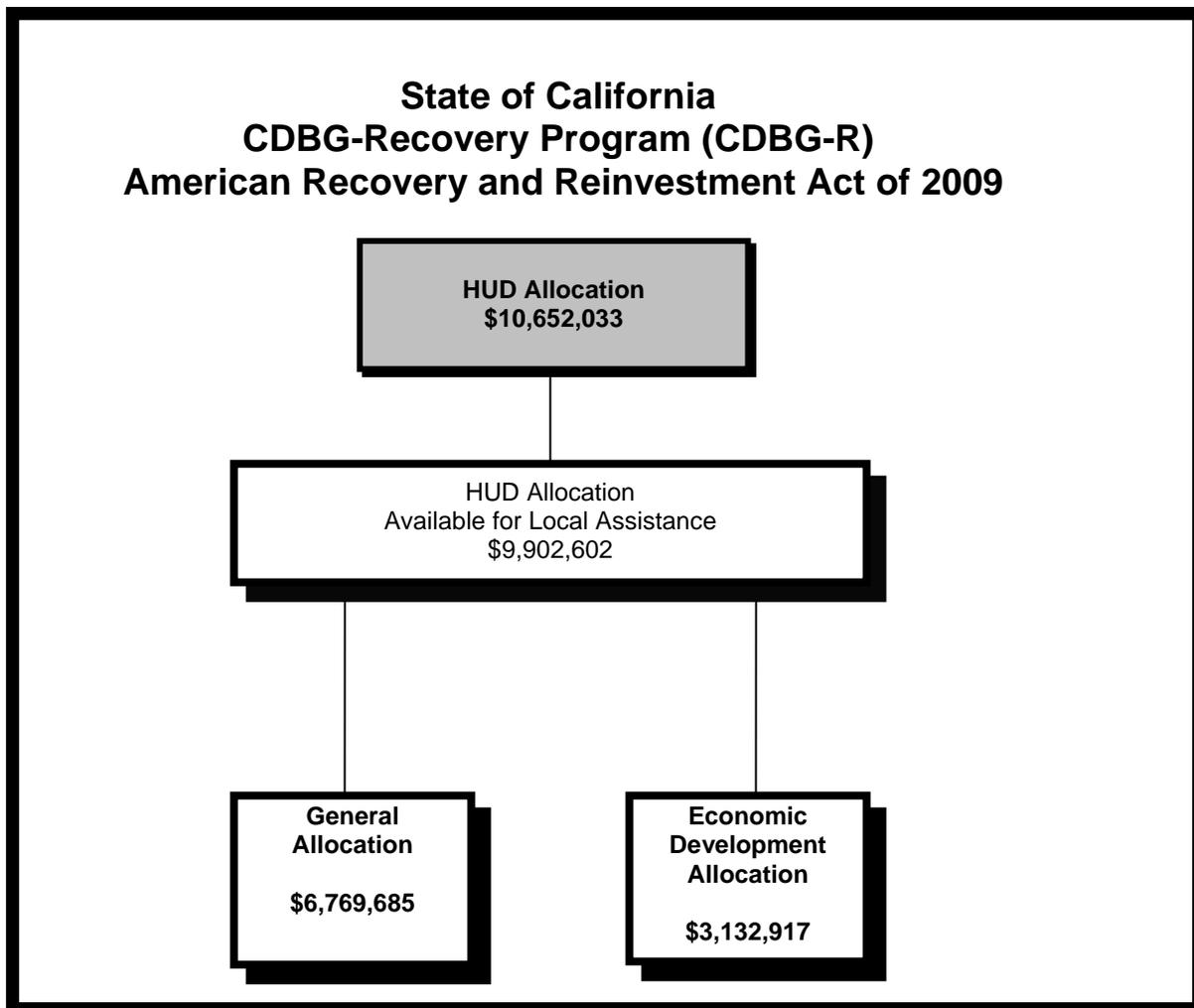
Eligible Jurisdictions

Eligible jurisdictions under CDBG-R are those currently eligible to participate in the regular State CDBG Program.

Fund Allocation

\$9,902,602 of CDBG-R funding was available to award to non-entitlement jurisdictions. Approximately 70 percent was allocated to the General Allocation and the balance of 30 percent was allocated to the Economic Development Allocation.

**State of California
CDBG-Recovery Program (CDBG-R)
American Recovery and Reinvestment Act of 2009**



Method of Distribution

CDBG-R General Allocation: \$6,769,685 was used to fund CDBG eligible projects that fell below the funding threshold of the 2008-09 CDBG General Allocation distribution process, and which met the ARRA objectives of stimulating the economy through measures that modernize infrastructure, improve energy efficiency, and/or expand educational opportunities and access to health care. All activities funded with the General Allocation will benefit low and moderate income persons. Other considerations for selecting 2008 applications for CDBG-R funding were readiness to proceed and all the commitment of all funding needed for the activities. The maximum CDBG-R award amount under the General Allocation is \$1 million.

CDBG-R Economic Development Allocation: \$3,132,917 was set aside for Economic Development (ED) activities and will be used to fund 2009-2010 ED applicants who have already submitted applications to the Department and whose projects meet the CDBG-R Program criteria. The maximum CDBG-R award amount for the ED Allocation is \$2.5 million.

Originally three ED projects were selected for potential CDBG-R ED funding, and were identified in the Substantial Amendment to the 2008-09 Action Plan. One of the three projects, requesting \$1,115,000 is being recommended for approval. The other two projects will be considered for funding under the regular CDBG Program.

The balance of \$2,017,917 (\$3,132,917 - \$1,115,000) will be awarded to an ED project that was not originally identified. A Substantial Amendment to the Substantial Amendment of the 2008-09 Action Plan will be submitted to HUD for approval to update the project list.

CDBG-R Eligible Activities

All CDBG eligible activities are eligible under CDBG-R. Certain specified activities and/or projects may not be funded with CDBG-R funds pursuant to the Recovery Act and this includes swimming pools, golf courses, zoos, aquariums, and casinos or other gambling establishments. Other activities generally prohibited under the regular CDBG program are also prohibited under CDBG-R. This includes prohibitions on the construction of buildings for the general conduct of government, political activities, purchase of equipment, and operating and maintenance expenses. Other CDBG restrictions may also apply including bans on assistance to professional sports teams, recreational facilities that serve a predominantly higher income clientele, and general promotional activities for the grantee.

Program Income

The Department will comply with existing CDBG requirements for Program Income.

Any program income generated from the use of CDBG-R funds will be treated as program income to the regular CDBG program, not as program income to the CDBG-R program.

Monitoring

The Department will comply with existing CDBG monitoring requirements (see page 82).

Performance Measurement

The Department will be required to comply with the Performance Measurements that are established under the CDBG-R program and also incorporated into the IDIS program.

Disaster Recovery Initiative (DRI)

Primary Objective

In 2008, California experienced a wildfire siege of the greatest magnitude in the history of the State which resulted in the issuance of two Presidential Disaster Declarations. On June 28, 2008 President Bush issued an emergency management disaster declaration through the Federal Emergency Management Administration (FEMA 3287-EM) which included Butte, Kern, Mariposa, Mendocino, Monterey, Plumas, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Trinity counties, and the Hoopa Valley Indian Tribe and Yurok Indian Tribe of the Yurok Reservation. On November 18, 2008, the President issued a disaster recovery declaration through the Federal Emergency Management Administration (FEMA 1810-DR) for disasters resulting from wildfires within Los Angeles, Orange, Riverside and Santa Barbara counties. Costs stemming from 2008 wildfire damage, destruction and loss of property were estimated at well over \$1.3 billion.

The primary objectives of the 2008 DRI program are:

- 1) Provide financial assistance to eligible jurisdictions (Counties, Cities and Tribes) for necessary expenses related to disaster relief, long-term recovery and restoration of infrastructure, housing and economic revitalization in areas affected by wildfire disasters occurring in 2008.
- 2) Provide incentive to eligible jurisdictions for the incorporation of forward thinking hazard mitigation planning activities in their recovery efforts (i.e., creation/update of Local Hazard Mitigation Plans (LHMPs), or, creation/update of Safety Elements in General Plans).

Congress has mandated a minimum percentage of each states 2008 CDBG/DRI allocation be devoted to the repair, rehabilitation, and reconstruction of affordable rental housing. California's minimum required amount from total allocation dollars has been set at \$4,427,908.

Program Goal

To achieve the primary objectives; staff and management have established the following program goals:

- 1) Successfully outreach to all of the eligible entities by:
 - a) Traditional posting and electronic delivery of public notice, action plan, NOFA and application to all jurisdictions (statewide).
 - b) Posting and maintaining available information and related forms on HCD web-site.
 - c) Conducting statewide roundtable meetings (live and web-based) in March 2010
 - d) Conducting statewide application workshops (live and web-based) in April-May 2010.

- 2) Provide technical assistance to ensure compliance with all Federal overlay requirements and guidance on maximizing use of available DRI resources.
- 3) Streamline funding recommendation process to allow for timely distribution of funds. The Department has elected an Over-The-Counter (OTC) process to speed the processing of applications and expedite delivery of funds.
- 4) Verify compliance with all Federal overlay requirements via the approved CDBG monitoring plan.

Funds Available

As prescribed by Federal DRI Notice [Docket No. FR-5337-N-01], HCD anticipates receiving an estimated \$39.5 million in Disaster Recovery Initiative (DRI) grants for 2008 California wildfire disasters.

The Department has budgeted \$15 million for forward-thinking planning and other smart strategies, which will help prevent or reduce damage from future disasters. Per the Federal DRI Notice, this will allow the State an opportunity to request an equal amount, on or before June 2010, from HUD's \$311,602,923 discretionary Disaster Recovery Enhancement Fund (DREF). This Enhancement Fund is designed to allow consideration for secondary allocations to grantees that anticipate they will still have unmet disaster recovery needs after developing and undertaking forward thinking recovery strategies and activities in a timely manner.

Eligible Jurisdictions

The DRI program anticipates having approximately 224 eligible jurisdictions and 14 Tribes (see appendix for complete listing).

Eligible applicants include cities, counties, and Federally-recognized American Indian Tribes (Tribes) within counties for which major disasters were declared by the President in 2008. The following eleven counties and two Tribes were listed in major disaster declaration FEMA 3287-EM for 2008: Butte, Kern, Mariposa, Mendocino, Monterey, Plumas, Santa Barbara, Santa Clara, Santa Cruz, Shasta and Trinity counties, and the federally recognized Hoopa Valley Indian Tribe and Yurok Indian Tribe of the Yurok Reservation. Four counties were listed in major disaster declaration FEMA 1810-DR for 2008: Los Angeles, Orange, Riverside, and Santa Barbara counties.

Fund Allocation

Anticipated allocation of \$39.5 million 2008 DRI funds:

- \$18 Million for housing, infrastructure and economic recovery and revitalization.

- \$15 Million for the development of forward-thinking land-use planning.
- \$4.5 Million set-aside (per HUD) for affordable rental housing activities
- \$2 Million (est. 5%) allowed by HUD for administrative costs.

Methods of Distribution of the DRI

Funds will be distributed pursuant to Federal DRI Notice [Docket No. FR–5337–N–01], Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (U.S.C. 5121), and, as prescribed under Federal (CFR, Title 24, Part 570 *et seq.*) and California (CFR, Title 25, Part 7050 *et seq.*) (CDBG program regulations).

All 2008 DRI Funding will be made available through an established Notice of Funding Availability (NOFA) and over-the-counter application process. The Department will entertain applications on an ongoing basis, making funding decisions as applications are submitted and reviewed. Funding decision will be made based on a first-come, first-served basis, and based on eligibility threshold criteria. Eligibility criteria will be established and announced in the NOFA and will be independent of applicants' status with the State CDBG Program. In the event there are fewer proposals requesting funds than there are funds available, the balance of available funds may be distributed to existing applicants.

Eligible Activities

All DRI activities must meet at least one of three CDBG program national objectives: benefit persons of low-and moderate income, aid in the prevention or elimination of slums or blight, or meet other urgent community development needs because existing conditions pose a serious and immediate threat to the health and welfare of the community where other financial resources are not available. In addition, grantees must ensure and document that at least fifty percent (50%) of their funding will meet the National Objective of benefiting low- and moderate-income persons. The State is required to meet this percentage and is in turn passing this requirement to local jurisdictions.

All activities funded with 2008 DRI allocations will be CDBG eligible in accordance with current Federal and state regulations. Adherence to all current construction quality standards, applicable building codes, zoning ordinances, and cost-effective energy conservation standards will be required.

Primary 2008 DRI program activities may include:

- Housing rehabilitation, reconstruction or replacement of residential structures;
- Homebuyer assistance to facilitate homeownership among low-and moderate income persons affected by the declared disaster, (down payment assistance, interest rate subsidies, loan guarantees);
- Repair, reconstruction or replacement of affordable rental housing;
- Community facility acquisition, construction, reconstruction or rehabilitation;

- Public works & infrastructure improvements in support of housing, including: installation/improvements of water and sewer facilities, streets and drainage;
- Code enforcement in deteriorated areas, e.g., caused by disaster;
- Public services for social services required because of disaster, emergency shelter or transitional housing payments;
- Activities relating to energy conservation and renewable energy resources, incorporated into recovery;
- Housing new construction activities for replacement housing units damaged or destroyed as a direct result of the declared disaster;
- Acquisition of real property (including buying-out of properties in critical fire hazard areas and the acquisition of relocation property); and,
- Relocation payments and assistance for displaced persons, businesses, organizations, and farm operations;
- Individual Mitigation Measures (IMM) to improve residential properties making them less prone to damage;
- Forward Thinking Hazard Mitigation Planning activities (i.e., the creation/update of local Hazard Mitigation Plans, or, creation/update of Safety Elements in General Plans); and,
- General administrative activities

NOTE: Requests for reimbursement of previously expended non-federal funds for 2008 DRI eligible activities may be eligible (limited) as described in the NOFA & Application.

Applicants within the eligible counties with no 2008 wildfire damage area may apply only for forward-thinking land use planning, such as general plan safety elements, LHMPs, and modern disaster Codes (and associated Administration costs).

Under the 2008 Disaster Recovery Initiative (2008 DRI) NOFA, eligible applicants will be allowed to apply for grant amounts of up to \$5,000,000 depending on the scope and number of eligible activities being applied for, and the percentage of low- and moderate-income households that will be assisted (details will be provided in the NOFA and Application).

Program Income

Program income generated by DRI funds shall remain at the local jurisdiction. State staff will determine if program income (PI) funds repaid from activities funded under this NOFA are normal CDBG PI and will be tracked as such by the grantee's fiscal staff, or if program income generated from this allocation must be tracked as DRI PI and retain their identity as such. If the grantee is using DRI funds under this allocation to fund activities which are already being funded with other CDBG funds, for example doing additional housing rehabilitation loans, then any DRI funds repaid will be returned to the local CDBG program income account. However, if the grantee is doing a new activity with DRI funds not already funded with CDBG funds, then any funds repaid from the investment of the DRI funds must be tracked as DRI program income. The State's decision about the type

of program income generated from the proposed activities will be made at the time of initial award of DRI funds from this allocation and that determination will be included in the grant contract between the State and the grantee

Monitoring

Prior to expiration of the grant agreement, State staff will monitor each DRI grant recipient for compliance with State and Federal overlays as described in the State's adopted CDBG monitoring plan. Monitoring checklists in the most recent grant management manual will be utilized and any issues found in the monitoring will be resolved prior to close out of the grant.

Performance Measurement

To ensure program requirements and non-duplication of benefits are addressed and avoid or mitigate occurrences of fraud or abuse, in addition to State CDBG staff, the California Emergency Management Agency (CalEMA) has been asked to assist in the review all 2008 DRI applications.

Once funded, grantees will be required to collect data and report on their accomplishments using procedures outlined in the State CDBG program grant management manual which requires completion of pre-determined specific output indicators based on type of activity. The State will track and report this information, to the extent possible, through HUD's on-line Disaster Recovery Grant Reporting (DRGR) federal grant reporting system.

Home Investment Partnerships Program (HOME)

Funds Available

During 2010-11, the State HOME Program is expected to receive an allocation of approximately \$58 million (including approximately \$1.7 million reallocated to the State from jurisdictions giving up their HOME formula allocation). Of this amount, \$4.4 million will be reserved for State administrative funds, leaving a minimum of approximately \$54 million, plus \$6 million in disencumbered funds, for a total of \$60 million to be offered in the HOME NOFA.

2010-11 Goals and Objectives

Goal 1: Meet the housing needs of low-income renter households

HOME funds will continue to be used to support the development of rental housing for all types and sizes of low-income households.

Objectives:

1. Continue using State Objective bonus points to encourage lower rents than the standard Low and High HOME rents.
2. Consider setting HOME loan limits for rental and homebuyer projects based on the geographic location of the project
3. Explore use of Green Building standards, such as "CALGreen".
4. Consider amending the State HOME regulations to reduce the number of points available for the Community Need rating factor, or to eliminate this rating factor.
5. Consider amending the State HOME regulations to include a rating factor that promotes geographic diversity in the award of HOME funds.
6. Consider amending the State HOME regulations to create an exception to the CHDO sole developer, owner, or general partner requirement in circumstances where the CHDO needs to bring in a partner to provide financial guarantees to the project.

Goal 2: Meet the housing needs of low-income homeowners

HOME funds may be used for both first-time homebuyer (FTHB) downpayment assistance programs and construction projects, as well as owner-occupied rehabilitation (OOR) programs. Except for administration, activity delivery, lead hazard reduction, and relocation costs, all direct homebuyer assistance must be made in the form of deferred payment loans. For more information, see Sections 8201 and 8205 of the State HOME regulations located at <http://www.hcd.ca.gov/fa/home/>.

Objectives:

1. Explore ways to use HOME funds for homebuyer and rehabilitation activities that could otherwise be funded with State CDBG funds in order to increase use of State CDBG funds for non-housing activities.
2. Encourage jurisdictions to use equity sharing with forgiveness to promote longer-term affordability in their FTHB programs.
3. In OOR situations, consider amending the State HOME regulations to permit refinancing with HOME funds where the structure of the existing loan precludes affordability.
4. Consider amending the State HOME regulations to provide grants for the following, provided that the house is also brought up to code: handicapped accessibility, asbestos and mold mitigation, energy efficiency improvements.

Goal 3: Address the housing needs of homeless and other special needs groups, including the prevention of homelessness

HOME funds may be used for acquisition, rehabilitation, or construction of permanent supportive housing for special needs populations, and transitional housing to provide temporary shelter to individuals and families who are currently homeless. HOME Program funds can also be used to provide Tenant Based Rental Assistance (TBRA), including security deposit assistance, to assist persons in accessing and maintaining housing.

Objectives:

1. Offer additional funds and/or bonus points for rental projects providing deeper affordability.
2. Encourage applications for projects targeting special needs populations, as permitted under federal and state antidiscrimination and fair housing laws.
3. Explore ways to provide incentives for use of HOME funds with transitional housing projects using EHAP-CD funds.

Goal 4: Mitigate Impediments to Fair Housing

Objectives:

1. Continue monitoring fair housing activities, including providing technical assistance on community-wide marketing, and affirmative marketing plans for projects of five or more units
2. Explore ways to provide more technical assistance to State Recipients and CHDOs regarding fair housing outreach tools for non-English speaking communities.

Eligible Applicants

Eligible HOME applicants include:

- Cities and counties not located in HUD-designated Participating Jurisdictions (PJs);
- Cities not participating in an Urban County Agreement with their county PJ;
- Cities and counties not part of a HOME Consortium; and
- State-certified Community Housing Development Organizations (CHDOs) proposing eligible activities within the CHDO service area and HOME-eligible locality.

For a tentative list of the approximately 220 HOME-eligible cities and counties, see Appendix A.

Eligible Activities

Pursuant to federal and State HOME regulations, HOME funds can be used for:

- new construction, acquisition, and/or rehabilitation activities;
- FTHB downpayment assistance;
- TBRA; and
- certain administrative expenses.

Eligible activities may occur within programs or projects. Programs are activities without identified sites at the time of the HOME application. Program funds are provided in the form of grants to eligible cities and counties who then provide low-interest deferred payment loans or grants to individuals for specified activities. Projects are activities with identified sites at the time of the HOME application. Project funds are provided to eligible cities and counties in the form of grants. The locality then provides funds to affordable housing developers, primarily in the form of 3 percent deferred payment loans. The Department also provides project funds directly to CHDOs, primarily in the form of 3 percent deferred payment loans. HOME funds may be used to assist Indian tribes consistent with applicable State and federal requirements.

Eligible Program Activities

- First-Time Homebuyer (FTHB) Program - Funds provided to a city, county or CHDO to administer a program to assist FTHBs. Eligible uses of these funds consist of: 1) a city or county providing a loan to the homebuyer for acquisition and up to \$10,000 for rehabilitation of a dwelling that the homebuyer selects from the open market provided the work is done after transfer of ownership interest; and 2) a city, county or CHDO providing assistance for the construction of scattered site dwellings, with no more than four dwellings on each vacant site, and each site shall be in an existing

built-out neighborhood. These dwellings must then be sold to FTHBs. HOME permits FTHB primary loan terms to exceed 30 years. Homebuyer Education is required for all Homebuyer loans made after June 30, 2008.

- Owner-Occupied Rehabilitation Program - Funds provided to a city or county to administer a program to assist owners of homes that are in need of rehabilitation in order to comply with applicable Health and Safety statutes or building codes.
- Rental Rehabilitation and/or Acquisition Program - Funds provided to a city or county to administer a program to assist owners of multi-unit rental housing that is in need of rehabilitation, or to assist in the purchase and rehabilitation of multi-unit rental housing that is in need of rehabilitation. No property assisted through this program shall receive more than 40 percent of the activity amount. Funds for this activity may not be made available under the 2010 NOFA.
- Tenant-Based Rental Assistance (TBRA) Program - Funds provided to a city or county to administer a program to provide rent subsidies to eligible households. Tenant leases cannot exceed 24 months, but can be renewed if additional TBRA funds are secured. In California, there are many market conditions that justify the use of HOME funds for TBRA, including tenant income compared to fair market rent and housing cost burden.

State Recipients may establish preferences pursuant to federal and State HOME requirements for use of HOME TBRA funds to serve victims of local, State, or federally declared disasters. Preferences for TBRA funds may also be established for tenants displaced if the Department determines that existing rental assistance will not be continued or renewed.

Any TBRA preferences must be established under the jurisdiction's HOME TBRA guidelines, and these guidelines must be approved by the Department. Before using HOME TBRA funds, the applicable TBRA requirements at 24 CFR Part 58 must also be met.

TBRA funds can be used in all HOME-eligible jurisdictions in the county where the funds were awarded, not just in the particular local jurisdiction to which the funds were awarded.

Eligible Project Activities

- First-Time Homebuyer (FTHB) Project - Funds used to develop a specified number of units to be sold to FTHBs. By the conclusion of construction, the entire HOME investment shall be converted to mortgage assistance for the FTHBs.
- Rental New Construction Project - Funds provided to develop a specific multifamily project on a specific site by a specific developer.

- Rental Rehabilitation and/or Acquisition Project – Funds provided to acquire a specific rental housing project, to rehabilitate a specific project without any transfer of ownership, or to both acquire and rehabilitate a specific project. Funds for projects that only involve acquisition with no rehabilitation, and for projects that only involve rehabilitation with no acquisition, may not be made available under the 2010 NOFA.

Currently, HOME funds used for TBRA, relocation payments, lead remediation, and administration or activity delivery costs must be provided in the form of grants.

For more information on HOME-eligible activities, see Sections 8201 and 8205 of the State HOME regulations located at <http://www.hcd.ca.gov/fa/home/>.

HOME Recapture and Resale Policy

Pursuant to 24 CFR 92.254(a)(5) and HOME Regulation 8206.1, the State HOME Program will utilize the recapture option in its homeownership programs and projects, but may utilize the resale option for limited equity forms of ownership, such as cooperatives and community land trusts.

- *Recapture Loans:* Under this option, where the local jurisdiction or the CHDO is not imposing its own resale controls, the entire amount of the HOME loan may be recaptured by the local jurisdiction or by HCD in the case of CHDO loans. The amount of accrued interest recaptured may be reduced as permitted under the State HOME Regulations. However, pursuant to 24 CFR 92.254, when the recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, only the net proceeds can be recaptured, if any. The net proceeds are the sales price minus superior loan repayments (other than HOME funds) and any closing costs. HOME loans made under the recapture option may also be assumed by subsequent HOME-eligible purchasers.
- *Resale Loans:* Although the HOME loan is generally not a resale loan, a State Recipient or CHDO may impose its own resale controls on a State Recipient or CHDO project when there is a source of subsidy other than State HOME funds. The source of subsidy need not necessarily be an actual loan; it may be in the form of an inclusionary housing ordinance which requires homes to sell below fair market value. The city, county or CHDO must request advance State HOME Program approval of the resale agreement and HOME loan documents to ensure that all of these documents meet the requirements of the HOME Final Rule and the State HOME Program. Loans made under this option may be assumable by subsequent HOME-eligible purchasers, even if the HOME loan is a recapture loan.

Pursuant to State Regulation 8206.1, HOME loans may be made in the form of resale loans on projects involving limited equity forms of ownership, such as community land

trusts or cooperatives, when market conditions indicate that resale controls may be necessary to keep units affordable to subsequent purchasers, and when adequate protections of the State's financial interest in the project exist. However, resale HOME loans are not recommended, because if the loan must be repaid during the federal period of affordability, and the net proceeds are insufficient to repay the full HOME loan amount, the shortfall must be repaid to HUD.

The Department may impose additional procedures as necessary to expedite loan assumptions or new loan processing on loans made with CHDO set-aside funds.

Affirmative Marketing

Pursuant to Section 92.351 (a), the State HOME Program requires projects of five or more units to adopt affirmative marketing plans and requirements.

HOME requires the use of specific forms as part of its affirmative marketing procedure.

- HUD's Sample Affirmative Marketing Procedures and Requirements
- Form HUD-935-2A, Affirmative Fair Housing Marketing Plan for MF Housing
- Form HUD-935.2B, Affirmative Fair Housing Marketing Plan for SF Housing
- Ethnicity and Race Data Collection Form
- Annual Affirmative Marketing Analysis Report
- Demographic Analysis (for activities, such as FTHB mortgage assistance programs or OOR programs)

In addition, Chapter XII of the HOME Contract Management Manual entitled "*Equal Opportunity in Housing*" is available on our website as a reference. It is an overview of Fair Housing, Affirmative Marketing, and Accessibility requirements and contains several documents in the Appendix to guide HOME recipients in attaining compliance. The Contract Management Manual and some of the forms noted above are available on our website at www.hcd.ca.gov/fa/home/

Annually, monitoring staff send letters to HOME recipients requesting document copies for each HOME-assisted project. The HOME recipient has 45 days to submit the requested documents to HOME staff for review.

HOME staff sends the HOME Recipient a letter upon completion of the review to either confirm compliance, provide technical assistance as needed, or inform of a possible site visit for training purposes.

Minority Homeownership

It is projected that approximately 600 minority households will become homeowners with State HOME assistance during the period covered by the 2010-2015 Consolidated Plan. The State estimates that it will assist 120 minority households to become homeowners in 2010-11.

HOME will continue to assess homebuyer outreach/marketing plans for additional marketing efforts to increase minority homeownership rates. HOME will continue discussions with State Recipients and CHDOs to determine if there are other factors contributing to low homeownership rates, such as low credit scores, and if there are other local FTHB program or project guideline changes that could improve the minority homeownership rate.

Minority/Women's Business Outreach

Pursuant to Section 92.351(b), the State HOME Program requires recipients of funds to adopt procedures for outreach to minority business enterprises (MBE) and woman business enterprises (WBE) in the procurement of goods and services related to its housing activities. HOME contractors are trained using outreach standards developed by HUD and given resources for finding certified MBE/WBE firms in California. Chapter XIII of the HOME Contract Management Manual, "EO – Employment and Contracting", contains all our requirements and resources in this area.

HOME monitors contractor good-faith efforts to utilize MBE/WBE. Site visits include a review of HOME contractor files and discussions with HOME contractor staff. Thereafter, the HOME contractor will annually submit MBE/WBE reporting forms to the Department.

Match

Pursuant to Section 8206 of the State HOME regulations, the HOME Program will satisfy the federal 25 percent match requirement by using excess match reported from prior HOME fiscal years, as well as match reported by applicants funded in the current funding round.

Antidisplacement and Relocation Assistance Plan

Please refer to Appendix J.

HOME Allocation Method

HOME funds will be divided into three separate allocations: one for rental projects, one for programs, and one for FTHB projects, with the percentage of each allocation based on the actual application demand expressed as a dollar amount requested in response to the initial NOFA of a funding cycle. However, under the initial NOFA, in no event shall the allocation for rental projects or the allocation for programs decline below 40 percent of the total funds available, and in no event shall the allocation for FTHB projects decline below 5 percent of the total funds available.

If the minimum allocation is not fully subscribed for applications submitted under the initial NOFA, the remaining funds may be: (1) transferred to the other allocation; (2) made available under a subsequent NOFA; or (3) a combination of (1) and (2). Funds under a subsequent NOFA may be made available on a first-come, first-served basis for a maximum of nine months from the application deadline under the initial NOFA, or for programs, may be divided equally among all eligible applicants requesting funds.

Pursuant to federal and State HOME regulations, a minimum of 15 percent of the total HOME allocation will be set-aside for CHDOs, and a minimum of 50 percent of the total funds awarded will be set-aside for rural area applicants. This rural percentage was chosen based on a needs study conducted pursuant to 24 CFR 92.201. If there are an insufficient number of eligible applications that qualify for the set-aside, the remaining rural funding reservation will be used to fund any eligible non-rural applications.

For more information on allocation of funds, see Sections 8212, 8212.1 and 8213 of the State HOME Regulations located at <http://www.hcd.ca.gov/fa/home/>.

Application Process and Rating Criteria

The anticipated timetable for the award of 2010-11 HOME funds is as follows:

Issue NOFA	June 1, 2010
NOFA Training Workshops	June 2010
Application Deadline - Projects and Programs	September 1, 2010
Loan and Grant Committee (Rental Projects)	January 2011
Announce Awards	November 2010 - Programs February 2011 - Projects
Execute Contracts	45-60 days after award letter

Over-The Counter (OTC) NOFA for Programs

Depending on the availability of funds, and in addition to the main competitive NOFA, HOME may also issue an OTC NOFA in 2009-10 for programs that were ineligible to apply under the main NOFA because the applicant had not reached the 50 percent expenditure level by the first application deadline. Once they have reached the 50 percent level, programs can apply for and receive OTC funds as long as their application meets all of the threshold criteria set forth in Section 8212 (a) of the State HOME regulations.

OTC program funds may be awarded in equal amounts among all applicants requesting funds, rather than on a first-come first-served basis.

Deep Targeting

HOME may also offer additional funds to rental projects to reduce private mandatory debt and facilitate more affordable rents.

Threshold Evaluation Criteria

To be considered eligible for funding, an application must be submitted by an eligible applicant by the deadline stated in the applicable NOFA. In addition, the application must be complete and all proposed activities must be eligible.

The total amount requested in an application cannot exceed the amounts specified in the NOFA. Applicants may be held out from competition due to performance problems with current HOME contracts, failure to submit required OMB A-133 audit documentation to the State Controller's Office, or unresolved audit findings.

Applicants for program activity funds with one or more active State HOME contracts must have expended at least 50 percent of the aggregate total of program funds originally awarded under these contracts to be eligible to apply for additional program activity funds.

Contractors for projects that miss three project deadlines are currently ineligible to apply under the next project NOFA. However the Department may waive this holdout penalty if the missed project deadline was clearly outside the control of all of the following parties: the applicant, developer, owner, and managing general partner.

Project applications must have adequate evidence of site control. Project applications must also demonstrate financial feasibility. HOME requires submission of certain documents to evaluate project feasibility, including but not limited to, a market study (or other market information for FTHB projects), appraisal, and Phase I/Phase II Environmental Site Assessments for new construction projects or lead, asbestos, and

mold assessments for rehabilitation projects. FTHB projects must also submit project guidelines similar to those now submitted by FTHB programs.

Applicants must certify there are no pending lawsuits preventing implementation of the project as proposed. Rental projects must demonstrate compliance with Article 34 of the California Constitution, and CHDO applicants must also demonstrate effective project control pursuant to federal and State HOME requirements.

Rating Factors

Programs and projects compete separately. HOME uses several rating factors to evaluate proposed programs and projects. Following is a general description of these rating factors:

Applicant Capability: Examines past performance on HOME contracts, as well as experience with other similar projects. The Department may deduct rating points from a project application if the project applicant, developer, owner, or managing general partner has been the applicant, developer, owner, or managing general partner on HOME projects in the past five years that have missed any of the following project deadlines: obtaining all necessary permanent financing, project set-up, construction loan closing, project completion, or final expenditure of funds. Performance points may also be deducted for material misrepresentations of fact which jeopardize the Department's investment in the project, or put the Department at-risk of a serious monitoring finding. In addition to HOME applicants, project owners and managing general partners can also have points deducted from applications they are involved in for failure to cooperate with monitoring requirements identified by the Department in the last five years

Community Need: Examines Census data relative to need in the locality where the program or project is being proposed.

Feasibility: Feasibility of rental projects must be demonstrated by compliance with the Uniform Multifamily Regulations (commencing with Section 8300) and State and federal HOME requirements.

In addition, for FTHB projects, the Department will evaluate the ability of the proposed project to meet State and federal HOME requirements. This will include, but is not limited to: an evaluation of the adequacy of the proposed development budget, the demonstrated market for the project, including both the assisted units and the non-assisted units, if any, and the affordability of the project, taking into account other available financing and HOME income requirements.

Both rental and FTHB projects earn points based on having the greatest percentage of assisted units. Point values for each factor will be identified in the NOFA (up to 200 points).

Readiness: Examines the applicant's project development plan, as well as the status of local government approvals, design progress, and financing commitments for a project.

Housing Element Compliance: Examines whether a city or county's housing element is in substantial compliance with State law. CHDOs and newly formed cities receive full points in this rating category.

Giving Up Formula Allocation: Applicants receive additional points for proposing activities in a jurisdiction that has given up its HOME formula allocation to compete in the State HOME Program.

Rural Points: Rural applicants receive fifty additional points in the competition.

State Objectives: For 2010-11 HOME may award additional State Objective points to the following:

- Applications that provide deeper affordability
- Activities that can be set up and funded quickly
- Applications that demonstrate expeditious use of HOME funds
- Applications that can be funded in a manner which promotes capacity building and continuity of housing activities
- Applications that target "special needs populations," where permitted under federal and state antidiscrimination and fair housing laws
- Applications that promote geographic diversity, and
- Activities that reduce the risk of predatory lending.

For 2010-11, HOME will consider the feasibility of awarding State Objective points to applications for development activities located in infill locations. The Department will work with local jurisdictions, especially rural jurisdictions, to develop an infill definition that considers the unique needs of rural communities.

For more detailed information on HOME rating criteria, please see Section 8212 of the State HOME regulations located at <http://www.hcd.ca.gov/fa/home/>.

Monitoring

HOME undertakes several levels of oversight to monitor activities carried out in furtherance of the Annual Plan. Principally, the Program relies on the standards set forth in federal and State statutes and regulations applicable to the HOME Program to govern its actions. However, HOME also consults regularly with applicants and grantees for

feedback on priorities the Program should undertake, and on how to improve its internal procedures to improve Program implementation. HOME also continually revises its set-up documentation and ongoing, close-out, and long-term monitoring procedures so that monitoring compliance with HOME fiscal requirements and federal overlays happens when most appropriate in the development of a project. Currently, HOME combines desk monitoring and site visits, which involve ongoing communication with its grantees. Internally, HOME monitors performance in meeting its Annual Plan goals and objectives through regular management team meetings, and State Recipient and CHDO staff meetings. In addition to the monitoring procedures described for Program requirements, HOME also monitors project progress and grantee expenditure rates.

In the coming year, HOME will explore ways to gather and analyze project data from our asset management unit to better inform our current underwriting practices so that we can develop more financially sustainable projects.

Performance Measurement

HUD has established Performance Measurements that became mandatory for every formula grantee in October 2006. These measurements have been designed to enable grantees and HUD to inform Congress, OMB, and the public of the outcomes of the covered programs. The goal is to begin focusing on more outcome-oriented information and to be able to aggregate results across the broad spectrum of programs funded by these block grants at the city, county, and State level.

For all activities, the State HOME Program will continue using “Providing Decent Affordable Housing” as its primary objective and “Improving Affordability” as its primary outcome measurement. The Program will collect performance measurement data from borrowers and grantees through its Set-up and Project Completion Reports.

Federal Emergency Shelter Grant Program (FESG)

Special Note

The federal Emergency Shelter Grant program will evolve into the new federal Emergency Solutions Grant program over the next two years, commencing with federal fiscal year 2011. For federal fiscal year 2010 (2010-11), FESG will continue to be implemented under the current ESG regulations. Commencing with federal fiscal year 2011-12, the program will be implemented in accordance with new federal regulations adopted under the HEARTH ACT of 2009. Draft federal regulations are expected to be ready for review and comment in May 2010, and will take effect with the 2011 federal fiscal year.

Eligible Applicants

FESG-eligible applicants are cities and counties that do not receive FESG funds directly from HUD, as well as 501(c)(3) nonprofit organizations that provide FESG-eligible activities in these localities. Pursuant to State FESG Regulations, as of the publication date of the applicable NOFA, an eligible organization must have provided FESG-eligible activities continuously each day throughout the prior 12 months or for winter or summer-only shelter providers, each day throughout the region's prior winter or summer shelter season. This experience requirement does not apply to new programs as described below.

Eligible Activities

Types of programs eligible for FESG funds include day centers, overnight emergency shelters, transitional housing and emergency hotel vouchers for homeless persons. Homelessness prevention programs are also eligible, including programs providing temporary rental assistance to prevent eviction or assist with move-in costs. For more information on specific State requirements related to these types of programs, see Sections 8406-8409 of the State FESG Regulations located on the Department's website at www.hcd.ca.gov/fa/fesg/.

Pursuant to federal and State FESG regulations, eligible activities within these types of programs include:

- facility operations;
- essential services (limited to 30 percent of the total State allocation);
- supervisory shelter administration (limited to 10 percent of the individual grant amount);
- grant administration (limited to 1 percent of the individual grant amount);

- homelessness prevention activities (limited to 30 percent of the total State allocation); and
- renovation, conversion, or major rehabilitation.

Major budget activities within “Essential Services” and “Homelessness prevention” are subject to the federal non-supplant requirements.

The State will request a waiver of the 30 percent limitation on essential services. The federal match requirement will be satisfied by all grantees.

Due to the availability of State bond funds allocated through the passage of Propositions 46 and 1C for the development of emergency shelter and transitional housing, FESG will discourage use of its funds for capital development activities including renovation, major rehabilitation and conversion, and encourage the use of EHAP Capital Development deferred loan program funds instead. The FESG NOFA includes a statement recommending that organizations needing funds for capital development apply to EHAP Capital Development to fund these activities.

Funds Available

FESG is expected to receive an allocation of \$6.8 million from HUD during 2010-11. In addition, the FESG Program will continue to reallocate any disencumbered funds from expired contracts. These funds will be made available on a competitive basis to cities and counties within California that do not receive a FESG allocation directly from HUD, as well as nonprofit organizations operating homeless programs within these same localities. During 2009-10, there will be an estimated 40 counties and 116 cities within ineligible counties that will be eligible to receive FESG funds. A listing of eligible jurisdictions is included in Appendix A.

The State’s Emergency Housing and Assistance Program (EHAP) was unfunded in the 2008-09 fiscal year, and remains unfunded for 2009-10 and 2010-11. The future of the State’s EHAP-Capital Development program (EHAP-CD) remains dependent on the state bond market. In 2008-09, EHAP-CD offered approximately \$31 million in Proposition 46 and Proposition 1C bond funds to support capital development activities for emergency and transitional housing statewide.

FESG Allocation Method

In accordance with State FESG Regulations enacted in July 2004, the FESG allocation will be divided into five smaller allocations described below. Note that Regional Allocation percentages are based on past demand for FESG funds in the region.

New Programs Allocation (5 percent): The purpose of this Allocation is to foster the development of new capacity to serve the homeless. To qualify as a New Program under this Allocation, a program must have been in operation for less than two years from the

date of the applicable NOFA, and the organization applying on behalf of the program must not have received State FESG funds or EHAP funds in the previous two funding rounds.

Northern California Allocation (33 percent): Available to programs in FESG-eligible localities within Northern California urban counties.

Southern California Allocation (24 percent): Available to programs in FESG-eligible localities within Southern California urban counties.

Rural Allocation Region (19 percent): Available to programs in FESG-eligible localities within non-urban counties.

General Allocation (15 percent): Available to programs that do not rank high enough to be funded out of the New Program or regional (Northern California, Southern California and Rural) Allocations. All programs not funded out of these Allocations can receive General Allocation funds based on a statewide ranking of their application score.

FESG Allocation		
	Percentage	Anticipated for 2009-10
New Programs	5%	\$340,000
Northern California	33%	\$2,244,000
Southern California	24%	\$1,632,000
Rural	19%	\$1,292,000
General	15%	\$1,020,000
State Administration	4%	\$272,000
TOTAL	100%	\$6,800,000

Application Process and Rating Criteria

In April 2009 FESG expects to release its annual NOFA and hold one application training workshop in Sacramento. State regulations permit the maximum grant amount per application to be established in the NOFA based on 2 to 4 percent of the available annual State FESG allocation. State regulations also permit the Department to give applicants the option of applying for 12- or 24-month grants.

Per State regulations, applicants are rated in four main areas: applicant capability (300 points); need for funds (100 points); impact and effectiveness of the client housing (250 points); cost efficiency (100 points) and State objectives (35 points). For a detailed description of each of the rating factors, see Section 8411 of the State FESG Regulations located on the Department’s website at www.hcd.ca.gov/fa/fesg/.

Monitoring

The State FESG Program will continue to use the risk assessment tool to measure risk associated with all grantees to determine which grantees require on-site monitoring. On-site monitoring of the highest risk grantees along with the current tracking system for grantee reporting will ensure long-term compliance with requirements of the Program, including the comprehensive planning requirements. In addition to on-site monitoring, desk audits will be implemented during 2009-10 for those grantees at lower risk.

Goals and Objectives

Goal 1: Continue to address the needs of FESG-eligible communities for emergency shelter, transitional housing, day centers and assistance to prevent homelessness

FESG will continue to fund emergency shelter, transitional housing, day centers and homelessness prevention programs serving homeless and low-income individuals and families. FESG will continue to award application rating points based on factors including the number and accessibility of supportive services provided to clients, staff to client ratios, and client outcome measures.

Objectives:

1. Continue outreach efforts to inform programs serving the homeless about the availability of FESG funds. Current outreach efforts include maintenance of an extensive NOFA mailing list of homeless service organizations; participation in regional and statewide meetings and conferences on homelessness; maintenance of an FESG webpage which includes application information; and participation in State inter-agency events concerning issues relevant to homelessness.
2. Award FESG funds according to the following anticipated timetable:

Release NOFA and Application	April 2010
Hold Application Training Workshops	April 2010
Rate and Rank Applications Received	June-Aug 2010
Announce Awards	September 2010
Execute Contracts	October 2010

Goal 2: Monitor and Assess the Implementation of new State regulations

In July 2004, the State FESG Program enacted its first set of regulations governing the allocation of FESG funds. Staff will monitor and assess regulations to ensure that implementation of any of the requirements does not result in any unintended consequences.

Objectives:

1. Data from the 2009-10 applicant pool will be analyzed to determine trends in the award of funds by program type, size, and subpopulation served. Any significant imbalances that may appear among any of these factors will be examined closely to see what in the application rating process may have contributed to an imbalance.
2. Prior to developing the 2010-11 NOFA, FESG staff analyzed each rating question to determine if non-regulatory changes can be made to achieve fair and reasonable scoring, taking into account each question's policy goal and prior year's score distribution.
3. Upon adoption of federal regulations for the new Emergency Solutions Grant (ESG) program under the HEARTH ACT of 2009, staff will determine what changes may be needed in State FESG regulations to operate the program. These possible changes would take effect with the federal fiscal year commencing October 2011.

Goal 3: Award State Objective points to programs serving the chronically homeless

State regulations currently permit the FESG Program to award up to 35 points to programs meeting a federal funding priority as publicly announced by HUD. Consistent with this, programs serving the chronically homeless will receive State objective points in the 2010-11 funding round.

Objectives

1. Prior to release of the NOFA and application, FESG staff will determine how to best solicit information from applicants regarding service to chronically homeless.
2. Pursuant to Section 8411(b)(5)(A) of the State FESG regulations, FESG also will determine if particular types of facilities or programs serving the chronically homeless should receive State Objective points due to an imbalance in the types of programs funded in the 2009-10 funding round.

Goal 4: Focus monitoring efforts on programs with difficulties in meeting reporting requirements; low drawdown rates; and staff turnover

During 2010-11, FESG will focus its grantee monitoring efforts on those programs that did not expend prior year contracts in a timely manner. This will include programs that had unspent funds at the end of their contract term, as well as programs whose expenditure rate over the term of the grant was very uneven. Programs with reporting difficulties will also be monitored.

Objectives:

1. During 2010-11, FESG will monitor a minimum of eight programs with low expenditure rates or reporting difficulties through a combination of site visits and desk audits.
2. FESG will simplify reporting requirements, and provide additional technical assistance and monitoring support to grantees regarding completion of Program Activity Reports (PARs), which must be submitted to draw-down FESG funds.
3. FESG will provide a Grant Management training workshop for current and new grantees in October 2010 in Sacramento, California. This will provide a review and follow-up to existing grantees and early training for inexperienced grantees. FESG's Grant Management Manual was updated in March 2010.

Performance Measurement

In April 2006 the State FESG Program began incorporating HUD's new performance measurement system into its application and reporting forms. In 2009, HUD's IDIS system was redesigned as a web-based system. FESG began inputting sub-grantee data collected via the Annual Performance Report and submitting it in the IDIS format. With the introduction of the new HUD HPRP Program under ARRA, IDIS underwent changes in project setup and data requirements that may affect future Annual Performance Reports for FESG and HPRP. Program staff will continue to enter sub-grantee reporting data in IDIS, and will await further HUD guidance on data to be included in the Annual Performance Report (APR).

FESG will collect any new information on its revised report forms which will be included in the 2010 Grants Management Manual. Revisions to FESG reporting forms will reflect changes in IDIS. Grantees will be required to collect data and report on pre-determined specific output indicators based on the type of activity. FESG output indicators used in prior annual performance reports may change but no major changes are anticipated.

American Recovery and Reinvestment Act of 2009 (ARRA): Homelessness Prevention and Rapid Re-Housing Program (HPRP)

HPRP has been funded by HUD for a three-year period covering September 11, 2009 to September 10, 2012. The following is general description based on the statute. A formal ConPlan amendment was submitted to HUD on May 18, 2009 in response to HUD regulations.

HPRP Program Goal

Give priority to funding eligible jurisdictions that are ready to provide homelessness prevention and rapid re-housing activities pursuant to HPRP and the state Notice of Funding Availability (NOFA), within HUD's time requirements for the use of HPRP funds.

Primary Objective

Funding under HPRP will be directed towards providing homelessness prevention and rapid re-housing activities for homeless persons and persons "at risk of becoming homeless" under Title XII of Division A of ARRA.

Funds Available

HCD received an allocation of \$44,466,877 from HUD as part of ARRA funding. A total of \$42,688,202 was awarded to 31 sub-grantees statewide. According to the HUD Notice (federal regulation), 60 percent of all HPRP funds must be spent within 24 months of the date HUD signed the Grant Agreement (September 11, 2009), and 100 percent of HPRP funds must be spent within 36 months of that date, or by September 10, 2012.

Eligible Jurisdictions

Jurisdictions eligible under HPRP are those currently eligible to participate in the Emergency Shelter Grant (ESG) program within non-entitlement cities and counties of the State, as well as HUD entitlement cities and counties. Attachments A and B of the 2009 HPRP NOFA, and Appendix B of this plan, identify the eligible jurisdictions.

- 1) The Secretary of HUD established requirements to expedite the use of HPRP funds. The Grant Agreement with HCD was signed by HUD on September 11, 2009, which became the commencement date of the "period of availability".
- 2) Award priority included sub-recipients that can provide homelessness prevention services within prescribed time limits to be set by HUD. The 2009 HPRP NOFA set the rating categories.
- 3) The Secretary may waive or specify alternative requirements for any provision of any statute or regulation in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding that such waiver is necessary to expedite or facilitate the timely use of such funds and would not be inconsistent with the overall purpose of the statute. HCD requested a waiver to include Public Housing Authorities and Public School Districts in the definition of sub-grantee, but HUD denied this request.

Fund Allocation

The State's total HPRP allocation is \$44,466,877 for a three-year period. Funds were allocated statewide in accordance with the HUD Notice of March 19, 2009 and the HCD NOFA dated July 8, 2009. \$42,688,202 was allocated to subrecipients, and \$1,778,675 was allocated to the State for administration.

2009 HPRP Fund Allocation to Subrecipients	
Homelessness Prevention	\$23,923,181
Rapid Re-Housing	\$13,873,665
Data Collection and Evaluation	\$ 4,446,687
Grant Administration	\$ 444,669
Total	\$42,688,202 (all awarded on 9-21-09)

Methods of Distribution of the HPRP Allocation

State HPRP funding was distributed competitively as noted in the Substantial Amendment to the 2009 Annual Plan, as well as pursuant to federal statutes and regulations, guidelines set forth by HUD, and State HPRP regulations.

Eligible Activities

All activities allowed under federal HPRP rules will be eligible, subject to any limitations that may be imposed by the Secretary of HUD. All grantees must spend a minimum of 60 percent of their funds within two years of the date funds were made available to the State (September 11, 2009), and the remainder must be spent within three years of that date.

Program Income

None anticipated. The Department will comply with the requirements as set forth in the award.

Monitoring

The Department will comply with the monitoring requirements set forth in the Award and by HUD. Monitoring is anticipated to ensure the compliance with all grant terms and conditions as may be set forth by statutes or regulations, or HUD requirements.

Performance Measurement

The Department will comply with the Performance Measurements that are forthcoming and awaiting establishment under HPRP, and also to be incorporated into IDIS and reporting systems required by HUD.

Housing Opportunities for Persons with AIDS (HOPWA)

The 2010-15 Action Plan Update for HOPWA is part of the State of California 2010-2015 Consolidated Plan submitted to the US Department of Housing and Urban Development (HUD) by the California Department of Housing and Community Development. The California Department of Public Health, Center for Infectious Diseases, Office of AIDS (CDPH-OA) assumes the grant administration responsibilities, as the State of California HOPWA grantee.

Needs Statement

As of April 30, 2009, a total of 102,812¹ Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV) cases have been reported in the State of California. Of the 102,812 reported HIV and AIDS cases statewide, 10,773 persons living with HIV/AIDS (PLWH/A) were reported in those 42 counties served by the State HOPWA Program, which include 40 counties outside the Eligible Metropolitan Statistical Areas (EMSA) and the newly designated Bakersfield and Fresno EMSAs. According to the National AIDS Housing Coalition², half the people living with HIV/AIDS need some form of housing assistance. When applying this percentage to the number of AIDS cases reported in the 42-county area served by the State HOPWA Program, there may be at least 5,387 persons that are homeless or at risk of homelessness. In accordance with Health and Safety Code Section 121022, health care providers and laboratories must report cases of HIV infection by name to the local health officer, and local health officers must report unduplicated HIV cases by name to CDPH-OA. Once the names reporting system is in full effect, it is anticipated that the number of HIV cases will increase the total of HIV/AIDS cases significantly.

Persons living with HIV/AIDS experience multiple barriers to housing stability. The most prevalent barrier is insufficient financial resources. Income data from HOPWA clients served by the State HOPWA Program in 2008-09 indicates 72 percent of renter and owner households had incomes between zero and 30 percent of area median income. Other conditions such as physical disabilities, developmental disabilities, mental illness and drug or alcohol abuse make day-to-day lives difficult. Additionally, persons living with HIV/AIDS often have poor credit history, criminal records, or are undocumented which also create additional barriers to securing affordable housing. Households are experiencing loss of housing due to foreclosure as well. The State HOPWA program will

¹ California Department of Public Health, Office of AIDS website:
<http://www.cdph.ca.gov/data/statistics/Pages/OAHIVAIDSStatistics.aspx>.

² www.nationalaidshousing.org

continue to fill the unmet and most urgent HIV/AIDS housing needs by providing housing assistance and supportive services as set forth in the planned goals below.

CDPH-OA is gathering unmet HIV/AIDS housing need data from its local jurisdictions. One method is through tracking of persons living with HIV/AIDS (PLWH/As) on waiting lists for tenant based rental assistance or short-term rent, mortgage and utility assistance (STRMU). Although requested, waiting list information was not available from every county under the OA HOPWA jurisdiction. The table below represents the unmet housing need reported as of June 30, 2009 through waiting lists from seven jurisdictions.

Unmet Housing Need / June 30, 2009

Tenant Based Rental Assistance	112
Short Term Rent, Mortgage and Utility Assistance (STRMU)	214
Facility Based Housing	18
Total Unmet HIV/AIDS Housing Needs	344

Goals and Objectives

The purpose of the HOPWA Program is to devise long-term comprehensive strategies to meet the housing needs of persons living with HIV/AIDS or related diseases, and their families. To meet the most urgent needs of persons living with HIV/AIDS, the following goals have been established for the HOPWA Program during 2010-11:

- Allocate HOPWA funds in a manner that ensures all non-EMSA counties are able to meet the most urgent HIV/AIDS housing needs of the clients within their community and in turn alleviate or prevent homelessness among persons living with HIV/AIDS.
- Assist sponsors in establishing linkages with other mainstream resources (e.g. housing authorities, local Continuum-of-Care groups, homeless service agencies) through technical assistance and other HOPWA resources.

Based on prior year data and similar funding levels, it is anticipated that the following goals can be met:

HOPWA Performance Chart 1		HOPWA Assistance	Non- HOPWA Assisted
Housing Assistance Subsidies			
1	Tenant-based rental assistance	85	100
2	Households in permanent housing facilities receiving operating subsidies/leased units	1	25
3	Households in transitional/short term housing facilities that receive operating subsidies/leased units (includes Hotel/Motel Voucher Assistance)	230	50
4	Units in facilities developed with capital funds and placed in service during the program year (Number of households supported)	0	0
5	Short-term rent, mortgage and utility assistance (STRMU)	1,730	200
Total Housing Subsidy Assistance		2,046	375
Housing Development (Construction And Stewardship Of Facility Based Housing)			
6	Units in Permanent housing facilities being developed with capital funding but not yet opened (show units of housing planned)	0	
7	Stewardship (developed with HOPWA but no current operation or other costs) Units of housing subject to 3 or 10 year use agreements	18	
Total Housing Developed		18	
Supportive Services			
8	i) Supportive Services in conjunction with HOPWA activities	2,050	
	ii) Supportive Services NOT in conjunction with HOPWA activities	0	
Total Supportive Services		2,050	
Housing Placement Assistance			
9	Housing Information Services	1,000	
10	Permanent Housing Placement	100	
Deduct for Duplication of Assistance		-100	
Total Housing Placement Assistance		1,000	

Performance Measurement

For all housing assistance activities, the HOPWA Program will use “Providing Decent Housing” as the primary objective and “Improving Affordability” will be the primary outcome measurement. For supportive services activities in conjunction with housing assistance, the HOPWA Program will use “Providing Decent Housing” as the primary objective and “Availability/Accessibility” will be the primary outcome measurement.

HOPWA specific outcomes to be measured are the degree to which HOPWA-assisted households have been enabled to:

- Establish or better maintain a stable living environment;
- Improve access to care and support; and
- Reduce the risk of homelessness.

CDPH-OA will strive to meet the National HOPWA targets to 1) maintain housing stability by at least 90 percent of HOPWA households in permanent housing by 2012; and 2) reduce risk of homelessness for at least 70 percent of clients in short-term or transitional housing by 2012.

Leveraged Funds

On annual basis, CDPH-OA allocates funding to counties within the HOPWA State Grantee jurisdictions for HIV/AIDS prevention, treatment and care services including, but not limited to, AIDS drug assistance and other core medical and supportive services. HOPWA project sponsors receive funding through the non-HOPWA CDPH-OA programs for many of these activities. CDPH-OA and local health departments and HIV/AIDS service agencies have experienced significant HIV/AIDS program cuts due to the State budget crisis. Reported leveraged state funds may be lower than in prior years.

In a few counties, such as Sonoma, Ventura, San Luis Obispo, Monterey, Stanislaus and Santa Barbara, service providers have been successful in obtaining Shelter Plus Care contracts, advocating for priority Section 8 vouchers for persons living with HIV/AIDS, and securing funding awards through the McKinney Supportive Housing Program and local government funding for the operation of transitional and permanent housing. Additionally, some service providers receive private foundation funds that are used to provide shallow rent subsidies or pay for facility operating costs, supportive services, administrative or other agency costs. At least three HOPWA project sponsors were awarded American Recovery and Reinvestment Act (ARRA) – Homeless Prevention and Rapid Re-Housing Program (HPRP) funds, which will provide additional resources for housing assistance. One project sponsor has been awarded ARRA – Neighborhood Stabilization Program (NSP) funds as well.

Availability of Funds and Method of Distribution

For FY 2010-11, CDPH-OA will renew its existing HOPWA contracts. The contracts include 6 health departments acting solely as fiscal or administrative agents, 9 health departments and a housing authority that are providing direct HOPWA services as well as acting as fiscal agent, and 7 non-profit community based organizations providing direct client services. In the event a county loses its fiscal agent, a Request for Applications will be released for that county to select a new project sponsor.

All funds, including the FY 2010 grant and any prior-year unspent or returned funds, will be allocated to the 40 counties outside the Eligible Metropolitan Statistical Areas (EMSAs) through a non-competitive formula allocation process. The formula for FY 2010-11 is based on AIDS cases reported by counties to the CDPH-OA HIV/AIDS Case Registry as of December 31 of the prior year.

With the participation of stakeholders, CDPH-OA intends to update this formula by FY 2011-12 to reduce possible funding disparities among non-EMSA jurisdictions. During FY 2011-12, the potential or continued use of additional factors in the formula will be researched and evaluated. Factors that may be used include, but are not limited to, reported HIV cases by county, service utilization statistics that can accurately identify the number of HIV/AIDS clients residing in each county, unemployment rates or poverty level data, HUD Fair Market Rents as a high housing cost area indicator, the number of persons with HIV/AIDS being released from prison to each county, and numbers of persons with HIV/AIDS reported by correctional institutions in each county.

In FY 2007-08, the City of Bakersfield became an eligible HOPWA grantee for Kern EMSA, and Fresno was recently designated an eligible HOPWA Grantee for the Fresno EMSA. Both Bakersfield and Fresno have requested that the State assume the HOPWA grantee responsibilities for FY 2009-10. The State will enter into tri-party agreements with HUD and Bakersfield, and HUD and Fresno. The HUD allocations designated for Kern EMSA and Fresno EMSA will be dedicated to Kern and Fresno, respectively, and not included in the formula allocation process. Any unspent funds from the prior year grant for Kern or Fresno will be carried forward to FY 2010-11 for eligible HOPWA housing assistance activities in Kern or Fresno County respectively.

A list of HOPWA eligible jurisdictions is provided in Appendix A.

Program Activities

Based on local HIV/AIDS housing and supportive service needs assessments, each locality will determine the HOPWA activities to be funded and the amount of funds from its allocation to be applied toward each selected activity. HOPWA Contractors should allocate funds to activities that will assist clients in overcoming the most significant barriers to housing in their community. Through an application process, CDPH-OA will evaluate and approve those activities prior to the beginning of each program year.

Tenant Based Rental Assistance. Project Sponsors are encouraged to establish a tenant-based rental assistance program if their HOPWA allocation is sufficient to operate this type of activity, and there is evidence of a need for rental subsidies in their HIV/AIDS community. The rent standard to be utilized is the rent standards approved by each of the local public housing authorities for the area that the public housing authority serves.

Emergency Short-Term Rent, Mortgage and Utility Assistance (STRMU): It is anticipated that short-term rent, mortgage and utility assistance (STRMU) will be made available to PWLH/A in all 42 counties. In accordance with 24 CFR 574, STRMU assistance may be provided to eligible households for a period of 21 weeks out of any 52 week period. CDPH-OA has defined the 52-week period based on the program year of July 1 – June 30. Agencies will track the 21 weeks using calendar days of assistance. CDPH-OA has established the following uniform guidelines for those counties wishing to impose caps:

1. At a minimum, the annual per household amount for STRMU should be equivalent to at least one month's HUD Fair Market Rent for a one-bedroom unit for the jurisdiction in which the household resides. A per household cap for utility assistance should not be less than the current Utility Allowances published by the local jurisdiction's housing authority.
2. The household's on-going housing needs are assessed or will be assessed in connection with the development of an individual housing service plan for the household. The level of assistance is based on the assessed housing need.
3. The time limitation or cap on funds will be sufficient to avoid any continuing household housing crisis.
4. The assistance will be for actual costs;
5. Other resources, such as household income, are not reasonably available to address the unmet housing need;
6. Any process for waiving a cap or limitation must be expressed in writing and implemented in a uniform manner to all clients assisted.

Facility Based Housing Operations. This activity includes master leasing of units, project-based rental assistance, operating subsidies for HIV/AIDS supportive housing facilities –permanent, transitional, or emergency housing, and hotel/motel voucher assistance.

Housing Placement Assistance. This includes security deposit assistance, credit checks and utility hook-up deposits as well as housing information, outreach and referral services.

Supportive Services. This activity includes case management, transportation vouchers, nutritional services, benefits counseling, substance abuse or mental health counseling, personal assistance, life skills management, job training, consumer credit counseling and other services if approved by CDPH-OA.

All households receiving HOPWA housing assistance must be provided with appropriate supportive services. Supportive services may be funded through other resources or

through linkage to other programs. HOPWA funds may also be used but should be limited.

CDPH-OA policy requires that not more than 25 percent of a HOPWA contractor's annual HOPWA allocation can be used for supportive services. CDPH-OA will allow a waiver of the 25 percent cap if an increase in supportive services will help clients overcome barriers to stable housing (e.g., more intense case management, mental health or alcohol and substance abuse treatment, consumer credit counseling, job training, etc.).

Eligible Applicants

CDPH-OA has determined that local health departments will act as fiscal agents (also known as administrative agents) to administer or carry out HOPWA activities throughout the State. CDPH-OA is not subject to the procurement requirements under 24 Code of Federal Regulations (CFR) Part 85.36 pursuant to HOPWA regulation 24 CFR 574.3. Fiscal agents are required to solicit for projects sponsors through a competitive process to ensure full access to all grassroots, faith-based, community-based organizations and governmental housing agencies. In counties or regions where a fiscal agent has withdrawn, CDPH-OA solicits for a project sponsor or sponsors through a Request for Applications process to ensure full access to these organizations as well.

Partnering with fiscal agents is a more efficient method of administering the HOPWA grant over a 42-county area; however, over the next three years, there may be less participation by the local health departments in this capacity due to an impending reduction in the allowable administrative fee for fiscal agents. If fiscal agents withdraw, CDPH-OA will select qualified project sponsors through a Request for Applications process to carry out HOPWA activities.

It is anticipated that Kern County Health Department and Fresno County Health Department will continue as project sponsors/fiscal agents for Kern County and Fresno County for FY 2011-12.

Coordination of Efforts and Community Input

CDPH-OA has the lead responsibility for coordinating state programs, services and activities related to HIV/AIDS. CDPH-OA emphasizes the integration of representatives of HIV/AIDS service agencies, other State departments (such as Corrections, Housing, Rehabilitation, Mental Health, Developmental Services and Alcohol and Drug Programs), local health departments, university-wide AIDS Research Program (University of California San Francisco), and others in information gathering, research and decision making processes.

Additionally, CDPH-OA requires that local planning or advisory groups be formed to include representatives of HIV/AIDS service agencies, health department representatives,

local affordable housing and homeless agencies, representatives of the post-incarcerated populations, agencies addressing the needs of the mentally ill, substance abusing or other disabled populations and consumers. These groups are charged with informing agencies about local HIV service delivery plans and addressing the need for linking care and treatment service agencies with other agencies and clinics providing services to the same population. The selected HOPWA fiscal agents and project sponsors should participate in the local HIV planning and service delivery process to the extent possible.

Project sponsors are encouraged to participate in their local Continuum of Care planning process to ensure that the HIV/AIDS population is represented during the planning process. CDPH-OA will provide counties with contact information and assist them in establishing relationships with the Continuum of Care Planning group in their community. Sponsors serving PLWH/A that target the homeless population must participate in their local Homeless Management Information System (HMIS). Those agencies that target PLWH/A and may assist homeless PLWH/A are encouraged to participate in the local HMIS as well.

All project sponsors were encouraged to apply for or collaborate with local agencies receiving funds through the ARRA-HPRP funds as a mechanism for increasing housing resources for PLWH/As.

Monitoring and Program Improvement Activities

CDPH-OA will continue on-site monitoring visits to its fiscal agents and project sponsors to ensure compliance with HOPWA Regulations, federal overlays, and CDPH-OA contractual obligations.

A revised HOPWA Administrative Manual is in process, and is expected to be completed during 2010-11. Training will be provided for all fiscal agents and project sponsors by teleconference or web-based conferencing.

CDPH-OA has revised its progress reports to reflect revisions made to the HOPWA Consolidated Annual Performance and Evaluation Report (CAPER) and the federal Integrated Disbursement and Information System (IDIS) reporting requirements. The State's AIDS Regional Information and Evaluation System (ARIES) includes a HOPWA reporting component that is consistent with the HOPWA IDIS and CAPER reporting requirements. The report is being tested by ARIES users.

Continuous monitoring and technical assistance will be provided through telephone communication, quarterly reports, monthly expenditure reviews, and management memoranda.

Lead Based Paint Hazard Control Program (LHCP)

Funding Allocation

In February 2009, CSD received a 36-month, \$3 million Lead Hazard Control Grant from HUD under Round 15. This award was funded by ARRA. The State Department of Community Services and Development (CSD, the administrative agency for LHCP) intends to provide lead hazard reduction services to at least 210 privately-owned housing units occupied by low- to moderate-income families in which a child under the age of six resides or spends a significant amount of time. Housing units meeting income eligibility occupied by a child with elevated blood lead levels are also eligible. Lead hazard control services will be provided in conjunction with weatherization services funded by U.S. Department of Energy Weatherization Assistance Program and Low-Income Home Energy Assistance Program weatherization services. The strategy combines the benefits of weatherization and minor home repair services with CSD's LHCP.

In response to the need to reduce lead-based paint hazards in pre-1979 low-income privately-owned housing, CSD has and will continue to work in partnership with other State and local agencies, as well as community-based organizations, as described below.

On April 22, 2010, the Environmental Protection Agency's (EPA) Lead-Based Paint Renovation, Repair, and Painting Rule goes into effect, requiring all contractors who work on homes built prior to 1978 to become trained to use lead-safe work practices, and requiring renovation firms to be EPA certified.

Funding Procedures

Under the original Lead Hazard Control Program (LHCP) grant proposal CSD planned to partner with four Community-Based Organizations (CBOs) from its weatherization network to deliver lead hazard control services. Because the ARRA-LEAD grant incorporated new requirements for Davis Bacon prevailing wages, the Fresno County Economic Opportunities Commission (EOC) had to withdraw from the LHCP due to the organization's inability to pay prevailing wages to its youth corps members. Maravilla Foundation also withdrew. Due to the critical timelines surrounding ARRA lead funding, CSD reallocated the balance of the ARRA lead funds to existing lead providers and has negotiated with a past lead contractor, the Community Resources Project, to once again partner with CSD. While there have been unforeseen problems, CSD fully expects to meet ARRA-imposed conditions, which require that 50 percent of the awarded funds be spent by April 30, 2011 and 100 percent be spent no later than April 14, 2012.

CSD will partner with three nonprofit CBOs to provide LHCP services under Round 15 in six counties throughout the state, as outlined in the chart below.

CBO	COUNTIES	UNIT GOAL	ALLOCATION
Community Resource Project	Sacramento, San Joaquin, Sutter and Yuba	50	\$557,218
Redwood Community Action Agency	Humboldt	55	\$718,664
Community Action Partnership of San Bernardino County	San Bernardino	110	\$1,164,736

In addition, the California Department of Public Health (CDPH) receives annual funding from the federal Environmental Protection Agency (EPA) to implement effective compliance and enforcement of the Lead-Related Construction Program, develop and distribute outreach and education materials, and evaluate and monitor childhood lead exposure.

Monitoring

CSD monitoring activities include review and approval of lead-based paint inspection and risk assessment reports, project design and cost estimates, desk reviews, and periodic field visits to supervise work activities.

Five-Year Lead Hazard Control Objectives

Actions to reduce or eliminate lead-based paint hazards in the operation of State housing programs include the following:

- CSD will implement the ARRA-funded Round 15 as described above. CSD will seek out opportunities to diversify funding opportunities to sustain the program.
- CSD will partner with the California Healthy Homes Coalition to develop a statewide coalition to address healthy homes policy and programs.
- CSD will partner with the California Department of Public Health (DPH) to develop a quality assurance program to assess participating CBOs' compliance with applicable State, federal and local laws.
- CSD will monitor the performance of its network of lead protection providers to assure compliance with lead-safe work practices as outlined in HUD's Title X, Davis Bacon, State prevailing wages, EPA, OSHA, CSD's Weatherization Installation Standards Manual, and Policies and Procedures.
- DPH will continue to implement Title 17, CCR, to govern accreditation and certification of the lead hazard control industry and lead hazard control work.
- DPH will continue to compile information, identify target areas, and analyze information to design and implement a program of medical follow-up and environmental abatement to reduce childhood lead exposure.
- CDPH will continue to provide outreach to the public on lead hazard avoidance (especially for at-risk children) in order to reduce lead exposure in housing.

Certifications

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about –
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will –

- a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
- a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the State's knowledge and belief:

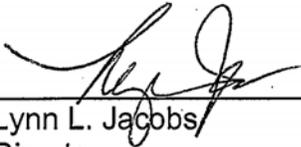
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



Lynn L. Jacobs
Director

5/3/10

Date

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year 2010-2011, shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. **Special Assessments.** The State will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

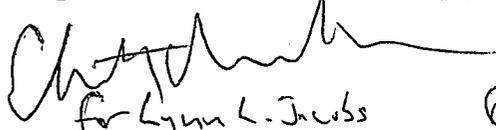
It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.


for Lynn L. Jacobs 6/25/2010
Signature/Authorized Official Date

Director, ACD
Title

Specific HOME Certifications

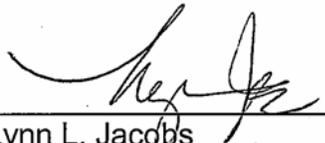
The State certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.



Lynn L. Jacobs
Director

5/3/10
Date

Specific ESG Certifications

I, Lynn L. Jacobs, Director, authorized to act on behalf of the State of California, certify that the State will ensure compliance by units of general local government and nonprofit organizations to which it distributes funds under the Emergency Shelter Grants Program with:

Major Rehabilitation/Conversion -- In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major (i.e. renovation), the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services and Operating Costs -- Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Building Standards -- Any building for which emergency shelter grant amounts are used for conversion, major rehabilitation, rehabilitation, or renovation must meet local government safety and sanitation standards.

Supportive Services -- It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance for such individuals.

Matching Funds -- It will supplement the assistance provided under this program with an amount of funds from other sources equal to the difference between the amount received and \$100,000. The first \$100,000 of any assistance provided to a State is not required to be matched but the benefit of the unmatched amount must be shared with local governments, agencies and nonprofit organizations receiving assistance from the grant that are least capable of providing the State with such matching amounts. The grantee shall insert in the space provided below a description of the sources and amounts of supplemental funds:

Match will be provided by funded programs sufficient to meet the federal requirement.

Confidentiality -- It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment

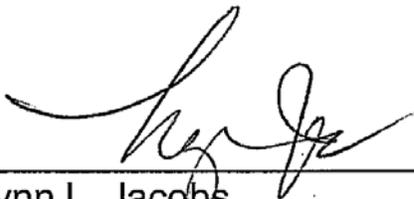
services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement -- To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

Consolidated Plan -- Activities undertaken by a recipient with assistance under this program are consistent with a current HUD-approved Consolidated Plan or Comprehensive Housing Affordability Strategy (CHAS).

Discharge Policy -- It has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under state law, and that the state possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.



Lynn L. Jacobs
Director

8/3/10

Date

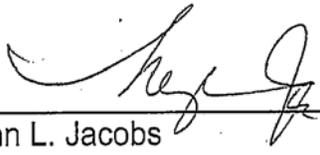
Specific HOPWA Certifications

The State certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.



Lynn L. Jacobs
Director

5/3/10
Date

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Check if there are workplaces on file that are not identified here.

The certification with regard to the drug-free workplace is required by 24 CFR part 24, subpart F.

7. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of sub-recipients or subcontractors in covered workplaces).

Appendices

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Appendix A
Eligible Jurisdictions for CDBG, HOME, ESG, HOPWA

Eligible Jurisdictions by Program 2010-11				
This table is subject to change. (Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)				
	CDBG	HOME	ESG	HOPWA
Alameda	None	None	County not Eligible Alameda (city) Fremont Hayward Livermore Pleasanton San Leandro Union City	None
Alpine	Alpine County	Alpine County	Entire County Eligible	Entire County Eligible
Amador	Amador County Amador City Ione Jackson Plymouth Sutter Creek	Amador County Amador City Ione Jackson Plymouth Sutter Creek	Entire County Eligible	Entire County Eligible
Butte	Butte County Biggs Gridley Oroville	Butte County Biggs Gridley Oroville Paradise	Entire County Eligible	Entire County Eligible
Calaveras	Calaveras County Angels Camp	Calaveras County Angels Camp	Entire County Eligible	Entire County Eligible
Colusa	Colusa County Colusa Williams	Colusa County Colusa Williams	Entire County Eligible	Entire County Eligible
Contra Costa	None	None	County not Eligible. Antioch Concord Pittsburg Richmond San Ramon Village Walnut Creek	None

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
Del Norte	Del Norte County Crescent City	Del Norte County Crescent City	Entire County Eligible	Entire County Eligible
El Dorado	El Dorado County Placerville South Lake Tahoe	El Dorado County Placerville South Lake Tahoe	Entire County Eligible	None
Fresno	County not eligible Firebaugh Huron Orange Cove Parlier San Joaquin	County not eligible Clovis Firebaugh Huron Orange Cove Parlier San Joaquin	County not Eligible Clovis Firebaugh Huron Orange Cove Parlier San Joaquin	Entire County Eligible
Glenn	Glenn County Orland Willows	Glenn County Orland Willows	Entire County Eligible	Entire County Eligible
Humboldt	Humboldt County Arcata Blue Lake Eureka Ferndale Fortuna Rio Dell Trinidad	Humboldt County Arcata Blue Lake Eureka Ferndale Fortuna Rio Dell Trinidad	Entire County Eligible	Entire County Eligible
Imperial	Imperial County Brawley Calexico Calipatria El Centro (<i>eligible for Colonias Allocation only</i>) Holtville Imperial Westmorland	Imperial County Brawley Calexico Calipatria El Centro Holtville Imperial Westmorland	Entire County Eligible	Entire County Eligible
Inyo	Inyo County Bishop	Inyo County Bishop	Entire County Eligible	Entire County Eligible
Kern	County not Eligible. McFarland Taft Wasco	County not Eligible. Delano Taft Wasco	County not Eligible. Delano McFarland Taft Wasco	Entire County Eligible
Kings	Kings County Avenal Corcoran Lemoore	Kings County Avenal Corcoran Hanford Lemoore	Entire County Eligible	Entire County Eligible

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
Lake	Lake County Clearlake Lakeport	Lake County Clearlake Lakeport	Entire County Eligible	Entire County Eligible
Lassen	Lassen County Susanville	Lassen County Susanville	Entire County Eligible	Entire County Eligible
Los Angeles	County not Eligible. Avalon Artesia Hidden Hills Industry Palos Verdes Estates Vernon	County not Eligible. Artesia Avalon Carson Gardena Glendora Hidden Hills Industry Lakewood Lancaster Palos Verdes Estates Pico Rivera Redondo Beach Santa Clarita Torrance Vernon West Covina	County not Eligible. Alhambra Artesia Avalon Baldwin Park Bellflower Burbank Carson Downey Gardena Glendora Hawthorne Hidden Hills Huntington Park Industry Lakewood Lancaster Lynwood Montebello Monterey Park Norwalk Palmdale Palos Verdes Estates Paramount City Pico Rivera Redondo Beach Rosemead Santa Clarita Santa Monica Torrance Vernon West Covina Whittier	None
Madera	Madera County Chowchilla	Madera County Chowchilla Madera	Entire County Eligible	Entire County Eligible
Marin	None	None	Entire County Eligible	None
Mariposa	Mariposa County	Mariposa County	Entire County Eligible	Entire County Eligible

Eligible Jurisdictions by Program 2010-11

This table is subject to change.

(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
Mendocino	Mendocino County Fort Bragg Point Arena Ukiah Willits	Mendocino County Fort Bragg Point Arena Ukiah Willits	Entire County Eligible	Entire County Eligible
Merced	Merced County Atwater Dos Palos Gustine Livingston Los Banos	Merced County Atwater Dos Palos Gustine Livingston Los Banos	Entire County Eligible	Entire County Eligible
Modoc	Modoc County Alturas	Modoc County Alturas	Entire County Eligible	Entire County Eligible
Mono	Mono County Mammoth Lakes	Mono County Mammoth Lakes	Entire County Eligible	Entire County Eligible
Monterey	Monterey County Carmel Del Rey Oaks Gonzales Greenfield King City Marina Pacific Grove Sand City Soledad	Monterey County Carmel Del Rey Oaks Gonzales Greenfield King City Marina Monterey Pacific Grove Sand City Seaside Soledad	Monterey County and all jurisdictions eligible except for Salinas	Entire County Eligible
Napa	Napa County American Canyon Calistoga St. Helena Yountville	Napa County American Canyon Calistoga Napa St. Helena Yountville	Entire County Eligible	Entire County Eligible
Nevada	Nevada County Grass Valley Nevada City Truckee	Nevada County Grass Valley Nevada City Truckee	Entire County Eligible	Entire County Eligible

Eligible Jurisdictions by Program 2010-11

This table is subject to change.

(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
Orange	County not Eligible San Juan Capistrano	County not Eligible Buena Park Fountain Valley La Habra Laguna Niguel Lake Forest Mission Viejo Newport Beach Rancho Santa Margarita San Clemente San Juan Capistrano Tustin	County not Eligible Buena Park Costa Mesa Fountain Valley Fullerton Huntington Beach Irvine La Habra Laguna Niguel Lake Forest Mission Viejo Newport Beach Orange (city) Rancho Santa Margarita San Clemente San Juan Capistrano Tustin Westminster	None
Placer	Placer County Auburn Colfax Lincoln Loomis	Placer County Auburn Colfax Lincoln Loomis Rocklin Roseville	Entire County Eligible	None
Plumas	Plumas County Portola	Plumas County Portola	Entire County Eligible	Entire County Eligible
Riverside	County not Eligible Calimesa Coachella Indian Wells Rancho Mirage	County not Eligible Calimesa Coachella Hemet Indian Wells Indio Palm Desert Palm Springs Perris Rancho Mirage	County not Eligible Calimesa Coachella Corona Hemet Indian Wells Moreno Valley Palm Desert Palm Springs Rancho Mirage	None
Sacramento	None	County not eligible Rancho Cordova	County not Eligible Citrus Heights Elk Grove Rancho Cordova	None

Eligible Jurisdictions by Program 2010-11

This table is subject to change.

(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
San Benito	San Benito County Hollister San Juan Bautista	San Benito County Hollister San Juan Bautista	Entire County Eligible	None
San Bernardino	None	County Not Eligible Chino Hesperia Redlands Upland	County not Eligible Apple Valley Chino Chino Hills Hesperia Rancho Cucamonga Rialto Upland Victorville	None
San Diego	None	None	County not Eligible Carlsbad El Cajon Encinitas Escondido La Mesa National City Oceanside San Marcos Santee Vista	None
San Francisco	None	None	None	None
San Joaquin	None	County not eligible Lodi	None	Entire County Eligible
San Luis Obispo	County not Eligible Pismo Beach Morro Bay	County not Eligible Pismo Beach Morro Bay	County not Eligible Morro Bay Pismo Beach	Entire County Eligible
San Mateo	None	None	County not Eligible Daly City Redwood City San Mateo (city) South San Francisco	None
Santa Barbara	Buellton Carpinteria Guadalupe Solvang	County not Eligible Guadalupe	County not Eligible Goleta Guadalupe Santa Barbara (city) Santa Maria	Entire County Eligible

Eligible Jurisdictions by Program 2010-11

This table is subject to change.

(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
Santa Clara	None	County not Eligible Gilroy Cupertino City Milpitas Palo Alto	Santa Clara County and all jurisdictions eligible <u>except</u> for San Jose	None
Santa Cruz	Santa Cruz County Capitola Scotts Valley	Santa Cruz County Capitola Scotts Valley Watsonville	Entire County Eligible	Entire County Eligible
Shasta	Shasta County Anderson Shasta Lake	Shasta County Anderson Shasta Lake	Entire County Eligible	Entire County Eligible
Sierra	Sierra County Loyalton	Sierra County Loyalton	Entire County Eligible	Entire County Eligible
Siskiyou	Siskiyou County Dorris Dunsmuir Etna Fort Jones Montague Mount Shasta Tulelake Weed Yreka	Siskiyou County Dorris Dunsmuir Etna Fort Jones Montague Mount Shasta Tulelake Weed Yreka	Entire County Eligible	Entire County Eligible
Solano	Benicia Dixon Rio Vista Suisun City	Solano County Benicia Dixon Fairfield Rio Vista Suisun City Vacaville	Entire County Eligible	Entire County Eligible
Sonoma	None	County not Eligible Petaluma	County not Eligible Petaluma Santa Rosa	Entire County Eligible
Stanislaus	County not Eligible Hughson Riverbank	County not Eligible Hughson Riverbank	County not Eligible Hughson Riverbank Turlock	Entire County Eligible

Eligible Jurisdictions by Program 2010-11

This table is subject to change.

(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG	HOME	ESG	HOPWA
Sutter	Sutter County Live Oak	Sutter County Live Oak Yuba City	Entire County Eligible	Entire County Eligible
Tehama	Tehama County Corning Red Bluff Tehama	Tehama County Corning Red Bluff Tehama	Entire County Eligible	Entire County Eligible
Trinity	Trinity County	Trinity County	Entire County Eligible	Entire County Eligible
Tulare	Tulare County Dinuba Exeter Farmersville Lindsay Woodlake	Tulare County Dinuba Exeter Farmersville Lindsay Porterville Tulare Woodlake	Entire County Eligible	Entire County Eligible
Tuolumne	Tuolumne County Sonora	Tuolumne County Sonora	Entire County Eligible	Entire County Eligible
Ventura	None	County not Eligible Camarillo Simi Valley Thousand Oaks	County not Eligible Camarillo San Buenaventura Simi Valley Thousand Oaks	Entire County Eligible
Yolo	Yolo County West Sacramento Winters	Yolo County West Sacramento Winters Woodland	Entire County Eligible	None
Yuba	Yuba County Wheatland	Yuba County Marysville Wheatland	Entire County Eligible	Entire County Eligible

Appendix B
Eligible Jurisdictions for CDBG-R, NSP1, DRI, HPRP

Eligible Jurisdictions by Program 2010-11				
This table is subject to change. (Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)				
	CDBG-R	NSP 1	DRI	HPRP*
Alameda	None	Alameda Berkeley Fremont Hayward Livermore San Leandro Union City	None	County Alameda Berkeley Fremont Hayward Livermore Oakland Pleasanton San Leandro Union City
Alpine	Alpine County	None	None	Entire County Eligible
Amador	Amador County Amador City Ione Jackson Plymouth Sutter Creek	None	None	County and All Cities
Butte	Butte County Biggs Gridley Oroville	Butte County Chico Oroville Paradise	County and All Cities	County and All Cities
Calaveras	Calaveras County Angels Camp	None	None	County and All Cities
Colusa	Colusa County Colusa Williams	None	None	County and All Cities
Contra Costa	None	Concord Pittsburg	None	County Antioch Concord Costa Mesa Pittsburg Richmond Walnut Creek

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Del Norte	Del Norte County Crescent City	None	None	County and All Cities
El Dorado	El Dorado County Placerville South Lake Tahoe	El Dorado County South Lake Tahoe	None	County and All Cities
Fresno	County not eligible Firebaugh Huron Orange Cove Parlier San Joaquin	County not eligible Clovis Firebaugh Parlier	None	County Clovis Firebaugh Fresno Huron Orange Cove Parlier San Joaquin
Glenn	Glenn County Orland Willows	None	None	County and All Cities
Humboldt	Humboldt County Arcata Blue Lake Eureka Ferndale Fortuna Rio Dell Trinidad	None	None	County and All Cities
Imperial	Imperial County Brawley Calexico Calipatria El Centro (<i>eligible for Colonias Allocation only</i>) Holtville Imperial Westmorland	Imperial County Brawley Calexico El Centro Imperial	None	County and All Cities
Inyo	Inyo County Bishop	None	None	County and All Cities
Kern	County not Eligible. McFarland Taft Wasco	County not Eligible. Delano McFarland Taft Wasco	County and All Cities	County Bakersfield Delano McFarland Taft Wasco
Kings	Kings County Avenal Corcoran Lemoore	Kings County Corcoran Hanford Lemoore	None	County and All Cities

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Lake	Lake County Clearlake Lakeport	None	None	County and All Cities
Lassen	Lassen County Susanville	None	None	County and All Cities
Los Angeles	County not Eligible. Avalon Artesia Hidden Hills Industry Palos Verdes Estates Vernon	Los Angeles County Alhambra Artesia Baldwin Park Bellflower Burbank Carson Cerritos Downey El Monte Gardena Glendale Glendora Hawthorne Huntington Park Inglewood Lakewood Lynwood Montebello Monterey Park Norwalk Paramount Pasadena Pico Rivera Rosemead Santa Clarita South Gate Torrance West Covina Whittier	County and All Cities	County Alhambra Artesia Avalon Baldwin Park Bellflower Burbank Carson Compton Downey El Monte Gardena Glendale Glendora Hawthorne Hidden Hills Huntington Park Industry Inglewood Lakewood Lancaster Long Beach Los Angeles Lynwood Montebello Monterey Park Norwalk Palmdale Palos Verdes Estates Paramount Pasadena Pico Rivera Pomona Redondo Beach Rosemead Santa Clarita Santa Monica South Gate Torrance Vernon West Covina Whittier

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Madera	Madera County Chowchilla	Madera County Chowchilla Madera	None	County and All Cities
Marin	None	None	None	County
Mariposa	Mariposa County	None	Mariposa County	Entire County Eligible
Mendocino	Mendocino County Fort Bragg Point Arena Ukiah Willits	None	County and All Cities	County and All Cities
Merced	Merced County Atwater Dos Palos Gustine Livingston Los Banos	Merced County Atwater Dos Palos Gustine Livingston Los Banos Merced	None	County and All Cities
Modoc	Modoc County Alturas	None	None	County and All Cities
Mono	Mono County Mammoth Lakes	None	None	County and All Cities
Monterey	Monterey County Carmel Del Rey Oaks Gonzales Greenfield King City Marina Pacific Grove Sand City Soledad	Monterey County Gonzales Greenfield King City Marina Salinas Seaside Soledad	County and All Cities	County and All Cities

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Napa	Napa County American Canyon Calistoga St. Helena Yountville	None	None	County and All Cities
Nevada	Nevada County Grass Valley Nevada City Truckee	None	None	County and All Cities
Orange	County not Eligible San Juan Capistrano	County not Eligible Buena Park Costa Mesa Fountain Valley Fullerton Garden Grove Huntington Beach Irvine La Habra Laguna Niguel Lake Forest Mission Viejo Orange Rancho Santa Margarita San Clemente San Juan Capistrano Tustin Westminster Yorba Linda	County and All Cities	County Anaheim Buena Park Fountain Valley Fullerton Garden Grove Huntington Beach Irvine La Habra Laguna Niguel Lake Forest Mission Viejo Newport Beach Orange Rancho Santa Margarita San Clemente San Juan Capistrano Santa Ana Tustin Westminster
Placer	Placer County Auburn Colfax Lincoln Loomis	Placer County Lincoln Rocklin Roseville	None	County and All Cities
Plumas	Plumas County Portola	None	Plumas County Portola	County and All Cities

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Riverside	County not Eligible Calimesa Coachella Indian Wells Rancho Mirage	County not Eligible Calimesa Coachella Palm Desert Palm Springs Rancho Mirage	County and All Cities	County Calimesa Coachella Corona Hemet Indian Wells Moreno Valley Palm Desert Palm Springs Rancho Mirage Riverside
Sacramento	None	County not eligible Citrus Heights Rancho Cordova	None	County Citrus Heights Elk Grove Rancho Cordova Sacramento
San Benito	San Benito County Hollister San Juan Bautista	None	None	County and All Cities
San Bernardino	None	County Not Eligible Chino Chino Hills Redlands Upland	None	County Apple Valley Chino Chino Hills Fontana Hesperia Ontario Rancho Cucamonga Rialto San Bernardino Upland Victorville
San Diego	None	County not eligible Carlsbad El Cajon Encinitas Escondido La Mesa National City Oceanside San Marcos Santee Vista	None	County Carlsbad Chula Vista Encinitas El Cajon Escondido La Mesa National City Oceanside San Diego San Marcos Santee Vista
San Francisco	None	None	None	City and County

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
San Joaquin	None	None	None	County Stockton
San Luis Obispo	County not Eligible Pismo Beach Morro Bay	None	None	County Morro Bay Pismo Beach
San Mateo	None	None	None	County Daly City Redwood City San Mateo South San Francisco
Santa Barbara	Buellton Carpinteria Guadalupe Solvang	County not Eligible Santa Maria	County and All Cities	County Goleta Guadalupe Santa Barbara Santa Maria
Santa Clara	None	Santa Clara County Gilroy Milpitas Santa Clara Sunnyvale	County and All Cities	County Cupertino Gilroy Milpitas Mountain View Palo Alto San Jose Santa Clara Sunnyvale
Santa Cruz	Santa Cruz County Capitola Scotts Valley	None	County and All Cities	County and All Cities
Shasta	Shasta County Anderson Shasta Lake	Shasta County Anderson Redding Shasta Lake	County and All Cities	County and All Cities
Sierra	Sierra County Loyalton	None	None	County and All Cities
Siskiyou	Siskiyou County Dorris Dunsmuir Etna Fort Jones Montague Mount Shasta Tulelake Weed Yreka	None	None	County and All Cities

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Solano	Benicia Dixon Rio Vista Suisun City	Solano County Benicia Dixon Fairfield Rio Vista Suisun City Vacaville	None	County and All Cities
Sonoma	None	Sonoma County Petaluma Santa Rosa	None	County Petaluma Santa Rosa
Stanislaus	County not Eligible Hughson Riverbank	None	None	County Hughson Modesto Riverbank Turlock
Sutter	Sutter County Live Oak	Sutter County Live Oak Yuba City	None	County and All Cities
Tehama	Tehama County Corning Red Bluff Tehama	None	None	County and All Cities
Trinity	Trinity County	None	Entire County Eligible	County and All Cities
Tulare	Tulare County Dinuba Exeter Farmersville Lindsay Woodlake	Tulare County Dinuba Exeter Farmersville Lindsay Porterville Tulare	None	County and All Cities
Tuolumne	Tuolumne County Sonora	None	None	County and All Cities
Ventura	None	Ventura County Camarillo Oxnard San Buenaventura Simi Valley Thousand Oaks	None	County Camarillo Oxnard San Buenaventura Simi Valley Thousand Oaks

Eligible Jurisdictions by Program 2010-11

This table is subject to change.
(Any such changes will be reflected in program NOFAs and updated in the next Annual Plan Update)

	CDBG-R	NSP 1	DRI	HPRP*
Yolo	Yolo County West Sacramento Winters	County not eligible West Sacramento	None	County and All Cities
Yuba	Yuba County Wheatland	Yuba County Marysville	None	County and All Cities

*All cities and counties and non-profits are eligible in accordance with Substantial Amendment 2 of the Con Plan 2008 Action Plan

Appendix C

Statewide Resources and Reports

Community development and housing information required for the Consolidated Plan can be found in the supporting documents and program websites listed below:

STATE OF CALIFORNIA

Department of Aging

- California State Plan on Aging, 2009-2013
http://www.aging.ca.gov/legislation/California_State_Plan_on_Aging_AoA_2009-2013_06-30-2009.pdf
- Home Safety and Housing Information
http://www.aging.ca.gov/resources/home_housing/home_safety_and_housing.asp
- Area Agencies on Aging
http://www.aging.ca.gov/local_aaa/AAA_listing.asp
Coordinates a wide array of services to seniors and adults with disabilities at the community level and serve as a focal point for local aging concerns.
- California Long-Term Care Ombudsman Program
<http://www.aging.ca.gov/programs/ombudsman.asp>
Investigates and resolves complaints made by or on behalf of residents of long term care facilities.
- Multipurpose Senior Services Program (MSSP)
<http://www.aging.ca.gov/programs/mssp.asp>
Provides social and health case management to assist persons aged 65 and over, eligible for Medi-Cal and certifiable for skilled nursing care, to remain safely at home.
- Senior Community Service Employment Program (SCSEP)
<http://www.aging.ca.gov/programs/scsep.asp>
Provides subsidized part-time employment for low-income persons over age 55.

Department of Community Services & Development

- Low-Income Home Energy Assistance Program (LIHEAP)
[http://www.csd.ca.gov/Programs/Low%20Income%20Home%20Energy%20Assistance%20Program%20\(LIHEAP\).aspx](http://www.csd.ca.gov/Programs/Low%20Income%20Home%20Energy%20Assistance%20Program%20(LIHEAP).aspx)

Provides financial assistance to low-income persons to offset the costs of heating and/or cooling dwellings, and provides installation of weatherization measures that increase the energy efficiency of dwellings occupied by lower-income persons.

- Weatherization Assistance Program
<http://www.csd.ca.gov/Programs/Weatherization%20Assistance%20Program.aspx>
Provides installation of weatherization measures that increase the energy efficiency of dwellings occupied by low-income persons.

- Community Services Block Grant Program
[http://www.csd.ca.gov/Programs/Community%20Services%20Block%20Grant%20\(CS%20BG\).aspx](http://www.csd.ca.gov/Programs/Community%20Services%20Block%20Grant%20(CS%20BG).aspx)

Provides a range of services to assist low-income people in attaining the skills, knowledge, and motivation necessary to achieve self-sufficiency. The program also provides low-income people with immediate life necessities such as food, shelter, and health care needs.

Department of Corrections

- Residential Multi-Service Centers
<http://www.corr.ca.gov/parolediv/handbook/programs.asp>

Offers parolees lodging, meals, individual, group and substance abuse counseling, parenting skills training, money management, budgeting, life skills training, and medical referrals.

Department of Developmental Services

- State Developmental Centers
<http://www.dds.cahwnet.gov/DevCtrs/Home.cfm>

Provides services to individuals who have been determined by regional centers to require programs, training, care, treatment and supervision in a structured health facility setting on a 24-hour basis.

- Regional Centers
<http://www.dds.cahwnet.gov/RC/RCList.cfm>
Nonprofit private corporations that contract with the Department of Developmental Services to provide or coordinate services and supports for individuals with developmental disabilities
- Regional Center Caseload Growth Analysis, May 10, 2005.
http://www.dds.cahwnet.gov/FactsStats/docs/Active_StatusPop_GrowthAnalysis.pdf
- Community Placement Plan Housing
<http://www.dds.cahwnet.gov/AH/ CPP.cfm>
The use of Community Placement Plan (CPP) funds is one of the DDS strategies to develop permanent affordable and accessible homes. In collaboration with the regional center, DDS uses CPP funds to create consumer housing through the "Buy It Once" model where a non-profit housing development corporation (NPO) owns the property for the restricted use by regional center consumers.

Department of Education

- McKinney Homeless Children and Youth Education
<http://homelessed.net/legislat/reauthorization.htm>

Department of Finance

- **Demographic Research Unit**
<http://www.dof.ca.gov/research/demographic/>
The Demographic Research Unit of the California Department of Finance is designated as the single official source of demographic data for state planning and budgeting.

Department of Housing & Community Development (HCD)

- Loan and Grant Program Directory
http://www.hcd.ca.gov/fa/LG_program_directory.pdf
Raising the Roof, Housing Development Projections & Constraints, 2000
<http://www.hcd.ca.gov/hpd/hrc/rtr/index.html>
- Pay to Play: Residential Development Fees in California Cities & Counties, 1999
http://www.hcd.ca.gov/hpd/pay2play/pay_to_play.html
- Building Blocks for Effective Housing Elements
http://www.hcd.ca.gov/hpd/housing_element2/index.php
- California's Ten Year Chronic Homelessness Action Plan, February 2010
http://www.hcd.ca.gov/Final_Ten_Year_Chronic_Homelessness_Action_Plan.pdf.

- HCD Electronic bibliography
<http://www.hcd.ca.gov/hpd/biblio.html>
 A compilation of best practices and most current research on various issues including:
 - [Aging in Place & Universal Design Resources — December 2009](#)
 - [Affordable Housing Programs Bibliography — November 2009](#)
 - [Transit Oriented Development \(TOD\) Resources — August 2009](#)
 - [Foreclosure Resources — April 2009](#)
 - [Farmworker Housing Resources — October 2008](#)
 - [California Homelessness Resources — May 2008](#)
 - [Green Building and Sustainability Resources — August 2007](#)
 - [California Affordable Housing Issues Bibliography — July 2007](#)
 - [Publications on Residential Infill & Related Development Issues - July 2006](#)
 - [Publications Related to Urban Development Patterns](#)

Department of Mental Health

- California Mental Health Services Act (MHSA)
<http://www.dmh.cahwnet.gov/POQI/archive/shia-intro.asp>
 Statewide, the Act was projected to generate approximately \$254 million in fiscal year 2004-05, \$683 million in 2005-06 and increasing amounts thereafter. Much of the funding will be provided to county mental health programs to fund programs consistent with their local plans. To provide for an orderly implementation of MHSA, DMH has planned for sequential phases of development for each of the six components of the Act.
- Projects for Assistance in Transition from Homelessness (PATH)
http://www.dmh.ca.gov/services_and_programs/adults/PATH.asp
 Funds community based outreach, mental health, substance abuse treatment, case management and other supportive services as well as housing services for homeless mentally ill persons.
- Substance Abuse Mental Health Services Administration (SAMHSA):
http://www.dmh.ca.gov/Services_and_Programs/Adults/SAMHSA.asp
 Funds community mental health services for adults and older adults with SMI and children with SED as defined in the Federal Register.
- Estimates of Need for Mental Health Services for California for 2007
www.dmh.ca.gov/statistics_and_data_analysis/docs/Population_by_County/California.pdf

Department of Public Health

- Perspectives on Public Health: Highlights from the California Department of Public Health, January 2009
<http://www.cdph.ca.gov/HealthInfo/news/Documents/CDPHHighlights021009.pdf>
- California Department of Public Health Strategic Plan 2008-2010
<http://www.cdph.ca.gov/Documents/CDPH-Strategic-Plan.pdf>
- AIDS Surveillance in California, April 2009
<http://www.cdph.ca.gov/programs/aids/Documents/HIVAIDSMergedApr09.pdf>.

Department of Social Services

- **CalWorks, Women, Infant and Children (WIC) and Temporary Assistance to Needy Families (TANF)**
<http://www.ca.gov/HomeFamily/IndFamServices/Children/Calworks.html>
Provides funding to eligible working families whose earnings are below a poverty-based threshold.

Department of Veteran's Affairs

- Homeless Veterans Outreach and Awareness
<http://www.cdva.ca.gov/Resources/Homeless.aspx>
The CDVA Veterans Service Division communicates information to community-based organizations, veteran service organizations and government agencies; and, also, attends community outreach events for homeless veterans including Stand Downs, care fairs, resource fairs, and opportunity days.
- Service Providers for Homeless Veterans Informational Booklet
<http://www.cdva.ca.gov/News/Homeless/Booklet.pdf>

State Council on Developmental Disabilities

- Area Board Locations
http://www.scdd.ca.gov/Area_Boards.htm
- 2007-2014 State Plan on Developments Disabilities
http://www.scdd.ca.gov/State_Plan/2007-2011StatePlan.pdf

State Emergency Management Agency

- Domestic Violence Assistance Program
<http://www.oes.ca.gov/WebPage/oeswebsite.nsf/OESBranchContentPortal?ReadForm&type=Domestic%20Violence%20Section&look=Victim%20Services%20Branch&Div=Public+Safety+and+Victim+Services&Branch=Victim%20Services%20BranchDomestic%20Violence%20Section>

Funds new and existing service providers to maintain and expand services to domestic violence victims and their children.

State Employment Development Department

- Workforce Investment Act (WIA)
http://www.edd.ca.gov/Jobs_and_Training/Workforce_Investment_Act.htm
Benefits job seekers, laid off workers, youth, incumbent workers, new entrants to the workforce, veterans, persons with disabilities, and employers by promoting an increase in the employment, job retention, earnings and occupational skills of participants, which improves the quality of the workforce, reduces welfare dependency, and improves productivity and competitiveness.

FEDERAL

U.S. Census Bureau

- 2000 Census Data
<http://www.census.gov/main/www/cen2000.html>
- U.S. Department of Agriculture, National Agricultural Statistics Service, 2007 Census of Agriculture
http://www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1,_Chapter_2_US_State_Level/st99_2_007_007.pdf

OTHER ORGANIZATIONS

- Corporation for Supportive Housing
<http://www.csh.org/index.cfm?nodeId=83>
- Housing California
<http://www.housingca.org>¹
- National Alliance to End Homelessness
<http://www.endhomelessness.org>

<p style="text-align: center;">Appendix D Institutional Structure and Inter-Governmental Cooperation</p>
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The following State agencies play a direct or ancillary role in support of the State's five-year housing strategy:

California Business Transportation & Housing Agency (BTH)
<http://www.bth.ca.gov/>

California Tax Credit Allocation Committee
<http://www.treasurer.ca.gov/ctcac/ctcac.htm>

California Debt Limit Allocation Committee
<http://www.treasurer.ca.gov/cdlac/>

California Housing Finance Agency
<http://www.calhfa.ca.gov/>

California Department of Fair Employment and Housing
<http://www.dfeh.ca.gov/>

California Department of Community Services and Development
<http://www.csd.ca.gov/>

California Department of Consumer Affairs
<http://www.dca.ca.gov/>

California Department of Public Health
<http://www.cdph.ca.gov>

Office of AIDS
<http://www.cdph.ca.gov/programs/aids/Pages/Default.aspx>

Appendix E

Continuum of Care Homeless Population and Housing Gap Analysis

The following tables include data provided by 35 of California's 42 local Continuum of Care (COC) Programs including: San Jose/Santa Clara City/County, San Francisco, Oakland & Alameda County, Sacramento City & County, Santa Rosa/Sonoma County, Richmond/Contra Costa County, Salinas/Monterey County, Marin County, Santa Cruz County, Mendocino County, Turlock/Modesto/Stanislaus County, Stockton/San Joaquin County, Visalia/Kings/Tulare Counties, Roseville/Placer County, Napa City and County, Chico/Paradise/Butte County, Davis/ Woodland/Yolo County, Humboldt County, Colusa/Glenn/Tehama/Trinity Counties, El Dorado County, Tuolumne/Calaveras/Amador Counties, Los Angeles City & County, San Diego City, Santa Ana/Anaheim/Orange County, Santa Barbara County, Kern County, Ventura County, Riverside City & County, San Bernardino City & County, San Diego County, Oxnard, Glendale, San Luis Obispo County, Long Beach and Pomona, Pasadena.

Homeless Population and Subpopulations Chart				
Part 1: Homeless Population	Sheltered		Un-sheltered	Total
	Emergency	Transitional		
1. Homeless Individuals	15,907	15,215	69,867	100,989
2. Homeless Families with Children	1,777	3,459	2,222	7,458
2a. Persons in Homeless with Children Families	5,486	11,278	7,253	24,017
Total (lines 1 + 2a)	21,393	26,493	77,120	125,006
Part 2: Homeless Subpopulations	Sheltered		Un-sheltered	Total
1. Chronically Homeless		8,352	24,131	32,483
2. Severely Mentally Ill		10,441	14,408	24,849
3. Chronic Substance Abuse		14,121	23,363	37,484
4. Veterans		5,535	9,547	15,082
5. Persons with HIV/AIDS		743	1,300	2,043
6. Victims of Domestic Violence		5,753	5,798	11,551
7. Youth (Under 18 years of age)		1,149	751	1,900

Housing Gaps Analysis*				
		Needs	Currently Available	Gap
Part 3: Homeless Needs Table: Individuals				
Beds	Emergency Shelters	20,556	12,443	8,113
	Transitional Housing	26,538	13,944	12,594
	Permanent Supportive Housing	57,171	19,170	38,001
	Total	104,265	45,557	58,708
Part 4: Homeless Needs Table: Families				
		Needs	Currently Available	Gap
Beds	Emergency Shelters	7,586	5,454	2,132
	Transitional Housing	16,272	12,161	4,111
	Permanent Supportive Housing	20,039	13,612	6,427
	Total	43,997	31,227	12,770

* While some COCs may have reported a surplus of capacity to address their identified needs, the gap figures above represent the total cumulative remaining gap among responding COCs.

Appendix F

Community Needs Survey

To conduct the 2010 Community Needs Survey, the Department requested participation of eligible jurisdictions, partners and community organizations within non-entitlement jurisdictions as listed in Appendix A.

The goal of the survey was to use information collected through this survey in identifying housing and community assistance needs across California and shape programs that best address those needs and in the development of the State's 2010-2015 Consolidated Plan.

The survey asked respondents to rank the needs of their communities in six areas:

- Community Needs
- Housing Activities and Needs
- Homeless Needs and Community Assistance
- Public Works and Infrastructure Needs
- Public Facility and Service Needs
- Sustainability
- Impediments to Fair Housing

The Department received a total of 410 responses. Forty-three percent of respondents were from local governments who are eligible for funding under at least one of the five programs administered by the State for non-entitlement jurisdictions. Thirty-seven percent of respondents identified themselves as local service providers working within these communities.

The results that follow represent data collected from all respondents.

Q: Type of respondent		
Answer Options	Response Percent	Response Count
Local Service Provider	37.3%	153
City Staff/ Official	42.9%	176
Developer	2.4%	10
Advocate	8.5%	35
Consultant	2.4%	10
Other (please specify)	13.4%	55
<i>answered question</i>		410

Q: Define the community you serve.		
Answer Options	Response Percent	Response Count
City	44.6%	160
County	47.9%	172
Regional, Please Specify Below	14.5%	52
Special Needs Population (homeless, HIV/AIDS, Mental Health, Substance Abuse, Farmworker, Elderly, etc)	28.7%	103
<i>answered question</i>		359

COMMUNITY NEEDS

Q: The needs of lower-income households in our community are:		
Answer Options	Response Percent	Response Count
Severe	40.8%	142
Significant	55.2%	192
Minor	3.4%	12
Nonexistent	0.3%	1
Unfamiliar to me	0.3%	1
<i>answered question</i>		348

Q: Rank the following needs in your community where 1 is "most important" and 12 is "least important".

Answer Options	1	2	3	4	5	6	7	8	9	10	11	12	Rating Average
Affordable housing	135	42	36	28	14	12	8	11	11	7	4	9	9.70
Housing Rehabilitation	13	35	27	23	37	30	31	30	20	24	17	10	6.92
Public Improvements (roads, sewer, water)	21	16	16	27	22	26	30	29	44	26	29	26	5.94
Public Improvements in support of New Construction	4	16	15	18	19	42	28	25	31	59	33	27	5.26
Public facilities(health services, shelters, fire stations, food banks)	10	28	21	24	45	41	37	34	33	20	20	3	6.73
Public Services to the homeless and low-income	16	32	34	33	30	36	27	32	24	29	11	2	7.20
Job creation/ Job retention	71	44	48	42	28	22	18	10	14	4	5	5	9.05
Workforce development	7	35	25	35	39	27	26	34	32	23	20	5	6.83
Business assistance	7	9	17	17	18	23	35	32	29	23	43	54	4.91
Planning activities	6	7	14	12	16	19	21	29	31	40	44	74	4.27
Emergency Shelters and Transitional Housing "operating funds"	24	38	40	29	20	21	20	16	16	27	45	21	6.72
Homeless Prevention and Rapid ReHousing Funds	21	27	34	33	31	19	31	21	15	15	30	54	6.27

HOUSING ACTIVITIES

Q: The need for affordable housing in our community is:

Answer Options	Response Percent	Response Count
Severe	40.1%	128
Significant	54.9%	175
Minor	5.0%	16
Nonexistent	0.0%	0
Unfamiliar to me	0.0%	0
<i>answered question</i>		319

Q: Rank the following housing needs in your community (Use 1 for "more important" and 2 for "less important." Please use each number only once.)

Answer Options	1	2	Rating Average	Response Count
Owner-occupied housing	98	212	1.32	310
Rental housing	218	99	1.69	317
<i>answered question</i>				318

Q: Rank the housing activities within each category of housing need in order of importance where 1 is "most important" and 4 is "least important."

Owner-Occupied Housing:

Answer Options	1	2	3	4	Rating Average	Response Count
New housing development	49	40	50	173	1.89	312
Renovation of existing housing	69	83	118	39	2.59	309
First time homebuyers assistance	89	113	80	25	2.87	307
Foreclosure assistance	107	75	58	71	2.70	311
<i>answered question</i>						318

Rental Housing:

Answer Options	1	2	3	4	Rating Average	Response Count
New housing development	96	52	52	105	2.46	305
Renovation of existing housing	61	88	104	50	2.53	303
Preservation of housing	24	100	97	84	2.21	305
Rental payment assistance	130	68	50	61	2.86	309
<i>answered question</i>						313

Q: Are there local non-profit housing and community development organizations in your community?

Answer Options	Response Percent	Response Count
Yes	74.1%	229
No	25.9%	80

Q: Rank each of the following capacity building activities for local housing and community development organizations in order of importance where 1 is "most important" and 4 is "least important."

Answer Options	1	2	3	4	Rating Average	Response Count
Assistance with predevelopment costs (architectural or environmental fees for housing development, etc.)	93	55	68	15	2.98	231
Assistance with staffing and operating costs	77	97	47	9	3.05	230
Technical assistance (training, project management, property management, organizational development)	41	70	107	14	2.59	232
Other (Please list)	20	5	5	44	2.01	74
<i>answered question</i>						235

Rank your community's need for housing and/or supportive services for the following populations where 1 is "most important" and 5 is "least important."

Answer Options	1	2	3	4	5	Rating Average
Extremely Low-income population (earning less than 30% of area median income)	160	73	35	31	7	4.14
Other Low-income elderly persons	27	89	93	80	16	3.10
Other Low-income families	61	72	92	68	9	3.36
Low-income persons with disabilities (physical, mental, or emotional impairment)	41	59	81	112	12	3.02
Other (Please List)	18	11	3	10	59	2.20

Q: Rank the needs/ activities within each of the categories below in order of importance where 1 is "most important" and 4 is "least important."

Needs of Low- and Moderate-income Households:						
Answer Options	1	2	3	4	Rating Average	Response Count
Programs for households earning less than 30% of area median income	213	35	30	31	3.39	309
Programs for households earning between 31% and 50% of area median income	42	218	37	9	2.96	306
Programs for households earning between 51% and 80% of area median income	28	41	230	8	2.29	307
Programs for households earning between 81% and 115% of area median income	27	13	9	258	1.38	307
Needs of Low-income Elderly Households:						
Answer Options	1	2	3	4	Rating Average	Response Count
Rental assistance for elderly persons	118	74	63	53	2.83	308
Development or rehabilitation for housing to create more supply	53	48	87	113	2.14	301
Owner-occupied assistance for elderly persons (i.e. rehabilitation of existing homes, etc.)	55	79	89	80	2.36	303
Supportive services for elderly persons (community care, meals, transportation, etc.)	81	106	63	56	2.69	306
Needs Low-income persons with disabilities:						
Answer Options	1	2	3	4	Rating Average	Response Count
Rental assistance	130	74	72	31	2.99	307
Downpayment assistance	16	35	70	182	1.62	303
Funding for structural modifications	69	81	106	51	2.55	307
Supportive services	94	119	56	38	2.88	307

HOMELESS NEEDS AND COMMUNITY ASSISTANCE

Q: The needs of homeless families/ individuals in our community is (please select one):

Answer Options	Response Percent	Response Count
Severe	32.9%	98
Significant	47.3%	141
Minor	16.8%	50
Nonexistent	0.7%	2
Unfamiliar to me	2.3%	7
<i>answered question</i>		298

Q: Rank your community's need for the following types of homeless housing assistance where 1 is "most important" and 3 is "least important."

Answer Options	1	2	3	Rating Average	Response Count
emergency homeless shelters (up to 6 months)	98	87	104	1.98	289
Transitional housing facilities (up to 24 months)	85	149	54	2.11	288
Permanent housing	110	53	130	1.93	293
<i>answered question</i>					293

Q: Rank the following homeless assistance activities in order of importance for your community where 1 is "most important" and 5 is "least important."

Answer Options	1	2	3	4	5	Rating Average	Response Count
New construction of buildings for use as homeless facilities	30	20	22	48	165	1.95	285
Renovation, conversion or major rehabilitation of buildings for use as homeless facilities	28	41	42	121	50	2.56	282
Funds for operating costs of homeless facilities	86	74	81	34	12	3.66	287
Provision of operating funds for supportive services tied to emergency shelter or transitional housing	45	110	76	36	21	3.42	288
Emergency housing payment assistance (short-term mortgage, rent or utility assistance in permanent housing)	98	43	67	45	35	3.43	288
<i>answered question</i>							291

Q: For each homeless subpopulation, rank the type of housing needed most for that specific population. (Boxed Fields represent top three responses in each category)

Answer Options	Emergency	Transitional	Permanent	Response Count
Single Adults	78	103	95	276
Families	47	58	177	282
Youth	58	148	74	280
Seniors	24	19	235	278
Dually Diagnosed	51	95	129	275
Persons Escaping Domestic Violence	94	123	61	278
Physically Disabled	17	34	226	277
Veterans	24	80	170	274
Chronically Homeless	88	96	94	278
General Homeless	74	107	95	276
Calworkers/SSI/TANF Recipients	22	87	160	269
Migrant Farmworkers	51	110	99	260
Other Population Listed in Previous Question	18	30	26	74
<i>answered question</i>				284

Q: Rank your community's need for homeless housing assistance for the following types of homeless subpopulations where 1 is "most important" and 13 is "least important."

Answer Options	1	2	3	4	5	6	7	8	9	10	11	12	13	Rating Average
Single Adults	31	47	26	31	14	27	18	24	9	12	12	13	1	8.80
Families	108	41	36	17	20	11	17	8	5	5	4	2	2	10.72
Youth	12	34	36	25	31	19	23	22	22	15	18	8	1	8.18
Seniors	4	22	31	37	25	27	17	30	28	30	12	7	2	7.64
Dually Diagnosed	38	42	31	28	24	27	19	13	21	13	7	5	4	9.02
Persons Escaping Domestic Violence	15	22	33	30	30	25	31	22	21	14	18	7	4	7.99
Physically Disabled	6	12	21	31	26	32	40	35	20	26	10	7	1	7.46
Veterans	8	4	16	19	29	40	35	32	28	29	14	8	4	6.97
Chronically Homeless	19	21	24	22	25	17	20	24	31	19	23	19	4	7.35
General Homeless	16	17	12	21	23	21	16	33	30	34	30	12	3	6.87
Calworkers/SSI/TANF Recipients	2	5	4	11	16	16	17	12	32	35	65	42	7	4.88
Migrant Farmworkers	11	4	4	3	9	7	11	7	15	27	26	95	41	3.90
Other (Please List)	4	4	1	1	0	2	2	1	2	1	2	2	45	3.37
List Other														

Q: Rank the following homeless support services in order of importance for your community where 1 is “most important” and 12 is “least important.”

Answer Options	1	2	3	4	5	6	7	8	9	10	11	12	Rating Average
Credit and debt counseling services	8	9	10	17	17	14	27	20	28	34	59	30	4.78
Foreclosure counseling	21	11	4	7	7	16	14	12	11	31	48	77	4.24
Job training and placement services	42	31	36	32	35	32	21	13	16	7	5	4	8.35
Basic education services (e.g. GED, ESL, Parenting, etc.)	14	34	30	29	23	20	30	37	25	8	11	7	7.26
Child care and pre-school services	12	16	26	31	31	26	34	18	37	22	12	5	6.76
Mental and physical health assistance	54	29	30	36	24	28	23	24	13	12	2	3	8.39
Counseling: Substance abuse	22	54	21	31	34	24	26	22	14	12	15	1	7.88
Legal Advocacy	0	6	10	9	17	25	20	30	46	46	29	29	4.63
12 Step Program	3	5	13	7	16	21	20	26	27	35	33	57	4.35
Transportation Services (Bus Passes and Van)	12	20	37	28	21	29	27	29	23	23	13	12	6.80
Food, food delivery, food pantry	49	28	44	23	19	18	12	24	17	13	18	8	7.93
Housing search and/or placement	44	36	16	26	29	22	17	17	11	23	16	17	7.49

PUBLIC WORKS AND INFRASTRUCTURE NEEDS

Q: The community infrastructure needs in our community are (please select one):

Answer Options	Response Percent	Response Count
Severe	15.6%	44
Significant	53.2%	150
Minor	24.5%	69
Nonexistent	0.0%	0
Unfamiliar to me	6.7%	19
<i>answered question</i>		282

Q: Rank the infrastructure needs in your community. (Use numbers 1 through 7 where 1 is "most important" and 7 is "least important." Please use each number only once.)

Answer Options	1	2	3	4	5	6	7	Rating Average	Response Count
Water	63	43	36	40	42	32	7	4.70	263
Sewer	31	43	46	45	58	35	5	4.31	263
Drainage/ flooding	28	43	49	63	51	26	1	4.43	261
Curbs, gutters and sidewalks	32	39	45	42	39	55	5	4.21	257
Road Repair	62	62	49	36	33	18	3	5.07	263
Infrastructure Planning	41	30	33	36	29	78	11	3.99	258
Other (Please list)	9	2	2	2	2	1	44	2.34	62
<i>answered question</i>									270

PUBLIC FACILITY AND SERVICE NEEDS

Q: The need to provide public services and/or associated public facilities to primarily low-income persons in my community is (please select one):

Answer Options	Response Percent	Response Count
Severe	32.1%	84
Significant	55.3%	145
Minor	8.8%	23
Nonexistent	0.0%	0
Unfamiliar to me	3.8%	10
<i>answered question</i>		262

Q: Rank the need to provide assistance to the following public facilities in your community where 1 is "most important" and 14 is "least important."

Answer Options	1	2	3	4	5	6	7	8	9	10	11	12	13	14	Rating Average
Homeless services or facilities	93	46	19	19	20	15	9	11	10	4	5	10	3	1	11.16
Child care services or centers	17	37	37	19	19	28	25	22	15	13	9	9	7	0	9.34
Senior services or centers	15	20	25	27	28	22	21	18	17	21	14	14	12	2	8.48
Battered spouse services	13	19	20	20	22	24	24	25	25	22	23	11	7	2	8.14
Hunger services or centers	30	34	25	28	35	21	25	12	16	11	11	8	2	1	9.72
Job training services/centers	24	28	36	27	21	29	21	20	12	19	7	12	4	0	9.41
Health services or centers	22	26	23	33	24	28	24	25	19	8	14	7	5	5	9.09
Abused/neglected children	9	11	24	19	16	16	27	34	36	20	23	11	7	0	7.82
Facilities and services for assisting disabled persons	10	8	8	16	25	20	31	32	39	34	16	14	4	0	7.53
Youth services or centers	17	15	31	23	21	22	17	27	21	35	19	7	3	1	8.48
Planning	13	9	4	14	9	11	9	6	17	16	33	56	48	11	5.44
Veterans services	0	6	4	7	17	12	14	16	16	34	56	43	27	3	5.42
Migrant Farmworker services	4	5	7	8	1	10	7	8	11	14	16	37	90	33	4.10
Other	4	0	4	1	1	0	1	1	1	0	0	1	1	40	3.47

Q: Rank the following public facility and public services activities in order of importance for your community where 1 is "most important" and 4 is "least important."

Answer Options	1	2	3	4	Rating Average	Response Count
New construction of buildings for use as public facilities	26	38	37	173	1.70	274
Renovation/major rehabilitation of buildings for use as public facilities	39	57	127	50	2.31	273
Funding of essential support services	178	52	35	10	3.45	275
Maintenance, operation and furnishing costs for public facilities	32	127	75	37	2.57	271
<i>answered question</i>						278

ECONOMIC DEVELOPMENT NEEDS

Q: The need to create or retain jobs for low-income persons and provide business assistance in our community is:

Answer Options	Response Percent	Response Count
Severe	49.1%	134
Significant	42.5%	116
Minor	5.1%	14
Nonexistent	0.0%	0
Unfamiliar to me	3.3%	9
<i>answered question</i>		273

Q: Rank the economic development assistance needs in your community where 1 is "most important" and 8 is "least important."

Answer Options	1	2	3	4	5	6	7	8	Rating Average	Response Count
Business loans	42	39	32	50	31	31	19	2	5.32	246
Business skills training	49	44	50	39	29	21	11	1	5.73	244
Micro-enterprise Assistance	18	33	60	40	32	34	19	5	5.01	241
Capacity Building of jurisdiction staff and ED Orgs.	25	41	21	36	48	32	32	6	4.78	241
Infrastructure in support of commercial/industrial dev.	38	25	37	28	40	46	25	2	4.94	241
Strategic planning	47	41	26	24	28	42	31	6	5.08	245
Elimination of blight	29	23	14	23	26	29	81	14	4.01	239
Other (please list)	4	1	3	1	3	1	1	37	2.27	51
<i>answered question</i>										256

Q: Rank the economic development infrastructure needs in your community where 1 is "most important" and 10 is "least important."

Answer Options	1	2	3	4	5	6	7	8	9	10	Rating Average	Response Count
Water	53	32	24	19	25	28	18	16	23	2	6.67	240
Sewer	13	47	19	31	36	21	29	31	11	2	6.15	240
Drainage/flooding	23	22	38	36	31	32	21	25	7	2	6.35	237
Curbs, gutters and sidewalks	15	25	31	29	40	28	29	19	13	4	6.05	233
Roads	36	36	40	35	36	22	19	8	2	3	7.10	237
Planning	33	25	31	27	20	29	30	13	22	4	6.26	234
Broadband Internet Access	25	17	24	12	14	21	28	38	43	12	5.09	234
Parking	11	23	18	21	16	28	26	38	46	5	5.00	232
Business incubator facilities	32	19	16	28	14	20	28	35	36	6	5.53	234
Other	10	1	2	2	4	1	0	0	1	30	3.92	51
<i>answered question</i>												254

SUSTAINABILITY

Q: In your opinion, which of the following actions would be most effective in promoting sustainability and/or addressing climate change objectives in your community?

Rank the following actions in order of importance for your community where 1 is "most important" and 9 is "least important":

Answer Options	1	2	3	4	5	6	7	8	9	Rating Average
Increase in available land zoned for higher density multifamily development.	37	18	19	13	24	23	26	29	39	4.71
Promote or establish mixed-use zoning.	37	36	24	25	27	25	20	26	10	5.63
Adopt higher densities in areas developed in proximity to public transportation.	26	31	26	21	27	33	34	21	11	5.27
Provide parking reductions or other incentives for developments in proximity to transit.	2	14	17	30	21	35	31	28	47	3.87
Reduce barriers and promote adaptive reuse.	23	15	24	40	35	24	21	28	15	5.07
Upgrade or expand infrastructure to accommodate infill residential development.	20	21	23	36	29	26	29	24	17	5.00
Promotion of public outreach, including educational program and the marketing of energy-saving incentives.	26	31	26	21	28	27	21	20	29	5.11
Target local funds to assist affordable housing developers incorporate energy efficient design and features.	23	42	46	23	21	22	18	24	17	5.57
Provide financial assistance for low-income households to offset costs of weatherization improvements.	54	34	33	26	17	11	24	20	22	5.84

Q: Rank the following energy assistance and weatherization activities in order of importance for your community where 1 is "most important" and 4 is "least important." Please use each number only once.

Answer Options	1	2	3	4	Rating Average
Utility payment assistance	116	45	41	59	2.84
Educational activities (energy efficiency and conservation)	25	41	75	115	1.91
Repair and replacement of HVAC equipment	29	90	84	55	2.36
Weatherization measures to increase energy efficiency	94	83	57	24	2.96

IMPEDIMENTS TO FAIR HOUSING

Q: NIMBYism (Not In My Back Yard) is an obstacle to the creation of affordable housing in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	37.5%	102
Agree	38.2%	104
Neutral	13.2%	36
Disagree	9.2%	25
Strongly Disagree	1.8%	5
<i>answered question</i>		272

Q: Public financial incentives (low interest loans, tax incentives) are needed to increase the number of affordable homes built, rehabilitated, or preserved locally.

Answer Options	Response Percent	Response Count
Strongly Agree	49.3%	132
Agree	41.0%	110
Neutral	7.5%	20
Disagree	2.2%	6
Strongly Disagree	0.0%	0
<i>answered question</i>		268

Q: Local land use controls, zoning, and building codes discourage the development of affordable housing in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	14.9%	40
Agree	29.5%	79
Neutral	27.6%	74
Disagree	20.5%	55
Strongly Disagree	7.5%	20
<i>answered question</i>		268

Q: There is a shortage of reasonably priced mortgage financing available for low-income households in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	30.2%	81
Agree	42.9%	115
Neutral	19.0%	51
Disagree	7.5%	20
Strongly Disagree	0.4%	1
<i>answered question</i>		268

Q: Mortgage foreclosures are a significant problem in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	33.0%	89
Agree	43.0%	116
Neutral	19.6%	53
Disagree	4.1%	11
Strongly Disagree	0.4%	1
<i>answered question</i>		270

Q: Environmental concerns (lead-based paint, asbestos) limit the amount of affordable housing initiatives in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	4.9%	13
Agree	16.5%	44
Neutral	39.7%	106
Disagree	35.2%	94
Strongly Disagree	3.7%	10
<i>answered question</i>		267

Q: Subprime or predatory lending is an issue that requires attention in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	17.4%	47
Agree	31.5%	85
Neutral	41.5%	112
Disagree	8.5%	23
Strongly Disagree	1.1%	3
<i>answered question</i>		270

The lack of homebuyer education and credit counseling services is an obstacle to obtaining affordable housing.

Answer Options	Response Percent	Response Count
Strongly Agree	9.4%	25
Agree	41.2%	110
Neutral	27.3%	73
Disagree	20.6%	55
Strongly Disagree	1.5%	4
<i>answered question</i>		267

Q: Local market conditions and population demographics work against the development of affordable housing.

Answer Options	Response Percent	Response Count
Strongly Agree	28.8%	76
Agree	34.1%	90
Neutral	19.7%	52
Disagree	15.2%	40
Strongly Disagree	2.3%	6
<i>answered question</i>		264

Q: The lack of a local construction industry (materials and builders) impedes affordable housing development in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	5.6%	15
Agree	16.4%	44
Neutral	27.6%	74
Disagree	43.3%	116
Strongly Disagree	7.1%	19
<i>answered question</i>		268

Q: There is a need for more capacity building activities targeting local housing organizations in our community.

Answer Options	Response Percent	Response Count
Strongly Agree	18.0%	48
Agree	37.2%	99
Neutral	32.0%	85
Disagree	11.3%	30
Strongly Disagree	1.5%	4
<i>answered question</i>		266

Q: Indicate your opinion by ranking if each category constitutes an impediment to fair housing choice in your community:

Answer Options	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Response Count
The lack of comprehensive fair housing planning	39	65	74	50	20	248
Insufficient monitoring and oversight of fair housing activities	27	60	76	62	21	246
Local Housing Authority engages in limited fair housing activity	35	54	85	51	20	245
Public housing rental subsidy programs tend to intensify segregation and constrict residential choice	30	41	70	88	19	248
Inadequate enforcement of fair housing laws through litigation	21	30	112	66	16	245
Discrimination against households of color	18	47	79	74	30	248
Discrimination against families with children	14	62	72	77	26	251
Discrimination against persons with disabilities	22	60	80	67	22	251
Discrimination against elderly persons	12	32	83	92	28	247
Insufficient outreach about fair housing, especially to non-English speaking communities	48	70	66	53	14	251
Current mechanisms for identifying discrimination are predominantly reactive rather than proactive	42	80	77	38	11	248
<i>answered question</i>						254

Q: Indicate your opinion by ranking the extent to which each category addressing impediments to fair housing specifically for persons with disabilities applies in your community:

Answer Options	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Local zoning and land use ordinances restrict or limit housing for persons with disabilities	17	29	79	82	31
Local amendments to the Uniform Building Code diminish the ability to accommodate persons with disabilities	7	25	91	87	27
Conditions applied to group homes providing services on-site are impacting the development or conversion of residences to meet the needs of persons with disabilities	19	51	94	54	19
Siting or separation requirements of special needs housing developments in relationship to each other impact the development and cost of housing for persons with disabilities	15	48	107	49	17
Conditions and use restrictions for group homes impact the development and cost of housing for persons with disabilities	24	68	80	50	15
Community input for the approval of group homes and the extent to which it differs from other types of residential development impact the development and cost of housing for persons with disabilities	35	66	84	39	12

Q: Has your City/County or the communities in which you work taken steps to address impediments to fair housing through the following actions:			
Answer Options	Yes	No	Do Not Know
Adopted a formal process for individuals with disabilities to make requests for reasonable accommodation in the enforcement of building codes and the issuance of building permits	107	30	106
Adopted universal design elements in the building code	93	34	112
Reduction in Residential parking standards for persons with disabilities from other parking standards and reductions of parking requirements for special needs housing when a reduced need for parking is demonstrated	67	51	121
The locality makes information available about requesting a reasonable accommodation with respect to zoning, permit processing, or building laws	111	33	97
The locality directly, or in partnership with other stakeholders, reviews local regulations, development standards and permitting processes to assess impact on the supply of housing for persons with disabilities	98	31	106
Zoning laws, policies and practices comply with fair housing law, including: - ADA compliance and retrofit efforts	154	14	69
Definition of family is broad to provide occupancy standards specific to unrelated adults and complies with Fair Housing Laws	111	23	102

Appendix G

Regulatory Relief Questionnaire

HUD has announced that governmental and non-governmental applicants are eligible to receive up to two additional points on the evaluation of their application if they are able to demonstrate successful efforts made toward removing regulatory barriers to affordable housing. Additional information on HUD's Initiative on Regulatory Relief is available at <http://www.hud.gov/offices/adm/grants/frregbarrier.pdf>

Qualified State agencies or departments applying for funding, as well as housing authorities, nonprofit organizations, and other qualified applicants applying for funds for projects located in unincorporated areas are invited to answer the 15 questions in Part B to determine eligibility. The Department provided answers to the questions in Part B and has made this document available for your use. The questionnaire is also available on the Department's website at <http://www.hcd.ca.gov/hpd/hrc/rep/fed/hudpartbhcd.pdf>.

AMERICA'S AFFORDABLE COMMUNITIES INITIATIVE

Questionnaire for HUD's Initiative on Removal of Regulatory Barriers

PART B: State Agencies and Departments or Other Applicants for Projects Located in Unincorporated Areas or Areas Otherwise Not Covered in Part A

<p>1. Does your state, either in its planning and zoning enabling legislation or in any other legislation, require localities regulating development have a comprehensive plan with a "housing element?" If no, skip to question # 4</p> <p><i>Government Code § 65583</i></p>	<p style="text-align: center;">NO <input type="checkbox"/></p>	<p style="text-align: center;">YES <input checked="" type="checkbox"/></p>
<p>2. Does your state require that a local jurisdiction's comprehensive plan estimate current and anticipated housing needs, taking into account the anticipated growth of the region, for existing and future residents, including low, moderate, and middle income families, for at least the next five years?</p> <p><i>Government Code § 65584</i></p>	<p style="text-align: center;">NO <input type="checkbox"/></p>	<p style="text-align: center;">YES <input checked="" type="checkbox"/></p>
<p>3. Does your state's zoning enabling legislation require that a local jurisdiction's zoning ordinance have a) sufficient land use and density categories (multifamily housing, duplexes, small lot homes and other similar elements); and, b) sufficient land zoned or mapped in these categories, that can permit the building of affordable housing that addresses the needs identified in the comprehensive plan?</p> <p><i>Government Code § 65583(a)(3)</i></p>	<p style="text-align: center;">NO <input type="checkbox"/></p>	<p style="text-align: center;">YES <input checked="" type="checkbox"/></p>
<p>4. Does your state have an agency or office that includes a specific mission to determine whether local governments have policies or procedures that are raising costs or otherwise discouraging affordable housing?</p> <p><i>California Department of Housing & Community Development (http://www.hcd.ca.gov/mission.html)</i></p>	<p style="text-align: center;">NO <input type="checkbox"/></p>	<p style="text-align: center;">YES <input checked="" type="checkbox"/></p>
<p>5. Does your state have a legal or administrative requirement that local governments undertake periodic self-evaluation of regulations and processes to assess their impact upon housing affordability address these barriers to affordability?</p> <p><i>Government Code § 65583(a)(4)</i></p>	<p style="text-align: center;">NO <input type="checkbox"/></p>	<p style="text-align: center;">YES <input checked="" type="checkbox"/></p>
<p>6. Does your state have a technical assistance or education program for local jurisdictions that includes assisting them in identifying regulatory barriers and in recommending strategies to local governments for their removal?</p> <p><i>The Department of Housing & Community Development provides technical assistance to governments in preparation of their housing elements which includes an analysis of governmental constraints and identifying strategies to remove such constraints.</i></p>	<p style="text-align: center;">NO <input type="checkbox"/></p>	<p style="text-align: center;">YES <input checked="" type="checkbox"/></p>

<p>7. Does your state have specific enabling legislation for local impact fees? If no skip to question #9.</p> <p><i>Government Code § 66000 (Mitigation Fee Act)</i></p>	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>
<p>8. If yes to the question #7, does the state statute provide criteria that sets standards for the allowable type of capital investments that have a direct relationship between the fee and the development (<i>nexus</i>) and a method for fee calculation?</p> <p><i>See above (Question 7)</i></p>	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>
<p>9. Does your state provide significant financial assistance to local governments for housing, community development and/or transportation that includes funding prioritization or linking funding on the basis of local regulatory barrier removal activities?</p> <p><i>The Building Equity and Growth in Neighborhoods Equity Program (BEGIN) works to reduce local regulatory barriers to affordable ownership housing, and provide downpayment assistance loans to qualifying first-time low- and moderate-income buyers of homes in BEGIN projects (http://www.hcd.ca.gov/ca/begin).</i></p>	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>
<p>10. Does your state have a mandatory state-wide building code that a) does not permit local technical amendments and b) uses a recent version (i.e. published within the last five years or, if no recent version has been published, the last version published) of one of the nationally recognized model building codes (i.e. the International Code Council (ICC), the Building Officials and Code Administrators International (BOCA), the Southern Building Code Congress International (SBCI), the International Conference of Building Officials (ICBO), the National Fire Protection Association (NFPA)) without significant technical amendment or modification?</p> <p>Alternatively, if the state has made significant technical amendment to the model code, can the state supply supporting data that the amendments do not negatively impact affordability?</p> <ul style="list-style-type: none"> ▪ <i>California <u>does</u> have a mandatory statewide building code</i> ▪ <i>State law <u>does not</u> permit local “technical” amendments, but <u>does</u> permit local amendments based on unique geological (e.g., seismic), topographic (e.g., coastal issues) and/or climatic (e.g., snowload) conditions. The amendments must be justified by written findings, which must be submitted to the State Building Standards Commission. Also, local fire suppression/prevention amendments <u>are permitted</u>, again if there are written findings, submitted to HCD.</i> ▪ <i>The statewide “building standards code” for residential construction consists of a building (structural) code, a plumbing code, a mechanical code, an electric code, a fire code, and an energy code. The plumbing, mechanical, electric, energy, and fire <u>codes fit</u> the HUD definition (based on a recently published nationally recognized model code). The building (structural) code <u>does not</u>, and is based on a 1997 model nationally recognized code, and was updated in 2001. The building code update, currently underway, <u>is based</u> on a nationally recognized model code published within the last 5 years.</i> 	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>

<ul style="list-style-type: none"> ▪ <i>The statewide building standards code <u>has many</u> amendments and modifications. They all are carefully considered to meet the needs of the State's residents and businesses, and the adoption process explicitly considers and balances "affordability" with "safety", "public welfare", "impact on business", etc. (The statutory standards are in section 18930 of the Health and Safety Code)</i> ▪ <i>As to "supporting data" for state amendments, the adoption process includes analysis by the proposing agency (HCD, State Fire Marshal, Energy Commission) as to impact on affordability, and oral and written testimony is provided and recorded with regard to the same issues.</i> 		
<p>11. Has your jurisdiction adopted specific building code language regarding housing rehabilitation that encourages such rehabilitation through graduated regulatory requirements applicable as different levels of work are performed in existing buildings? Such code language increases regulatory requirements (the additional improvements required as a matter of regulatory policy) in proportion to the extent of rehabilitation that an owner/developer chooses to do on a voluntary basis. For further information see HUD publication: "Smart Codes in Your Community: A Guide to Building Rehabilitation Codes"</p> <ul style="list-style-type: none"> ▪ <i>Health & Safety Code § 17958.8: Local governments must permit the replacement, retention and extension of original materials and original methods of construction during alterations and repair of existing buildings as long as the original materials/methods comply with building code provisions governing that portion of the building at the time of its construction AND the building does not become or continue to be substandard</i> ▪ <i>Health & Safety Code § 17958.9: Moved apartments or dwellings must be allowed to retain existing materials and methods of construction as long as they do not become or continue to be substandard</i> ▪ <i>Health & Safety Codes § 17922(d): Housing codes must permit continued use of original methods in existing portions of a home, but additions or alterations increasing area or size of an existing building must comply with current codes</i> ▪ <i>Health & Safety Code § 17951: Local governments may approve alternate materials, installations or work on a case-by-case basis which vary from code standards; in some cases this is used to mitigate the cost of meshing additional spaces with existing space</i> ▪ <i>Health & Safety Code § 17980(b)(2): In code enforcement, when a local government agency must decide whether to require vacating of a building or to repair as necessary, it must give preference to the repair of the building whenever it is economically feasible to do so without having to repair more than 75% of the building AND shall give full consideration to the needs for housing as expressed in the local jurisdiction's housing element</i> 	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>
<p>12. Within the past five years has your state made any changes to its own processes or requirements to streamline or consolidate the state's own approval processes involving permits for water or wastewater, environmental review, or other State administered permits or programs involving housing development. If yes, briefly list these changes.</p> <p><i>Government Code Section § 66473.7- Water Supply; Availability; Conditions for map approval; Verification; Exceptions (added by Stats 2001)</i></p>	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>

<p>13. Within the past five years, has your state (i.e., Governor, legislature, planning department) directly or in partnership with major private or public stakeholders, convened or funded comprehensive studies, commissions, or panels to review state or local rules, regulations, development standards, and processes to assess their impact on the supply of affordable housing?</p> <p><i>May 2000: Raising the Roof: California Housing Development Projections and Constraints 1997-2020. Prepared the by the California Department of Housing & Community Development. Report available at http://www.hcd.ca.gov/hpd/hrc/rtr/index.html</i></p> <p><i>August 2001: Pay to Play – Residential Development Fees in California Cities and Counties. Prepared by the Department of Housing & Community Development. Report available at http://www.hcd.ca.gov/hpd/pay2play/pay_to_play.html</i></p> <p><i>May 2002: Rebuilding the Dream: Solving California’s Affordable Housing Crisis. Prepared by the Little Hoover Commission on California State Organization and Economy. Report available at http://www.lhc.ca.gov/lhcdir/report165.html</i></p>	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>
<p>14. Within the past five years, has the state initiated major regulatory reforms either as a result of the above study or as a result of information identified in the barrier component of the states’ “Consolidated Plan submitted to HUD?” If yes, briefly list these major regulatory reforms.</p>	<p>NO <input checked="" type="checkbox"/></p>	<p>YES <input type="checkbox"/></p>
<p>15. Has the state undertaken any other actions regarding local jurisdiction’s regulation of housing development including permitting, land use, building or subdivision regulations, or other related administrative procedures? If yes, briefly list these actions. <i>(below is a partial list)</i></p> <p><i>AB 1866 (Gov. Code Section 65852.2) provides that after July 1, 2003, the permit process for second units is ministerial. Local governments will be required to implement a process for second units in which the applicant is entitled to the permit if he or she complies with local standards -- obviating the need for time-consuming, contentious, costly public hearings.</i></p> <p><i>AB 2292 (Gov Code Section 65863) was signed into law, effective January 1, 2003, and requires local governments to make a finding that proposed residential density reductions (and down zonings) are consistent with the jurisdiction’s general plan and housing element and with the density utilized by the state Department of Housing and Community Development in determining compliance with housing element law.</i></p>	<p>NO <input type="checkbox"/></p>	<p>YES <input checked="" type="checkbox"/></p>
<p>Total Points: (total of 14 questions answered “yes”) 2 points</p>		

Appendix H

Actions to Overcome Impediments to Fair Housing

Impediment #1	
<i>Enforce State and federal fair housing laws.</i>	
Responsible Party: Cal. Dept. of Fair Employment and Housing & HCD	Time Frame: Ongoing
<i>Publish and disseminate fair housing educational materials.</i> HCD will provide printed information at participatory conferences and will provide, in coordination with DFEH, education on fair housing issues at all appropriate HCD sponsored training workshops.	
Impediments #1, #2 & #4	
<i>Monitor, promote and increase technical assistance to local jurisdictions participating in federally funded programs.</i>	
Responsible Party: HCD's CDBG, HOME, and ESG programs	Time Frame: Ongoing - during the annual cycle of each program's grant management workshops
Impediment #1 – #4	
<i>Increase cooperation among State fair housing enforcement agencies.</i> Convene annual meetings of State agencies to discuss opportunities for increased cooperation and coordination.	
Responsible Party: HCD	Time Frame: October 2010
Impediment #1 – #4	
<i>Encourage city and county planning departments to implement land use policies which encourage fair housing and the construction of affordable/accessible housing through the administration of State housing element law.</i>	
Responsible Party: HCD	Time Frame: Ongoing Administration
Continue administering State housing element law.	

Impediment #1	
<i>Provide technical assistance on State planning laws promoting siting of and zoning for a variety of housing types including multifamily housing, emergency shelters, residential care facilities, and accessible housing.</i>	
Responsible Party: HCD	Time Frame: Ongoing
<p>Outreach through housing element workshops and technical assistance to cities and counties. Continually expand available resources and technical assistance materials on the Department’s Building Blocks website.</p>	
Impediment #1	
<i>Promote the development of affordable accessible housing through the administration of Title 24. Promote accessibility, universal design, and home modification through the use of CDBG & HOME funds for existing single-unit housing.</i>	
Responsible Party: HCD; Division of the State Architect; and Cal. Dept of Rehabilitation	Time Frame: Ongoing
<p>HCD’s Division of Codes and Standards is evaluating Title 24, Chapter 11A (construction codes) regarding accessibility for conformance with changes in the Fair Housing Amendments Act and the ADA. Current California regulations are, for the most part, stricter than the federal requirements. However, if the review shows deficiencies, the Department will advance amendments to its regulations to ensure full compliance with federal law and guidelines.</p> <p>Provide technical assistance and enhance available resources available on the Department’s Building Blocks website related to accessibility, universal design (including the Department’s Model Universal Design Ordinance), visitability and reasonable accommodation procedures.</p> <p>(http://www.hcd.ca.gov/hpd/housing_element2/index.php)</p> <p>Continue to review local jurisdiction’s housing element for compliance with State housing law, including analysis of governmental constraints to the development of housing for disabled populations and provide technical assistance in developing effective programs to remove or mitigate identified constraints and address the housing needs of the disabled.</p>	

Appendix I

CDBG, HOME, and ESG Eligible Jurisdictions by Population

County	Cities or Unincorporated County Areas	Eligible for			2000 Population	2009 Population	Population Increase/Decrease	Population Change %
		CDBG	HOME	ESG				
Alameda	Alameda (city)			ESG	72,259	74,683	2,424	3.35%
Alameda	Fremont			ESG	203,413	215,636	12,223	6.01%
Alameda	Hayward			ESG	140,030	150,878	10,848	7.75%
Alameda	Livermore			ESG	73,464	84,409	10,945	14.90%
Alameda	Pleasanton			ESG	63,654	70,097	6,443	10.12%
Alameda	San Leandro			ESG	79,452	82,472	3,020	3.80%
Alameda	Union City			ESG	66,869	73,977	7,108	10.63%
Alpine	Alpine County	CDBG	HOME	ESG	1,208	1,201	-7	-0.58%
Amador	Amador (city)	CDBG	HOME	ESG	196	209	13	6.63%
Amador	Amador County	CDBG	HOME		20,503	22,123	1,620	7.90%
Amador	lone	CDBG	HOME		7,129	7,716	587	8.23%
Amador	Jackson	CDBG	HOME		3,989	4,319	330	8.27%
Amador	Plymouth	CDBG	HOME		980	1,032	52	5.31%
Amador	Sutter Creek	CDBG	HOME		2,303	2,681	378	16.41%
Butte	Biggs	CDBG	HOME		1,793	1,777	-16	-0.89%
Butte	Butte County	CDBG	HOME	ESG	96,042	83,915	-12,127	-12.63%
Butte	Gridley	CDBG	HOME		5,408	6,417	1,009	18.66%
Butte	Oroville	CDBG	HOME		13,004	14,639	1,635	12.57%
Butte	Paradise		HOME		26,408	26,287	-121	-0.46%
Calaveras	Angels Camp	CDBG	HOME		3,004	3,575	571	19.01%
Calaveras	Calaveras County	CDBG	HOME	ESG	37,550	42,412	4,862	12.95%
Colusa	Colusa (city)	CDBG	HOME		5,402	5,900	498	9.22%
Colusa	Colusa County	CDBG	HOME	ESG	9,732	10,810	1,078	11.08%
Colusa	Williams	CDBG	HOME		3,670	5,287	1,617	44.06%
Contra Costa	Antioch			ESG	90,532	100,957	10,425	11.52%
Contra Costa	Concord			ESG	121,872	124,599	2,727	2.24%
Contra Costa	Pittsburg			ESG	56,769	63,771	7,002	12.33%
Contra Costa	Richmond			ESG	99,216	104,513	5,297	5.34%
Contra Costa	San Ramon			ESG	44,722	63,176	18,454	41.26%
Contra Costa	Walnut Creek			ESG	64,296	65,860	1,564	2.43%
Del Norte	Crescent City	CDBG	HOME		7,347	7,680	333	4.53%
Del Norte	Del Norte County	CDBG	HOME	ESG	20,160	21,867	1,707	8.47%
El Dorado	El Dorado County	CDBG	HOME	ESG	123,080	145,916	22,836	18.55%
El Dorado	Placerville	CDBG	HOME		9,610	10,373	763	7.94%
El Dorado	South Lake Tahoe	CDBG	HOME		23,609	23,896	287	1.22%
Fresno	Clovis		HOME	ESG	68,516	95,128	26,612	38.84%
Fresno	Firebaugh	CDBG	HOME	ESG	5,743	6,807	1,064	18.53%
Fresno	Huron	CDBG	HOME	ESG	6,310	7,836	1,526	24.18%
Fresno	Orange Cove	CDBG	HOME	ESG	7,722	10,930	3,208	41.54%
Fresno	Parlier	CDBG	HOME	ESG	11,145	13,555	2,410	21.62%
Fresno	San Joaquin	CDBG	HOME	ESG	3,270	4,060	790	24.16%
Glenn	Glenn County	CDBG	HOME	ESG	13,952	15,333	1,381	9.90%
Glenn	Orland	CDBG	HOME		6,281	7,420	1,139	18.13%

County	Cities or Unincorporated County Areas	Eligible for			2000 Population	2009 Population	Population Increase/Decrease	Population Change %
		CDBG	HOME	ESG				
Glenn	Willows	CDBG	HOME		6,220	6,486	266	4.28%
Humboldt	Arcata	CDBG	HOME		16,651	17,610	959	5.76%
Humboldt	Blue Lake	CDBG	HOME		1,137	1,169	32	2.81%
Humboldt	Eureka	CDBG	HOME		26,128	26,002	-126	-0.48%
Humboldt	Ferndale	CDBG	HOME		1,382	1,441	59	4.27%
Humboldt	Fortuna	CDBG	HOME		10,498	11,351	853	8.13%
Humboldt	Humboldt County	CDBG	HOME	ESG	67,236	71,592	4,356	6.48%
Humboldt	Rio Dell	CDBG	HOME		3,174	3,279	105	3.31%
Humboldt	Trinidad	CDBG	HOME		312	311	-1	-0.32%
Imperial	Brawley	CDBG	HOME		22,052	26,948	4,896	22.20%
Imperial	Calexico	CDBG	HOME		27,109	39,337	12,228	45.11%
Imperial	Calipatria	CDBG	HOME		7,289	8,108	819	11.24%
Imperial	El Centro	CDBG	HOME		38,025	44,259	6,234	16.39%
Imperial	Holtville	CDBG	HOME		5,612	6,515	903	16.09%
Imperial	Imperial	CDBG	HOME		7,560	12,970	5,410	71.56%
Imperial	Imperial County	CDBG	HOME	ESG	32,583	38,690	6,107	18.74%
Imperial	Westmorland	CDBG	HOME		2,131	2,427	296	13.89%
Inyo	Bishop	CDBG	HOME		3,575	3,536	-39	-1.09%
Inyo	Inyo County	CDBG	HOME	ESG	14,496	14,513	17	0.12%
Kern	Delano	CDBG	HOME	ESG	39,499	53,972	14,473	36.64%
Kern	McFarland	CDBG	HOME	ESG	9,835	13,559	3,724	37.86%
Kern	Taft	CDBG	HOME	ESG	8,811	9,117	306	3.47%
Kern	Wasco	CDBG	HOME	ESG	21,263	25,434	4,171	19.62%
Kings	Avenal	CDBG	HOME		14,674	15,871	1,197	8.16%
Kings	Corcoran	CDBG	HOME		20,843	25,893	5,050	24.23%
Kings	Hanford		HOME		41,686	52,687	11,001	26.39%
Kings	Kings County	CDBG	HOME	ESG	32,546	35,474	2,928	9.00%
Kings	Lemoore	CDBG	HOME		19,712	24,818	5,106	25.90%
Lake	Clearlake	CDBG	HOME		13,147	14,390	1,243	9.45%
Lake	Lake County	CDBG	HOME	ESG	40,358	44,489	4,131	10.24%
Lake	Lakeport	CDBG	HOME		4,820	5,146	326	6.76%
Lassen	Lassen County	CDBG	HOME	ESG	16,363	18,148	1,785	10.91%
Lassen	Susanville	CDBG	HOME		17,465	17,402	-63	-0.36%
Los Angeles	Alhambra			ESG	85,757	89,171	3,414	3.98%
Los Angeles	Artesia	CDBG	HOME	ESG	16,380	17,551	1,171	7.15%
Los Angeles	Avalon	CDBG	HOME	ESG	3,279	3,540	261	7.96%
Los Angeles	Baldwin Park			ESG	75,837	81,445	5,608	7.39%
Los Angeles	Bellflower			ESG	72,878	77,194	4,316	5.92%
Los Angeles	Burbank			ESG	100,316	108,082	7,766	7.74%
Los Angeles	Carson		HOME	ESG	89,730	98,159	8,429	9.39%
Los Angeles	Downey			ESG	107,323	113,469	6,146	5.73%
Los Angeles	Gardena		HOME	ESG	57,746	61,810	4,064	7.04%
Los Angeles	Glendora		HOME	ESG	49,415	52,474	3,059	6.19%
Los Angeles	Hawthorne			ESG	84,112	89,979	5,867	6.98%
Los Angeles	Hidden Hills	CDBG	HOME	ESG	1,875	2,013	138	7.36%
Los Angeles	Huntington Park			ESG	61,348	64,617	3,269	5.33%
Los Angeles	Industry	CDBG	HOME	ESG	777	797	20	2.57%
Los Angeles	Lakewood		HOME	ESG	79,345	83,508	4,163	5.25%
Los Angeles	Lancaster		HOME	ESG	118,718	145,074	26,356	22.20%
Los Angeles	Lynwood			ESG	69,845	73,174	3,329	4.77%

County	Cities or Unincorporated County Areas	Eligible for			2000 Population	2009 Population	Population Increase/Decrease	Population Change %
		CDBG	HOME	ESG				
Los Angeles	Montebello			ESG	62,150	65,667	3,517	5.66%
Los Angeles	Monterey Park			ESG	60,051	64,874	4,823	8.03%
Los Angeles	Norwalk			ESG	104,323	109,567	5,244	5.03%
Los Angeles	Palmdale			ESG	116,670	151,346	34,676	29.72%
Los Angeles	Palos Verdes Estates	CDBG	HOME		13,340	14,046	706	5.29%
Los Angeles	Paramount			ESG	55,266	57,874	2,608	4.72%
Los Angeles	Pico Rivera		HOME	ESG	63,428	66,899	3,471	5.47%
Los Angeles	Redondo Beach		HOME	ESG	63,261	67,646	4,385	6.93%
Los Angeles	Rosemead			ESG	53,505	57,594	4,089	7.64%
Los Angeles	Santa Clarita		HOME	ESG	151,131	177,150	26,019	17.22%
Los Angeles	Santa Monica			ESG	84,084	92,494	8,410	10.00%
Los Angeles	Torrance		HOME	ESG	137,946	149,111	11,165	8.09%
Los Angeles	Vernon	CDBG	HOME	ESG	91	95	4	4.40%
Los Angeles	West Covina		HOME	ESG	105,080	112,648	7,568	7.20%
Los Angeles	Whittier			ESG	83,639	86,788	3,149	3.76%
Madera	Chowchilla	CDBG	HOME		14,416	19,051	4,635	32.15%
Madera	Madera		HOME		43,207	57,318	14,111	32.66%
Madera	Madera County	CDBG	HOME	ESG	65,486	75,962	10,476	16.00%
Marin	Marin County			ESG	986,050	70,224	-915,826	-92.88%
Mariposa	Mariposa County	CDBG	HOME	ESG	17,130	18,306	1,176	6.87%
Mendocino	Fort Bragg	CDBG	HOME		6,814	6,868	54	0.79%
Mendocino	Mendocino County	CDBG	HOME	ESG	58,407	62,055	3,648	6.25%
Mendocino	Point Arena	CDBG	HOME		474	492	18	3.80%
Mendocino	Ukiah	CDBG	HOME		15,497	15,711	214	1.38%
Mendocino	Willits	CDBG	HOME		5,073	5,080	7	0.14%
Merced	Atwater	CDBG	HOME		23,113	27,369	4,256	18.41%
Merced	Dos Palos	CDBG	HOME		4,385	5,010	625	14.25%
Merced	Gustine	CDBG	HOME		4,698	5,203	505	10.75%
Merced	Livingston	CDBG	HOME		10,473	13,940	3,467	33.10%
Merced	Los Banos	CDBG	HOME		25,869	36,198	10,329	39.93%
Merced	Merced County	CDBG	HOME	ESG	78,123	80,542	2,419	3.10%
Modoc	Alturas	CDBG	HOME		2,892	2,782	-110	-3.80%
Modoc	Modoc County	CDBG	HOME	ESG	6,557	6,916	359	5.48%
Mono	Mammoth Lakes	CDBG	HOME		7,093	7,254	161	2.27%
Mono	Mono County	CDBG	HOME	ESG	5,760	6,250	490	8.51%
Monterey	Carmel	CDBG	HOME		4,081	4,037	-44	-1.08%
Monterey	Del Rey Oaks	CDBG	HOME		1,650	1,632	-18	-1.09%
Monterey	Gonzales	CDBG	HOME		7,564	9,025	1,461	19.32%
Monterey	Greenfield	CDBG	HOME		12,648	17,547	4,899	38.73%
Monterey	King City	CDBG	HOME		11,204	12,024	820	7.32%
Monterey	Marina	CDBG	HOME		18,925	19,265	340	1.80%
Monterey	Monterey		HOME	ESG	29,696	29,244	-452	-1.52%
Monterey	Monterey County	CDBG	HOME	ESG	101,414	108,383	6,969	6.87%
Monterey	Pacific Grove	CDBG	HOME	ESG	15,522	15,536	14	0.09%
Monterey	Sand City	CDBG	HOME	ESG	261	312	51	19.54%
Monterey	Seaside		HOME	ESG	33,097	34,240	1,143	3.45%
Monterey	Soledad	CDBG	HOME	ESG	23,015	28,050	5,035	21.88%
Napa	American Canyon	CDBG	HOME		9,774	16,503	6,729	68.85%
Napa	Calistoga	CDBG	HOME		5,190	5,331	141	2.72%
Napa	Napa		HOME		72,585	77,831	5,246	7.23%

County	Cities or Unincorporated County Areas	Eligible for			2000 Population	2009 Population	Population Increase/Decrease	Population Change %
		CDBG	HOME	ESG				
Napa	Napa County	CDBG	HOME	ESG	27,483	28,683	1,200	4.37%
Napa	St. Helena	CDBG	HOME		5,950	5,960	10	0.17%
Napa	Yountville	CDBG	HOME		3,297	3,263	-34	-1.03%
Nevada	Grass Valley	CDBG	HOME		10,922	12,817	1,895	17.35%
Nevada	Nevada City	CDBG	HOME		2,996	3,043	47	1.57%
Nevada	Nevada County	CDBG	HOME	ESG	64,251	66,617	2,366	3.68%
Nevada	Truckee	CDBG			13,864	16,241	2,377	17.15%
Orange	Buena Park		HOME	ESG	77,962	83,385	5,423	6.96%
Orange	Costa Mesa			ESG	108,724	116,479	7,755	7.13%
Orange	Fountain Valley		HOME	ESG	54,978	58,309	3,331	6.06%
Orange	Fullerton			ESG	126,003	137,624	11,621	9.22%
Orange	Huntington Beach			ESG	189,627	202,480	12,853	6.78%
Orange	Irvine			ESG	143,072	212,793	69,721	48.73%
Orange	Laguna Niguel		HOME	ESG	61,891	67,201	5,310	8.58%
Orange	La Habra		HOME	ESG	58,974	62,822	3,848	6.52%
Orange	Lake Forest		HOME	ESG	58,707	78,344	19,637	33.45%
Orange	Mission Viejo		HOME	ESG	93,102	100,242	7,140	7.67%
Orange	Newport Beach		HOME	ESG	70,032	86,252	16,220	23.16%
Orange	Orange (city)			ESG	128,868	141,634	12,766	9.91%
Orange	Rancho Santa Margarita		HOME	ESG	47,214	49,704	2,490	5.27%
Orange	San Clemente		HOME	ESG	49,936	68,316	18,380	36.81%
Orange	San Juan Capistrano	CDBG	HOME	ESG	33,826	36,870	3,044	9.00%
Orange	Tustin		HOME	ESG	67,504	74,825	7,321	10.85%
Orange	Westminster			ESG	88,207	93,284	5,077	5.76%
Placer	Auburn	CDBG	HOME		12,462	13,432	970	7.78%
Placer	Colfax	CDBG	HOME		1,520	1,878	358	23.55%
Placer	Lincoln	CDBG	HOME		11,205	40,060	28,855	257.52%
Placer	Loomis	CDBG	HOME		6,260	6,677	417	6.66%
Placer	Placer County	CDBG	HOME	ESG	100,701	110,433	9,732	9.66%
Placer	Rocklin		HOME		36,330	54,754	18,424	50.71%
Placer	Roseville		HOME		79,921	112,343	32,422	40.57%
Plumas	Plumas County	CDBG	HOME	ESG	18,597	18,616	19	0.10%
Plumas	Portola	CDBG	HOME		2,227	2,016	-211	-9.47%
Riverside	Calimesa	CDBG	HOME	ESG	7,139	7,498	359	5.03%
Riverside	Coachella	CDBG	HOME	ESG	22,724	41,000	18,276	80.43%
Riverside	Corona			ESG	124,966	148,597	23,631	18.91%
Riverside	Hemet		HOME	ESG	58,812	74,361	15,549	26.44%
Riverside	Indian Wells	CDBG	HOME	ESG	3,816	5,093	1,277	33.46%
Riverside	Moreno Valley			ESG	142,379	186,301	43,922	30.85%
Riverside	Palm Desert		HOME	ESG	41,155	51,509	10,354	25.16%
Riverside	Palm Springs		HOME	ESG	42,805	47,601	4,796	11.20%
Riverside	Rancho Mirage	CDBG	HOME	ESG	13,249	17,180	3,931	29.67%
Sacramento	Citrus Heights			ESG	85,071	87,565	2,494	2.93%
Sacramento	Elk Grove			ESG	-	141,430	-	-
Sacramento	Rancho Cordova			ESG	-	61,817	-	-
San Benito	Hollister	CDBG	HOME		34,424	37,054	2,630	7.64%
San Benito	San Benito County	CDBG	HOME	ESG	17,261	19,071	1,810	10.49%
San Benito	San Juan Bautista	CDBG	HOME		1,549	1,891	342	22.08%
San Bernardino	Apple Valley			ESG	54,239	69,861	15,622	28.80%
San Bernardino	Chino		HOME	ESG	67,168	84,173	17,005	25.32%

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		CDBG	HOME	ESG				
San Bernardino	Chino Hills			ESG	66,787	78,725	11,938	17.87%
San Bernardino	Hesperia		HOME	ESG	62,590	88,184	25,594	40.89%
San Bernardino	Rancho Cucamonga			ESG	127,743	177,736	49,993	39.14%
San Bernardino	Rialto			ESG	91,882	100,022	8,140	8.86%
San Bernardino	Upland		HOME	ESG	68,393	75,035	6,642	9.71%
San Bernardino	Victorville			ESG	64,029	109,441	45,412	70.92%
San Diego	Carlsbad			ESG	78,306	104,652	26,346	33.64%
San Diego	El Cajon			ESG	94,869	98,133	3,264	3.44%
San Diego	Encinitas			ESG	57,955	64,145	6,190	10.68%
San Diego	Escondido			ESG	133,663	144,831	11,168	8.36%
San Diego	La Mesa			ESG	54,749	56,881	2,132	3.89%
San Diego	National City			ESG	54,260	56,522	2,262	4.17%
San Diego	San Marcos			ESG	54,977	83,149	28,172	51.24%
San Diego	Santee			ESG	52,946	56,848	3,902	7.37%
San Diego	Vista			ESG	89,857	96,089	6,232	6.94%
San Luis Obispo	Morro Bay	CDBG	HOME	ESG	10,350	10,555	205	1.98%
San Luis Obispo	Pismo Beach	CDBG	HOME	ESG	8,551	8,660	109	1.27%
San Mateo	Daly City			ESG	103,625	107,099	3,474	3.35%
San Mateo	Redwood City			ESG	75,402	77,819	2,417	3.21%
San Mateo	San Mateo (city)			ESG	92,482	96,557	4,075	4.41%
San Mateo	South San Francisco			ESG	60,552	65,020	4,468	7.38%
Santa Barbara	Buellton	CDBG			3,828	4,740	912	23.82%
Santa Barbara	Carpinteria	CDBG			14,194	14,409	215	1.51%
Santa Barbara	Golita			ESG	-	30,476	-	-
Santa Barbara	Guadalupe	CDBG	HOME	ESG	5,659	6,534	875	15.46%
Santa Barbara	Santa Barbara (city)			ESG	89,606	90,308	702	0.78%
Santa Barbara	Santa Maria			ESG	77,423	92,542	15,119	19.53%
Santa Barbara	Solvang	CDBG			5,332	5,446	114	2.14%
Santa Clara	Cupertino		HOME	ESG	50,602	55,840	5,238	10.35%
Santa Clara	Gilroy		HOME	ESG	41,464	51,508	10,044	24.22%
Santa Clara	Milpitas		HOME	ESG	62,698	70,817	8,119	12.95%
Santa Clara	Palo Alto		HOME	ESG	58,598	64,484	5,886	10.04%
Santa Clara	Santa Clara County			ESG	99,813	93,874	-5,939	-5.95%
Santa Cruz	Capitola	CDBG	HOME		10,033	10,073	40	0.40%
Santa Cruz	Santa Cruz County	CDBG	HOME	ESG	135,345	135,936	591	0.44%
Santa Cruz	Scotts Valley	CDBG	HOME		11,385	11,764	379	3.33%
Santa Cruz	Watsonville		HOME		44,246	51,882	7,636	17.26%
Shasta	Anderson	CDBG	HOME		9,027	10,765	1,738	19.25%
Shasta	Shasta County	CDBG	HOME	ESG	64,271	71,091	6,820	10.61%
Shasta	Shasta Lake	CDBG	HOME		9,093	10,269	1,176	12.93%
Sierra	Loyalton	CDBG	HOME		862	842	-20	-2.32%
Sierra	Sierra County	CDBG	HOME	ESG	2,693	2,516	-177	-6.57%
Siskiyou	Dorris	CDBG	HOME		886	863	-23	-2.60%
Siskiyou	Dunsmuir	CDBG	HOME		1,923	1,825	-98	-5.10%
Siskiyou	Etna	CDBG	HOME		781	752	-29	-3.71%
Siskiyou	Fort Jones	CDBG	HOME		660	655	-5	-0.76%
Siskiyou	Montague	CDBG	HOME		1,456	1,494	38	2.61%
Siskiyou	Mount Shasta	CDBG	HOME		3,621	3,608	-13	-0.36%

County	Cities or Unincorporated County Areas	Eligible for			2000 Population	2009 Population	Population Increase/Decrease	Population Change %
		CDBG	HOME	ESG				
Siskiyou	Siskiyou County	CDBG	HOME	ESG	23,686	25,342	1,656	6.99%
Siskiyou	Tulelake	CDBG	HOME		1,020	967	-53	-5.20%
Siskiyou	Weed	CDBG	HOME		2,978	3,024	46	1.54%
Siskiyou	Yreka	CDBG	HOME		7,290	7,443	153	2.10%
Solano	Benicia	CDBG	HOME		26,865	27,977	1,112	4.14%
Solano	Dixon	CDBG	HOME		16,103	17,573	1,470	9.13%
Solano	Fairfield		HOME		96,178	106,440	10,262	10.67%
Solano	Rio Vista	CDBG	HOME		4,571	8,222	3,651	79.87%
Solano	Solano County		HOME	ESG	19,305	20,156	851	4.41%
Solano	Suisan City	CDBG	HOME		26,118	28,856	2,738	10.48%
Solano	Vacaville		HOME		88,642	96,450	7,808	8.81%
Sonoma	Petaluma		HOME		54,550	57,739	3,189	5.85%
Sonoma	Santa Rosa			ESG	147,595	161,496	13,901	9.42%
Stanislaus	Hughson	CDBG	HOME	ESG	3,980	6,193	2,213	55.60%
Stanislaus	Riverbank	CDBG	HOME	ESG	15,826	21,805	5,979	37.78%
Stanislaus	Turlock			ESG	55,811	70,256	14,445	25.88%
Sutter	Live Oak	CDBG	HOME		6,229	8,571	2,342	37.60%
Sutter	Sutter County	CDBG	HOME	ESG	35,943	24,336	-11,607	-32.29%
Sutter	Yuba City		HOME		36,758	63,647	26,889	73.15%
Tehama	Corning	CDBG	HOME		6,741	7,396	655	9.72%
Tehama	Red Bluff	CDBG	HOME		13,147	13,776	629	4.78%
Tehama	Tehama	CDBG	HOME		432	425	-7	-1.62%
Tehama	Tehama County	CDBG	HOME	ESG	35,719	41,239	5,520	15.45%
Trinity	Trinity County	CDBG	HOME	ESG	13,022	13,959	937	7.20%
Tulare	Dinuba	CDBG	HOME		16,844	21,237	4,393	26.08%
Tulare	Exeter	CDBG	HOME		9,168	10,665	1,497	16.33%
Tulare	Farmerville	CDBG	HOME		8,737	10,771	2,034	23.28%
Tulare	Lindsay	CDBG	HOME		10,297	11,684	1,387	13.47%
Tulare	Porterville		HOME		39,615	52,056	12,441	31.40%
Tulare	Tulare		HOME		43,994	58,506	14,512	32.99%
Tulare	Tulare County	CDBG	HOME		140,822	145,123	4,301	3.05%
Tulare	Woodlake	CDBG	HOME		6,653	7,769	1,116	16.77%
Tuolumne	Sonora	CDBG	HOME		4,423	4,666	243	5.49%
Tuolumne	Tuolumne County	CDBG	HOME		50,081	51,669	1,588	3.17%
Ventura	Camarillo		HOME		57,084	66,149	9,065	15.88%
Ventura	Simi Valley		HOME		111,351	125,814	14,463	12.99%
Ventura	Thousand Oaks		HOME		117,005	128,564	11,559	9.88%
Yolo	West Sacramento	CDBG	HOME		31,615	47,782	16,167	51.14%
Yolo	Winters	CDBG	HOME		6,125	7,052	927	15.13%
Yolo	Woodland		HOME		49,155	56,399	7,244	14.74%
Yolo	Yolo County	CDBG	HOME		21,457	23,471	2,014	9.39%
Yuba	Marysville		HOME		12,268	12,838	570	4.65%
Yuba	Wheatland	CDBG	HOME		2,272	3,548	1,276	56.16%
Yuba	Yuba County	CDBG	HOME		45,679	56,514	10,835	23.72%

Appendix J

Antidisplacement and Relocation Assistance Plan

It is the State's intent that the attached State Relocation Plan meets the administrative requirement under Section 104(d) relocation law and satisfies the public disclosure requirement for the State Relocation Plan through its inclusion in this Consolidated Plan.

Applicants to the State CDBG and HOME programs will be required to certify they will follow the State Relocation Plan and the Uniform Relocation Act (URA) Requirements when they apply for grants, which is a way for the State to meet a requirement under Section 104(d). Program applicants will be required to certify in their CDBG and HOME application's Statement of Assurances (CDBG) or Applicant Certification and Commitment of Responsibility (HOME) that they will follow the State Relocation Plan and the URA Requirements.

CDBG and HOME grantee contracts with the Department may also contain special conditions relating to relocation to ensure that any additional relocation requirements will be adhered to, if required. Each program's application includes items relating to acquisition and/or relocation on application checklists in order to alert the State regarding activities that may trigger compliance with federal relocation law. Contract special conditions language and application checklists will help to ensure that any persons eligible for relocation benefits because of activities funded by our CDBG or HOME grants will receive their proper benefits.

A copy of the plan follows.

State of California

Antidisplacement and Relocation Assistance Plan

The State of California will ensure that all State Recipients of federal grant funds, specifically Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) program funds, replace all occupied and vacant occupiable lower income housing units demolished or converted to a use other than lower income housing as a result of investment of these funds.

All replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a State Contract committing the funds for a project that will directly result in demolition or conversion, the State will require the grant recipient to make public by publication in a newspaper of general circulation, local posting, and submitting to the State, the following information in writing:

1. A description of the proposed assisted project;
2. The address, number of bedrooms, and location on a map of lower income housing that will be demolished or converted to a use other than as lower income housing as a result of an assisted project;

3. A time schedule for the commencement and completion of the demolition or conversion;
4. To the extent known, the address, number of bedrooms and location on a map of the replacement housing that has been or will be provided.
5. The source of funding and a time schedule for the provision of the replacement housing;
6. The basis for concluding that the replacement housing will remain lower income housing for at least 10 years from the date of initial occupancy;
7. Information demonstrating that any proposed replacement of housing units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the approved local housing element and/or Comprehensive Housing Affordability Strategy (CHAS).

To the extent that the specific location of the replacement housing and other data in items 4 through 7 are not available at the time of the general submission, the State Recipient will identify the general location of such housing on a map and complete the disclosure and submission requirements as soon as the specific data are available.

The Grantee awarded Federal funds by the State is responsible for tracking the replacement of lower income housing and ensuring that it is provided within the required period. The State will monitor the Grantee to ensure the proper number and type of units are replaced

The Grantee awarded Federal funds by the State is responsible for providing relocation payments and other relocation assistance to any lower income person displaced by the demolition of any housing or the conversion of lower income housing to another use. The State will monitor the Grantee to ensure the proper relocation benefits are provided to displaced households. All relocation benefits will be at or above the required benefits per CFR Part 42 Subpart d under Section 104 (d). If the project receives HOME funds, the requirements of 24 CFR 92.353 must be met.

Consistent with the goals and objectives of activities assisted under the Act, the Grantee awarded federal funds by the State will take the following steps to minimize the direct and indirect displacement of persons from their homes:*

1. Coordinate code enforcement with rehabilitation and housing assistance programs.
2. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.
3. Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.

4. Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
5. Adopt policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.
6. Adopt policies which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
7. Adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas.
8. Establish counseling centers to provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.
9. The State will require all Grantees to adopt specific relocation plans for programs and projects which could trigger relocation activities prior to release of funds for those funded activities.
10. The State will require documentation of relocation notices for proposed activities in funding applications which could trigger relocation of existing persons.

Appendix K

Areas of Poverty and Minority Concentration

Eligible CDBG / HOME Counties ¹	Percentage of population in Poverty ²	Percentage of non- white individuals (including Hispanic) ³
Alpine	19.5%	28.2%
Amador	9.2%	17.6%
Butte	19.8%	20.0%
Calaveras	11.8%	12.5%
Colusa	16.1%	52.0%
Del Norte	20.2%	29.9%
El Dorado	7.1%	15.1%
Fresno	22.5%	60.3%
Glenn	18.1%	37.4%
Humboldt	19.5%	18.4%
Imperial	22.6%	79.8%
Inyo	12.6%	25.6%
Kern	20.8%	50.5%
Kings	19.5%	58.4%
Lake	17.6%	19.5%
Lassen	14.0%	29.4%
Los Angeles	17.9%	68.9%
Madera	21.4%	53.4%
Mariposa	14.8%	15.1%
Mendocino	15.9%	25.1%
Merced	21.7%	59.4%
Modoc	21.5%	18.9%
Mono	11.5%	23.5%
Monterey	13.5%	59.7%
Napa	8.3%	30.9%
Nevada	8.1%	9.7%
Orange	10.7%	48.7%
Placer	5.8%	16.6%
Plumas	13.1%	11.3%
Riverside	14.2%	49.0%
Sacramento	14.1%	42.2%
San Benito	10.0%	54.0%
San Bernardino	15.8%	56.0%
San Joaquin	17.7%	52.6%
San Luis Obispo	12.8%	23.9%
Santa Barbara	14.3%	43.1%
Santa Clara	7.5%	55.8%
Santa Cruz	11.9%	34.5%

Eligible CDBG / HOME Counties ¹	Percentage of population in Poverty ²	Percentage of non-white individuals (including Hispanic) ³
Shasta	15.4%	13.6%
Sierra	11.3%	9.7%
Siskiyou	18.6%	16.7%
Solano	8.3%	50.8%
Sonoma	8.3%	25.5%
Stanislaus	16.0%	42.7%
Sutter	15.5%	39.8%
Tehama	17.3%	21.5%
Trinity	18.7%	13.4%
Tulare	23.9%	58.2%
Tuolumne	11.4%	14.9%
Ventura	9.2%	43.2%
Yolo	18.4%	41.9%
Yuba	20.8%	34.7%

¹ Eligible CDBG and HOME jurisdictions in each listed county are detailed in Appendix A

² US 2000 Census Summary File 3 (SF3) P87 Poverty Status in 1999

³ US 2000 Census Summary File 1 (SF1) P4 Hispanic and Latino Race

Appendix L

Summary of Proposition 1C and Proposition 46 Housing Activities

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Cumulative Proposition 1C Bond Awards
Through December 31, 2009

	Total Funds Available	NOFAs released to date	Awards		Total Projected Production					
			Number of Awards	Dollars	Housing Units	Incentive Units	Shelter Spaces	Dormitory Spaces	TOTAL	
HCD PROGRAMS as of December 31, 2009										
Affordable Housing Innovation Program (AHIP)										
Construction Liability Insurance Reform Pilot Program (CLIRPP)	\$4,650,000	0	0	\$0						0
Innovative Homeownership Program (IHP)	\$9,300,000	0	0	\$0						0
Golden State Acquisition Fund (GSAF)	\$23,250,000	0	0	\$0						0
Local Housing Trust Fund Program (LHTF) - Existing	\$16,275,000	1	0	\$0						0
Local Housing Trust Fund Program (LHTF) - New	\$16,275,000	1	0	\$0						0
Practitioner Fund	\$23,250,000	0	0	\$0						0
CalHome Program										
Building Equity and Growth in Neighborhoods Program (BEGIN)	\$116,250,000	2	36	\$67,437,742	1,635					1,635
California Self-Help Housing Program (CSHHP)	\$9,300,000	1	12	\$2,314,800	147					147
General Funds	\$269,700,000	2	157	\$123,645,575	3,196					3,196
Project Development Loans (PDL)		1	20	\$17,010,000	319					319
Total - CalHome General Funds and PDL		3	177	\$140,655,575	3,515	0	0	0		3,515
Emergency Housing and Assistance Program (EHAP) Capital Development Loans	\$47,000,000	1	12	\$7,884,941			195			195
Infill Infrastructure Grant Program (IIG)										
Multiphase Qualifying Infill Project (MPP)	\$734,700,000	2	20	\$372,288,108	9,958					9,958
Qualifying Infill Area (QIA)			10	\$151,017,329	4,235					4,235
Qualifying Infill Project (QIP)			63	\$206,694,563	5,634					5,634
Total - Infill Infrastructure Grant (IIG)			93	\$730,000,000	19,827	0	0	0		19,827
Joe Serna, Jr. Farmworker Housing Grant Program (JSJFWHG)										

General - Homeownership		2	20	\$17,906,000	842				842
General - Multifamily Housing	\$115,260,345	3	30	\$49,430,942	2,310				2,310
Total Serna General - Homeownership and Multifamily Housing		5	50	\$67,336,942	3,152	0	0	0	3,152
Multifamily Housing Program (MHP)									
<i>General Multifamily Housing Program</i>									
Multifamily Housing Program (MHP) - General Funds	\$314,640,000	4	57	\$279,299,512	4,245				4,245
<i>Supportive Housing Program</i>									
Homeless Youth Housing (HY)	\$45,600,000	1	9	\$22,560,800	439				439
Multifamily Housing - Supportive Housing Funds	\$177,840,000	3	30	\$157,394,698	1,819				1,819
Housing Related Parks Program	\$186,000,000	0	0	\$0					0
Transit Oriented Development (TOD) Housing Program	\$273,531,211	2	27	\$274,000,000	6,491				6,491
Units funded in multiple programs (deducted to avoid double counting)					(6,335)				(6,335)
SUBTOTALS HCD:	\$2,382,821,556	26	503	\$1,748,885,010	34,935	0	195	0	35,130

CalHFA PROGRAMS as of August 31, 2009									
California Homebuyer's Downpayment Assistance Program (CHDAP)	\$186,000,000		6,692	\$48,993,053					
SUBTOTALS CalHFA:	\$186,000,000		6,692	\$48,993,053					

California Pollution Control Financing Authority (CPCFA) PROGRAMS as of December 31, 2008									
CALReUSE Remediation Program ¹	\$55,000,000		34	\$55,000,000	8,131				8,131
SUBTOTALS CPCFA:	\$55,000,000		34	\$55,000,000	8,131				8,131

TOTALS PROPOSITION 1C:	\$2,623,821,556	26	7,229	\$1,852,878,063	43,066	0	195	0	43,261
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¹Funds available is \$55 million due to \$5 million committed to HCD and CPCFA Program costs, bond costs, administrative costs and contingencies.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Cumulative Proposition 46 Bond Awards
Through December 3, 2009

HCD PROGRAMS as of December 31, 2009	Total Funds Available	NOFAs released to date	Awards		Total Projected Production					
			Number of Awards	Dollars	Housing Units	Incentive Units	Shelter Spaces	Dormitory Spaces	TOTAL	
CalHome Program										
Building Equity and Growth in Neighborhoods Program (BEGIN)	\$70,700,000	3	62	\$51,149,732	1,726					1,726
California Self-Help Housing Program (CSHHP)	\$9,428,829	5	95	\$13,731,842	1,377					1,377
General Funds	\$96,350,000	3	165	\$88,017,983	3,136					3,136
Code Enforcement Grant Program										
Exterior Accessibility Grants for Renters (EAGR)	\$4,750,000	1	30	\$4,601,988						
Emergency Housing and Assistance Program (EHAP) Capital Development Loans	\$183,300,000	6	233	\$163,262,812				9,680		9,680
Governor's Homeless Initiative (GHI)										
Governor's Homeless Initiative Funds	\$36,864,000	1	8	\$23,217,273	267					267
MHP - General Funds				\$834,340						
Total Governor's Homeless Initiative Projects				\$24,051,613						
Job Housing Balance Program (JHB)	\$25,000,000	1	104	\$24,957,101		24,594				24,594
Joe Serna, Jr. Farmworker Housing Grant Program (JSJFWHG)										
General	\$104,759,239	7	77	\$97,701,423	4,916				60	4,976
Health-Housing Set-Aside	\$17,500,000	1	1	\$17,500,000	1,188					1,188
Migrant Farmworker Housing	\$13,300,000	2	9	\$12,831,529	617				594	1,211
Local Housing Trust Fund										
Competitive	\$14,300,000	1	11	\$14,300,000						
Over-the-Counter	\$9,522,000	1	7	\$9,522,000						
Multifamily Housing Program (MHP)										
<i>General Multifamily Housing Program</i>										
Multifamily Housing Program (MHP) - General Funds	\$740,464,052	8	138	\$661,802,960	11,882					11,882
Nonresidential Supportive Services Space Funds				\$14,190,000						
Total - General Projects				\$675,992,960						
<i>Supportive Housing Program</i>										
Multifamily Housing - Supportive Housing Funds	\$179,712,000	4	70	\$169,151,175	3,342					3,342

Multifamily Housing Program (MHP) - General Funds				\$71,221,976						
Nonresidential Supportive Services Space Funds				\$5,000,000						
Total - Supportive Housing Projects				\$245,373,151						
<i>Nonresidential Supportive Services Space</i>	\$20,000,000									
Transit Oriented Development (Downtown Rebound) ⁸	\$13,824,000	1	2	\$12,000,000	237				237	
Preservation Interim Repositioning (Reallocated to MHP)										
Workforce Housing Reward Program	\$70,000,000	3	255	\$68,977,766		22,283			22,283	
Units funded in multiple programs (deducted to avoid double counting)						(1,489)			(1,489)	
SUBTOTALS HCD:		\$1,614,524,120	49	1,279	\$1,526,289,329	27,858	46,877	9,680	654	85,069

CalHFA PROGRAMS as of August 31, 2009										
Mortgage Insurance	\$9,207,882			\$9,207,882	528				528	
School Facility Fee Down Payment Assistance Program (SFF)	\$47,500,000			\$32,478,271	7,554				7,554	
Extra Credit Teacher Home Purchase Program (ECTP)	\$23,750,000			\$21,822,854	1,817				1,817	
Homeownership In Revitalization Areas Program (HIRAP)	\$11,900,000			\$8,288,525	484				484	
California Homebuyer's Downpayment Assistance Program (CHDAP)	\$111,625,000			\$147,385,335	18,558				18,558	
Preservation	\$10,933,000			\$10,933,000	408				408	
Residential Development Loan Program (RDLP)	\$44,578,555	5	11	\$27,183,237	582				582	
SUBTOTALS CalHFA:		\$259,494,437⁴	5	11	\$257,299,104	29,931	0	0	0	29,931

TOTALS PROPOSITION 46:	\$1,874,018,557	54	1,290	\$1,783,588,433	57,789	46,877	9,680	654	115,000
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¹Under the terms of SB 1227 (Ch. 26, Stats. of 2002), funds not utilized within 30 months of availability reverted to CHDAP. On 6/1/05, the remaining \$75.3 million transferred to CHDAP (after 5% admin fees on amounts funded). The Mortgage Insurance Program continues to operate without bond funds. Pursuant to AB 1512 (Chapter 338, Statutes 2005) up to \$75 million of those reverted funds have been made available for the Residential Development Loan Program.

²HIRAP Prop. 46 funds no longer available. Program funds have been exhausted. Figures shown on this report are final as of May 2005 (remaining funds transferred to CHDAP).

³Pursuant to AB 139 (Chapter 74, Stats. of 2005) this program ended on 12/31/2008. All unused funds and any repayments received are to be returned to HCD to be utilized as directed under the MHP.

⁴Total Funds Available reflects original allocation less 5% administrative fees, except RDLP.

⁵CHDAP Prop. 46 funds no longer available. CHDAP now operating with the use of Prop. 1C funds. Figures shown on this report are final figures under Prop. 46.

⁶Total estimated funds remaining include recycled funds and interest received for SFF, ECTP, HIRAP and CHDAP.

⁷RDLP funds are typically one of the first sources of funding. Leveraging of other funds is not known at time of award. Per statutory authority the remaining \$30,421,455 uncommitted funds from RDLP reverted to CHDAP as of August 26, 2008-figure reflects remaining balance. RDLP funding for any future commitments was suspended effective September 5, 2008.

⁸Formerly Student Housing.

Appendix M
Public Notices

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

1800 Third Street, Suite 390
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 322-1560
FAX (916) 327-6660



March 29, 2010

FOR IMMEDIATE POSTING
PUBLIC NOTICE FOR COMMENT

State of California's
Draft Consolidated Plan Five Year Update 2010-2015 and
FY 2010/2011 Annual Plan

The State of California, Department of Housing and Community Development (HCD) is soliciting public review and comment on the following:

- 1) The Draft Consolidated Plan FY 2010-2015, and
- 2) The Draft 2010/2011 Annual Plan for the State of California's Consolidated Plan

The Consolidated Plan is a five-year plan, which is updated annually and submitted to the Department of Housing and Urban Development (HUD) to enable the State of California to administer approximately \$151 million in federal formula block grant funds. The programs covered by the plan include the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), and Emergency Shelter Grant (ESG) programs that are administered by HCD, the Housing Opportunities for Persons with AIDS (HOPWA) program administered by the California Department of Public Health, and the Lead-Based Paint Hazard Reduction Program administered by the California Department of Community Services and Development. The Consolidated Plan is applicable to non-entitlement jurisdictions that are eligible to compete for allocation of these funds by the State. With this draft 2010-2015 Consolidated Plan, the State of California examines the housing and community development needs of the state and plans the use of available federal funds to address these concerns and improve the quality of life for its low-and moderate-income residents.

HCD is soliciting public review and comment on the Draft Consolidated Plan 2010 2015 and the Draft FY 2010/2011 Annual Plan. The public review period for these documents is 30 days, which begins **April 1, 2010**. HCD must receive all comments on these documents by **April 30, 2010**. These documents will be available for public review on HCD's website (<http://www.hcd.ca.gov/hpd/hrc/rep/fed/>) as of **April 1, 2010**, and in Sacramento at HCD's Housing Resource Center in Room 430; at planning departments of counties with at least one non-entitlement jurisdiction, and the following libraries:

<u>Library</u>	<u>City</u>	<u>Phone</u>
California State Archives	Sacramento	(916) 653-7715
California State Library, Information Resources and Government Publications	Sacramento	(916) 654-0069
California State University, Chico, Merriam Library, Government Publications Department	Chico	(530) 898-6502
Fresno County Free Library, Government Publications	Fresno	(559) 488-3195
Los Angeles Public Library, Serials Division	Los Angeles	(213) 612-3200
Dr. Martin Luther King Jr. Library, Government Publications, San Jose State University	San Jose	(408) 808-2100
San Diego Public Library, Science and Industry Department	San Diego	(619) 236-5813
San Diego State University, Malcolm A. Love Library, Government Publications & Maps Division	San Diego	(619) 594-5834
San Francisco Public Library, Government Information Center	San Francisco	(415) 557-4500
Green Library, Receiving, Stanford University Libraries	Palo Alto	(650) 723-9372
University of California, Berkeley, Government Documents Technical Services	Berkeley	(510) 642-1472
University of California, Davis, Shields Library, Government Information and Maps Department	Davis	(530) 752-1624
University of California, Los Angeles, Reference & Instructional Services Department, Young Research Library	Los Angeles	(310) 825-3135
University of California, San Diego, Government Documents Unit	San Diego/ La Jolla	(858) 534-3336
University of California, Santa Barbara, Library, Serials Receiving	Santa Barbara	(805) 893-8803

A limited number of copies of these documents are also available to entities or individuals unable to access one of the above sources.

In addition, public hearings or conference calls will be held in the following locations to solicit public comments on the draft plan. Note: each of the conference calls will start promptly at 2:00 p.m. and remain open as long as there are commenters. Comments can also be submitted in writing from April 1 - April 30 as directed below.

Location	Address	Date/Time	Phone Number
Conference Call	Call from your phone. Beginning April 1, contact: home@hcd.ca.gov , (916) 324-3759 or (916) 327-2855 to receive the conference call dial-in information. Note: The conference call is limited to 40 phone lines at any one time.	April 21 st (Wednesday) 2:00 p.m	
Coachella (In-Person Hearing)	Bagdouma Park Community Center 84620 Bagdad Avenue Coachella, CA 92236	April 22 (Thursday) Noon - 2:00 p.m.	Contact: (916) 324-3759 or (916) 327-2855
Conference Call	Call from your phone. Beginning April 1, contact: home@hcd.ca.gov , (916) 324-3759 or (916) 327-2855 to receive the conference call dial-in information. Note: The conference call is limited to 40 phone lines at any one time.	April 26 th (Monday) 2:00 p.m.	
Sacramento (In-Person Hearing)	Department of Housing & Community Development 1800 Third Street, Room170 Sacramento, CA 95811	April 28 th (Wednesday) 3:00-5:00 p.m.	Contact: (916) 324-3759 or (916) 327-2855

Written comments can be submitted via facsimile (916-327- 6660), electronic mail (caper@hcd.ca.gov), or mailed to the following address:

**Department of Housing and Community Development,
Division of Financial Assistance
P.O. Box 952054
Sacramento, California 94252-2054
Attention: Ann Hornbeck**

If you have any questions, would like addresses or phone numbers for the county planning departments, or are in need special services, please contact this Department prior to the review dates at (916) 324-3759 or (916) 327-2855.

For Spanish translation, please contact Enrique Munoz at (916) 322-2903. For translator or special services needs, please advise the Department within five working days of the review period in order to facilitate the request.

This proposal has been determined to be EXEMPT from California Environmental Quality Act (CEQA) (Public Resources Code Section 21080.10(b)) and CATEGORICALLY EXCLUDED from the National Environmental Policy Act (NEPA) (Title 24 Code of Federal Regulations 50.20(o)(2)).

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

1800 Third Street, Suite 390
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Sacramento, CA 94252-2054
(916) 322-1560
FAX (916) 327-6660



29 de Marzo, 2010

PARA PUBLICACION INMEDIATA
AVISO PUBLICO PARA COMENTARIO

**Propuesta para la actualizacion del lustro 2010-2015 del Plan Consolidado y
El Plan Anual para el año fiscal 2010/2011 del Estado de California**

El Departamento de Vivienda y Desarrollo Comunitario del Estado de California esta solicitando revisión y comentario del publico en lo siguiente:

- 1) La propuesta del plan consolidado para el lustro 2010-2015, y
- 2) La propuesta del plan Plan Consolidado Anual 2010/2011 del Estado de California.

El Plan Consolidado es un plan a Cinco años, el cual es actualizado anualmente y sometido al Departamento de Vivienda y Desarrollo Urbano (HUD) par apermitir al Estado de California administrar aproximadamente \$151 millones en fondos de la Formula Federal para concesiones en Bloque (federal formula block grant funds). Los programas cubiertos por el plan incluyen the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), y el Emergency Shelter Grant (ESG) programas que son administrados por HCD, the Housing Opportunities for Persons with AIDS (HOPWA) programa administrado por the California Department of Public Health, y el Lead-Based Paint Hazard Reduction Program administrado por el California Department of Community Services and Development. El Plan Consolidado esta disponible para las Jurisdicciones que no reciben concesiones y que son elegibles para competir para la asignación de estos fondos por el Estado. Con esta propuesta del Plan Consolidado 2010-2015, el Estado de California examina las necesidades de vivienda y desarrollo comunitario del estado y planea el uso de fondos federales disponibles para reconocer estos asuntos y mejorar la calidad de vida para sus residents de bajos y moderados ingresos.

HCD esta solicitando la revision y comentario publico en la propuesta del Plan Consolidado 2010-2015 y el Plan Anual para el año fiscal 2010/2011. el periodo para la revision publica de estos documento es de 30 dias, el cual comienza el **Primero de Abril, 2010**. HCD debera recibir todos los camentarios acerca de estos documentos el **30 de Abril, 2010**. Estos documentos estaran disponibles para revision publica en el sitio de internet de HCD (<http://www.hcd.ca.gov/hpd/hrc/rep/fed/>) desde el primero de Abril, 2010, y en Sacramento en el Centro de Recursos para la Vivienda (Housing Resource Center) sala 430 en HCD; en los departamentos de Planeacion de los condados con almenos una jurisdiccion que no reciba concesiones y en las siguientes bibliotecas:

<u>Library</u>	<u>City</u>	<u>Phone</u>
California State Archives	Sacramento	(916) 653-7715
California State Library, Information Resources and Government Publications	Sacramento	(916) 654-0069
California State University, Chico, Merriam Library, Government Publications Department	Chico	(530) 898-6502
Fresno County Free Library, Government Publications	Fresno	(559) 488-3195
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Ademas, audiencia publicas o llamadas telefonicas en conferencia seran sostenidas en las siguientes localidades para solicitar comentarios publicos acerca de la propuesta del plan. Nota: Cada una de las llamadas telefonicas en conferencia empezara a las 2:00 p.m. en punto y se mantendra abierta mientras haya comentarios. Los comentarios tambien pueden ser remitidos por escrito desde el primerio de Abril hasta el 30 de Abril como se indica a continuacion.

Localidad	Direccion	Fecha/Hora	Telefono
Llamada telefonica en conferencia	<p>Llame desde su telefono.</p> <p>Empezando Abril 1, contacto: home@hcd.ca.gov, (916) 324-3759 or (916) 327-2855 para recibir la informacion de llamada telefonica en conferencia.</p> <p>Nota: La llamada telefonica en conferencia esta limitada a 40 lineas telefonicas en cualquier momento.</p>	<p>Abril 21 (Miercoles) 2:00 p.m</p>	
Coachella (Audiencia en persona)	<p>Bagdouma Park Community Center 84620 Bagdad Avenue Coachella, CA 92236</p>	<p>Abril 22 (Jueves) 12:00 - 2:00 p.m.</p>	<p>Contacto: (916) 324-3759 O (916) 327-2855</p>
Llamada telefonica en conferencia	<p>Llame desde su telefono.</p> <p>Empezando Abril 1, contacto: home@hcd.ca.gov, (916) 324-3759 or (916) 327-2855 para recibir la informacion de llamada telefonica en conferencia.</p> <p>Nota: La llamada telefonica en conferencia esta limitada a 40 lineas telefonicas en cualquier momento.</p>	<p>Abril 26 (Lunes) 2:00 p.m.</p>	
<u>Sacramento</u> (Audiencia en persona)	<p>Department of Housing & Community Development 1800 Third Street, Room170 Sacramento, CA 95811</p>	<p>April 28 (miercoles) 3:00 p.m.–5:00 p.m.</p>	<p>Contacto: (916) 324-3759 O (916) 327-2855</p>

Los comentarios por escrito pueden ser remitidos por facsimile al (916) 327- 6660, correo electronico a caper@hcd.ca.gov, o por correo a la siguiente direccion:

**Department of Housing and Community Development,
Division of Financial Assistance
P.O. Box 952054
Sacramento, California 94252-2054
Attention: Ann Hornbeck**

Si tiene alguna pregunta, necesita direcciones o numeros de telefono para los departamentos, de planeacion o necesita servicios especiales, por favor comuniquese con este departamento antes de la fecha de la revision al (916) 324-3759 o al (916) 327-2855.

Para traduccion en Español, por favor comuniquese con Enrique Muñoz al (916) 322-2903. Para un traductor o necesidades de servicios especiales, por favor notifique al Departamento dentro de Cinco dias del periodo de revision para poder satisfacer su peticion.

Esta propuesta ha sido determinada de estar EXCEPTA del Acta de Calidad del Medio Ambiente de California "California Environmental Quality Act" (CEQA) (Public Resources Code Section 21080.10(b)) y CATEGORICAMENTE EXCLUIDA de el Acta de la Politica Nacional del Medio "National Environmental Policy Act" (NEPA) (Title 24 Code of Federal Regulations 50.20(o)(2)).

Endnotes

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