

**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

FILED
OFFICE OF THE CITY CLERK
OAKLAND

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: May 11, 2004

2004 MAY -6 PM 7:00

RE: **A SUPPLEMENTAL REPORT ON THE REPORT AND RESOLUTION 1) AUTHORIZING THE CITY MANAGER TO PREPARE AND SUBMIT THE CONSOLIDATED PLAN ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT FOR FISCAL YEAR 2004-05 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, 2) ACCEPTING AND APPROPRIATING FUNDS TOTTALLING \$17,641,406 FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP, EMERGENCY SHELTER GRANT AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAMS, AND 3) AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AGREEMENTS WITH CONTRACTORS AND SUBRECIPIENTS FOR FISCAL YEAR 2004-05 FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAMS; AND A RESOLUTION TO AMEND RESOLUTION 76276 C.M.S. TO CHANGE THE NUMBER OF PROPOSALS EACH COMMUNITY DEVELOPMENT DISTRICT BOARD CAN RECOMMEND FOR FUNDING TO THE CITY COUNCIL. ON THE CONSOLIDATED PLAN ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT FOR FISCAL YEAR 2004-05**

This report provides additional information requested by the members of the Community and Economic Development Committee at the April 27, 2004 meeting around the Consolidated Annual Action Plan and the recommendation of Community Development Block Grant (CDBG) funding.

FISCAL IMPACT

There are no fiscal impacts associated with this informational report.

KEY ISSUES AND IMPACTS

The committee requested staff provide a recommendation to resolve the dilemma of the City versus community projects receiving CDBG funds allocated for Housing and Economic Development. Historically, of the approximately \$10 million in total CDBG funds annually, approximately \$7 million has been included in the City budget for the operation of City programs. Therefore, only \$3 million is available for other projects to be funded. In the fall, staff will present a detailed proposal to describe how the dollars will be allocated for the City programs through the budget process with input from CDBG citizen participation in a way that provides for community input.

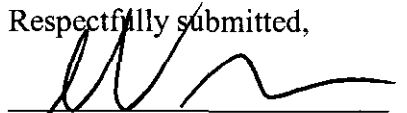
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The committee also requested staff to provide information on the number of full time equivalent (FTE) and the dollar amount spent on personnel responsible for delivering the services of city programs funded by CDBG. Attachment A is a spreadsheet that details the services provided, the number of FTE's and the dollar amount for the Housing, Economic Development and Public Service Programs for the City. All the staff listed in Attachment A deliver services through programs and are not administering the grant. Attachment B is a spreadsheet that details the number of FTE's and the dollar amount spent on personnel responsible for the administration of the CDBG and other federal grants.

The committee also requested staff to reformat the projects listed on the spreadsheet entitled "Input Summary with FY 03-04 Amounts Awarded and FY 04-05 Amounts Requested and Recommended" in alphabetical order (See Attachment C). Also attached is a revised version of the chart entitled "Recommended Third Party Contracts for Approval for FY 2004-05" which includes one program, National Development Council, that was inadvertently omitted from the previous chart (See Attachment D).

Lastly, the committee invited members of the Community Development (CD) District Boards and Citizen Advisory Committee (CAC) to submit comments regarding the recommendations made by the City Manager. Attachment E represents comments from members of the CD District Boards and CAC.

Respectfully submitted,



DAN VANDERPRIEM
Director of Redevelopment,
Economic Development and Housing

Prepared By:
Roy L. Schweyer, Director
Housing & Community Development Division
Michele Byrd, Manager
Community Development Block Grant Program

APPROVED & FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT
COMMITTEE


Office of the City Manager

Item: 9
CED Committee
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**ATTACHMENT A
PERSONNEL COSTS OF CITY PROGRAMS FUNDED BY COMMUNITY DEVELOPMENT BLOCK GRANT**

PROGRAM	SERVICES PROVIDED	NO. OF FTE'S	PERSONNEL COSTS
HOUSING			
Residential Lending Services - HMIP - EHRP - AIP - Lead Safe Homes	The Home Maintenance & Improvement Program (HMIP) provides financial assistance to low and moderate income homeowners to address housing code deficiencies or violations, repairs to major systems in danger of failing, and other home maintenance items which may pose a threat to the health and safety of the occupants.	12.05	\$1,022,456
Loan Servicing Program	The Loan Servicing and Project Funds Monitoring component is responsible for all monitoring and program administration activities. A database is maintained including all loan applications received, funds disbursed, projects completed, households assisted, as well as other HUD monitoring requirements related to these activities.	1.90	\$160,796
Vacant Housing Program	The Vacant Housing Program identifies properties that can be improved or developed, arrange for the improvements to be accomplished by owners or developers and insure that prospective occupants meet the income guidelines as required by the funding sources.	0.97	\$104,317
TOTAL HOUSING		14.92	\$1,287,569

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PERSONNEL COSTS OF CITY PROGRAMS FUNDED BY COMMUNITY DEVELOPMENT BLOCK GRANT**

PROGRAM	SERVICES PROVIDED	NO. OF FTE'S	PERSONNEL COSTS
ECONOMIC DEVELOPMENT			
Neighborhood Commercial Revitalization (NCR)	The NCR program provides services to improve the physical and economic condition of targeted commercial areas in the CD Districts. This is accomplished through utilizing the National Trust for Historic Preservation's Main Street approach to neighborhood revitalization.	6.5	\$1,076,273
Business Development	The Business Development unit works with existing Oakland companies to provide business incentives and services and to assist the companies with problems of safety and security, employee recruitment and training, permitting, parking issues, financing and other business related issues. This program also assists business that are interested in locating in Oakland with site location assistance, permitting assistance, environmental assessment and cleanup services, and referral to workforce programs and financing programs.	1.28	\$199,932
Commercial Lending	The Commercial Lending Program offers a variety of services for entrepreneur training, technical assistance and small business seminars/symposiums. Through partner organizations, contract services and staff support, customers receive business skills training through over 30 workshops per month, assistance in the construction of business plans and financial planning. The Commercial Lending Unit also provides lending services and takes the lead or assist with the underwriting of more eight loans per year.	2.10	\$255,992
TOTAL ECONOMIC DEVELOPMENT		9.88	\$1,532,197

**ATTACHMENT A
PERSONNEL COSTS OF CITY PROGRAMS FUNDED BY COMMUNITY DEVELOPMENT BLOCK GRANT**

PROGRAM	SERVICES PROVIDED	NO. OF FTE'S	PERSONNEL COSTS
PUBLIC SERVICES			
Oakland Senior Companion Assessment and Referral (OSCAR) Network	The Senior Companion Program assists older adults at community centers and programs with referrals to senior services providers as necessary. Senior Companions are 55 or older, culturally sensitive and knowledgeable about the county and city system of care for seniors.	0.50	\$22,019
Safe Walk to School Program	The Safe Walk to School Program places two adult monitors at designated school sites between the hours of 7:30 - 9:00 a.m. and 2:30 - 4:00 p.m. on normal school days. The monitors perform crossing guard duties when there is a high volume of students crossing busy streets and where there is no crossing guard assigned by the police department. The monitors patrol the streets on foot and assist children in getting to and from school in a caring and nurturing environment.	5.44	\$124,744
TOTAL PUBLIC SERVICES		5.94	\$146,763
TOTAL ALL PROGRAMS		30.74	\$2,966,529

**ATTACHMENT B
COMMUNITY DEVELOPMENT BLOCK GRANT ADMINISTRATION BUDGET**

PROGRAM	SERVICES PROVIDED	NO. OF FTE'S	PERSONNEL COSTS
CDBG Administration	The CDBG Program is responsible for the management and administration of the the CDBG. The staff provides guidance and technical assistance to the seven (7) Community Development District Boards and the Citizen Advisory Committee that review and recommends proposals for funding. Staff is responsible for developing, administering, monitoring and processing all payments for all projects/contracts funded by the CDBG.	5.65	\$952,290
Hunger & Homeless Program	The Hunger and Homeless Program is responsible for the management and administration of the Emergency Shelter Grant (ESG) and Housing Opportunies for People with AIDS (HOPWA). Staff is also responsible for the management and administration of the Hunger Program.	2.05	\$274,036
TOTAL PERSONNEL COST		7.70	\$1,226,326
OPERATIONS			
Service Expenditures			\$30,000
Evaluation Contract			\$125,000
City Attorney Services			\$63,193
Financial Services			\$141,902
TOTAL OPERATIONS COST			\$360,095
TOTAL ADMIN COST			\$1,586,421
CDBG ADMIN ALLOCATION			\$1,494,150
DIFFERENCE			\$92,271

ATTACHMENT C

INPUT SUMMARY WITH FY 03-04 AMOUNTS AWARDED AND FY 04-05 AMOUNTS REQUESTED AND RECOMMENDED

INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT				FY 03-04	FY 04-05	COMMENTS			
		HOUSING	NEIGHBORHOOD ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION						
						AWARDED	REQUESTED	RECOMMENDATIONS			
								7 DISTRICTS	CAC	CITY MANAGER	COMMENTS
151-157	A Safe Place: Teen Leadership Program			X		23,564	53,903				
P 22	Acorn Housing Corporation: "At Home In Oakland"- Homeownership Education, Counseling and Support	X					99,063	SEE ATTACHMENT A-1	99,063	39,426	This program did not receive funding last year, but has in previous years. Since the program provides a worthwhile service recommend funding at this level.
51-57	Alameda County Community Food Bank: Food Security Scholarships			X		46,404	372,140	218,447	218,447	218,447	
58-64	Alameda County Health Care Foundation: Model Neighborhood Program			X		76,615	406,615	22,177	22,177	22,177	
158	Alameda County Health Services: Project YES			X			350,000	49,283	49,283	49,283	
N 29	Alliance for West Oakland Development: Economic Development		X				302,195				
N 12	Alliance for West Oakland Development: Homebuyer Assistance	X					252,155	SEE ATTACHMENT A-1			
45	Alzheimer's Services of the East Bay: Dementia-Specific Adult Day Health Services			X		44,811	179,998				
N 23	Asian Pacific Environmental Network: Power in Asians Organizing	X					51,763	SEE ATTACHMENT A-1			
65-71	Bay Area Community Services: Meals on Wheels for Seniors			X		150,880	260,700	107,062	107,062	107,062	

N = New activities for which funding has not been previously requested or awarded.

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04 AWARDED	FY 04-05 REQUESTED	FY 04-05 RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION			7 DISTRICTS	CAC	CITY MANAGER	
N 49	Bay Area Constrction Sector Intervention Collaborative: Oakland Sector Project				X		45,000					
48	Benevolent Hospice, Inc.: Hospice Care				X		350,000					
41	Boys and Girls Clubs of Oakland: Educational Enhancement Program				X		172,712	29,570	29,570	29,570		
N 42	Boys and Girls Clubs of Oakland: SMART Moves Program				X	43,180	172,720	11,828	11,828	11,828		
N 35	Building Opportunities for Self-Sufficiency: Oakland Homeless Project Renovation				X		71,246	36,171	36,171	36,171		
72	Camp Fire Boys & Girls, Oakland East Bay Council: Kids With Dreams				X	59,600	65,000	61,603	61,603	61,603		
73	Casa Vincentia: Case Management Services				X		47,928					

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04	FY 04-05	COMMENTS			
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION				RECOMMENDATIONS		
										AWARDED	REQUESTED	7 DISTRICTS
17	Center for Independent Living: Housing Search Counseling & Services	X					99,750	110,000	SEE ATTACHMENT A-1	88,917	98,319	There was an original allocation of \$400,000 to fund a collaboration to provide a range of housing related services. These providers have formed a collaborative, but there is further development needed. Recommend agencies continue to receive their current level of funding with some reallocation since one of last years recipients didn't apply and further work on the development of a true collaborative.
77-83	City of Oakland, Dept. of Human Services/Community Housing Services: City of Oakland Hunger Program				X		81,816	75,600	40,412	40,412	40,412	
84-90	City of Oakland, Dept. of Human Services: Safe Walk to School Program				X		259,755	345,000	146,862	146,862	146,862	

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04	FY 04-05	COMMENTS					
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION				AWARDED	REQUESTED	RECOMMENDATIONS		
												7 DISTRICTS	CAC	CITY MANAGER
25	City of Oakland/CEDA Economic Development Division: Business Development			X			254,398	285,848	SEE ATTACHMENT A-1	238,208	269,919	CAC's reduction would eliminate high profile events (Sm. Bus. Dev. Summit, Min. Dev. Summit) grant research, small spot contracts often requested and econ. Devel. Software		
24	City of Oakland/CEDA Economic Development Division: Neighborhood Commercial Revitalization			X			1,579,700	1,717,492	SEE ATTACHMENT A-1	1,516,547	1,693,145	CAC's reduction would eliminate 15 façade grants or 1.5 FTE to continue merchant organizing		
26	City of Oakland/CEDA Economic Development: Commercial Lending			X			387,028	790,992	SEE ATTACHMENT A-1	436,296	651,652	CAC's reduction would eliminate nearly 2.0 FTE's for program delivery in commercial lending, Main Street organizing, façade grant implementation, and business development.		
7	City of Oakland/CEDA-HCD Admin & Support: Vacant Housing Program	X					216,181	225,000	SEE ATTACHMENT A-1	221,550	221,550			
3	City of Oakland/CEDA-HCD/Residential Lending Services: Access Improvement Program	X					217,000	217,000	SEE ATTACHMENT A-1	213,717	213,717			

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					AWARDED	REQUESTED	RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION			7 DISTRICTS	CAC	CITY MANAGER	
4	City of Oakland/CEDA-HCD/Residential Lending Services: Emergency Home Repair Program	X					400,000	400,000	SEE ATTACHMENT A-1	393,750	393,750	
5	City of Oakland/CEDA-HCD/Residential Lending Services: Lead-Safe Housing Paint Program	X					225,000	225,000	SEE ATTACHMENT A-1	221,550	221,550	
6	City of Oakland/CEDA-HCD/Residential Lending Services: Minor Home Repair Program	X					250,000	250,000	SEE ATTACHMENT A-1	250,000	250,000	CAC's reduction would potentially eliminate the Emergency Home Repair Program and 60 residents would not receive services.
1	City of Oakland/CEDA-HCD/Residential Lending Services: Home Maintenance & Improvement Program	X					2,757,014	2,786,800	SEE ATTACHMENT A-1	2,345,367	2,698,746	
2	City of Oakland/CEDA-HCD/Residential Lending Services: Loan Servicing & Projects Fund Monitoring	X					225,000	225,000	SEE ATTACHMENT A-1	184,050	221,772	
43	City of Oakland/Department of Human Services: Oakland Senior Companion Assessment and Referral (OSCAR) Network			X			79,924	100,000	56,274	56,274	56,274	
9	City of Oakland/Dept. of Human Services: East Oakland Shelter Lease	X					120,000	120,000	SEE ATTACHMENT A-1	120,000	120,000	
8	City of Oakland/Dept. of Human Services: Winter Relief Program	X					225,000	225,000	SEE ATTACHMENT A-1	225,000	225,000	

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04 AWARDED	FY 04-05 REQUESTED	RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION	7 DISTRICTS			CAC	CITY MANAGER		
11	Community Development Corp. of Oakland: Rehab/Vacant Lot Devel/General Operation Support/Housing Fair	X					80,000	SEE ATTACHMENT A-1	64,000			This is a request for housing development operating cost and the city does not fund operating expenses for housing developers.
91	East Bay Agency For Children: Adult Education at Hawthorne Family Resource Center			X			60,000					
74-76	East Bay Central American Refugee Committee: Youth and Family Enrichment Project			X		48,000	64,000	39,426	39,426	39,426		
21	East Bay Community Law Center: Collaborative Housing Related Services	X				66,000	121,000	SEE ATTACHMENT A-1	117,808	65,053		See #17
92-98	East Bay Community Law Center: Supplemental Housing Advocay Project			X			121,000					
99	East Bay Conversation Corps: Eastmont corridor Blight Abatement Project			X		60,000	70,000					
100	East Bay Little Stars Preschool: After School Tutorial and Leadership for Youth			X		36,000	75,700					
34	East Oakland Community Project: Homeless Shelter Renovation	X				30,000	175,000					
N 102	Eastside Arts Alliance: Hip Hop Multimedia			X			50,000	49,283	49,283	49,283		
101	Eastside Arts Alliance: Youth Performance Workshop			X			25,000	24,641	24,641	24,641		

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9
**COMMUNITY & ECONOMIC
DEVELOPMENT CMTE**
MAY 11 2004

INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04 AWARDED	FY 04-05 REQUESTED	RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION			7 DISTRICTS	CAC	CITY MANAGER	
15	Eden Council for Hope and Opportunity: Home Equity Conversion Counseling	X					22,000	25,500	SEE ATTACHMENT A-1	21,250	21,684	Provides a worthwhile service, but can only recommend to continue to funding at the current level.
16	Eden Council for Hope and Opportunity: Rental Assistance Program	X					87,000	95,000	SEE ATTACHMENT A-1	76,792	85,752	Provides a worthwhile service, but can only recommend to continue to funding at the current level.
19	Eden I&R, Inc: Housing Outreach/Information Access	X					50,000	100,000	SEE ATTACHMENT A-1	80,833	78,852	See #17
103	Elmhurst Food Pantry: Emergency Food Brown Bag Program				X		50,000	71,850		43,862	43,862	
44	Ethiopian Community and Cultural Center: Ethiopian Case Management Program				X		20,716	175,000				
39	Family Violence Law Center: Domestic Violence Prevention Project				X		29,000	200,000		44,354	44,354	
104--105	Fred Finch Youth Center/Alameda County Homeless Youth Collaborative: Youth Housing Empowerment Project				X		45,000	90,000				
106	Fred Finch Youth Center: Foster Care Youth and Young Adults Transitioning from the Foster Care System				X			214,713				
161-162	Friends of Peralta Hacienda Historical Park: Historic Transformation				X			150,211				

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04 AWARDED	FY 04-05 REQUESTED	FY 04-05 RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD DEVELOPMENT	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION			7 DISTRICTS	CAC	CITY MANAGER	
N 14	GRID Alternatives: Solar Affordable Housing Program	X					90,000	SEE ATTACHMENT A-1	15,000			Working with GRID and Sustainable Development to secure alternative funding to implement program.
107-108	Grids, Inc.: GIRLStart				X		101,315	48,603	48,603	48,603		
109-111	Healthy Babies, Inc.: Healthy Families				X	60,000	70,000	79,838	79,838	79,838		
112-115	International Institute of the East Bay: Legal Assistance for Immigrant Victims of Domestic Violence				X	55,000	75,000					
116-121	Jobs for Homeless Consortium: Homeless Employment through Learning & Preparation				X	83,946	167,382	39,426	39,426	39,426		
N 91	Jubilee Restoration, Inc.: Missionary Recovery Center				X		55,000					
N 47	Jubilee Restoration, Inc: Affordable Housing	X					47,800	SEE ATTACHMENT A-1	47,800			This is a request for housing development operating cost and the city does not fund operating expenses for housing developers.
122	Junior League of Oakland-East Bay, Inc/Hoover Elementary Super Stars Literacy Project				X		60,000					
123	La Clinica de la Raza - Fruitvale Health Project, Inc.: Hawthorne School-Based Health Center				X	42,051	45,362	44,354	44,354	44,354		

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04 AWARDED	FY 04-05 REQUESTED	FY 04-05 RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION			7 DISTRICTS	CAC	CITY MANAGER	
20	Lao Family Community Development, Inc.: Multilingual Homeownership Center	X					53,469	120,000	SEE ATTACHMENT A-1	120,000	49,283	This program received District funding last year, but did not this year. Since the program provides a worthwhile service recommend to continue funding at the current level.
124-130	Legal Assistance for Seniors: Legal Services for Seniors			X			15,000	170,000	57,168	57,168	57,168	
131	Lifelong Medical Care/Over 6 Health Center: East Oakland Clinics			X			40,000	106,040	48,790	48,790	48,790	
N 33	Love Center Community Development Corporation, Inc.: Open Door Childcare and Family Resource Center Renovations	X						100,000		50,000		This is a neighborhood improvement program and should be funded with Districts funds.
132-136	Marcus A. Foster Educational Institute: Prescott Circus Theatre			X			11,000	85,000	51,254	51,254	51,254	
N 36	National Latina Health Organization: Access Improvements	X						11,844		7,948		This is a neighborhood improvement program and should be funded with Districts funds.
137	Oakland Asian Students Educational Services: OASES Youth Programs			X				30,000	29,570	29,570	29,570	

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		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION				AWARDED	REQUESTED	RECOMMENDATIONS		
												7 DISTRICTS	CAC	CITY MANAGER
138-139	Oakland Citizens Committee for Urban Renewal: Eastmont Computing Center Enhanced Community Technology Project			X			75,000	100,000	93,144	93,144	93,144			
N 30	Oakland Citizens Committee for Urban Renewal: Façade Improvement Coordination			X				100,000	98,565	100,000	98,565	Difference reflects the 1.4% reduction.		
27	Oakland Small Business Growth Center: Small Business Incubator Project			X			115,000	225,000	SEE ATTACHMENT A-1	225,000	127,991	Funding for this program was provided initially as a start-up and assumed to gradually decrease over the years.		
N 50	Precision Drill Ministries: "Positive Role Models" Mentoring Program				X			525,000	11,083	11,083	11,083			
37	Project Re-Connect				X		125,000	280,000	209,179	209,179	209,179			
140-146	Project SEED: Early Math Success Fosters High School and Job Success				X		260,000	390,000	48,153	48,153	48,153			
10	Rebuilding Together Oakland: Christmas in April	X					50,000	98,000	SEE ATTACHMENT A-1	98,000	49,283	Provides a worthwhile service, but can only recommend to continue funding at the current level.		
147	Rhythm Tap Hall of Fame: African American Cultural Center				X			197,690						
148	San Antonio Community Development Corporation: Childcare Vendor Voucher Program				X			79,993						
18	Sentinel Fair Housing: Fair Housing & Landlord-Tenant Counseling Project	X					130,000	172,500	SEE ATTACHMENT 1	139,188	147,848	See #17		
46	Seton Senior Center: Active Living for Immigrant Seniors				X			40,000	9,857	9,857	9,857			

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INPUT NO.	SUBMITTED BY	PROGRAM COMPONENT					FY 03-04 AWARDED	FY 04-05 REQUESTED	FY 04-05 RECOMMENDATIONS			COMMENTS
		HOUSING	NEIGHBORHOOD	ECONOMIC DEVELOPMENT	PUBLIC SERVICES	ADMINISTRATION			7 DISTRICTS	CAC	CITY MANAGER	
N 31	Southeast Asian Community Center: Microenterprise Assistance			X			170,650	73,924	170,000	73,924	CAC's additional funding would reduce funding for citywide economic development services.	
P 28	Spanish Speaking Unity Council: Fruitvale Commercial District Revitalization Project			X			178,091	98,565	170,000	98,565	CAC's additional funding would reduce funding to the NCR program which is already providing the services proposed.	
149	St. Mary's Center: Senior Homeless Case Management				X	54,000	59,640					
40	The First Place Fund for Youth: Emancipation Training Center				X	76,202	161,410	69,804	69,804	69,804		
150	Volunteers of America Bay Area: After School Program				X		92,546	87,742	87,742	87,742		
N 32	Women's Initiative for Self Employment: Creating Economic Opportunities for Low-Income Women			X			431,550	50,268	299,998	142,287	This is a first time funded program receiving a large amount of funding. Additional funding would reduce city funding for economic development services	
159	World Vision College of Cosmetology				X		444,600					
160	Youth Employment Partnership, Inc.: Driver's License Assistance Program				X		70,000					

N = New activities for which funding has not been previously requested or awarded.

P = Activities for which CDBG funds were not awarded in FY 03-04, but in years prior to FY 03-04.

Attachment D

Recommended Third Party Contracts for Approval for FY 2004-05

PROJECT/PROGRAM NAME	CDBG	HOME	ESG	HOPWA	TOTAL
Acorn Housing	39,426				39,426
Alameda County Community Food Bank/Shared Maintenance & Delivery Scholarships	218,447				218,447
Alameda County Health Care Foundation/Model Neighborhood Program (H66880)	22,177				22,177
Alameda County Health Care Services – Project YES	49,283				49,283
Bay Area Community Services/Meals on Wheels for	107,062				107,062
Boys & Girls Clubs of Oakland/Smart Moves Program	11,828				11,828
Boys & Girls Clubs of Oakland /Educational Enhancement	29,570				29,570
Building Opportunities for Self Sufficiency Oakland Homeless Project Renovation	36,171				36,171
Camp Fire Boys & Girls, Oakland East Bay Council/Kids with Dreams Project	61,603				61,603
Center for Independent Living/Housing Search & Counseling for the Disabled	98,319				98,319
East Bay Central American Refugee Committee/Youth and Family Enrichment Project	39,426				39,426
East Bay Community Law Center - Housing Advocacy Project	65,053				65,053
Eastside Arts Alliance/Hip Hop Multimedia	49,283				49,283
Eastside Arts Alliance/Youth Performance Workshop	24,641				24,641
Eden Council for Hope and Opportunity - Home Equity Conversion Counseling	21,684				21,684
Eden Council for Hope and Opportunity - Rental Assistance Program	85,752				85,752
Eden Information & Referral Services	78,852				78,852
Elmhurst Food Pantry/Emergency Food Brown Bag Program	43,862				43,862
Family Violence Law Center/Domestic Violence Prevention Project	44,354				44,354
Girls Inc. of Alameda County	48,603				48,603
Healthy Babies Project/Healthy Families Program	79,838				79,838
Jobs for Homeless Consortium/H.E.L.P. Program	39,426				39,426
La Clinica de la Raza-Fruitvale Health Project, Inc./Hawthorne Elementary School-Based Clinic	44,354				44,354

PROJECT/PROGRAM NAME	CDBG	HOME	ESG	HOPWA	TOTAL
Lao Family Community Development, Inc./Multilingual Homeownership Center	49,283				49,283
Legal Assistance for Seniors/ Legal Services for Seniors	57,168				57,168
Life Long Medical Care-Over 60 Health Center/East Oakland Clinic	48,790				48,790
Marcus A. Foster Educational Institute/Prescott Clown Troupe	51,254				51,254
National Development Council	10,000				10,000
Oakland Small Business Growth Center	127,991				127,991
OBDC Program Delivery Costs	389,333				389,333
Oakland Asian Students Educational Services/Youth Program	29,570				29,570
Oakland Citizens' Committee for Urban Renewal-Eastmont Computing Center/East Oakland Community Connector Project	93,144				93,144
Oakland Citizens' Committee for Urban Renewal-Façade Improvement	98,565				98,565
Precision Drill Ministries	11,083				11,083
Project Re-Connect	209,179				209,179
Project SEED/Supplemental Math Instruction Program	48,153				48,153
Rebuilding Together Oakland/Christmas In April	49,283				49,283
Sentinel Fair Housing - Fair Housing and Landlord/Tenant Counseling Program	147,848				147,848
Seton Senior Center	9,857				9,857
Southeast Asian Community Center	73,924				73,924
Spanish Speaking Unity Council	98,565				98,565
The First Place Fund for Youth/Emancipation Training Center	69,804				69,804
Volunteers of America Bay Area	87,742				87,742
Women's Initiative for Self Employment	142,287				142,287

ATTACHMENT E

2303 Ivy Drive #2
Oakland, CA 94606
May 3, 2004

Councilmember Jane Brunner
Chair, Community & Economic Development Committee (CED)
1 Frank Ogawa Plaza
Oakland, CA 94612

Dear Ms Brunner:

I appreciate the public call you made at the April 27th Community and Economic Development (CED) committee meeting, asking Community Development Block Grant (CDBG) & Community Advisory Committee (CAC) members to submit comments on the CDBG authorization agenda item, since no opportunity was presented for the CAC to advocate for its own recommendation, or to rebut comments made by the City Manager in recommending against the CAC.

In this cover letter I address issues that came up during the April 27th meeting, at which I was a public speaker *in favor* of the CAC funding recommendation. I also support the procedural revision to allow a 'sliding scale' of total proposals which districts may fund from their Public Service dollars.

At the CED meeting, Councilmember Chang observed that the difference between the CAC and City Manager recommendations is not great. In fact it is \$717,757. or only about 7% of the total grant award. But the City Manager portrays the CAC's proposal as catastrophic to City programs.

I disagree. Most dollars are already going to City programs. I made the public statement that the City of Oakland already reserved about 88% of Housing dollars and 97% of Economic Development dollars for their own programs. In fact the City Manager recommends \$4,566,085. out of a total \$5,201,583. (or 87.7%) of Housing funds available go to City programs. Similarly, \$2,747,207. out of a total \$2,834,726. (or 96.9%) of Economic Development funds available are steered to City programs.¹

A word about the CDBG Process

You remember that there are 4 categories of funding, fixed at designated levels of maximum funding and approved by the City Council. For the FY 04-05 funding cycle the total available amount was:

Economic Development	\$2,474,726. (24.8%)
Housing	\$3,761,583. (37.8%)
Public Service	\$2,230,541. (22.4%)
<u>Administration</u>	<u>\$1,494,150. (15.0%)</u>
Total HUD Grant	\$9,961,000.²

All proposals received are assigned to a funding category for consideration. CDBG administration staff makes all decisions about proper assignment.

Public Service dollars are apportioned per district, and with the release of the Year 2000 census data, districts were redrawn and dollars shifted, based on shifts in low/moderate income population. Using a per capita formula, exact dollar amounts are awarded to each district for Public Service proposals. Thus, Public Service funds are often seen as the local district's domain, and in practice the CAC has not made changes to district

¹ Taken from numbers on Attachment A, "Input Summary With FY 03-04 Amounts Awarded and FY 04-05 Amounts Requested And Recommended", submitted with the staff report on the 4/27 agenda item.

² Note total grant does not include program income rolled back into total award dollars. Program income is cited in the 4/27 staff report as: \$1,440,000. for Housing Programs and \$360,000. for Economic Development. When referring to the actual recommendations, the full amounts plus program income are allocated.

ATTACHMENT E

recommendations in this category. The City Manager usually does the same, and did so in the current funding year.³ The Public Service category attracts the most requests for funding and the second-fewest dollars. This accounts for why it's difficult to make recommendations for this category, and why district board decisions are typically honored all the way up the decision-making chain.

District Boards and the CAC are also asked to make recommendations on the Housing & Economic Development fund categories. In recent years, districts have shared stronger opinions and more specific recommendations on these categories. The last two years, the CAC used an averaging method to determine award levels for these proposals, taking input from all districts.

Since September, the district boards and CAC held monthly public meetings to arrive at these recommendations; the City Manager has held one meeting to receive public input. It will be demoralizing to members if the recommendations of the CAC & district boards on Housing & Economic Development are not given full consideration. These boards should not play the part of a fig leaf for CEDA and City Manager, to allow them to do what they will, by merely going through the motions of a public process. The willingness of the public to get involved with this process should not be thoughtlessly frittered away.

Councilmember communication with their district boards

At the committee meeting, Council President de la Fuente had a specific question about the funding for the Oakland Small Business Growth Center (OSBGC). He was concerned City Council had wanted that program to be phased out of funding over time.

Michele Byrd, CDBG Manager, pointed out CEDA's proposal # 26 included \$115,000 for the OSBGC, and OSBGC also submitted a separate proposal (#27) for \$225,000. Last year, as in this, the CAC preferred to fund the OSBGC directly through its own proposal, rather than route the money through the City.

But the CAC also wished to fully fund the program and felt it worthy of that funding level for the time being. Moreover, the District 5 CDBG board recommended the full amount be awarded. One has to wonder if the prerogatives of the Council President are being communicated to his district's board members? Or to his additional CAC member, an appointment privilege he enjoys by virtue of his presidency? This is not to point a finger at one councilmember. It is helpful for all City Council members to be in communication with their district boards and their officers, in order to understand each others' priorities. The work of the district boards shouldn't take place in a vacuum.

I and other district board and CAC members agree that many programs should wean themselves of CDBG funding, and not consider it a perpetual source of funds. In fact this discussion has come up a number of times, but no guidelines have been created to define how to do this. If groups are asked to wean themselves from the CDBG program, it should apply to the City and CEDA programs, as well as community-based non-profit groups.

CDBG Administration Costs & Methods

Ms. Brunner, you asked for specific numbers on CDBG Administration costs, because they appeared to be high when taken in total. The District 2 board & the CAC have asked for this information in writing for two years now. I would very much appreciate your sharing a copy when you receive this information.

You also revealed that the fund distribution amounts are locked in as part of the annual budget approval process, before the CDBG board is seated. The first time this is communicated in writing to board members, it is presented as a staff recommendation rather than something already decided. It explains why the City Manager refers to "reprogramming" as if these are city dollars, rather than a federal grant being awarded.

³ This was not the case last year, when then-City Manager Robert Bobb re-directed \$100,000 across categories, taking money from Economic Development and awarding it to a Public Service proposal--Project SEED. That change was included in the City Council's compromise decision. The concern then wasn't about the worthiness of Project SEED (which was funded by 4 out of 7 districts), but that the City Manager took money away from Economic Development.

ATTACHMENT E

In another agenda item before the CED committee, regarding Fenton's Creamery, you admonished the City Manager that she needed to recognize the role of neighborhoods and be responsive to them. I think that lesson carries over to the difference of opinion between the citizen participants and CEDA program custodians.

On May 18th the City Council will finalize its funding decisions for the 2004-2005 Fiscal Year. I hope that the CAC recommendations will be approved without amendment. I believe there is need for change in how Housing & Economic Development monies are apportioned, and a need for Council Members to be more involved with their local boards. Otherwise this dilemma will continue and citizens will be alienated from the process.

Sincerely,

Jonathan Winters

Jonathan Winters
CDBG District 2 Chair
CAC representative

Cc: City Council
City Manager
CDBG Administration

ATTACHMENT E

Personal Statement of John J. Winters (District 2 CDBG Chair)

RE: Community Development Block Grant (CDBG) recommendation for 2004-05.

I write to register my disagreement with the City Manager's Community Development Block Grant (CDBG) recommendation, presented by CEDA Staff and CDBG administrators at the April 27, 2004 Community & Economic Development (CED) committee meeting.¹

I support the award recommendation arrived at by the Community Advisory Committee (CAC), as the appropriate action for the City Council. I was among public speakers at the April 27th CED meeting and write my comments so that they may be included in the final report to the City Council & HUD, as directed by CEDA Committee chair, Councilmember Jane Brunner.

A few words are in order about why Ms. Brunner needed to give such direction. The Community Advisory Committee (CAC) met four times and disbanded. This gave the CAC no opportunity to rebut a document released shortly after, which is pointedly slanted against the CAC recommendations.

The City Managers' analysis and comments I will refer to, appear in two sections². According to Michelle Byrd, CDBG Manager, these comments were the result of discussions among city staff within CEDA, "representatives from the programs impacted by the recommendations."³ In sum, their analysis amplifies the City's view that the money should stay in their Housing & Economic Development programs, which they had already stated in their narrative report.

The content of the comments is at issue. A number of these comments represent a simple difference of opinion, others are points which are simply mistaken, and then others are complete misrepresentations of the CAC position.

For example, the general difference of opinion about whether to award more money to Community-based non-profit organizations, rather than to worthy City of Oakland or CEDA projects—a difference of 7% of the total grant—is reflected throughout the attachment. It is the main disagreement around which all other issues revolve.

Simple mistakes are forgivable, but one hopes they are fixed when the final agenda item is presented to the City Council on May 18. City Council President de la Fuente noticed an error, when he wondered why Public Service proposal #138 & 139 was recommended for \$93,144 by the district boards, when it only appeared to request "\$10,000". Staff said it was a typo; the actual request was \$100,000.

There was also a typo on a table showing the CDBG grant allocation. It showed total Public Service funds at "\$2,34,541" (sic), which was in reality \$2,230,541.

There is incorrect analysis in the spreadsheet comments, such as that proposal #'s 15 & 16 can "*only* be funded at the current level,"⁴ when in fact the City Manager award was higher than that of the CAC.

¹ CED Committee, April 27, 2004, Item #4 authorizing CDBG, HOME, HOPWA & ESG grant funds through the Consolidated Plan.

² Page 6, of the staff report contains a narrative on differences between the CAC & City Manager, and "Attachment A"—a spreadsheet appendix to the April 27th staff report—which was in a new format this year that included a column for "comments".

³ Email response to my direct question of who was the author of the comments.

⁴ "Current Level" in this instance presumably meant last year's dollar award, minus 1.4%.

ATTACHMENT E

This may have been a cut/paste problem, where this argument was put in for proposal # 10—a program the CAC recommended to fully fund and the City Manager’s cut in half—and then cut/pasted to proposals where it didn’t make sense.

Then there are misrepresentations which are reprehensible, starting with the very first comment on the spreadsheet, for proposal #1, the City of Oakland’s main Housing program—a single program set to receive between 45% - 51.8% of the total available Housing dollars.

It says that the “CAC’s reduction would *potentially eliminate Home Repair Program (HMIP) and 60 residents would not receive services.*”

However, a document⁵ distributed to various CDBG & CAC meetings shows that in all of FY 2002-03, a total of 36 units were served by the HMIP program. Figures for the latest quarter (July-September 2003) showed that 16 units were served. One could extrapolate from CEDA’s own document that this program might serve less than 60 units all year!

Three proposals (#s 11, 13 & 33) had comments that “this is a request for housing development operating cost and the city does not fund operating expenses for housing developers.”

However, this objection was not identified in the document on application eligibility⁶, distributed by CDBG administrators. If there was a problem with the kind of request or the eligibility of a specific applicant, it would have been noted there.

This finding is ironic because at least one of those proposals, # 11, had applied before, been included for consideration, was funded for \$40,599 in FY 2002-03 and received a positive evaluation from Gibson & Associates.

The district boards and the CAC depend on CDBG staff to properly categorize and qualify proposals before being considered. If the proposal qualified, is included in materials to the boards, it is open to consideration for funds. For CDBG Administrators to object now on this basis appears inappropriate.

Additionally, in a selective application of the Gibson & Associates⁷ report recommendations, there are comments about the “collaborative” effort CEDA staff posed for services to rental housing residents, in Proposals 17, 18, & 19. The approach suggested by Gibson, was for CEDA to issue a specific RFP for rental housing services groups to apply together as a collaborative, to pool their resources, OR for the City to fund only one agency.

It appears the City used a “capitation” approach to achieve this, where groups providing those services would share a total of \$400,000. It is unclear how this plan was negotiated or conveyed to these organizations. It does not appear that the specific RFP suggested by Gibson was issued for this purpose. This amount was locked in when the budget was approved in October.

⁵ A spreadsheet document from CEDA titled “Residential Lending Services Community Development Districts Report” was distributed at district board Housing presentations (or at least in district 2) and again at the CAC training meeting. I have attached my copy of this document as Appendix 1.

⁶ “FY 04-05 CDBG Application Eligibility Information”, undated, distributed with proposal packets in December, 2003. It details problems with specific requests. I have attached my copy of this document as Appendix 2.

⁷ Gibson & Associates, an independent consultant that provides performance audits and assessments of proposals that receive awards.

ATTACHMENT E

Last year the CAC approved a report⁸ that encouraged implementing a number of changes cited by Gibson & Associates report. Most notably, Gibson cited that the city of Oakland directs a greater percentage of total available dollars to its own programs, when compared to cities of similar demographic. That is again true of this year's recommendations by the City.

In fairness to CEDA & CDBG administrators a number of earlier findings—excessive delays in issuing contracts; inconsistent contract language; lack of performance measures; etc—show demonstrated improvement. However, continuing to claim the majority of funds for itself is not a “best practice” for the City.

Seven recommendations were submitted by the CAC for improvement to the process⁹, many of which are “to be reviewed.” However, one suggestion arose last year and again this year, deserves urgent attention and resources —the need for use of technology for document storage & access. City technology managers need to make this task a priority. It will serve the public, board members and the organizations seeking funds. Implementation will also simplify the work of the CDBG Administrators.

The one process recommendation presented for approval by the City Council, to increase the number of Public Service proposals a district can fund, is helpful to the process and should be supported.

Submitted, May 3, 2004

⁸ “Improvements to the Existing Community Development Block Grant (CDBG) Public Participation Process in Oakland”, April 7, 2003. The report referenced the following sections on the Gibson Evaluation as it pertained to the City of Oakland itself:

⁸ Gibson & Associates, *Final Evaluation Report for Oakland Community Development Block Grant Program, Program Year 2001-2002*, November 1, 2002. “Executive Summary”, pgs 10-11.

⁸ Gibson & Associates, *Final Evaluation Report for Oakland Community Development Block Grant Program, Program Year 2001-2002*, November 1, 2002. Section 7, “General Recommendations”, pgs 64-68 Also, Appendix 3, “Evaluation of CDBG Administrative Practices: A Comparative Review of Selected Cities”, November 1, 2002. Procurement, Section IV3, Recommendation 7.

⁹ Page 5, “Report and Resolution...” *ibid.*

ATTACHMENT E

May 4, 2004

TO: Oakland City Council Members
Oakland Community & Economic Development Committee (CED)
Oakland Community Development Block Grant Program (CDBG)

FR: Martin Carey Rios, CDBG District 3 Chairperson, CAC Representative

RE: Community Development Block Grant Funding Recommendations for 2004-2005

Dear Council Members,

The following statement is submitted in response to the City Manager's Community Development Block Grant (CDBG) recommendation report presented at the April 27, 2004 Community and Economic Development (CED) committee meeting. This opinion does not necessarily represent the overall views of the Community Advisory Committee (CAC) or the CDBG District 3 Board, as scheduled meetings for both of these committees have concluded and not enough time was allowed to convene as a group to formulate a consensus opinion.

The CDBG report itself contains conflicting opinions which are contrary to the District Boards' and the CAC recommendations. I have chosen to address the staff narrative report and more specifically the "Comments" section of the input summary Attachment A spreadsheet. I feel the points listed below should also be considered as part of this report in addition to the well documented, accurate and detailed comments and opinions submitted by my colleague Mr. Jonathan Winters, CDBG Chairperson of District 2 who also served as a CAC member.

1. The comments put forth in the Attachment A spreadsheet clearly do not favor the support of CAC recommendations and represent the opinions and recommendations of city staff within CED. The disagreement is specific to the recommendations for Housing and Economic Development program funding levels. At the time the report was prepared and distributed to council members the CAC was not given an opportunity to respond to those comments except during the open forum period at the CED meeting on April 27th 2002. The City Manager's recommendation to steer 88% of housing dollars and 90% of economic development dollars for city programs is in question. The District Boards and the CAC recommended support for community based program funding which is in agreement with the Gibson & Associates Evaluation 2001-2002 Report recommendation for the city to collaborate with community based housing programs and implement improved measures of performance for city-run housing programs. The CAC attempted to distribute the available funds to both city and community based programs as opposed to awarding nearly everything to the city programs.

ATTACHMENT E

2. The CEDA Economic Development Program (input #26) was not able to provide a complete and accurate picture of the reorganization plans that were to redefine the Commercial Lending Division for the 2004-05 fiscal year. At the time of the presentation I specifically asked Mr. Gregory Hunter to explain how the proposed application would be affected by the newly reorganized 60% operational and staff cost reduction and noted that we were being asked to approve an application based on a program that was to be changed at some future date. Because of this lack of substantive information I did not feel that I could agree to recommend funding for a program that had not been subjected to the same evaluation process as other programs.
3. Four applications (nos. 11, 13, 33, and 36) that contained costs deemed unallowable by the City Manager's office were included in the group of applications presented for review by the Districts and CAC committee members. There were several applications that did have unallowable cost contingencies disclosed and that were considered at the time of review and evaluated accordingly. However, these four applications were not among those listed. The CDBG program should have screened these applications more closely so that other programs that were in fact eligible could have received consideration. These programs were deemed ineligible after the District committee and the CAC had already recommended funding. This process undercut the credibility of the public participation represented by the Districts and the CAC. Other cases of proposals being misclassified are listed in more detail in Mr. Winters' statement.

I request that on May 18th you carefully reconsider the recommendations of the CAC before accepting the City Manager's recommendation. I am not suggesting that the city-run Housing and Economic Development programs are not deserving of funding. They will receive a substantial share of funding under the CAC recommended amounts.

If the CDBG program were truly a collaborative process it would have included feedback from the CAC members in the preparation and review of this report prior to its dissemination to council members. Over the past year, the district boards and CAC have held numerous public meetings and spent many hours reviewing and evaluating CDBG proposals in order to arrive at our recommendations. To have those recommendations dismissed and unfavorably represented in the report by the City Manager's office and CEDA seems to diminish the value of the public process and has direct implications for how the CDBG monies are apportioned.

Sincerely,

Martin C. Rios

Martin Carey Rios
1204 32nd Street
Oakland, CA 94608

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**COMMUNITY ECONOMIC
DEVELOPMENT CMTE**

MAY 11 2004