



**City of Salinas
FY 2015-2016
Consolidated Annual Performance Evaluation Report
(CAPER - July 1, 2015 through June 30, 2016)**

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Salinas is designated as an entitlement community for three funding programs administered by the U.S. Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG); HOME Investment Partnerships; and Emergency Solutions Grant (ESG). The FY 2015-2016 CAPER describes the City of Salinas' affordable housing and community development activities carried out between July 1, 2015 through June 30, 2016). The CAPER also provides the community with a concise statement regarding the federal funds available for activities undertaken, and an evaluation of the City's progress in carrying out the goals and objectives as stated in the Five-Year Consolidated Plan FY 2015 – FY 2019 and the FY 2015-2016 Action Plan.

The overall goals of the Consolidated Plan are:

1. Increased Decent and Affordable Housing
2. Enhanced Homeless Facilities and Services
3. Enhanced Neighborhood Conditions
4. Planning and Program Administration

Highlights of accomplishments in each of these goals are summarized below:

Affordable Housing Multi-Family and Single-Family: HOME funds were previously provided to CHISPA to acquire and rehabilitation the 40-unit dilapidated Vista de la Terraza project for lower income families. For FY 2015-2016, additional CDBG funds in the amount of \$809,155 and HOME funds in the amount of \$388,727 were provided to pursue Phase II of the rehabilitation work. The City also funded the Monterey County Housing Authority Development Corporations (MCHADC) Haciendas Seniors 40-unit project with \$350,000 of HOME funds. City staff also earmarked \$375,000 for the MCHADC Haciendas III 50-unit project.

In addition, the City continued to operate its housing rehabilitation programs (Housing Rehabilitation Direct and Deferred Loans, Housing Accessibility Assistance Grants, Lead Based Paint Grants, and Grid Alternatives Solar Program) which benefited a total of 14 households in FY 2015-2016 with 4 of the households receiving a lead based paint grant and housing accessibility assistance grant. Two households also received First-Time Homebuyer Assistance from previous years.

Homeless Facilities and Services: The City continued to fund a variety of homeless services and facilities using ESG and CDBG funds. During FY 2015-2016, 2,870 homeless and at-risk homeless persons were served. In addition public services provided services to low-moderate income seniors, youth, persons with disabilities, homeless and general low-moderate income public City wide.

Neighborhood Conditions: The City improved neighborhood conditions by providing supportive services that benefit low and moderate income households and persons with special needs. Public improvements also enhance neighborhood conditions. During FY 2015-2016, a total of 24 CDBG and ESG public service programs were funded, serving families, seniors, and youths. Overall, approximately 9,298 residents were assisted. In addition, a variety of public improvement projects were completed or underway. Two projects were canceled due to other needs in the community and include: Chinatown Renewal Street Project and Homeless Services Facility at 10 Soledad. The Homeless Services Facility was moved from 10 Soledad to a property on Lake Street and is being funded now through Measure G, City funding and is being called the ChinaTown Health Services Center. The services intended for the homeless in this facility, include restrooms, showers and access to Franciscan Workers staff who can conduct outreach to facilitate the needs of individuals requesting services. A CDBG, public service grant of \$50,000 will assist in the staffing and outreach to maintain services in the building. The Chinatown Renewal Street Project was canceled to assist funding with the Old Municipal Pool project. The City Public Works Department in conjunction with the Parks and Community Services Departments, determined that fully funding the Old Municipal Pool project into a new

recreation center was a priority for the community. Therefore, the Street Lighting project was defunded and moved to the Old Municipal Pool to facilitate flooring for a basketball court. The City is planning to use FY 2015-16 CDBG funds in the amount of \$797,285 through a Substantial Amendment for Phase I, Part B, of the Old Municipal Pool Retrofit project, which includes replacement of roof system, seismic upgrades, interior and exterior painting, new floor system at the gym area, replacement of windows, lead and asbestos remediation. In addition, CDBG funds in the amount of \$667,060 from FY 2016-17 for Phase II of the Old Municipal Pool Retrofit will be used to repurpose and convert the facility into a recreational center for city sponsored youth sports' programs.

Two public facility projects funded in 2013 were also completed in FY 2015 – La Paz Stage Area Construction and Sherwood Hall. The Micro-Enterprise Training program funded in 2013 and 2014 was completed in FY 2015, assisting 34 businesses in total.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Enhanced Homeless Facilities and Services	Homeless	CDBG: \$ / ESG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	550	0	0.00%	550	0	0.00%
Enhanced Homeless Facilities and Services	Homeless	CDBG: \$ / ESG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	150	46	30.67%	20	46	230.00%
Enhanced Homeless Facilities and Services	Homeless	CDBG: \$ / ESG: \$	Homeless Person Overnight Shelter	Persons Assisted	10,000	569	5.69%	445	569	128.15%
Enhanced Homeless Facilities and Services	Homeless	CDBG: \$ / ESG: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	0	0	0.00%	0	0	0.00%
Enhanced Homeless Facilities and Services	Homeless	CDBG: \$ / ESG: \$	Homelessness Prevention	Persons Assisted	5,000	2,255	45.10%	1,200	2,255	187.92%
Enhanced Neighborhood Conditions	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	55,970	136,643	244.10%	136,643	136,643	100.00%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Enhanced Neighborhood Conditions	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	50,000	7,677	15.35%	6,710	7,677	114.41%
Enhanced Neighborhood Conditions	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	20	34	170.00%	12	34	283.33%
Increased Decent and Affordable Housing	Affordable Housing	CDBG: \$ / HOME: \$	Rental units constructed	Household Housing Unit	91	20	21.98%	91	20	21.98%
Increased Decent and Affordable Housing	Affordable Housing	CDBG: \$ / HOME: \$	Rental units rehabilitated	Household Housing Unit	8	0	0.00%	40	0	0.00%
Increased Decent and Affordable Housing	Affordable Housing	CDBG: \$ / HOME: \$	Homeowner Housing Rehabilitated	Household Housing Unit	40	14	35.00%	9	14	155.56%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

During FY 2015-2016, the City began implementing the new priority needs established in the City's new FY 2015-FY 2019 Consolidated Plan. All High Priority Needs identified in the Consolidated Plan received funding from the CDBG, HOME, and/or ESG programs. With the exception of two public facility projects that were canceled (Chinatown Renewal Street Project and Homeless Services Facility at 10 Soledad) to accommodate other projects as discussed earlier, the City was able to achieve or on track to achieving the majority of its goals and objectives.

Accomplishments under Homeless Overnight Shelter in FY 2015-2016 represent less than six percent of the five-year goal. This is due to the use of “duplicated” shelter nights in estimating the five-year goal versus the “unduplicated” persons assisted in reporting accomplishments. The City actually exceeded its one-year goal of assisting 445 “unduplicated” persons.

The City is working on various affordable housing projects:

- Vista de la Terraza (CDBG) - Property was acquired and construction is underway
- Haciendas Phase III (HOME) - Pending execution of project funding documentation
- Haciendas Seniors Phase IV (HOME) - Project under construction

As these projects are not yet completed, they are not reported in this CAPER. However, the City completed two affordable housing projects in FY 2015-2016:

- Gateway Apartments – This 52-unit project involved the construction of 52 units for seniors (25 units for chronically ill seniors and 26 units for seniors, and a manager’s unit). 51 units are deed-restricted as affordable lower income housing, with 20 units being HOME funded.
- Wesley Oaks Subdivision Project – This project is a ten-unit ownership housing development, with six HOME-funded units. The project was funded in 2008 but completed in FY 2015-2016.

Gateway Apartments is reflected in Table 1; however, Wesley Oaks is not, as the new FY 2015 - FY 2019 Consolidated Plan does not identify the construction of affordable ownership housing as a goal. The two households assisted with First-Time Homebuyer assistance with 2013 and 2014 HOME funds are also not included in Table 1 as providing homebuyer assistance is not an identified goal in the FY 2015 – FY 2019 Consolidated Plan.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME	ESG
White	130,754	17	728
Black or African American	2,367	2	87
Asian	8,417	0	19
American Indian or American Native	434	21	24
Native Hawaiian or Other Pacific Islander	15,474	0	13
Total	144,433	40	950
Hispanic	102,483	22	603
Not Hispanic	41,951	18	323

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The City assisted 144,433 residents with public services, public improvements, and business assistance using CDBG funds in FY 2015-2016 (including projects funded in previous years but completed in FY 2015-2016). The majority (70 percent) of these residents assisted were Hispanics, reflecting the City's overall demographic characteristics. For ESG-funded homeless and homeless prevention services, about 64 percent of those assisted were Hispanic, also reflecting the City homeless population. For HOME-funded housing activities, Hispanic households also represented the majority of the beneficiaries.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Public	\$2,047,300.68	\$1,801,613.50
HOME	Public	\$696,806.56	\$138,353.9
ESG	Public	\$177,842.00	\$162,895.69

Table 3 - Resources Made Available

Narrative

During FY 2015-2016, the City of Salinas had available a combined \$2,921,949.24 in HUD funds. The Community Development Block Grant (CDBG) allocation was \$1,979,589 and the City received \$67,711.68 in program income. The total amount of CDBG funding available, including Program Income (PI) was \$2,047,300.68. The HOME allocation was \$543,081. The total amount of HOME funding available, including PI of \$153,725.56, was \$686,806.56. The ESG allocation totaled \$177,842. For FY 2015-2016, the total amount of funds expended was \$162,895.69, on a variety of activities.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Alisal Neighborhood Revitalization Strategy Area	39	30%	6 CDBG and ESG Public Service activities, 1 Multi-Family Housing project and 1 Single Family Rehabilitation project served this area.
Chinatown Area	15	8%	2 ESG Public Service activities and 1 Multi-Family Housing project served this area.

Table 4 – Identify the geographic distribution and location of investments

Narrative

These two areas represent the most distressed neighborhoods in the City. These areas have the highest concentration of poverty and substandard living conditions. The Alisal area includes some of the most distressed neighborhoods in Salinas. The area faces challenges such as inadequate public infrastructure, high levels of unemployment, high levels of poverty, and violent criminal activity. Within the Alisal NRSA, a third (33.3 percent) of all residents lives in poverty, a higher proportion than the City overall (21 percent). The 12 blocks that form the Chinatown area are located primarily within Census Tract 18.02 Block Group (BG) 2. This BG has a population of about 2,000, with 78.5 percent being low and moderate income. Large numbers of homeless have been camping in ChinaTown over the past few years. The Coalition has counted at the height of the encampments, 300 people were living on the streets within the area.

During FY 2015-2016, the following CDBG and ESG public service activities primarily benefit the Alisal NRSA: Breadbox Recreation Center, Hebron Family Center, Second Chance Youth Center, Project Sentinel, Family Service Agency of the Central Coast and Girl Scouts of the Central Coast.

Multi-family housing projects in the Alisal NRSA included; VDLT. Single family rehabilitation included the City's low-interest rate loan rehabilitation program and Housing Accessibility Assistance (HAA) grant program.

During FY 2015-2016, the following ESG activities primarily benefit the Chinatown area: Franciscan Workers of Junipeo Serras' Dorothy's Place Hospitality Center, located in Chinatown serves meals three-times daily to homeless

and extremely poor people daily. Their Day Shelter serves homeless and extremely poor with engagement, advocacy, health clinic, showers, hygiene needs, phone and mail service, and clothing. Their Women Alive! Emergency Shelter, offers the only no-questions-asked nightly shelter for street women in city of Salinas and House of Peace serve as transitional housing for up to 14 chronically homeless persons from our street.

Interim Inc.'s MCHOME program is a Full Service Partnership (FSP) program under the State's Mental Health Services Act serving adults, age 18 and older, who have psychiatric disabilities, are homeless and who are extremely or very low-income. The goal of an FSP is to provide wrap-around services for individuals with mental illness to enable them to reach their personal goals.

The City funded the Monterey County Housing Authority Development Corporations (MCHADC) Haciendas Seniors 40-unit project with HOME funds and approximately fifty percent of the construction was completed during this fiscal year. The proposed project completion date for the Haciendas Seniors project is scheduled for the end of 2016. Staff also earmarked HOME funding for the MCHADC Haciendas III 50-unit project. Staff reviewed the environmental review and conducted the HOME subsidy layering and underwriting analysis during this period.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

"Leveraging" in the context of governmental grants typically describes what happens when additional funding is received as a result of the initial grant funding. In Salinas' programs the most frequent example of leveraging occurs in the development of new affordable housing projects. Due to the high cost of developing housing, it is essential for non-profit housing developers to construct new projects by leveraging and matching financial resources from a variety of sources. No matter the primary source of funding (e.g., federal Low-income Tax Credits, HUD Section 811 financing, USDA housing programs), none will finance the entire cost to develop housing. Salinas uses both CDBG and HOME funds to leverage the participation of other funders. The flexibility inherent in CDBG rules makes it particularly appropriate for use early on in the development process as critical support for non-profits that often are pressed for pre-development funds.

Similarly HOME guidelines emphasize the importance of using HOME to fill in 'financing gaps' that often result when projects face more rigid requirements established either by particular loan regulations, or due to the degree of competition for other financing. In the past several years it appears that those designing governmental financing programs are attempting to make their funds go farther (i.e., leverage them more) by requiring higher percentages of OPM (other people's money) as a condition of providing their own financing.

Three affordable multi family housing projects were facilitated during FY 2015-2016 which included Vista de La Terraza (VDLT), Haciendas Seniors and Haciendas III. VDLT is a 40-unit rehabilitation project which was on the verge of losing its affordability due to State's HCD loan becoming due and payable. Project had costs that were above and beyond the amount of funding provided through HOME and CDBG sources. The City funded VDLT with \$809,155 of its CDBG funds and \$388,727 of HOME funds for a total of \$1,197,882. The City funded Haciendas Seniors which is a 40-unit new construction project \$350,000 from its HOME funds. The City also funded Haciendas III, which is a 50-unit new construction project \$375,000 from its HOME funds. The City of Salinas' HOME match requirement has continued to be waived by HUD due to lower median incomes and high poverty rates in the City.

For Public Services subrecipients, ESG funding is often an essential source of funds to access other funds. None of the subrecipients' essential safety net programs are funded exclusively by ESG. Local community foundations require matching funds and City of Salinas CDBG funds have frequently fulfilled that requirement.

There are also other more subtle forms of leverage. Public investment in a particular neighborhood (upgrading water mains or installing traffic signals or street lighting), for example, can be an inducement for additional investment by area property owners affected by the improvements.

In addition, the City is working on establishing several new public/community facilities on City-owned properties:

1081 Buckhorn Drive: The City purchased 1081 Buckhorn Drive with HUD Economic Development Initiatives (EDI) funds with the specific objective to develop a child care center. This 0.8-acre property is located immediately outside of the Alisal NRSA; it is expected that this child care center would primarily serve Alisal residents. The City began discussions with CHISPA and the Alisal Union High School District (AUSD) Superintendent about utilizing the site for the District's Early Childhood (Preschool) and Day Care programs. Staff has continued to meet with AUSD and currently working on the Land Disposition Agreement (LDA) to transfer the property AUSD by the end of 2016.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	\$3,808,879
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$3,808,879
4. Match liability for current Federal fiscal year	0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$3,808,879

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$	\$	\$	\$	\$
\$181,749.10	\$153,725.56	\$138,353.90	\$0.00	\$197,120.

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Number	0	0	0	0	0	0
Dollar Amount	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
	Total	Women Business Enterprises	Male			
Contracts						
Number	0	0	0			
Dollar Amount	\$0.0	\$0.0	\$0.0			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	\$0.0	\$0.0	\$0.0			

Table 8 – Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Parcels Acquired	1	\$2,630,000
Businesses Displaced	0	\$0.00
Nonprofit Organizations Displaced	0	\$0.00
Households Temporarily Relocated, not Displaced	0	\$0.00

Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of homeless households to be provided affordable housing units	0	0
Number of non-homeless households to be provided affordable housing units	107	20
Number of special-needs households to be provided affordable housing units	41	20
Total	148	40

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	0	0
Number of households supported through the production of new units	0	26
Number of households supported through the rehab of existing units	57	14
Number of households supported through the acquisition of existing units	0	0
Total	148	40

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Under the City's Affordable Housing Goal for FY 2015-2016, the City proposed to pursue the following housing activities:

- Housing Rehabilitation Loans (CDBG and HOME) - 4 households
- Housing Accessibility Assistance Grants (CDBG) - 3 households
- GRID Alternatives (CDBG) -10 households
- Vista de la Terraza (CDBG) - 40 units
- Haciendas Phase III (HOME) - 50 units
- Haciendas Seniors Phase IV (HOME) - 41 units

The City was successful in completing or initiating all of its Affordable Housing Goals for FY2015-16. The following results occurred in FY 2015-2016.

- Housing Rehabilitation Loans (CDBG and HOME) - 1 household/4 applications processed

- Housing Accessibility Assistance Grants (CDBG) - 2 households/3 applications processed
- GRID Alternatives (CDBG) -10 households
- Vista de la Terraza (CDBG) - Property was acquired and construction is underway
- Haciendas Phase III (HOME) - Pending execution of project funding documentation
- Haciendas Seniors Phase IV (HOME) - Project under construction

Because the various multi-family projects are currently underway, they are not included in Table 11 and Table 12 in this CAPER but will be reported as accomplishments as they are completed in future years. The projects included in Table 11 and Table 12 are:

- Gateway Apartments – 20 HOME-funded senior units
- Wesley Oaks Subdivision – 6 HOME-funded ownership units
- Housing Rehabilitation – 14 units assisted with rehabilitation and/or LBP assistance

The new units completed in FY 2015-16 were projects included in the previous Consolidated Plan period. Among the 40 units constructed or rehabilitated, 20 were ownership units and 20 were rental units. Overall, the City will exceed its five-year goal for the Consolidated Plan period, as projects funded during the previous Consolidated Plan period have been delayed and are being completed during this Consolidated Plan (2015-2019) period. Due to this lag time between project funding and goal projection, the City's FY 2015 Action Plan was adjusted to reflect the projected units from previously funded projects.

Discuss how these outcomes will impact future annual action plans.

Once the existing VDLT, Haciendas III and Haciendas Seniors projects have been fully funded and completed this will free up funding for future affordable multi-family housing projects which will be reported in future annual action plans.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	0	6
Low-income	3	4
Moderate-income	10	19
Total	13	29

Table 13 – Number of Persons Served

Narrative Information

During FY 2015-16, the City addressed affordable housing needs by funding the VDLT 40-unit rehabilitation project which preserved the property to allow a total of 40 very low and low income households to remain in their residence. However, the rehabilitation work is only underway. This project will be reported in future CAPERs when the project is completed.

In addition the City funded 2 low-income households with the Housing Accessibility Assistance (HAA) Program, 1 low-income household with the Housing Rehabilitation Loan Program, and 10 moderate-income households with the GRID Alternatives Solar Program.

Projects funded in previous years with HOME funds but completed in FY 2015-2016 also benefitted 29 households through Gateway Apartments (20 units), Wesley Oaks Subdivision (3 units), and 2 households received assistance

with under the First-Time Homebuyer Assistance, and 1 household received assistance for lead-based paint abatement and other improvements.

The City utilizes its CDBG and HOME funds to provide affordable housing for the worst case needs. For example, Gateway Apartments is a 52-unit senior apartments with 20 HOME-funded units. This project reserves half of its units for chronically ill seniors. Hacienda IV is also a senior housing projects. Many seniors with little or no income are at risk of becoming homeless. The Vista de la Terraza project preserves housing units that would be at risk of converting to market-rate housing and thereby potentially preventing displacement and/or homelessness among some of the City's most vulnerable population. Housing Accessibility Grants also help persons with disabilities access adequate housing.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City's ESG-funded non-profit partners work directly to contact unsheltered persons in order to provide assistance: Interim Inc.'s McHOME program, Shelter Outreach Plus's (SOP) I-HELP program, and Franciscan Workers of Junipero Serra's Dorothy's Place facility in Salinas' Chinatown neighborhood.

Franciscan Workers of Junipero Serra: FWJS has outreach workers to communicate directly with unsheltered people on Chinatown streets. Quarterly barbeques held in conjunction with other agencies in the neighborhood also help to raise awareness of services.

Interim MCHOME Program: Interim outreaches to homeless persons in the community and then works with them to assess if they fit the criteria of chronic homelessness and psychiatric disabilities by having them meet with the psychiatric social worker and psychiatrist. Once eligibility is verified, clients may then be enrolled in the program. If the client does not meet the required criteria, they are referred to other appropriate service providers.

Shelter Outreach Plus: SOP's I-HELP program has worked directly to contact unsheltered persons in order to provide shelter, necessities and assistance to self-reliance. June 30, 2016 SOP's I-HELP program closed due to lack of funding.

In addition, the City of Salinas participates in the Chinatown Homeless Action Team (CHAT) with representatives of the Coalition of Homeless Service Providers, Interim Inc., California State University Monterey Bay (CSUMB), Sun Street Centers, Mid-Peninsula Housing Coalition, Housing Resource Center of Monterey County (HRC) and the Franciscan Workers of Junipero Serra. CHAT meets monthly. The City also meets with the Coalition by participating in a monthly Administration and Implementation Meeting. This year, the City has also attended bi-monthly meetings with the Community Foundation of Monterey County. Leaders from Monterey County, including City Managers, key City staff, non-profit institutions and the Community Foundation have met to try and create solutions to alleviate conditions in ChinaTown and provide solutions, including housing and resources. The Community Foundation has pledged to fund a storage program through the Coalition. City staff have also participated in a working group that meets monthly to create a vision for the ChinaTown area as a portal to services and resources for the homeless. City staff also attends the Housing Pipeline Committee meetings held by the Coalition bi-monthly. The purpose of this group is to aid in understanding the availability of housing resources for homeless and to create new solutions to facilitate housing supply throughout the County.

The Historic Resource Center Supportive Services for Veterans Families (SSVF) assists homeless veterans.

The Franciscan Workers of Junipero Serra and CSUMB Service Learning Institute have been working together with the residents of Soledad Street to explore possible approaches to installing and managing a public restroom in Chinatown. The Public Hygiene Lets Us Stay Human (PHLUSH) Group has focused on identifying and developing a cadre of Chinatown residents willing to manage and maintain the facility.

Addressing the emergency shelter and transitional housing needs of homeless persons

Foster Youth: In 2012, state foster-care providers worked to implement a 2010 California law that extends foster care to age 21 and may help foster teens find their way to transitional-living homes. In Monterey County, Peacock Acres Transitional Housing (PATH) is the provider for Monterey County's THP-Plus, a Transitional Housing Program designed specifically for former foster children ages 18 to 24. PATH offers qualified youth up to 24 months of subsidy in a supported environment while they pursue their formalized Transitional Independent Living Plan (T.I.L.P.). PATH operates in scattered site housing and provides employment opportunities, educational support, scholarships and

grants, career coaching, money management skills, social skills, and cooking, shopping, nutrition, stress reduction and life management skills.

Housing Resource Center: Because of the limited funding available, HRC's Emergency Rent Payment Program provides financial assistance only to households who are experiencing an emergency, but have the ability to become sustainable and pay future month's expenses without continued assistance. This program allows the families to remain in their current unit and avoid homelessness and/or the high cost of moving into another unit.

Rancho Cielo: The RC board of Directors created a strategic and master plan to address the problem of overnight safety for at-risk young men between the ages of 18 to 24 who are working to make a positive change in their life but are unsafe in their communities. These young men will have the opportunity to remain in these homes for a period of up to 24 months positioning them for responsible adulthood and improving the quality of life in their families and communities. The City's support of Rancho Cielo Independent living Village also helped provide transitional housing for the at-risk youth.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Discharge Policies: On May 8, 2007, the City of Salinas adopted a Discharge Coordination Policy pertaining to the discharge of persons from publicly funded institutions and systems of care. As the City neither owns nor operates any such facilities, the impact was largely symbolic. The Countywide Continuum of Care organization seeks to coordinate discharge policies among publicly funded institutions and systems of care. "Lead Me Home: The Game Plan for Housing Homeless People in Monterey and San Benito Counties" established the Discharge Planning Committee as well as Action Teams for Foster Youth, Health and Criminal Justice seeing to develop a county-wide discharge planning policy.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Homeless service agencies generally work to get homeless individuals into permanent housing as quickly as possible.

Housing Resource Center (HRC): With ESG City funding, HRC responded to 647 Salinas residents, calling, walking in, and otherwise applying to HRC for emergency housing and homeless prevention services this year. Salinas ESG funds provide only a small portion of the total funding needed to provide these emergency services; however HRC continues to strive to provide assistance to as many eligible applicants as possible. The HRC privately-funded Security Deposit Guarantee Program is a "self-help" program that provides assistance with move-in costs for low-income households. HRC provides a guarantee to the landlord, via a Letter of Credit, for the full deposit amount. Tenants pay their deposit to the landlord in twelve monthly installments without interest. HRC also provides Financial Literacy education, emergency clothing, and referrals. Under The City's ESG funding for Rapid Re-Housing, HRC assisted Salinas residents with emergency rental assistance, eviction prevention, security deposit guarantees, tenant education, financial literacy education and fair housing issues.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The Housing Authority of the County of Monterey (HACM) serves as housing authority for the County as a whole and for each city in the County (except the City of Soledad). The City of Salinas does not permanently own, manage, or otherwise control any residential property, including any property that could be categorized as "public housing." HACM has the responsibility for addressing public housing improvements, housing voucher programs, and resident initiatives. HACM is in the process of converting all public housing units countywide to Project-Based Rental Assistance.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

HACM has taken the lead in developing innovative models to enable the homeless and other low income families to achieve economic independence and self-sufficiency. Their multi-faceted plan to improve the operation of public housing units and assist clients toward self-sufficiency is detailed in their periodically updated Five Year Action Plan. HACM is in the process of converting all public housing units countywide to Project-Based Rental Assistance.

Actions taken to provide assistance to troubled PHAs

HACM has not been designated by HUD as "troubled."

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The most critical barrier to affordable housing in Salinas is that the need for decent and affordable housing far exceeds the City's available resources. With the elimination of redevelopment funds, the City's ability to address its affordable housing needs is seriously compromised. In addition, rising housing costs combined with the decrease in the availability of public funds has forced the City to suspend its First-Time Homebuyer Program. The HOME program regulations established the maximum purchase price of an existing single family dwelling at \$333,000 in Salinas for FY 2015-2016; this maximum purchase price limits the number of eligible properties for purchase as there were only a handful of properties below this price range. The City continues to aggressively pursue funding available at the local, state, and federal levels to supplement its limited funds. The City values its partnership with nonprofit housing developers such as CHISPA, MidPen, and MCHADC in pursuing innovative strategies to addressing the City affordable housing needs, including providing more permanent housing options for the homeless.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The homeless are among the most underserved group in Salinas, with ESG funding at a level far below what is needed to address the City's homeless issues. In response, the City has used its CDBG allocation to provide public facilities that can benefit this group.

In addition, the City has been working with the Counties of Monterey and San Benito Continuum of Care to receive State ESG funds. The City has agreed to serve as the lead agency for administering the new State ESG program. These funds will be used for homeless prevention services, emergency shelter services, rapid rehousing and outreach. The following agencies are recommended for funding: Franciscan Workers of Junipero Serra, \$63,763, Central Coast Center for Independent Living, \$100,000, Housing Resource Center, \$175,750, Community Human Services, \$55,000, and County of San Benito, \$190,000 will be carrying out these services.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

As required as a condition of receiving HUD funds, the City of Salinas complies with HUD's Lead Safe Housing Regulation (Title 24, Part 35). Primary compliance is through City Housing Services Program staff. Potential project sites with housing units constructed prior to 1978 are tested by a certified lead inspection firm (for lead paint and, where applicable, for other possible materials containing lead, such as ceramic tiles). When found, lead remediation is performed by certified LBP contractors before the rehabilitation contractor is permitted to begin work. In addition, regardless of date-of-construction, rehabilitation sites are inspected for failing paint surfaces (chipping, flaking) during the initial rehabilitation evaluation. If such deteriorating paint is found, lead testing is performed and the necessary steps taken if lead is found. All general contractors involved in the Rehabilitation/Housing Accessibility Assistance grants have received their certification as an EPA Renovation, Repair and Painting (RRP) contractor.

Lead-based paint testing, remediation and abatement activities are expensive. While such activities are eligible items for rehabilitation loans, the cost was found to be a deterrent to potential rehabilitation clients. The City therefore established a lead hazard grant program whereby rehabilitation clients are provided a grant sufficient to cover most - if not all- the costs of lead abatement. The lead testing and lead hazard grant policies also apply to participants in the Housing Accessibility Assistance (HAA) program, also administered by Housing Services.

Among the 14 total housing units rehabilitated in FY 2015-2016 through the Grid Alternatives Solar Program, City Housing Rehabilitation Loan Program and City Housing Accessibility Assistance (HAA) Grant Program, four housing units received Lead Hazard Grants from the City.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City's anti-poverty strategy is enumerated below, with specific FY 2015-16 actions noted within each category:

1. Continue to support the efforts of housing developers providing affordable housing opportunities in Salinas, particularly rental and multi-family housing. The City provided funds to CHISPA for the acquisition of property, relocation costs and Phase I and Phase II rehabilitation of Vista De La Terraza, a 40-unit affordable housing development. Funding is also provided to the Monterey County Housing Authority Development Corporation (MCHADC) and MidPen for the development of Haciendas III (50-unit family housing) and Haciendas IV (40-unit senior housing).
2. Through the Housing Resources Center (HRC), continue to support homeownership counseling and financial literacy training in the community, particularly focused upon lower income households and individuals. HRC assiste 164households in FY 2015-2016.
3. Continue to provide housing rehabilitation programs targeting lower income homeowners. The City provided 1 Housing Rehabilitation Loan and 2 Housing Accessibility Assistance (HAA) Grants to income-qualified households in FY 2015-2016.
4. Continue to support senior-related services, particularly those that relate to fair housing issues, to enabling seniors to remain in their own homes, and to addressing basic needs. In FY 2015-2016, 1,617 seniors were assisted by the Alliance on Aging's Senior Tax Counseling and Ombudsman Program, Legal Services for Seniors, and Meals on Wheels of the Salinas Valley.
5. Support community organizations providing services to the disabled community (and to those living with HIV-AIDS), particularly those that assist with securing and maintaining decent, appropriate housing. Support increased community education regarding those with disabilities, both general and with regard to housing needs. In FY 2015-2016, 155 persons with disabilities were assisted through these programs: Central Coast Center for Independent Living's Housing Access Project as well as provide funding to Interim's MCHOME project serving those with psychiatric disabilities.
6. Continue to support homeless service providers in Salinas and the larger community. Among Housing Resource Center for homeless prevention activities, Shelter Outreach Plus' I-HELP program for homeless single men, Franciscan Workers of Junipero Serra for their Dorothy's Place Hospitality Center, and Interim's MCHOME for persons with mental disabilities, the City assisted 950 homeless/at-risk homeless persons in FY 2015-2016.
7. Continue to support City and community programs focused upon the recreational and educational needs of Salinas' youth. An estimated 4,580 youths were served in FY 2015-2016 by the following programs: The City's Breadbox Recreation Center; Girls Inc.'s empowerment program; Sunrise House's counseling programs; Community Human Services' SuperParents; Suicide Prevention Service of Central Coast; Girl Scouts of Monterey County and Second Chance Youth Program.
8. Continue to promote Section 3 Employment and Economic Opportunities for low income residents and business concerns through the City's various housing programs and public improvement projects. Specifically, the Section 3 Clause is included in all bid package for public works projects. During FY 2015-2016, women-owned businesses received two percent of the overall contract value and one Section 3 business concern received three percent of the overall contract value.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City collaborated with the County of Monterey to develop a joint funding application process/system to help reduce administrative works associated with funding application and reporting. Use of City Data Services allows for more efficient and accurate management of the funds. The City provided CDBG funding to about 24 non-profit agencies in FY 2015-16 that have provided services within the City for many years. Four non-profit agencies received funding to alleviate homelessness utilizing ESG funding to supplement their efforts. The City has also established two

Council subcommittees – Affordable Housing and CDBG – to oversee the use of HUD funds. These two subcommittees provide an additional forum for nonprofits and stakeholders to communicate with the City and community members regarding housing and community development needs and plans for future projects. The City combined the two subcommittees into one this year. The subcommittee is tasked with the objective of enhancing coordination and improving the effectiveness and efficiency in using HUD funds. Specifically, the subcommittee evaluated, with input from the service providers and stakeholders, made changes to the criteria for allocating funds, and established a minimum grant amount for each agency. The City implemented a two-year cycle and a competitive funding application that would reduce administrative burden on City staff and subrecipients and allow for funding to assist in serving more clients. The City will also continue to monitor and evaluate the changing needs within the City and how best to fund various agencies to assist the low moderate income residents with CDBG Public Service and ESG funds.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City of Salinas partners with its strong network of public and private housing and social service agencies to provide housing and community development programs in the City. Coordination efforts are ongoing. In addition, the City is working with the Counties of Monterey and San Benito Continuum of Care to receive State ESG funds. This new funding source available to the region will allow the City to provide an increased level of services for the homeless and at-risk homeless. The City is serving as the lead agency for this funding program.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

In May 2015, the City adopted a new Analysis of Impediments (AI) to Fair Housing Choice. The following is a list of impediments to fair housing choice identified in the 2015 AI:

1. Linguistic isolation is severe among Hispanics.
2. The Alisal area includes some of the most distressed neighborhoods in Salinas.
3. Affordable housing projects are primarily concentrated in the Alisal area and in the Downtown.
4. Many public and community facilities in the City, including some parks and recreation facilities, are not fully ADA-compliant.
5. Discrepancies in lending outcomes were found.
6. The City of Salinas has not yet adopted a formal reasonable accommodations procedure.
7. Housing discrimination persists in the City, particularly discriminatory practices based on disability status and national origin.

Actions taken to overcome effects of impediments identified included:

1. The City continues to ensure that outreach materials and information on City housing programs and services is available in Spanish and Spanish-speaking staff is available to provide assistance to residents.
2. The City is working on updating the City's Limited English Proficiency (LEP) plan to reflect the changing demographics in the community and updating outreach materials.
3. City staff continues to engage community stakeholders, business owners and non-profits in the assessment of priorities for the Alisal NRSA.
4. The City is working on implementing the Alisal Neighborhood Revitalization Strategy Area Plan, with focused efforts in building nonprofit capacity to serve residents in this neighborhood through providing funding to nonprofits and coordinating with the Public Works Department to provide public improvements in the Alisal HNRSA.
5. Ensure that annually, a portion of the City's CDBG and HOME funds is expended in the Alisal NRSA to help address housing issues in this area. Staff has identified strategies that take advantage of the Alisal NRSA designation to allow more flexible uses of CDBG funds in the Alisal NRSA

6. The City is exploring incentives to provide affordable housing on site, encouraging mixed income housing throughout the community and is working on the Inclusionary Housing Ordinance to increase Affordable housing projects.
7. ADA Transition Plan is to go to City Council by the end of 2016. The plan is to be completed by February 2017.
8. Through the City's Capital Improvement Planning, identify resources to rehabilitate public and community facilities in a timely manner.
9. Provide funding to projects through CDBG that will increase ADA compliant projects.
10. Periodically review the lending patterns of all financial institutions that provide financial services to the City.
11. Provide financial literacy and loan acquisition trainings, with particular attention to outreach in minority populations, through HRC's housing services.
12. In selecting financial institutions to participate in housing programs, consider the lender's performance history with regard to home loans in low/moderate income areas and minority concentration areas.
13. The fair housing service contractor(s) should monitor lending activities in the City and identify potential issues.
14. Expand education and outreach efforts, with specific efforts outreaching to small rental properties where the owners/managers may not be aware of the fair housing laws.
15. Support local groups to provide workshops informing tenants of their housing rights.
16. Ensure bilingual fair housing information and resources are available on City website and at public counters and community locations. Expand fair housing information to languages according to the City's Limited English Proficiency (LEP) plan.
17. Pursue random testing to identify issues, trends, and problem properties and expand testing to cover other protected classes, especially those with emerging trends of suspected discriminatory practices.
18. Support enforcement activity by fair housing service providers and publicize outcomes of fair housing litigation as a means to deter discriminatory practices and to encourage reporting.
19. Celebrate Fair Housing Month and insert fair housing information into large community events.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City's monitoring procedures for the implementation of its CDBG, HOME, and ESG programs are summarized in Attachment 2.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

Citizen participation is one of the most important components of the Consolidated Plan (CP) process.

Publicity: Bilingual (Spanish-English) information about the CAPER was distributed in: flyers and Fact Sheets (at all three libraries, City Hall, Department of Community and Economic Development and by community partners at schools and churches and by sub-recipient partners at their agencies); email blasts; press releases; Public Service Announcements to television and radio stations; announcements on City website; display advertisements in The Californian (English language) newspaper and El Sol (Spanish) newspaper; meeting notice posted in City Hall, City Council chambers, and City Permit Center; and posted on City's Facebook/Twitter pages.

Public Review of Draft Documents: A 15-day public review was held from August 30, 2016 through September 20, 2016. Copies of the Draft CAPER were made available for the public at the following locations:

- City website: <http://www.ci.salinas.ca.us>
- Salinas City Hall
- Salinas Department of Community Development Department
- All three City libraries: Cesar Chavez Library; El Gabilan Library; John Steinbeck Library

No public comments were received during the public review period. The City Council reviewed the CAPER on September 20, 2016. No public comments were received at the meeting.

The CP, amendments, annual Action Plans and performance reports will be available for five years at Salinas Community Development Department.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

On April 5, 2016, the City amended its FY 2013-2014, FY 2014-2015, and FY 2015-2016 Action Plans, as well as the City's HUD Citizen Participation Plan. In addition, the City adopted a Two-Year Funding Cycle for the FY 2016-2018 for HUD funds.

A public notice was published regarding the substantial amendment and FY 2015-2016 Action Plans as well as the City's HUD Citizen Participation plan. Both an English and Spanish publication was made in the Californian and El Sol (Spanish news paper) on February 27, 2016. The public comment period began February 27, 2016 and comments were accepted until April 5, 2017 where a public hearing took place. No comments were received in writing nor at the public hearing regarding the substantial amendments or update to the citizen participation plan.

Amendment to Action Plans: The City allocated \$350,000 of FY 2014-2015 CDBG funds towards the total project cost to remodel the Old Municipal Swimming Pool Building at 920 N. Main Street into a recreational sports facility. The cost for the complete scope of work is approximately \$1,200,000, with minimum construction work necessary at this time totaling \$630,088. The City amended the FY 2014-2015 Action Plan to reallocate the following estimated amounts from other CDBG projects which were completed, have excess funds, or were unable to move forward, into the Old Municipal Swimming Pool Building Project:

- \$547,845 from the FY 2015-2016 Chinatown Renewal Street Project;
- \$77,160 from the FY 2013-2014 Engineered Wood Fiber Chips Project;
- \$113,800 from the CSUMB Microenterprise Training from FY 2014/2015 and FY 2015/2016; and
- \$58,480 from FY 2015-2016 CDBG Program Delivery Fees.

Total CDBG reallocation is \$797,285.

Citizen Participation Plan (CPP): The City updated the CPP from 2013 that determines the manner in which the City would provide financial or other assistance. The Plan was updated to include standard thresholds that define a substantial amendment to changes in funding of 25 percent or \$50,000. The City also included guidelines for Limited English Proficiency (LEP) in the Plan. The previous CPP had guidance that a proposed action or change that would create a significant environmental impact or relocation; changes in the use of CDBG funds from one eligible activity to another; or changes in the use of Emergency Solutions Grant (ESG) funding from one category to another. The new thresholds are more concrete and in-line with CDBG standards.

Two-Year Funding Cycle: To reduce administrative burden regarding the implementation of public services programs, the City instituted a two-year funding cycle.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Not applicable.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

The following list below represents all of the City's HOME-assisted affordable multi-family rental housing projects and shows the total number of HOME assisted units in each project:

- California House (436 California Street) – 5 units
- Foster Care Housing (7 Spoleto Circle) - 1 unit
- Gateway Apartments (25 Lincoln Avenue) – 20 units
- Haciendas Phase I (233 Calle Cebu) – 4 units
- Haciendas Phase II (241 Calle Cebu) – 6 units
- Jardines Del Monte (1253 Del Monte Avenue) – 5 units
- La Gloria Apartments (539 E. Market Street) – 10 units
- Los Padres Apartments (1260 John Street) - 5 units
- Lupine Gardens (300 Casentini Street) – 20 units
- Sherwood Village (808 N. Main Street) – 43 units
- Soledad House (439 Soledad Street) – 8 units
- Tresor Apartments (1041 Buckhorn Drive) – 8 units
- Tynan Village (323 Front Street) – 41 units
- Wesley Oaks (138 Carr Avenue) – 6 units

In accordance with the HOME final rule and §92.504(d), the following HOME assisted properties were due for an onsite inspection by City staff during FY 2015-2016. There were no property deficiencies detected during the on-site inspections for the properties listed below.

- Gateway Apartments (25 Lincoln Avenue) – 5 units inspected
- Haciendas Phase I (233 Calle Cebu) – 2 units inspected
- Haciendas Phase II (241 Calle Cebu) – 3 units inspected
- Sherwood Village (808 N. Main Street) – 5 units inspected

For the remaining HOME-assisted properties that did not require an onsite inspection, and in accordance with the HOME final rule and §92.504(d), starting FY 2015-2016 the City customized its online grant management software system (City Data Services), which now allows all property owners/managers to annually submit building and unit inspection reports and data as part of the HOME Annual Compliance Report.

In accordance with the HOME final rule and §92.504(d), the City will ensure that on-site inspections will occur within 12 months after project completion and at least once every 3 years thereafter during the period of affordability. In addition, the property owner/manager must annually certify to the City that each building and all HOME-assisted units in the project are suitable for occupancy, taking into account State and local health, safety, and other applicable codes, ordinances, and requirements, and the ongoing property standards established by the City to meet the requirements of §92.251. The City will ensure that inspections will be based on a statistically valid sample of units appropriate for the size of the HOME-assisted project, as set forth by HUD.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

There are three components to the City's "affirmative marketing" of activities funded by the HUD entitlement grants:

1. Outreach regarding program design and administration;
2. Marketing of programs operated by the City; and
3. Marketing of activities operated by sub-recipients and sub-grantees.

Language barriers can be an impediment to accessing housing of choice. Reflective of the demographics in the City, 68.5 percent of all Salinas residents spoke languages other than English at home, according to the American Community Survey (ACS). Over half of these residents spoke English "less than very well." Linguistic isolation is more severe among Hispanics than among Asians, with approximately 64 percent of Salinas residents speaking "Spanish or Spanish Creole" at home compared to only 3.8 percent speaking "Asian and Pacific Islander languages." Among "Spanish or Spanish Creole" speaking households approximately 58.3 percent spoke English "less than very well".

The April 2016 update to the City's Citizen Participation Plan (CPP) included guidelines for Limited English Proficiency (LEP).

Outreach Regarding Program Design and Administration: In keeping with the updated CPP, notices of Action Plan, CAPER, and community development need hearings and of annual Request for Proposals are typically published in Spanish in the local Hispanic newspaper "El Sol", in addition to the English notices in The Californian. The City also subscribes to the California Relay Service to accommodate TDD (telecommunication devices for the deaf) users; published public notices provide a TDD number. The City also provides notice to: Central Coast Center for Independent Living, Deaf & Hard of Hearing Service Center, and Blind and Visually Impaired Center. These local agencies serve groups that may need notice in a different format. The Draft Action Plan and CAPER were also made available at all City libraries. In addition, simultaneous Spanish/English translation (using headsets) is typically made available during City Council meetings (and at every hearing regarding Action Plans and other HUD-funded topics).

Marketing of Programs Operated by City: The City's HUD-funded activities are administered by the Housing Division of the Community and Economic Development Department. Of the six full-time positions allocated to the Division, three are certified by the City as bilingual English/Spanish, including the first point of contact for telephone and walk-in inquiries. An additional staffer hired in spring 2013 is bi-lingual in Spanish. Promotional materials are produced in both English and Spanish and whenever marketing is done via newspaper, the information is published in both English and Spanish. From time to time, targeted outreach for housing rehabilitation and first time homebuyer activities is focused upon Spanish-speaking residents, including information to bilingual realtors and mortgage loan packagers and Spanish language Public Service Announcements to the local news media.

Marketing of Programs Operated by Subrecipients: All City funding agreements employing funds from HUD grants require affirmative marketing activities. The City's monitoring plan includes verification that affirmative marketing is being employed. Many of the funded non-profit agencies routinely provide their services in a bilingual format. City housing activities that are not HUD-funded (e.g. inclusionary housing and density bonus programs) routinely require affirmative marketing to the community.

¹ American Community Survey offers the following sub-categories for members of the population that "Speak a language other than English": "Spanish or Spanish Creole"; "Other Indo-European languages"; "Asian or Pacific Island languages"; and "Other languages"

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

The City received \$153,725.56 in HOME program income, which is being used to augment funding for the City's multi-family housing projects underway.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

In addition to using HOME funds for the creation of affordable housing units, the City continued to offer the Housing Rehabilitation Loans and Housing Accessibility Assistance Grants to foster and maintain affordable housing by giving current homeowners:

- An avenue, besides going to a private Lender, to apply for a loan to rehabilitate their home; most importantly is the benefit of available deferred loans for those households that would not otherwise be able to afford to make monthly payments.
- Availability to Construction management services (inspections, WWU, contract docs, progress payments, project close-out that are included as part of the rehabilitation loan/ grant process. Housing staff offers project oversight so that homeowners do not need to worry if the contractor is doing the actual work they are contracted to do. Also contractors are not paid in lump sums; they are paid as the work gets completed.

The City's rehabilitation programs allows homeowners to remain and live comfortably in their homes after the repairs/modifications are completed.

The City also has an inclusionary housing policy that requires a specific percentage of affordable units be included in new housing developments. The City is in the process of updating this policy to improve its effectiveness to foster affordable housing.

CR-60 - ESG 91.520(g) (ESG Recipients only)

ESG Supplement to the CAPER in *e-snaps*

For Paperwork Reduction Act

1. Recipient Information—All Recipients Complete

Basic Grant Information

Recipient Name	SALINAS
Organizational DUNS Number	010919447
EIN/TIN Number	946000412
Identify the Field Office	San Francisco
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	Monterey County

ESG Contact Name

Prefix	Mrs.
First Name	Melissa
Middle Name	R
Last Name	Ruiz
Suffix	
Title	Community Improvement Assistant

ESG Contact Address

Street Address 1	200 Lincoln Avenue
Street Address 2	Community Development Department
City	Salinas
State	CA
ZIP Code	93901-
Phone Number	(831) 758-7334
Extension	
Fax Number	(831) 775-4258
Email Address	melissa.ruiz@ci.salinas.ca.us

ESG Secondary Contact

Prefix	Mr.
First Name	Francisco
Last Name	Brambilla
Suffix	
Title	Housing Rehabilitation Specialist
Phone Number	(831) 758-7334
Extension	
Email Address	frankb@ci.salinas.ca.us

2. Reporting Period—All Recipients Complete

Program Year Start Date	07/01/2015
Program Year End Date	06/30/2016

3a. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name Franciscan Workers of Junipero Serra
City Salinas
State CA
Zip Code 93901
DUNS Number 77-008-1240
Is subrecipient a victim services provider No
Subrecipient Organization Type Other Non-Profit Organization
ESG Subgrant or Contract Award Amount \$60,609.00

Subrecipient or Contractor Name Housing Resource Center of Monterey County
City Salinas
State CA
Zip Code 93901
DUNS Number 62-145-9010
Is subrecipient a victim services provider No
Subrecipient Organization Type Other Non-Profit Organization
ESG Subgrant or Contract Award Amount \$47,072.00

Subrecipient or Contractor Name Interim, Inc.
City Marina
State California
Zip Code 93933
DUNS Number 10-277-9576
Is subrecipient a victim services provider No
Subrecipient Organization Type Other Non-Profit Organization
ESG Subgrant or Contract Award Amount \$53,000.00

Subrecipient or Contractor Name Shelter Outreach Plus
City Marina
State California
Zip Code 93933
DUNS Number 16-536-8010
Is subrecipient a victim services provider No

Subrecipient Organization Type
ESG Subgrant or Contract Award Amount

Other Non-Profit Organization
\$29,380.00

CR-65 - Persons Assisted

4. Persons Served

4a. Complete for Homelessness Prevention Activities

Number of Persons in Households	Total
Adults	54
Children	68
Don't Know/Refused/Other	0
Missing Information	0
Total	122

Table 14 – Household Information for Homeless Prevention Activities

4b. Complete for Rapid Re-Housing Activities

Number of Persons in Households	Total
Adults	236
Children	269
Don't Know/Refused/Other	0
Missing Information	20
Total	525

Table 15 – Household Information for Rapid Re-Housing Activities

4c. Complete for Shelter

Number of Persons in Households	Total
Adults	225
Children	1
Don't Know/Refused/Other	7
Missing Information	0
Total	233

Table 16 – Shelter Information

4d. Street Outreach

Number of Persons in Households	Total
Adults	70
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	70

Table 17 – Household Information for Street Outreach

4e. Totals for all Persons Served with ESG

Number of Persons in Households	Total
Adults	585
Children	338
Don't Know/Refused/Other	0
Missing Information	27
Total	950

Table 18 – Household Information for Persons Served with ESG

5. Gender—Complete for All Activities

	Total
Male	363
Female	560
Transgender	2
Don't Know/Refused/Other	4
Missing Information	21
Total	950

Table 19 – Gender Information

6. Age—Complete for All Activities

	Total
Under 18	338
18-24	79
25 and over	506
Don't Know/Refused/Other	0
Missing Information	27
Total	950

Table 20 – Age Information

7. Special Populations Served—Complete for All Activities

Number of Persons in Households

Subpopulation	Total	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters
Veterans	14	1	3	10
Victims of Domestic Violence	138	10	44	66
Elderly	53	4	25	23
HIV/AIDS	4	0	1	4
Chronically Homeless	62	0	3	31
Persons with Disabilities:				
Severely Mentally Ill	132	3	16	59
Chronic Substance Abuse	33	1	9	11
Other Disability	126	6	18	50
Total (unduplicated if possible)	219	25	119	120

Table 21 – Special Population Served

CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes

10. Shelter Utilization

Number of New Units – Rehabbed	0
Number of New Units – Conversion	0
Total Number of bed - nighths available	
Total Number of bed - nights provided	
Capacity Utilization	

Table 22 – Shelter Capacity

11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

The City's ESG program is designed to complement the Monterey County Continuum of Care system, focusing on homeless prevention, rapid re-housing, and providing emergency shelters and essential services. To further enhance the City's ability to meeting the outcome and performance goals in the Continuum of Care Strategy, the City is taking the lead in the implementation of State ESG funds.

CR-75 – Expenditures

11. Expenditures

11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2013	2014	2015
Expenditures for Rental Assistance			
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance			
Expenditures for Housing Relocation & Stabilization Services - Services			
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	\$34,186	\$7,363	\$36,849
Subtotal Homelessness Prevention	\$34,186	\$7,363	\$36,849

Table 23 – ESG Expenditures for Homelessness Prevention

11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2013	2014	2015
Expenditures for Rental Assistance	\$5,709	\$17,180	\$30,922
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance			
Expenditures for Housing Relocation & Stabilization Services - Services			
Expenditures for Homeless Assistance under Emergency Shelter Grants Program			
Subtotal Rapid Re-Housing	\$5,709	\$17,180	\$30,922

Table 24 – ESG Expenditures for Rapid Re-Housing

11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2013	2014	2015
Essential Services			
Operations	\$31,236	\$54,419	\$44,434
Renovation			
Major Rehab			
Conversion			
Subtotal	\$31,236	\$54,419	\$44,434

Table 25 – ESG Expenditures for Emergency Shelter

11d. Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year		
	2013	2014	2015
Street Outreach	\$50,992	\$40,940	\$51,000
HMIS	\$4,646	\$2,500	\$11,910
Administration	\$10,278	\$11,969	\$13,000

Table 26 - Other Grant Expenditures

11e. Total ESG Grant Funds

Total ESG Funds Expended	2013	2014	2015
	\$137,047	\$134,371	\$188,115

Table 27 - Total ESG Funds Expended

11f. Match Source

	2013	2014	2015
Other Non-ESG HUD Funds	\$210,155		
Other Federal Funds		\$240,721	\$1,820,532
State Government	\$183,723	\$554,640	\$958,515
Local Government	\$50,004	\$364,186	\$83,724
Private Funds	\$116,000	\$1,584,164	\$795,720
Other	\$59,720	\$39,175	\$319,140
Fees			\$17,332
Program Income			
Total Match Amount	\$619,602	\$2,782,886	\$3,994,963

Table 28 - Other Funds Expended on Eligible ESG Activities

11g. Total

Total Amount of Funds Expended on ESG Activities	2013	2014	2015
	\$756,649	\$2,917,257	\$4,183,078

Table 29 - Total Amount of Funds Expended on ESG Activities

Attachment 1: Public Participation

Text of Ad:



**City of Salinas
PUBLIC NOTICE**

**AVAILABILITY OF DRAFT CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) for FY 2015-2016;
PUBLIC HEARING AND INPUT ON HOUSING AND COMMUNITY DEVELOPMENT NEEDS; AND PROPOSED SUBSTANTIAL AMENDMENTS TO FY 2009-2010, FY 2014-2015, FY 2015-2016, & FY 2016-2017 ANNUAL ACTION PLANS; AMENDMENT TO THE HUD CITIZEN PARTICIPATION PLAN; AND APPROVAL OF NEW RESOLUTION FOR STATE ESG FY 2016-2017;**

The City of Salinas has prepared a FY 2015-2016 (July 1, 2015 – June 30, 2016) Consolidated Annual Performance and Evaluation Report (CAPER) for submittal to the United States Department of Housing and Urban Development (HUD). The CAPER discusses the City's use of Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds for FY 2015-2016. The CAPER is a one-year plan which describes the eligible projects, programs and activities that were undertaken with CDBG, HOME and ESG funds during FY 2015-2016 and their relationship to priority housing, homeless and community development needs of the City of Salinas. The CAPER assesses the City's activities and accomplishments in relation to the 2015-2019 Consolidated Plan (Con Plan) and the FY 2015-2016 Annual Action Plan. The purpose of the CAPER is to show how the City has carried out its HUD-funded activities in accordance with the applicable regulations and the priorities identified in the Con Plan. Federal regulations and the City's Citizen Participation Plan (CPP) require a fifteen (15) day public comment period and that the CAPER be made available in public locations for community review. The CAPER public comment period will be from August 31, 2016 to September 23, 2016 and the CAPER will be submitted to HUD on or before September 28, 2016.

Copies of the draft CAPER may be reviewed starting August 31, 2016, at the following locations: The Community Development Department – Housing and Community Development Division office at 65 W. Alisal St., 2nd Floor, Salinas; the City Clerk's office at 200 Lincoln Avenue; the John Steinbeck Library; the Cesar Chavez Library; and El Gabilan Library, and on-line at the City's Housing and Community Development website: <http://www.cityofsalinas.org/our-city-services/community-development/housing-and-community-development>. Spanish translation of the above documents is available upon request. Citizen comments are welcomed and may be directed to: Anastacia Wyatt, Planning Manager at the address above or call (831) 758-7334 or e-mail to anastacia.wyatt@ci.salinas.ca.us.

The City, through its annual carryover process, has determined that approximately \$584,400 of CDBG funds, \$100,000 of HOME funds and \$14,946.31 of ESG funds were available for re-programming. The City has solicited from organizations, community agencies and City departments for CDBG-eligible projects that meet the City's FY15-19 Consolidated Plan.

For the CDBG program, the City plans to deallocate \$150,000 from FY14-15 and \$194,400 from FY 15-16 of CDBG funds from the 10 Soledad Street (Design/Construction) Project. The City also has available \$100,000 from the final FY 09-10 Green Vehicles repayment and \$131,000 from FY 14-15 and 15-16 Program Income and unspent funds from the FY 14-15 ADA Sidewalk Construction at Tatum's Garden project and FY 15-16 public service programs. The City plans to allocate \$100,000 from the Green Vehicles and \$100,000 from the 10 Soledad Street Project to the FY 14-15 ADA Improvements for the Steaming Ahead project; \$20,000 from the 10 Soledad Street project for Activity Delivery for the ADA Improvements for the Steaming Ahead project; and \$20,000 from the 10 Soledad Street project the Public Service, Boys and Girls Club of Monterey County for the Catch the Bus (CTB) Transportation Program. The approximate remaining funds of \$344,400 will be reallocated in the future.

For the HOME Program, the City has approximately \$80,000 of FY 15-16 and \$20,000 of FY 16-17 Program Income. The City plans to allocate this funding to Community Housing Improvement Systems and Planning Association, Inc. (CHISPA) for the FY 13-14 Vista de la Terraza Phase 1 & 2 Project.

For the ESG Program, the City plans to allocate approximately \$14,946.31 of unused funds from FY 15-16 to Interim Inc. to be used for the eligible activities: HMIS and Street Outreach/Emergency Shelter.

The City recently updated its CPP concurrently with the 2015-2019 Con Plan. However, the CPP is being further updated to comply with additional HUD requirements which include: 1) clarifying standard thresholds that would trigger a substantial amendment, 2) strengthening language for Limited English Proficiency (LEP), 3) updating public information data, 4) clarifying due dates, and 5) clarifying the citizen complaint response period.

Council will review a Resolution approved by the Department of Housing and Community Development to approve the City as the State of California, ESG Administrative Entity.

PUBLIC HEARING

The Salinas City Council will hold a public hearing on September 20, 2016 in the Council Chambers during the City's regular Council meeting beginning at 4 p.m., located at 200 Lincoln Avenue to obtain comments on the 2015-2016 CAPER and proposed amendments to the aforementioned ANNUAL ACTION PLANS that govern the use of federal funds used by the City for housing and community development activities.

DISABLED PERSONS REQUIRING ACCOMMODATION IN ORDER TO PARTICIPATE IN THE MEETING SHOULD CONTACT CITY CLERK AT (831) 758-7381 BY 3 P.M., ON SEPTEMBER 6, 2016. THE CITY COUNCIL ROTUNDA IS ACCESSIBLE TO THOSE WITH MOBILITY IMPAIRMENTS. SPANISH LANGUAGE TRANSLATION IS AVAILABLE AT THE MEETING. TDD USERS MAY CONTACT THE CITY THROUGH THE CALIFORNIA RELAY SERVICE AT 711.

August 19, 2016 (1516063)

Attachment 2: Monitoring Procedures

The City Housing Division maintains accurate records, both program and financial, pertaining to community development activities, including housing and emergency shelter grant activities. Emergency Solutions Grant (ESG) and CDBG-funded public service activities are monitored continuously. Documentation, including activity reports, is required to be submitted with all payment requests. All loan servicing functions (pay-offs, partial payments, subordinations, annual affidavits, etc.) of outstanding loans in the City loan portfolio are also handled in-house using City Data Services interactive computer software system.

City's compliance Officer II is currently vacant and the duties are currently being performed by Hilda Garcia, Public Works Admin Supervisor, and former Compliance Officer II, who oversees compliance with federal labor standards requirements (e.g., Davis-Bacon) for all Capital Improvement Projects (CIPs) assisted with CDBG funds. Further staff oversees compliance with all federal labor standards requirements on a project-by-project basis for all other CDBG- and HOME-assisted projects, beginning with contract drafting and pre-construction conferences and proceeding through the necessary contractor submittals to project close-out. In limited instances, qualified subrecipients (e.g., HACM and CHISPA) have the resources to oversee federal labor standards with their own staff or enter into a service contract with a Labor Compliance Consulting entity to oversee all federal labor compliance responsibilities. The Public Works Compliance Officer attends labor compliance training when available through the State or Federal agencies to stay abreast of any regulatory changes.

The City continues to implement its formal process of executing a Memorandum of Record (MOR) with other City Departments upon allocation of CDBG funds for Capital Improvement Projects (CIPs). The MOR continues to serve as an alternate method to a Funding Agreement for ensuring program compliance for federally assisted capital improvement projects. Since implementation of the MOR process, compliance issues have declined and successful compliance has increased.

The City has also implemented various steps to further ensure compliance by all CIPs with applicable CDBG program regulations. The MOR was enhanced to include additional language pertaining to submittal of reports on a timely manner. This will assist with early detection of critical project impediments with potential to impact the annual CDBG Timeliness Ratio criteria and will allow for implementation of effective remediation steps. Further language was added to the MOR regarding compliance with 24 CFR Part 570.505 applicable to real property within the City's control which was acquired or improved in whole or in part using CDBG funds in excess of \$25,000 and Change of Use Requirements for all Public Facilities & Improvements eligible under §570.201(c). A key focus during assessments is compliance with the adopted Consolidated Plan and the City's Housing Element, plus support to the City Council's Goals. Information gathered is employed to evaluate progress towards established goals; to confirm compliance with statutory and regulatory requirements of governing federal legislation (e.g., National Affordable Housing Act); to determine possible revisions to City policy and procedure, including the Consolidated Plan and Housing Element; and, to prepare performance reports such as this document.

Monitoring Consolidated Plan and HUD Program Compliance: The primary action in this regard occurs during the review of proposals received as a result of the annual funding RFP. Proposals are evaluated and compared based upon the policies and priorities in place and then City staff's allocation recommendations are based upon the results of this analysis. Any proposed amendments to the Action Plan during the program year are also evaluated on this basis. In each case, the various timeliness rules, with respect to commitment and expenditure of funds, are also considered. All funding agreements contain deadlines governing timely use of funds; Salinas has a long-standing record of meeting CDBG, HOME, and ESG commitment and drawdown standards. Subrecipient funding agreements require compliance with not only the relevant federal regulations and OMB guidance, but are drafted to ensure that funded activities are carried out as contemplated in the Action Plan. Division staff continues to closely monitor the performance of other City departments whenever they receive allocations of the federal funds in question through the implementation of the Memorandum of Record (MOR) used for program and reporting compliance of CDBG assisted projects.

Compliance with Housing Standards: Compliance with housing standards is ongoing. Division staff schedules visits to assisted housing sites following completion of construction or rehabilitation. Recipients of deferred payment

rehabilitation loans are evaluated every five years to determine feasibility and continued use of a deferred loan or conversion to amortized loans; the process includes a site visit to determine the up-keep of the unit and gathering of financial household information to determine eligibility. Desk monitoring of completed new construction projects is conducted to determine the appropriate intervals for performing site visits; in addition, almost all major projects receive restricted financing from other sources (e.g., federal tax credits, State funds), which typically include rigorous ongoing monitoring requirements.

In addition, transitioning of the multi-family reporting process into the CDS database was completed in FY 2013. The CDS database tracks all funded CDBG and HOME multi-family projects from award phase, construction phase to project completion. Thereafter, the project moves into the annual reporting category where it will remain active, meaning Annual Data Collection Forms will be submitted until the expiration of the affordability period. This provides Grantees with a more efficient data gathering process and offers a more consistent method in collecting annual reports and reviewing data for compliance. City staff continues to work with the CDS database programmers to ensure accurate compliance with project's income/rent restrictions. Various challenges were encountered as numerous affordable housing projects have multiple rent/income restrictions imposed by other program regulations such as the City's Inclusionary Housing Program and the former Salinas Redevelopment Agency (SRA). Thus, making it arduous to achieve comprehensive program compliance for each restricted unit. Staff continues to research and implement system changes in order to attain comprehensive program compliance for all existing affordable housing projects.

As stated previously, City staff continues to enforce revised reporting policies for all CDBG and HOME projects. Annual, Quarterly or Monthly Reporting is accomplished through CDS. Grantees continue to submit Quarterly Progress Reports (QPR) with reporting periods as follows: Period 1- July 1 to September 30; Period 2-October 1 to December 31; Period 3- January 1 to March 31; and Period 4-April 1 to June 30. Current reporting requirements during Period four for all CDBG and HOME assisted projects remains the same as prior years as grantees are required to submit an Annual Project Narrative following the end of the fiscal year.

While the City no longer offers the First-Time Homebuyer Program (FTHB) for new assistance, all active FTHB program participants are monitored to determine that homeowners are using subject properties as their principal place of residence, maintaining proper hazard insurance and are current on property taxes. Additional monitoring takes place throughout the year as homeowners contact staff to receive information on refinancing, subordination, loan payoff or just to ask questions about their loans. During these consultations, staff confirms that the information provided matches information in their project file.

As part of the City's deferred rehabilitation loan program, staff has prepared a plan to begin the monitoring of these loans every five years as stipulated in their agreement; subject properties will be monitored for: deferred loan continued eligibility, using home as their principal place of residence, maintaining proper hazard insurance and are current on property taxes. The City also utilizes CDS as a notification tool to remind staff when a loan is due for a review.

Public Services: Staff prepares an annual Monitoring Plan. Monitoring of program progress, accomplishments, and compliance with HUD program rules is an ongoing activity conducted by staff by means of thorough review of monthly and quarterly reimbursement requests, activity reports, and rate of expenditures.

Staff completes a Risk Assessment of every subrecipient every year and in most cases, a Desk Review Monitoring, utilizing two checklists designed for that purpose. The Desk Review Monitoring draws on information in the file, but also documents submitted during the application process (e.g. annual agency audit) since most have submitted applications for the following fiscal year. This year, to determine compliance with accommodations for Persons of Limited English Proficiency, staff requested copies of outreach materials and applications. All agencies had materials in Spanish. Staff also carefully reviewed intake forms and discovered that a few agencies had not correctly incorporated HUD's nine revised categories for reporting ethnicity and race. Corrections were made immediately. The intake forms were also useful to review the categories of beneficiary data such as income levels, disabled, single parent, and elderly that HUD requires.

The results of the Desk Review Monitoring guide staff in the selection of agencies to be reviewed on-site: all of the CDBG Public Services and ESG Public Services, and two HOME projects were monitored on-site this FY. For FY 2015-2016, Alliance on Aging, Inc., Boys & Girls Clubs of Monterey County, Central Coast Center for Independent Living, City of Salinas Bread Box Recreation Center, City of Salinas Hebron Family Center, Community Human Services: SuperParents, Food Bank for Monterey County, Franciscan Workers of Junipero Serra: Dorothy's Place Hospitality Center, Girl Scouts of California, Girls Inc. of the Central Coast, Housing Resource Center of Monterey County, Legal Services for Seniors, Meals on Wheels of the Salinas Valley, Inc., Rancho Cielo: Independent Living Village, Family Services Agency: Suicide Prevention, Shelter Outreach Plus, and Interim (MCHOME) Monitoring standards used are HUD's forms under CDBG standards "Checklist for On-site Monitoring of a Subrecipient" in the "Managing CDBG, A Guide Book for Grantees on Subrecipient Oversight", as well as City of Salinas' CDBG Desk Guide and ESG Manual. Forms used to complete the monitoring visit are in the "CPD Grantee Monitoring Handbook" under CDBG Entitlement depending upon the type of activity provided. Staff notifies the agency about potential visit dates to conduct a site visit and requests review of program documents such as but not limited to: agency's payroll ledger, employee time cards, receipts for other claimed expenses, the most recent financial audit, personnel policies, equal opportunity policy, case files, and client files that support the reported data for Salinas clients (as noted on the monthly and quarterly Activity Data Report). After the monitoring visit, a follow up letter is sent stating the results of the visit. If there are any issues or signs of noncompliance, it is discussed in detail with the program manager/executive director to assist in bringing the agency in compliance at the exit conference. At this time there have been no findings for any agency. Staff is currently in the follow-up phase of the onsite monitoring process.

CDBG-Public Facilities: Public Facility Improvement Projects (where improvements have been completed) are required to annually submit an "Annual Data Collection Form" designed to capture service data such as: the total number of direct beneficiaries, race and ethnicity of each beneficiary, and all data required under HUD's Community Planning and Development Performance Measurement System. The City's Housing staff has currently transitioned all open projects to the CDS website, thus streamlining the reporting process and creating an improved database of all funded projects. As in prior reports, all data continues to be gathered on a monthly and/or quarterly and annual basis. Upon receipt of data, staff continues to review to ensure compliance with appropriate national objectives.

CDBG-Capital Improvement Projects: Staff continues to monitor projects during the design phase, bid opening phase, construction phase and completion phase to ensure compliance with all applicable federal provisions (i.e., Davis-Bacon, Minority Business Enterprise/Women Business Enterprise, Section 3, Executive Order 11246, Executive Order 11063, and Title 24 CFR Part 85). The City continues to revise and improve its existing tools to assist with project monitoring during these phases. Such tools include: Federal Labor Compliance Checklist; Contractor and Subcontractor Compliance Worksheet; Quarterly Progress Report; and monthly or bi-weekly correspondence with the subrecipient or assigned City of Salinas Construction Inspector. Additionally, the City continues to review the previously developed standard CDBG Bid Specification Package that includes all applicable federal forms and provisions to ensure all forms and data are current. The City will continue to assess current process and research better methods for ensuring compliance with all federal provisions. Currently, the established process continues to significantly reduce the amount of staff time previously required to achieve compliance.

As previously reported, Labor compliance in Capital Improvement Projects continues to be a high priority. The PW Labor Compliance Officer continues to increase her knowledge regarding the Federal labor compliance regulations and continues to attend State and Federal Labor Compliance trainings.

Attachment 3: IDIS Report – PR 26

The City's PR 26 – CDBG Financial Summary Report is attached on the following pages.

RESOLUTION NO. 21052 (N.C.S.)

**A RESOLUTION OF THE SALINAS CITY COUNCIL
APPROVING THE FY 2015-2016 CAPER FOR THE PROGRAMS OF THE
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CDBG, HOME AND ESG AND ACCEPTING COMMENTS ON HOUSING AND
COMMUNITY DEVELOPMENT NEEDS**

WHEREAS, the FY 2015-2016 Consolidated Annual Performance and Evaluation Report (CAPER) is an annual report which describes the eligible projects, programs and activities that were undertaken with United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) and Emergency Solutions Grant (ESG) funds for the period of July 1, 2015 through June 30, 2016; and

WHEREAS, the FY 2015-2016 CAPER reports the City's progress in meeting the non-housing community development needs, affordable housing needs, needs of homeless and special needs of non-homeless persons in relation to the 2015-2019 Consolidated Plan (Con Plan) and FY 2015-2016 Annual Action Plan (AAP) for activities carried out under CDBG, HOME, and ESG programs, and;

WHEREAS, in accordance with 24 CFR Part 91.105, the City is required to conduct a public hearing each year to obtain citizens' views on housing and community development needs; and

WHEREAS, a notice was published in The Californian on August 19, 2016 and El Sol on August 20, 2016 respectively, announcing the 15-day public comment period beginning August 31, 2016 through September 23, 2016; and the notice also advised the public of an upcoming public hearing at the City Council meeting scheduled for September 20, 2016; and the notice advised the public of a public hearing on housing and community development needs.

NOW, THEREFORE, BE IT RESOLVED that the Salinas City Council hereby approves the attached FY 2015-2016 CAPER and has accepted comments on housing and community development needs in a public hearing announced for that purpose.

BE IT FURTHER RESOLVED that the Salinas City Council hereby authorizes the City Manager or his designee to execute, for and on behalf of the City of Salinas, the FY 2015-2016 CAPER and submit to HUD.

PASSED AND APPROVED this 20th day of September, 2016, by the following vote:


AYES: Councilmembers: Barrera, Craig, De La Rosa, Lutes, McShane and Mayor Gunter

NOES: None

ABSENT: Councilmember Castaneda


ABSTAIN: None

APPROVED:



Joe Gunter, Mayor

ATTEST:



Patricia M. Barajas, City Clerk