

2005-2006 Action Plan

The Action Plan serves as a link between the objectives developed to address priority housing and community needs identified in the City's 2005-2009 Consolidated Plan with the annual expenditure of federal resources (specifically CDBG and HOME funds). These objectives and priorities have been developed in support of the City's **vision statement** for community revitalization, i.e., *effective and efficient utilization of federal funds to prevent or eliminate conditions of blight and address the priority needs of Costa Mesa's lower income households.*

The Action Plan is the portion of the Consolidated Plan that is revised annually. The specific time frame covered by the 2005-06 Action Plan begins July 1, 2005 and ends June 30, 2006. The City refers to this time frame as a Fiscal Year (FY); HUD refers to this time frame as a Program Year (PY). These two terms are used interchangeably throughout the Action Plan.

The Action Plan includes several HUD required components including:

1. **Standard Form 424** – These forms serve as the City's formal application to HUD for grant funds for the FY 2005-06.
2. **Resources** – Federal, non-federal and private funds expected to be available to address priority needs and objectives identified in the Consolidated Plan. Also, the Action Plan provides information regarding the leveraging of non-federal and private resources with federal grant funds, and how match requirements of HUD programs will be met.
3. **Description of Activities to be Undertaken** – Descriptions and information regarding activities the City will undertake in FY 2005-06 to meet priority needs. Descriptions of activities include:
 - Number of persons that will benefit from grant funded activities.
 - Specific local objective and priority needs.
 - Proposed accomplishments.
 - Target date for completion.
4. **Geographic Distribution** – A description of the geographic distribution of direct assistance.
5. **Homeless and other Special Needs** – A HUD required outline specifying the activities that will be undertaken during the fiscal year to address the needs of the City's households at risk of homelessness, those currently homeless, and persons that are not homeless, but have special needs. HUD requires that actions to address the following activities be outlined in detail:
 - Homelessness prevention
 - Emergency shelter

- Transitional housing
 - Transition to permanent housing
 - Persons with special needs, but not homeless
6. **Other Actions** - HUD also requires the City to reevaluate how the additional strategies outlined in the Consolidated Plan will be addressed during the fiscal year. These additional strategies include:
- Addressing obstacles to meeting “underserved” needs
 - Fostering and maintaining affordable housing
 - Removing barriers to affordable housing
 - Evaluating and reducing lead-based paint hazards
 - Reducing the number of poverty level families
 - Developing institutional structures
 - Enhancing coordination between public and private housing and social service agencies
 - Economic Development
 - Fostering public housing improvements and resident initiatives. NOTE: this element of the Action Plan is not applicable to Costa Mesa since the City does not operate a public housing authority.

The Impediments to Fair Housing Choice Analysis and action plan is also found in this section of the Annual Action Plan. And new for the 2005-06 fiscal year is the inclusion of measured outcomes utilizing results-oriented management and accountability techniques.

7. **Program Specific Requirements** – There are certain program requirements that must be included in the Action Plan for the CDBG and HOME programs.
8. **Monitoring** - The City is required to provide a description of the standards and procedures it will use to monitor activities carried out in furtherance of the Consolidated Plan and the Action Plan.
9. **Certifications** - HUD requires that the City submit various certifications related to the implementation of the Consolidated/Annual Action Plan, and the CDBG and HOME programs.

HUD also requires that the City demonstrate how the expenditure of federal funds and non-federal funds will meet the goals and priorities identified in the Consolidated Plan. The Consolidated Plan contains several tables that delineate housing and community needs and five-year goals to address these needs. The 2005-06 Program Year will be the first year of a new five-year Consolidated Plan cycle. In future years, **Exhibit 1** will be utilized to provide a summary of five-year accomplishments. This table will be updated annually upon the completion of a program year.

In compliance with HUD regulations, a 30-day public comment period was held so members of the public are afforded the opportunity to review and comment on proposed activities. A public notice was published in the **Newport-Mesa Daily Pilot** on March 25, 2005. The 30-day comment period commenced on March 26, 2005 and ended April 25, 2005. This public notice also announced the HUD-required public hearing. The Costa Mesa City Council held this public hearing on April 19, 2005. As required, a copy of all written public comments and a summary of comments from public meetings/hearings are summarized in **Attachment 1**. **Attachment 1** also contains staff's response to written comments.

HUD Standard Form 424 - CDBG

HUD Standard Form 424 - HOME

2. RESOURCES

Federal Resources

As part of the Consolidated Plan Action Plan, federal regulations require the City of Costa Mesa to identify federal and non-federal resources expected to be available to address the priority needs and objectives identified in the Consolidated Plan. **Table 4** provides information regarding federal grants that are expected to be available during the 2005-06 Program Year.

Table 4 - Anticipated Federal Grant Resources for FY 2005-06

RESOURCES	ANTICIPATED AMOUNT
Community Development Block Grant (CDBG)	\$1,563,176
CDBG Program Income	\$0
CDBG Prior Year Program Income	\$183,689
CDBG Prior Year Reprogrammed Funds	\$197,402
HOME Investment Partnership Program (HOME)	\$750,655
HOME Program Income	\$60,709
TOTAL	\$2,755,631

Source: U.S. Department of Housing and Urban Development and City of Costa Mesa

Other Non-Federal Public and Private Resources

As part of the Action Plan, federal regulations require the City of Costa Mesa to delineate non-federal and private resources expected to be available to address the priority needs and objectives identified in the Consolidated Plan. **Table 5** provides information regarding non-federal and private resources expected to be available during the 2005-06 Program Year. **Exhibit 2** also provides a listing (and detail) of these and other resources that may be available to the City of Costa Mesa to carry out Consolidated Plan activities.

Table 5 - Non-Federal Public and Private Resources For FY 2005-06

RESOURCES	ANTICIPATED AMOUNT
Mortgage Credit Certificate (MCC) ¹	\$0
Costa Mesa Redevelopment Agency Low-Income Housing Set-Aside Fund ²	\$904,856
Private Funds ³	\$2,750,000
TOTAL	\$3,654,856

1. The City will participate in the regional MCC program; however due the first come first served nature of the program it is not possible to estimate total resources the program will provide Costa Mesa homebuyers.
2. Total includes funds for program administration, rental rehabilitation, first-time homebuyer assistance and other affordable housing program costs.
3. Assumes 10 first trust deeds of \$275,000 obtained by homebuyers. Does not include funds from public service providers.

Leveraging of Resources

HUD requires the City to discuss how federal resources to be made available during the 2005-06 Program Year will leverage other non-federal public and private resources.

The City will continue to layer private and non-federal resources with federal resources especially when gaps in financing of affordable housing projects are identified. CDBG funds will also be used to match other resources obtained to undertake street improvements slated for FY 2005-06. With respect to public services funded with CDBG funds, the City requires all grant subrecipients to identify other resources they will utilize during the Program Year to operate and implement CDBG-supported activities. It is the City's intent to ensure adequate non-federal and private funds are available thus minimizing the dependence on federal funds. As shown on **Table 4**, over \$3.6 million in non-federal resources will leverage CDBG and HOME funds during FY 2005-06.

Federal Match Requirements

There is no federal requirement for the City to match CDBG funds with other non-federal program resources.

The HOME program does require that for every HOME dollar spent, the City must provide a 25% match with non-federal dollars. HUD allows the City to use various resources to meet this match requirement. Eligible forms of match include:

- Cash
- Value of waived taxes, fees or charges
- Value of donated land
- Value of donated materials and/or labor

Costa Mesa will continue to implement its current strategy to match HOME funds by undertaking projects that blend local and private resources with HOME funds. Based on past actions, match sources will include the value of waived fees and charges, the value of donated land, and the value of donated labor/materials. As required, the City will maintain a log of current match sources including a balance of excess match (if applicable).

3. ACTIVITIES TO BE UNDERTAKE

Descriptions of the activities the City of Costa Mesa will undertake during FY 2005-06 are provided as **Attachment 2 (CPD Consolidated Plan Listing of Proposed Projects)**. These activities have been selected for implementation in order to address HIGH priority needs identified in the Consolidated Plan's five-year goals.

Descriptions of activities includes:

- The number and type of individuals that will be assisted by the proposed activity.
- Specific local objective and priority need.
- Location of activity.
- Proposed start/end dates.
- Federal funds to be made available.

4. GEOGRAPHIC DISTRIBUTION

The description of the geographic distribution of federal grant funds is depicted in **Map No. 1**. This map provides a view of the City's target area where CDBG resources may be utilized and plots where FY 2005-06 proposed activities will be located. Additionally, HUD requires that the City provide information regarding the geographic distribution of HUD funds and how this distribution relates to areas of minority concentration. The City will primarily focus its Consolidated Plan-funded activities in the community's Low- and Moderate-income areas, which are predominately situated in Costa Mesa's "Westside." Costa Mesa's Westside does have the City's highest concentration of Latino/Hispanics. Areas of the City outside of the CDBG target areas will benefit from activities that are "limited-clientele" in nature, i.e., a person/household can benefit from federally assisted program provided they meet program eligibility criteria.

In 2003, HUD notified the City that it was eligible to utilize an alternate Low-/Moderate-income standard than that published by HUD at the beginning of each calendar year. HUD regulations allow "high cost" areas such as Orange County to utilize the "uncapped" 80% income standard versus HUD's capped. The latter is typically adjusted downward to mirror national median income trends. The benefit of utilizing the uncapped 80% income standard is that in general, both the CDBG and HOME programs can be used to assist households with slightly higher incomes. **Table 6** provides the 2005 "capped" income standards. The City is still waiting for HUD to publish the uncapped 2005 income standard. On occasion, the capped income standard is higher than the uncapped. The City will use the standard that allows assistance to be provided to households with the highest income possible.

Table 6 –2005 "Capped" Low-/Moderate-Income Standard

MEDIAN \$75,700	1 PERSON	2 PERSONS	3 PERSONS	4 PERSONS	5 PERSONS	6 PERSONS	7 PERSONS	8 + PERSONS
CAPPED	\$43,000	\$49,150	\$55,300	\$61,450	\$63,650	\$71,250	\$76,200	\$81,100

Source: U.S. Department of Housing and Urban Development

5. HOMELESS AND OTHER SPECIAL NEEDS

This portion of the Action Plan delineates the specific activities that the City will undertake during FY 2005-06 to address the objectives and goals outlined in the Consolidated Plan aimed at implementing the HUD-required continuum of care for the homeless strategy. The summary below outlines the activities the City proposes to carry out during 2005-06 to address the needs of Costa Mesa's homeless individuals and families, those at risk of becoming homeless, and households with special needs that require housing. In past years the City of Costa Mesa dedicated a specific percentage of its CDBG public service grant funds toward homelessness prevention and homeless assistance programs. In February 2005, the Council voted to eliminate specific percentages reserved for homeless services; however, resources have been allocated to address the needs of Costa Mesa's homeless and the regional Continuum of Care strategy for Orange County's homeless.

- Prevention – A variety of programs are available to assist Costa Mesa households at risk of becoming homeless. These programs are offered by numerous community-based nonprofits, and include one-time payment of rent/utilities to prevent eviction and/or utility terminations, monetary assistance for basic necessities such as auto repairs, prescriptions, and free/reduced cost food and medical care. No CDBG funds are allocated for homelessness prevention activities during the 2005-06 Fiscal Year.
- Emergency Shelter – CDBG public service grant funds have been allocated to provide emergency shelter and support services for youth and women who are recovering from substance addiction. It is anticipated that 500 Costa Mesa homeless individuals, 20 Costa Mesa youth, and 15 Costa Mesa women and children will be assisted with these funds during FY 2005-06.
- Transitional Housing – Transitional housing is a key component to a continuum of care strategy. Transitional housing provides a critical link to permanent housing and self-sufficiency. It is anticipated that 60 women and their children, that are victims of domestic violence, will be assisted with transitional housing during FY 2005-06.
- Transition to Permanent Housing – Individuals leaving a transitional homeless housing/supportive care programs will access permanent housing with the assistance of community-based nonprofits. No City resources have been allocated to support permanent housing activities during FY 2005-06; however, several community-based service agencies will provide such housing opportunities for the community's homeless.
- Persons With Special Needs That Are Not Homeless But Require Supportive Housing – During the 2005-06 Program Year, the housing needs of persons with special needs will be addressed by supporting programs administered by local community based non-profit agencies. Individuals with special needs include victims of domestic violence, the disabled, and individuals recovering from substance addiction. It is estimated that 15 individuals recovering substance addiction will be assisted during the 2005-06 Fiscal Year.

6. OTHER ACTIONS

Impediments To Fair Housing Choice

Costa Mesa is required to undertake an analysis of impediments to fair housing prevalent in the community and to develop an action plan to address impediments. The City participated in the preparation of a regional Analysis of Impediments to Fair Housing (AI). This regional AI was a joint effort of the Fair Housing Council of Orange County (FHCOC), the County of Orange, and 13 Orange County municipal jurisdictions that receive federal grant funds from HUD. HUD regulations require that an AI be prepared in conjunction with the Consolidated Plan planning cycle (i.e., at least every five years). The current regional AI was prepared in 2000, and covers the time period of Program Years 2001-2002 through 2005-2006. The City is presently participating in the preparation of a new AI that will cover the 2006-07 through 2010-11 timeframe.

The AI identified impediments to fair housing choice on a regional basis, and delineates strategies regional partners may undertake to overcome identified impediments. During the 2005-06 Program Year the City will undertake and support various actions to address impediments to fair housing choice.

Identified Impediments: The regional AI identified the following impediments to fair housing choice. It is important to note that not all impediments may be present in Costa Mesa.

1. A need exists for cost sensitive and effective fair housing counseling that provides comprehensive educational services and fair housing enforcement.
2. There is a need for a pro-active evaluation of fair lending practices in the region to evaluate, explain and eliminate disparity in lending practices by race and national origin as evidenced by Home Mortgage Disclosure Act (HMDA) report data.
3. Local jurisdictions do not have a formal fair housing education system in place for employees who impact fair housing issues, such as planning/zoning staff, housing authority staff, and code enforcement staff.
4. Residents do not have adequate information regarding basic housing rights, which may lead to an increase in undetected discrimination.
5. Insurance companies may be targeting certain zip codes for higher denial rates or different terms and conditions.
6. Local entitlement communities may have policies and programs that affect housing development, which may indirectly act as an impediment to fair housing choices.

Actions to Address Identified Impediments: The following actions have been identified in the regional AI as actions to address the identified impediments.

1. Continue to support fair housing services at an effective and responsive level. It is anticipated that the FHCOC will provide the following during the 2005-06 PY:
 - **FAIR HOUSING COMMUNITY EDUCATION** – Conduct about 4 public outreach or educational activities within Costa Mesa, reaching about 100 households. Activities will include conducting literature distribution, subject matter lectures to community groups and question and answer sessions. About 300 information packets will be distributed. The agency will also encourage

Costa Mesa participation in a region-wide, equal-housing opportunity theme contest, which is open to all Orange County grade school 5th & 6th grade classes.

- FAIR HOUSING ENFORCEMENT – Respond to about 10 current or potential Costa Mesa households making allegations of discrimination involving Costa Mesa housing units. Responses will include, as appropriate, investigation, testing, “portfolio testing” evaluation of the merits of fair housing claims, and when appropriate, conciliation and/or prosecution of meritorious housing discrimination cases.
 - HOUSING DISPUTE EVALUATION & RESOLUTION – Assist about 650 Costa Mesa housing consumers and providers to address about 1,600 housing related issues or disputes. The activity will improve overall compliance with regard to the enforcement of general housing related rights and fulfillment of housing related obligations. This activity is an important precursor to exposing possible fair housing violations and acts of discrimination.
 - MEDIATION PROGRAM – Provide mediation services as an important alternative to administrative or judicial enforcement, as a means of addressing discriminatory housing practices or fair housing law violations. This activity can resolve a discrimination related dispute, both correcting improper housing practices and redressing harm, in a cost effective, prompt fashion. Certified mediators assisted housing providers/consumers to reach agreements about their disputes without litigation.
2. During 2005-06 FHCOC will conduct lending enforcement activities both in response to complaints received and as planned activities related to a HUD Fair Housing Initiative Program (FHIP) enforcement grant. FHCOC has previously received extensive training in fair lending laws and enforcement, obtained analysis of HMDA data, and has engaged in lending specific enforcement activities. FHCOC previously located and contracted with a lending discrimination expert to analyze HMDA data and provide a report of the results of the analysis. The results have been used to direct non-complaint based lending testing activities.
 3. During FY 05-06 FHCOC will periodically offer fair housing training sessions that are open to all local government staff. FHCOC will send notices to Costa Mesa city staff publicizing training opportunities. City staff that attends will receive appropriate training and certification of attendance.
 4. Fair housing education and outreach will be provided to Orange County residents with a focus on Low- and Moderate-Income residents. This outreach will consist of educational opportunities as well as written information. FHCOC will continue to provide a broad range of services and materials in three languages, English, Spanish and Vietnamese. Outreach activities will be conducted using Spanish and Vietnamese in addition to English, including broadcasts on Vietnamese language radio and the placement of Spanish language public service announcements. Basic educational materials in a variety of other languages will be maintained in order to provide fair housing rights information to other immigrant communities that have limited English proficiency.
 5. FHCOC will continue to work closely with the National Fair Housing Alliance, which has successfully addressed differential treatment by insurance companies in other parts of the country, in order to build FHCOC’s capacity to address insurance related fair housing law violations. Violations that come to the attention of FHCOC will be addressed with possible investigations and/or referral for enforcement action. FHCOC has received extensive training to insure a valid audit could be conducted, even though funding for local action is not available. FHCOC will continue to review Orange County demographic data to determine areas in which high numbers of members of minority populations live in preparation for conducting a testing audit of insurance carriers.
 6. FHCOC will assist the City of Costa Mesa monitor its policies by providing technical assistance and/or guidance regarding the state of fair housing laws and the possible impact of governmental policies. A review of policies will be conducted in connection with performance of the AI update.

Actions to Address Obstacles to Meeting Underserved Needs

The need for affordable housing for lower income households and supportive housing for persons with special needs continues to exceed the available resources.

- According to the Orange County Housing Authority (OCHA), there are 466 households receiving Housing Choice Voucher rental assistance in Costa Mesa. It is not anticipated that any affordable rental housing activity will take place during the 2005-06 Fiscal Year; however, the City will support OCHA's efforts to meet the needs of Costa Mesa's rental assistance needs.
- Affordable housing opportunities for persons with HIV/AIDS are limited. These facilities are scattered throughout the County. It is not anticipated that the City will be providing resources specifically to assist persons living with HIV/AIDS. The City will support the City of Santa Ana's (the regional recipient of federal Housing Opportunities for Persons With AIDS funds) and the Orange County Health Care Agency's efforts to meet the housing and service needs of this special needs population. (Note, some nonprofit agencies receiving Costa Mesa CDBG public service grant funds may assist persons with HIV/AIDS.)
- It is estimated that 3,765 elderly Costa Mesa households are experiencing some form of housing problem, i.e., paying more than 30% of income for housing, live in substandard housing, or live in overcrowded housing. During FY 2005-06, a substantial portion of CDBG public service grant funds will be allocated to support needs of Costa Mesa's elderly population. Activities to be funded include health care education, social services, delivery of meals, and adult day care. Additionally, it is possible that a senior housing project may be undertaken during the program year.
- It is estimated that 15,934 Costa Mesa residents have physical or mental disabilities that require specialized housing. A majority of these individuals are in need of supportive housing. Building requirements for handicap-accessible units are costly. Due to these costs, developers have been reluctant to undertake the construction of new handicap-accessible units; thus, the supply has not substantially increased in recent years. The City, the County of Orange, and nonprofits such as Project Independence, Dayle McIntosh Center, Regional Center of Orange County, and Goodwill Industries will continue to provide referral sources for both housing and other needs of the disabled. The City will provide CDBG funds to the Dayle McIntosh Center for the Disabled during FY 2005-06 to support activities that will increase employment opportunities for individuals with disabilities. New employment opportunities may improve the earning potential of disabled individuals, thus expanding housing options and improving quality of life.

Fostering and Maintaining Affordable Housing

The City of Costa Mesa has identified several actions it will undertake during the 2005-06 Program Year to foster and maintain affordable housing. The Consolidated Plan identified programs such as HOME-funded Single-Family Rehabilitation Loans and Neighborhood Improvement Grants as a means to maintain and improve housing currently occupied by Low- and Moderate-Income homeowners. By providing deferred payment loans and grant funds lower income households are able to bring their residence up to basic housing quality standards and incur zero or minimal additional housing costs. An estimated 44 housing units will be assisted with HOME funds during the 2005-06 Program Year. Additionally, the City's Neighbors For Neighbors program will also assist with the improvement of 12 housing units occupied by Very Low-Income homeowners.

Homeownership opportunities will be availed to Low and Moderate-Income households through programs such as the Mortgage Credit Certificate (MCC) and the Costa Mesa Redevelopment Agency sponsored Down Payment Assistance.¹ These programs foster affordable housing in the community by providing subsidies to eligible households so they may purchase a home in Costa Mesa. It is estimated that 10 first-time homebuyers will be assisted by the Redevelopment Agency during FY 2005-06. Costa Mesa will participate in the regional MCC program; however, due to the first-come first-served nature of the MCC program it is increasingly difficult to estimate the number of Costa Mesa homebuyers that will access these resources on an annual basis.

Efforts to foster and maintain the City's supply of rental housing will be supported by the Redevelopment Agency's Rental Rehabilitation Loan program. Due to limited resources, it is estimated that no rental housing units will be rehabilitated with Agency assistance during FY 2005-06. This program provides resources to owners of rental properties that are occupied by Very Low- and Low-Income households. In exchange for public financial resources, property owners are required to maintain rents at affordable levels for a minimum period of time and maintain property and occupancy standards. The term of affordability is dependent upon the amount of assistance provided by the Agency but will range from five to 55 years.

In past years Costa Mesa has supported acquisition/rehabilitation activities, which has resulted in the creation or renovation of several affordable rental housing units. No HOME-funded projects are planned at the outset of FY 2005-06; however, the City will explore the feasibility of affordable housing opportunities during this timeframe. Current affordable housing efforts are focused on the development of a Redevelopment Agency-sponsored owner occupied condo development. 1901 Newport will ultimately result in the development of 161 for-sale condominiums – 12 of these units will be deed restricted for lower income buyers. Specifically, seven units will be available to households with incomes under 120% of the area median income and five units will be available to households with incomes at 50% of the area median income.

Another means the City will use to foster and maintain its supply of affordable rental housing is by monitoring previously assisted rental housing units to ensure they still meet housing quality standards/codes and are occupied by eligible Low-Income households. Additionally, while the City does not operate a public housing authority, it does support the efforts of the Orange County Housing Authority (OCHA), which operates the Housing Choice Voucher rental assistance program within the city limits. OCHA reports as of December 2004, a total of 466 voucher recipient households reside in Costa Mesa. Finally, ongoing code enforcement will ensure the quality of Costa Mesa's owner and renter housing supply. By enforcing housing and building codes, the City's housing stock will be maintained and upgraded.

Barriers to Affordable Housing

The Consolidated Plan identifies several governmental and non-governmental barriers present in Costa Mesa that may act as obstacles to expanding affordable housing opportunities. During the 2005-06 Program Year, the City will implement the following actions in an effort to overcome these barriers.

Governmental barriers identified in the Consolidated Plan include land use controls, entitlement processing/fees, and building codes. Land use controls are necessary to ensure the orderly and appropriate development of real property. Costa Mesa's current land use controls are a combination of policies established from past experiences blended with a perspective for the future. Compared to neighboring communities, Costa Mesa has designated more residential land for medium and high density

¹ Households with incomes up to 120% of area median income may be assisted with these non-federal resources.

development. It is unlikely that any further "up-zoning" will take place, thus new housing development will need to seek other means to increase affordability of developed units. Fees, land dedications, and public improvements are usually required as part of land development to ensure an adequate supply of parks, infrastructure capacity, schools, etc. These fees are charged by the City and other special districts with jurisdiction in Costa Mesa. If resources are available, the City and/or its Redevelopment Agency may consider waiving or providing subsidies to offset the fiscal impact of fees thus enhancing the affordability of a housing project. Fee waivers/subsidies will be considered on a case-by-case basis. To address the increase costs to a project due to the amount of time needed for permit processing, the City will continue to utilize a fast-track permit process for City-sponsored housing activities. Presently, City-assisted housing rehabilitation projects receive priority review during the permit process. Finally, building and housing codes are implemented to ensure the safety of the community (more specifically, the residents of housing units). It is unlikely that the City will waive building or housing code requirements as a means to increase affordability.

Non-government barriers to affordable housing include the availability and cost of land, and the cost of construction and financing. Since Costa Mesa is essentially "built out," finding vacant land suitable for housing development is difficult. Assembling smaller parcels into larger parcels is an option. The City has undertaken an inventory of vacant City owned property that may be suitable for housing development. These efforts have proven fruitful as some parcels have been developed into affordable ownership housing in partnership with Habitat For Humanity. Evaluation of additional projects may be considered; however, finding additional land for similar projects will be very difficult.

The cost of financing is a function of national trends and policies. Similarly, construction costs are predominately based on local economic factors. The City will continue to consider providing subsidies for housing activities in an effort to enhance affordability. Subsidies may be in the form of donated or reduced value land, off-site improvements, and direct subsidies (e.g., gap financing, first time homebuyer assistance).

Lead-Based Paint Hazards

In September 1999, HUD published final regulations for lead based paint hazard reduction for federally assisted housing activities. Title X regulations have had a profound impact on the City's housing programs. In addition to the education and disclosure measures already in place, Title X regulations require enhanced testing and comprehensive abatement procedures (which may include temporary displacement of households). The City revised its housing rehabilitation program procedures in 1999 to ensure all required lead paint hazard reduction controls were put in place. To address the potential financial impact of complying with Title X lead paint regulations, the City provides grants to cover the cost of lead paint abatement for qualified property owners (grants range from \$3,000 to \$15,000). Based on actual experiences from recent years, 15% to 20% of properties participating in rehabilitation programs will most likely test positive for lead paint. At a minimum, testing for lead will cost \$450 per unit (exterior and interior testing), with a clearance report costing an average of \$200. The actual cost of removing lead-based paint hazards varies from size and scope of the project and extent of lead contamination. The average cost to replace a lead-contaminated window is \$500, a garage door \$1,400, and an exterior door \$700. The City will explore HUD's notice of funding availability to offset some of these costs and other possible sources to pay for testing and project design.

Aside from the impacts of the added cost of complying with Title X, the City's housing rehabilitation programs' productivity has been severely hampered by lead paint hazards regulations. Program staff estimates that rehabilitation of lead-impacted projects take one to three months longer to complete as all lead hazard elimination work must be completed before actual housing rehab can be initiated. Additionally, there is a lack of qualified consultants in Orange County that are qualified to prepare lead surveys and project designs. Once lead survey/design documents have been prepared it has become a

challenge to find contractors qualified and willing to undertake the work. The City will continue to explore options to minimize these time delays and reduce costs.

Anti-Poverty Strategy

The 2000 Census reports 12.61% of Costa Mesa residents live below the poverty level (13,393 out of 106,134 individuals). Of the 8,332 Costa Mesa residents age 65 and older, 553 (or 6.6) live below poverty; 8.2% of families with children under 18 years of age also live below poverty.

The City has identified the following actions for the 2005-06 Program Year to reduce the number of individuals and families living below the poverty level:

- Continue to support activities that preserve and expand the supply of housing that is affordable to very low-income households. Activities include funding for rehabilitation of owner-occupied and support for OCHA's rental assistance program.
- Continue to support a continuum of housing and service programs that assist the homeless.
- Continue to support code enforcement programs to ensure lower income households have a safe, decent and appropriate place to live.
- Continue to support public services that serve the community's lower income youth, seniors, families, and individuals with disabilities.

Institutional Structure

During the 2005-06 Program Year, the City will continue efforts to build a structure of partnerships with the public housing authority, nonprofits, other public institutions and the private industry. These partnerships will be utilized to carry out activities that address the housing and community needs identified in the Consolidated Plan. As an example, the City will continue to utilize the nonprofit community to assist with carrying out public services and to assist with the creation of new affordable housing opportunities. Similarly, the City will continue to build its relationship with the Orange County Housing Authority to implement its Public Housing Authority Plan, and conversely, the Authority will assist the City meet the housing needs of lower income renters. The private lending and real estate community will continue to be key partners in the City's first time homebuyer programs. By working closely with industry representatives efficient utilization of public resources will be realized. City/Agency staff will continue to hold annual meetings with these parties to review the Agency's first-time homebuyer program.

Structures to Enhance Coordination in the Community

During the 2005-06 Program Year, the City of Costa Mesa will implement the following actions to develop institutional structures and enhance coordination between public/private housing and social service agencies:

- Costa Mesa has developed a database of private and nonprofit housing developers that can be used to enhance communication. Information may be used during the 2004-2005 Program Year to solicit proposals for affordable housing activities or to obtain important information regarding Costa Mesa's housing market.

- To ensure smooth implementation of its first-time homebuyers programs, Costa Mesa will hold educational/information meetings with private lending institutions, the local Realtor community, and interested program participants. In recent years, these meetings proved beneficial at enhancing the coordination of the program between buyers, lenders and the City. Additionally, the City will continue to participate in the Orange County MCC program in order to ensure resources are utilized in a coordinated manner.
- Costa Mesa will continue to support and assist with the development of Orange County's regional Continuum of Care system. This includes attending regional Continuum of Care Community Forum quarterly meetings, providing "Certificates of Consistency" for agencies within its jurisdiction applying for grant funds from HUD through the County, and supporting the priority needs of the regional system of care for the homeless. The regional Continuum of Care Community Forum is comprised of the County, Orange County cities, nonprofit service providers and affordable housing developers. Participation in this forum allows the City to better coordinate the utilization of its limited resources at the local and regional basis.
- Impediments to fair housing are not necessarily local issues but tend to be regional in nature. The City of Costa Mesa participated in the preparation of a regional Analysis of Impediments to fair housing. This forum will be used to enhance communication and coordination of efforts to identify and reduce housing discrimination.
- Costa Mesa will continue efforts to coordinate area nonprofits in an effort to reduce duplication of services funded by the City and to ensure a variety of services are available to all City residents. The City encourages the use of coalitions and collaboratives to deliver public services. (Encouragement is provided by allocating extra rating points for agencies that apply for CDBG public service grant funds as part of a coalition or collaborative.) Costa Mesa will continue to encourage the use of collaborative efforts by nonprofits thus helping to improve the efficient and effective utilization of limited CDBG funds.
- The City of Costa Mesa will work closely with nonprofit and for-profit housing developers to create new affordable housing opportunities.

Public Housing

HUD also requires that the City identify how it will foster public housing improvements and resident initiatives during the 2005-06 Program Year. The City of Costa Mesa does not own or manage public or assisted housing; however, the City will support the initiatives of the Orange County Housing Authority. It is reported that 466 Costa Mesa households receive Housing Choice Voucher rental assistance.

Economic Development

There has been reluctance on the part of community leaders to utilize limited public resources in an area typically left to the private sector, i.e. job creation. While CDBG program regulations have been modified to encourage economic development programs there remain some cumbersome regulations that may be unattractive to potential employers or entrepreneurs. Additionally, some economic development programs (i.e., micro enterprise loans) involve a high-risk use of public funds.

The City will continue to support public service agencies that focus on job development for the disabled and youth. The City also has developed a business partnership program that assists businesses interests in the City with information on fees, utilities, permit processing, etc.

Measure Outcomes

HUD has recently directed grant recipients to initiate steps to implement a results-oriented management and accountability system that measures outcomes as well as outputs. This initiative is a product of the 1993 Government Performance and Results Act, which set to establish strategic planning and performance measurement in federally funded programs. The Act requires federal agencies to:

- Establish performance goals to define the level of performance.
- Establish objectives in quantifiable and measurable forms.
- Describe the operational processes, skills, technology, and human capital needed to meet performance goals.
- Establish performance indicators that will measure and assess relevant outputs and outcomes of each program.
- Compare actual program results with established performance goals.
- Description of the means used to verify and validate measured values.

Costa Mesa will implement these measures when describing activities to be carried out during the 2005-2006 Fiscal Year.

7. PROGRAM SPECIFIC REQUIREMENTS

HUD requires that the Annual Action Plan provide evidence that activities to be funded with federal funds are in compliance with specific program requirements.

CDBG

A summary of planned activities to be funded with CDBG during the 2005-06 Program Year is provided in **Exhibit 3**. A detailed listing of the City's proposed use of funds is provided in **Attachment 1**. The City will utilize some program income accrued during prior years during 2005-06. The City does not have urban renewal settlements, grant funds returned to the line of credit, or income from float funded activities to use during the 2005-06 Program Year. No urgent need activities are anticipated in 2005-06.

HOME

The City of Costa Mesa HOME program for the 2005-06 Program Year is designed to preserve existing affordable housing, expand the supply of decent and affordable housing, and strengthen public-private partnerships. HOME-funded activities are summarized in **Exhibit 3**. All HOME assisted units will have appropriate covenants and language included in written agreements in accordance with HUD regulations.

Costa Mesa does not anticipate utilizing HOME funds to undertake first-time homebuyer assistance during 2005-06. If HOME funds are appropriated for this activity after the beginning of the fiscal year, the City will ensure that the Action Plan is revised and program guidelines include resale provisions or a means to recapture down payment assistance as required by the HOME program. Similarly, if HOME funds are used to refinance existing debt on multi-family housing units that are being rehabilitated with HOME funds, the City will ensure that all applicable HOME guidelines are included in appropriate contracts and agreements.

8. Monitoring

Careful on-going evaluation of the housing and public service delivery system is perhaps the most effective tool in detecting service gaps, problems, and for making appropriate modifications to ensure project/program compliance. Costa Mesa has instituted a monitoring plan for all subgrantees receiving CDBG public service grant funds. Monitoring involves an in-house review of progress reports and expenditures, and an on-site visit of subgrantees to ensure further compliance with federal regulations. The City's monitoring system encourages uniform reporting to achieve consistent information on beneficiaries. Technical assistance is provided as necessary. At a minimum, public service grant recipients receiving consecutive years of CDBG funding will undergo on-site monitoring every other year. If resources permit, they will be monitored annually. Any new grant recipient or a recipient that has displayed administrative/program issues will be monitored annually. A monitoring handbook and checklist have been developed by the City to assist with program evaluation and on-site monitoring.

Rental housing units that are subject to long-term affordability are also monitored. The HOME program has established time intervals to conduct on-site property inspections. These intervals are based on the number of rental units in the HOME-assisted project. HOME-required inspections can vary from once per year to once every three years. Costa Mesa has established a master list of HOME assisted units listing inspection intervals and dates for the next on-site inspection. To ensure qualified low-income households occupy rental units, an annual recertification of tenant eligibility is required by the City. These monitoring efforts will be continued during the 2005-06 Program Year.

9. CERTIFICATIONS

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

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

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

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

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -

(a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

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

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

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

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

Signature/Authorized Official

Date

Title

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

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

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) **2005** (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

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

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

Excessive Force -- It has adopted and is enforcing:

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

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

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

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

Signature/Authorized Official

Date

Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

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

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

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

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

Signature/Authorized Official

Date

Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

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

B. Drug-Free Workplace Certification

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

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

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

The certification with regard to the drug-free workplace is required by 24 CFR part 21.

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

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

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

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

2005-2006 HUD-FUNDED PROJECT MAP

Project Map

EXHIBITS

**EXHIBIT 1
CONSOLIDATED PLAN
5-YEAR ACCOMPLISHMENTS**

HIGH PRIORITY NEED	YR. 1 05-06	YR. 2 06-07	YR. 3 07-08	YR. 4 08-09	YR. 5 09-10	5 YEAR GOAL	RUNNING TOTAL
HOUSING NEEDS							
RENTERS							
Extremely Low-Income 0% - 30%						Units	Units
Very Low-Income 31% - 50%						Units	Units
Low-Income 51% - 80%						Units	Units
ELDERLY							
Extremely Low-Income 0% - 30%							
Very Low-Income 31% - 50%							
Low-Income 51% - 80%							
OWNERS							
Extremely Low-Income 0% - 30%						Units	Units
Very Low-Income 31% - 50%						Units	Units
Low-Income 51% - 80%						Units	Units
Moderate -Income 81% - 120%						Units	Units
SUB POPULATIONS							
Frail Elderly							
Developmentally Disabled							
Physically Disabled							
Alcohol/Drug Addicted							
HIV/AIDS							
HOMELESS GAP ANALYSIS							
Homelessness Prevention						Persons	Persons
Emergency Shelter						Persons	Persons
Transitional Housing						Persons	Persons
Permanent Housing						Persons	Persons
Support Services						Persons	Persons

HIGH PRIORITY NEED	YR. 1 05-06	YR. 2 06-07	YR. 3 07-08	YR. 4 08-09	YR. 5 09-10	5 YEAR GOAL	RUNNING TOTAL
Jobs							
Case Management							
Child Care (Families)							
Disabled							
Substance Abuse							
Housing Placement							
Life Skills							
Chronic Substance Abuse							
HIV/AIDS							
Domestic Violence							Persons
COMMUNITY DEVELOPMENT NEEDS							
INFRASTRUCTURE Street Improvements						Projects	Projects
Sidewalks						Projects	Projects
Removal of Architectural Barriers						Projects	Projects
PLANNING Program Administration						Yrs	Yrs
Fair Housing						Hshlds	Hshlds
Planning							
PUBLIC FACILITIES Neighborhood Facilities							
Park and Recreation Facilities						Projects	Projects
Interim Assistance							
PUBLIC SERVICES General						Persons	Persons
Disabled Services						Persons	Persons
Substance Abuse						Persons	Persons
Employment Assistance							
Health Services							

HIGH PRIORITY NEED	YR. 1 05-06	YR. 2 06-07	YR. 3 07-08	YR. 4 08-09	YR. 5 09-10	5 YEAR GOAL	RUNNING TOTAL
SENIOR PROGRAMS Senior Services						Persons	Persons
YOUTH PROGRAMS Youth Centers							
Youth Services						Persons	Persons
OTHER							
OTHER Code Enforcement						Units	Units

**EXHIBIT 2
POTENTIAL RESOURCES AVAILABLE FOR
HOUSING AND COMMUNITY DEVELOPMENT
2005-2006**

PROGRAM	DESCRIPTION	ELIGIBLE ACTIVITIES
<p><u>FEDERAL RESOURCES:</u></p> <p>Community Development Block Grant (CDBG)</p> <p>\$1,563,176(Plus Program Income)</p>	<p>This is an entitlement program that is awarded to the City on a formula basis. The objectives are to fund housing activities and expand economic opportunities. Projects must meet one of three national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet other urgent needs</p>	<ul style="list-style-type: none"> • Social Services • Section 108 Loan Repayments • Public Facilities Improvements • Code Enforcement • Historic Preservation • Admin. & Planning
<p>HOME Investment Partnership (HOME) Program</p> <p>\$750,655 (Plus Program Income)</p>	<p>Grant program for housing. The intent of this program is to expand the supply of decent, safe, and sanitary affordable housing. HOME is designed as a partnership program between the federal, state, and local governments, non-profit and for-profit housing entities to finance, build/rehabilitate and manage housing for lower-income owners and renters</p>	<ul style="list-style-type: none"> • Multi-Family Acquisition/Rehabilitation • Single-Family Moderate Rehabilitation. • CHDO Assistance • Program Administration
<p>Emergency Shelter Grant (ESG)</p>	<p>Annual grant funds are allocated on a formula basis. Funds are intended to assist with the provision of shelter and social services for the homeless. Costa Mesa is not eligible to receive ESG funds.</p>	<ul style="list-style-type: none"> • Homelessness Prevention • Essential Services • Operating Expenses
<p>Housing Opportunities for Persons with AIDS (HOPWA)</p>	<p>Funds are allocated to Costa Mesa on behalf of all jurisdictions in Orange County. Funds are made available countywide for supportive social services, affordable housing development, & rental assistance. Costa Mesa is not eligible to receive HOPWA funds.</p>	<ul style="list-style-type: none"> • Rental Assistance • Supportive Social Services • Program Administration
<p>Low Income Housing Tax Credit (LIHTC)</p>	<p>Program encourages the investment of private capital for the creation of affordable rental housing for low-income households. Tax credits are available to individuals and corporations who invest in such projects</p>	<ul style="list-style-type: none"> • New Construction • Housing Rehabilitation • Acquisition

PROGRAM	DESCRIPTION	ELIGIBLE ACTIVITIES
<u>STATE RESOURCES</u> Mortgage Credit Certificate (MCC) \$0 (City will participate in program)	A federal tax credit for low- and moderate-income homebuyers who have not owned a home in the past three years. Allocation for MCC is provided by the State	<ul style="list-style-type: none"> • First Time Home Buyer Assistance
California Department of Housing & Community Development Pre-development Loan Program	Low interest loans for the development of affordable housing with non-profit agencies	<ul style="list-style-type: none"> • Predevelopment Loans
Southern California HOME Financing Authority	Bond financing for first-time homebuyer mortgages	<ul style="list-style-type: none"> • First-time Homebuyer Assistance
<u>CITY OF COSTA MESA RESOURCES</u> Costa Mesa Redevelopment Agency Low Income Housing Set-Aside Fund \$904,856	Funds received from increased property taxes generated by property improvements sponsored by the Agency's six redevelopment project areas. Twenty percent (20%) of these property tax funds must be set aside for the development, preservation, or rehabilitation of affordable housing	<ul style="list-style-type: none"> • Residential Rehab. Loans • Replacement Housing • Neighborhood Improvement Programs • Neighborhood Capital Projects
Density Bonus	The City allows an increase in density to developers who set-aside at least 25% of their project to low- and moderate-income persons	<ul style="list-style-type: none"> • Density Bonus
Tax Exempt Bonds	The Community Development Agency and Housing Authority have the authority to issue tax-exempt bonds. Bond proceeds are used to develop affordable housing	<ul style="list-style-type: none"> • Housing Development
City/Agency Owned Land	If available and appropriate, City or Redevelopment Agency owned land may be made available.	<ul style="list-style-type: none"> • Housing • Community Facilities
<u>PRIVATE RESOURCES</u> Federal National Mortgage Assoc. (Fannie Mae)	<ol style="list-style-type: none"> 1. Community Home Buyer Program - Fixed rate mortgages 2. Community Home Improvement Mortgage Program - Mortgages for both purchase and rehabilitation of a home 3. Fannie Neighbor – Under served low-income minorities are eligible for reduced down-payment mortgages for the purchase of single family homes 	<ul style="list-style-type: none"> • Homebuyer Assistance • Homebuyer Assistance/Rehab • Expand Home Ownership for Minorities

PROGRAM	DESCRIPTION	ELIGIBLE ACTIVITIES
California Community Reinvestment Corp. (CCRC)	Non-profit mortgage banking consortium that pools resources to reduce lender risk in financing affordable housing	<ul style="list-style-type: none"> • New Construction • Rehabilitation
Federal Home Loan Bank Affordable Housing Program	Direct subsidies to non-profit and for-profit developers, and public agencies for affordable low-income ownership and rental projects	<ul style="list-style-type: none"> • New Construction • Expand Home Ownership for Lower Income Persons
Orange County Affordable Housing Clearinghouse	Non-profit lender consortium	<ul style="list-style-type: none"> • Construction Financing • Permanent Financing

EXHIBIT 3
SUMMARY OF ACTIVITIES TO BE UNDERTAKEN

2005 CDBG/HOME FUNDED ACTIVITIES

ACTIVITY (Project I.D. No.)	CONSOLIDATED PLAN PRIORITY	ACCOMPLISHMEN T GOAL For 2005	ALLOCATION
1. Adult Day Services	Services & Housing for Low-Income Elderly (High Priority)	28 Individuals	\$10,000
2. Boys and Girls Club	Services for Lower Income Youths (High Priority)	125 Individuals	\$5,000
3. Bus Bay Construction	Provide Safe & Decent Neighborhoods (High Risk)	2 Projects	\$296,000
4. CDBG Administration	Planning/Admin Activities (High Priority)	1 Yr of Program Admin	\$256,440
5. CSP Youth Shelter	Emergency & Transitional Housing for Homeless (High Priority)	20 Individuals	\$11,500
6. Colette's Children's Home Emergency Shelter	Emergency & Transitional Housing for Homeless (High Priority)	15 Individuals	\$11,500
7. Costa Mesa Senior Corp – Preventive Health Program	Services & Housing for Low-Income Elderly (High Priority)	136 Individuals	\$25,000
8. Costa Mesa Senior Corp – Social Services Program	Services & Housing for Low-Income Elderly (High Priority)	250 Individuals	\$30,000
9. Dayle McIntosh Center for the Disabled	Services for Persons with Disabilities (High Priority)	140 Individuals	\$7,500
10. FISH – Mobile Meals	Services & Housing for Low-Income Elderly (High Priority)	65 Individuals	\$15,000
11. Fair Housing Counseling of Orange County	Planning/Admin Activities (High Priority)	575 Households	\$34,406
12. HOME Administration	Planning/Admin Activities (High Priority)	1 Yr of Program Admin	\$75,065
13. HOME CHDO Reserve ¹	Lower Income Renters (Moderate Priority)	N.A.	\$115,599
14. Human Options Second Step	Emergency & Transitional Housing for Homeless (High Priority)	60 Individuals	\$21,988
15. Neighborhood Improvement Grants	Lower Income Homeowners (High Priority)	34 Housing Units	\$255,000
16. Neighbors for Neighbors	Lower Income Homeowners (High Priority)	12 Housing Units	\$98,799
17. Orange Coast Interfaith Shelter	Emergency & Transitional Housing for Homeless (High Priority)	500 Individuals	\$21,988
18. Save Our Youth	Services for Lower Income Youths (High Priority)	350 Individuals	\$10,000
19. Senior Meals and Services	Services & Housing for Low-Income Elderly (High Priority)	153 Individuals	\$20,000
20. Single Family Rehabilitation Loans	Lower Income Homeowners (High Priority)	10 Individuals	\$350,000
21. Special Code Enforcement	Lower Income Homeowners (High Priority)	500 Housing Units	\$228,755
22. Street Improvements / Buoy Street	Provide Safe & Decent Neighborhoods (High Priority)	785 Individuals	\$157,391

ACTIVITY (Project I.D. No.)	CONSOLIDATED PLAN PRIORITY	ACCOMPLISHMEN T GOAL For 2005	ALLOCATION
23. Street Improvements / Congress Street	Provide Safe & Decent Neighborhoods (High Priority)	4,648 Individuals	\$125,000
24. Street Improvements / Kenwood Place	Provide Safe & Decent Neighborhoods (High Priority)	2,149 Individuals	\$143,000
25. Street Improvements / Valencia Street Alley	Provide Safe & Decent Neighborhoods (High Priority)	1,927 Individuals	\$200,000
26. Street Improvements / Wallace Avenue	Provide Safe & Decent Neighborhoods (High Priority)	4,648 Individuals	\$170,000
27. Think Together	Services for Lower Income Youths (High Priority)	280 Individuals	\$10,000
28. Women Helping Women	Services & Housing for Low-Income Individuals (High Priority)	225 Individuals	\$15,000
29. Youth Employment Services	Services for Lower Income Youths (High Priority)	630 Individuals	\$15,000
TOTAL			\$2,734,931

1. No project identified at this time.

2005 Non-CDBG/HOME FUNDED ACTIVITIES

ACTIVITY	CONSOLIDATED PLAN PRIORITY	ACCOMPLISHMEN T GOAL For 2005	ALLOCATION
1. Rental Rehabilitation	Low Income Renter Housing (High Priority)	0 Housing Units	\$0
2. First Time Homebuyer	Low/Mod-Income Homeowners (High Priority)	10 Housing Units	\$588,255
3. Mortgage Credit Certificates ²	Low/Mod-Income Homeowners (High Priority)	0 Housing Units	\$0
4. Private Funds ³	Low/Mod-Income Homeowners (High Priority)	NA	\$2,750,000
5. Lead Testing/Relocation	Low/Mod-Income Homeowners (High Priority)	NA	\$27,200
6. Rehab Program Admin	Low/Mod-Income Homeowners (High Priority)	NA	\$168,155
7. Program Admin	Planning/Admin Activities (High Priority)	NA	\$121,246
TOTAL			\$3,654,856

1. Project not identified at this time.

2. MCC program operates on a first come first served basis countywide. It is difficult to estimate total number to be assisted and the value of MCC at the beginning of program year.

3. Mortgages obtained by first time homebuyers from private lenders (average of \$275,000). No accomplishment goal is provided as goal is listed under "First Time Homebuyer" program.

ATTACHMENT 1

Proof of Publication & Summary of Public Comments

PUBLIC NOTICE
CITY OF COSTA MESA
PUBLIC HEARING AND
COMMENCEMENT OF 30-DAY PUBLIC COMMENT PERIOD
FOR SUBMISSION OF 2005-2009 CONSOLIDATED PLAN AND 2005-2006 ACTION PLAN

Notice is hereby given that the City of Costa Mesa City Council will hold a public hearing related to the 2005-2009 Consolidated Plan. The Consolidated Plan is a five-year strategic plan that identifies housing and community needs, strategies to address needs, and programs/resources to address these needs. Also subject to this notice is the City's proposed Consolidated Plan One-Year Action Plan for fiscal year 2005-2006. The draft 2005-2006 Action Plan delineates proposed activities to be funded under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG), and HOME Investment Partnerships Act (HOME) programs.

Action Plan for 2005-2006

The City of Costa Mesa is eligible to receive \$1,563,176 in CDBG funds and \$750,655 in HOME funds from HUD. Program income generated from prior funded activities and unexpended prior year funds will also be utilized. As required by federal regulations, a 30-day public comment period will be initiated to receive written comments regarding the proposed Consolidated Plan and the use of these funds as outlined in the 2005-2006 Action Plan. Proposed uses of 2005-2005 CDBG and HOME funds include the following:

▪ Special housing code enforcement activities to ensure the maintenance of decent, safe and sanitary housing	\$228,755
▪ Public services for lower income youths, seniors, persons at-risk of becoming homeless, persons already homeless, and low-income persons in general	\$234,476
▪ Public facility improvements (various locations)	\$1,091,400
▪ Program administration (CDBG and HOME Programs, including Fair Housing Counseling)	\$385,555
▪ Affordable housing project (including funds for Community Housing Development Organization projects)	\$406,665
▪ Neighbors For Neighbors Program	\$98,800
▪ Single family housing rehabilitation loans/grants including program administration (Loans and Grants plus funds to administer program)	\$605,000

Additionally, the City of Costa Mesa and/or the Costa Mesa Redevelopment Agency will provide resources for the following programs in support of the 2005 - 2006 Action Plan:

- Rehabilitation of rental properties to expand the supply of affordable housing.
- First time homebuyer down payment assistance for moderate-income persons.
- Mortgage credit certificate program to assist moderate-income first time homebuyers.

30-Day Public Comment Period

The 30-day public comment period for the Consolidated Plan and Annual Action Plan will commence March 26, 2005, and will end April 25, 2005. The draft Consolidated Plan and 2005-2006 Action Plan is available for public review at the Costa Mesa Housing and Community Development Department, 77 Fair Drive, Costa Mesa, CA, Fifth Floor. Written comments must be submitted to the Housing and Community Development Department no later than 5:00 PM, April 25, 2005. Written comments should be addressed to Mike Linares, CDBG/HOME Coordinator at 77 Fair Drive, Costa Mesa, CA 92628.

Public Hearings

A public hearing regarding this action will be held at 6:30 PM, or soon thereafter, April 19, 2005, in the City Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, CA. At this time and place any and all persons interested may appear and be heard thereon.

For further information, contact Muriel Ullman, Neighborhood Improvement Manager, (714) 754-5635.

Publish: March 25, 2005

SUMMARY OF PUBLIC COMMENTS 2005-2009 CONSOLIDATED PLAN & 2005-06 ACTION PLAN

ORAL COMMENTS:

CITY OF COSTA MESA REDEVELOPMENT & RESIDENTIAL REHABILITATION COMMITTEE (3R) MEETING 3/22/05: Comments were accepted by the 3R Committee chair in two segments: 1) comments on the recommendations for public service grant funding; and 2) comments on the 05-06 Action Plan as a whole.

- The executive director of Orange Coast Interfaith Shelter (OCIS) stated that there is a stereotype that Costa Mesa's homeless are all single men, while in fact, most are families with children. OCIS is the only emergency shelter in Orange County that accepts families with children. Also, shutting down programs will not solve the problems in the community.
- The executive director of Human Options appealed for reconsideration of the preliminary funding recommendation of \$0 for their application. Human Options provides transitional housing to women and children that are victims of domestic violence.
- The CSP Youth Shelter program director thanked the City for the recommendation to fund their program.
- A representative of the Dayle McIntosh Center for the Disabled advocated for programs for persons with disabilities.
- A senior resident thanked the committee for the funding allocated to senior programs.

There were not public comments regarding the 2005-2006 Annual Action Plan.

CITY OF COSTA MESA CITY COUNCIL PUBLIC HEARING 4/19/05:

WRITTEN COMMENTS:

To date, one written comment was received during the public comment period.

- One letter was submitted regarding funding; Families Costa Mesa withdrew its application for funding. No staff follow up was required by this correspondence.

ATTACHMENT 2

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0001	Adult Day Services	05A Senior Services	CDBG	\$ 10,000
	Senior Programs	570.201(e)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	Provide funds for nonprofit agencies to provide services to improve the quality of life for senior citizens.	28 People (General)	TOTAL	\$ 10,000
	Adult day care and medical treatment for seniors with dementia.		Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0002	Boys and Girls Club	05D Youth Services	CDBG	\$ 5,000
	Youth Programs	570.201(e)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	Assist community based programs that provide the City's youth with counseling, after-school activities, employment counseling, recreation and other alternative activities.	125 People (General)	TOTAL	\$ 5,000
			Total Other Funding	\$ 0
	After school homework and recreation program for low- and moderate-income Costa Mesa youth.			

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Addresses

611 Hamilton, Costa Mesa, CA

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0003	Bus Bays - Wilson Street	03 Public Facilities	CDBG	\$ 296,000
	Public Facilities	and Improvements (General)	ESG	\$ 0
	Provide funds to improve and maintain safe and decent neighborhoods in low- and moderate-income target areas through street, sidewalk, and facility improvements.	570.201(c)	HOME	\$ 0
	Installation of 2 new bus bays on Wilson St. between Fairview Rd and College. Per OCTA, bus stops currently serve 180 area commuters daily. Funds will be used to acquire right-of-way for construction of new bus bays, as well as design and construction costs. (CT:063905 BG:2 & CT:063906 BG:1,2,&3 is 57.1% Low/Mod; with a total of 8,475 area residents.)	180 People (General)	HOPWA	\$ 0
			TOTAL	\$ 296,000
			Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(1) - Low / Mod Area
 Subrecipient: Local Government
 Location(s): CT & BG's

CT: 063905 BG: 2 County: 06059
 CT: 063906 BG: 1, 2, 3 County: 06059

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0004	CDBG Administration (05) Planning & Administration Administer federal entitlement grant funds in an effective and efficient manner. CDBG admin limited to 20% of grant funds (including fair housing counseling), and 10% of grant funds for the HOME program. CDBG program administration oversight and coordination.	21A General Program Administration 570.206 0 N/A	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 256,440 \$ 0 \$ 0 \$ 0 \$ 256,440 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility:
 Subrecipient: Local Government
 Location(s): Addresses

77 Fair Drive, Costa Mesa, CA 92627

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0005	CSP Youth Shelter	05 Public Services (General)	CDBG	\$ 11,500
	Homeless & HIV/AIDS		ESG	\$ 0
		570.201(e)	HOME	\$ 0
	Provide public service grant CDBG funds to agencies that provide emergency, transitional, and permanent housing for the homeless; services/counseling to prevent homelessness; services to assist and assess the homeless and at-risk individuals.	20 People (General)	HOPWA	\$ 0
			TOTAL	\$ 11,500
			Total Other Funding	\$ 0
	Emergency shelter for homeless, runaway and at-risk youth ages 11-17. Program aims to preserve families and to divert at-risk youth from the juvenile justice system. Services include meals, clothing, tutoring, and life skills development.			
	Help the Homeless?	Yes	Start Date:	07/01/05
	Help those with HIV or AIDS?	No	Completion Date:	06/30/06
	Eligibility:	570.208(a)(2) - Low / Mod Limited Clientele		
	Subrecipient:	Subrecipient Public 570.500(c)		
	Location(s):	Community Wide		

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0006	Colette's Children's Home - Emergency Shelter	05 Public Services (General)	CDBG	\$ 11,500
	Homeless & HIV/AIDS	570.201(e)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	Provide public service grant CDBG funds to agencies that provide emergency, transitional, and permanent housing for the homeless; services/counseling to prevent homelessness; services to assist and assess the homeless and at-risk individuals.	15 People (General)	TOTAL	\$ 11,500
			Total Other Funding	\$ 0
	Funding to support emergency shelter program for homeless women and their children. A majority of women are recovering from substance addiction.			
	Help the Homeless? Yes	Start Date: 07/01/05		
	Help those with HIV or AIDS? No	Completion Date: 06/30/06		
	Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele			
	Subrecipient: Subrecipient Public	570.500(c)		
	Location(s): Community Wide			

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0007	Costa Mesa Senior Corp - Preventive Health Program	05A Senior Services	CDBG	\$ 25,000
	Senior Programs	570.201(e)	ESG	\$ 0
		136 People (General)	HOME	\$ 0
	Provide funds for nonprofit agencies to provide services to improve the quality of life for senior citizens.		HOPWA	\$ 0
			TOTAL	\$ 25,000
			Total Other Funding	\$ 0
	CDBG funding used to expand the hours of service provided by public health nurse. Nurse will provide preventive health screening and basic medical services for seniors at the Costa Mesa Senior Center. Costa Mesa Senior Center is operated by a private non-profit agency (Costa Mesa Senior Corp.).			

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0008	Costa Mesa Senior Corp - Social Services Program	05A Senior Services	CDBG	\$ 30,000
	Senior Programs	570.201(e)	ESG	\$ 0
		250 People (General)	HOME	\$ 0
	Provide funds for nonprofit agencies to provide services to improve the quality of life for senior citizens.		HOPWA	\$ 0
			TOTAL	\$ 30,000
	Funding will pay for a social worker to be stationed at CM Senior Center. Social worker will provide a variety of supportive, counseling and referral services to seniors in crisis.		Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Addresses

695 W. 19th Street, Costa Mesa, CA 92627

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0009	Dayle McIntosh Center Special Needs/Non-Homeless Assist persons with special needs overcome their needs and move toward self-sufficiency. Program will provide outreach, education and advocacy to bridge the existing gaps in health care for persons with disabilities. Program will primarily focus on persons with permanent disabilities.	05B Handicapped Services 570.201(e) 140 People (General)	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 7,500 \$ 0 \$ 0 \$ 0 \$ 7,500 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0010	FISH - Mobile Meals	05 Public Services (General)	CDBG	\$ 15,000
	Senior Programs		ESG	\$ 0
		570.201(e)	HOME	\$ 0
	Provide funds for nonprofit agencies to provide services to improve the quality of life for senior citizens.		HOPWA	\$ 0
		65 People (General)	TOTAL	\$ 15,000
			Total Other Funding	\$ 0
	Home meal delivery to elderly and disabled lower income persons. Meals are prepared according to doctor's instructions (e.g., low sodium, low fat). Meals are prepared by local hospital, purchased at a discounted rate, and delivered by volunteers.			

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0011	Fair Housing Counseling (05) Planning & Administration Administer federal entitlement grant funds in an effective and efficient manner. CDBG admin limited to 20% of grant funds (including fair housing counseling), and 10% of grant funds for the HOME program. Fair housing counseling and housing discrimination investigation provided by Fair Housing Council of Orange County	21D Fair Housing Activities (subject to 20% Admin cap) 570.206 575 Households (General)	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 34,406 \$ 0 \$ 0 \$ 0 \$ 34,406 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 03/30/06

Eligibility:
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0013	HOME Administration (05) Planning & Administration Administer federal entitlement grant funds in an effective and efficient manner. CDBG admin limited to 20% of grant funds (including fair housing counseling), and 10% of grant funds for the HOME program. Provide overall HOME program oversight, management, monitoring, and coordination.	21H HOME Admin/Planning Costs of PJ (subject to 10% cap) 0 N/A	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 0 \$ 0 \$ 75,065 \$ 0 \$ 75,065 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility:
 Subrecipient: Local Government
 Location(s): N/A

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0014	HOME CHDO Allocation (05) Housing CDBG or HOME funds to expand and preserve the City's affordable housing stock. Funds for CHDO project; funding is equal to 15% of HOME allocation. Project to be identified.	14B Rehab; Multi-Unit Residential 570.202 0 Housing Units	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 0 \$ 0 \$ 115,599 \$ 0 \$ 115,599 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility:
 Subrecipient: CHDO - 92.2
 Location(s): Project not identified at this time.

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0014	Human Options - Second Step	05 Public Services (General)	CDBG	\$ 21,988
			ESG	\$ 0
	Homeless & HIV/AIDS	570.201(e)	HOME	\$ 0
			HOPWA	\$ 0
	Provide public service grant CDBG funds to agencies that provide emergency, transitional, and permanent housing for the homeless; services/counseling to prevent homelessness; services to assist and assess the homeless and at-risk individuals.	60 People (General)	TOTAL	\$ 21,988
			Total Other Funding	\$ 0
	Funding to support transitional shelter program for women and their children that are victims of domestic violence.			

Help the Homeless? Yes Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0015	Neighborhood Improvement Grants Housing CDBG or HOME funds to expand and preserve the City's affordable housing stock. HOME funds for rehabilitation grants for low-income homeowners. Funds will be utilized to provide direct assistance to qualified property owners for qualified property improvements. Grants may also be provided to assist with the abatement of lead paint hazards.	14A Rehab; Single-Unit Residential 34 Housing Units	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 0 \$ 0 \$ 255,000 \$ 0 \$ 255,000 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility:
 Subrecipient: Local Government
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0016	Neighbors for Neighbors Housing CDBG or HOME funds to expand and preserve the City's affordable housing stock.	14A Rehab; Single-Unit Residential 570.202 12 Housing Units	CDBG ESG HOME HOPWA TOTAL	\$ 98,799 \$ 0 \$ 0 \$ 0 \$ 98,799
	City administered volunteer program to undertake minor rehabilitation of mobile homes and single-family residences occupied by seniors or individuals with disabilities. Examples of activities to be undertaken include general property clean-up, removal of waste that acts as an immediate health hazard, removal/replacement of deteriorated fencing, other minor property improvements.		Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(3) - Low / Mod Housing
 Subrecipient: Local Government
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0017	Orange Coast Interfaith Shelter	05 Public Services (General)	CDBG	\$ 21,988
	Homeless & HIV/AIDS	570.201(e)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	Provide public service grant CDBG funds to agencies that provide emergency, transitional, and permanent housing for the homeless; services/counseling to prevent homelessness; services to assist and assess the homeless and at-risk individuals.	500 People (General)	TOTAL	\$ 21,988
			Total Other Funding	\$ 0
	Funding to support emergency shelter for families with children.			

Help the Homeless? Yes Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0018	Save Our Youth	05D Youth Services	CDBG	\$ 10,000
	Youth Programs	570.201(e)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	Assist community based programs that provide the City's youth with counseling, after-school activities, employment counseling, recreation and other alternative activities.	350 People (General)	TOTAL	\$ 10,000
			Total Other Funding	\$ 0
	After school youth programs for at risk youths. Programs offered include tutoring and scholarships programs. SOY also offers boxing, physical fitness and indoor sports, plus dances and field trips.			

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Addresses

661 Hamilton, Costa Mesa, CA 92627

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0019	Senior Meals and Services	05A Senior Services	CDBG	\$ 20,000
	Senior Programs	570.201(e)	ESG	\$ 0
	Provide funds for nonprofit agencies to provide services to improve the quality of life for senior citizens.	153 Households (General)	HOME	\$ 0
	Meal delivery for homebound seniors.		HOPWA	\$ 0
			TOTAL	\$ 20,000
			Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0020	Single-Family Rehabilitation Loans Housing CDBG or HOME funds to expand and preserve the City's affordable housing stock. HOME funds for housing rehabilitation loans. Funds will be used to pay for qualified property improvements. Loans may be linked to grants to assist with the abatement of lead paint hazards.	14A Rehab; Single-Unit Residential 10 Housing Units	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 0 \$ 0 \$ 350,000 \$ 0 \$ 350,000 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility:
 Subrecipient: Local Government
 Location(s): Community Wide

**U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects**

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0021	Special Code Enforcement (05)	15 Code Enforcement	CDBG	\$ 228,755
	Housing	570.202(c)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	CDBG or HOME funds to expand and preserve the City's affordable housing stock.	500 Housing Units	TOTAL	\$ 228,755
			Total Other Funding	\$ 0

CDBG funded program will focus enforcement of housing and other health/safety codes in low- and moderate-income target areas. This program differs from City's ongoing code enforcement activities, the latter is citywide and deals with enforcement of all municipal code issues. In addition to 500 housing related actions, 340 additional non-housing actions will be initiated within the target area. Additionally, funds will be used by Housing program staff to off-set costs associated with referrals, legal review, special assignments.

Grant funds will be use to offset staff, postage, part-time clerical, outside legal & outside plan checker.

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility:
 Subrecipient: Local Government
 Location(s): CT & BG's

CT:063201 BG:3 County:06059 CT:063701 BG:1,2,3,4 County:06059 CT:063808 BG:1 County:06059
 CT:063906 BG:1,2,3 County:06059 CT:063702 BG:1,2,3,4,5 County:06059 CT:063904 BG:1 County:06059
 CT:063604 BG:1,2,3 County:06059 CT:063806 BG:1 County:06059 CT:063202 BG:1 County:06059
 CT:063605 BG:1,2,3 County:06059 CT:063807 BG:2 County:06059 CT:063603 BG:3 County:06059

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0022	Street Improvement - Buoy Street Public Facilities Provide funds to improve and maintain safe and decent neighborhoods in low- and moderate-income target areas through street, sidewalk, and facility improvements. Reconstruction of streets in CDBG target area. New street will improve traffic flow, storm water flow and improve the overall aesthetics of Low/Moderate areas. Project area is Buoy St. between Fullerton Ave to Orange Ave. (CT:063202 BG:1 is 64.3% Low/Mod; with a total of 785 area residents.)	03K Street Improvements 570.201(c) 0 People (General)	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 125,000 \$ 0 \$ 0 \$ 0 \$ 125,000 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(1) - Low / Mod Area
 Subrecipient: Local Government
 Location(s): CT & BG's

CT: 063202 BG: 1 County: 06059

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0023	Street Improvement - Congress Street Public Facilities Provide funds to improve and maintain safe and decent neighborhoods in low- and moderate-income target areas through street, sidewalk, and facility improvements. Reconstruction of streets in CDBG target area. New street will improve traffic flow, storm water flow and improve the overall aesthetics of Low/Moderate areas. Project area is Congress St. between Raleigh Ave to westerly cul de sac. (CT:063808 BG:1 is 79% Low/Mod; with a total of 4,648 area residents.)	03K Street Improvements 570.201(c) 0 People (General)	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 125,000 \$ 0 \$ 0 \$ 0 \$ 125,000 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(1) - Low / Mod Area
 Subrecipient: Local Government
 Location(s): CT & BG's

CT: 063808 BG: 1 County: 06059

U.S. Department of Housing & Urban Development
 CPD Consolidated Plan
 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0024	Street Improvement - Kenwood Place	03K Street	CDBG	\$ 143,000
	Public Facilities	Improvements	ESG	\$ 0
		570.201(c)	HOME	\$ 0
	Provide funds to improve and maintain safe and decent neighborhoods in low- and moderate-income target areas through street, sidewalk, and facility improvements.	0 People (General)	HOPWA	\$ 0
			TOTAL	\$ 143,000
			Total Other Funding	\$ 0
	Reconstruction of street in CDBG target area. New street surface will improve traffic flow, storm water flow and improve the overall aesthetics of Low/Moderate areas. Project area is Kenwood Place between 18th Street and Shalimar Dr. (CT:063605 BG:2 & CT:063702 BG:2 is 55.3% Low/Mod; with a total of 2,149 area residents.)			

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(1) - Low / Mod Area
 Subrecipient: Local Government
 Location(s): CT & BG's

CT: 063605 BG: 2 County: 06059
 CT: 063702 BG: 2 County: 06059

U.S. Department of Housing & Urban Development
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 Listing of Proposed Projects

Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0025	Street Improvement - Valencia St. Alley	03K Street Improvements	CDBG ESG	\$ 20,000 \$ 0
	Public Facilities	570.201(c)	HOME HOPWA	\$ 0 \$ 0
	Provide funds to improve and maintain safe and decent neighborhoods in low- and moderate-income target areas through street, sidewalk, and facility improvements.	0 People (General)	TOTAL	\$ 20,000
	Reconstruction of alley in CDBG target area. New alley will improve traffic flow, storm water flow and improve the overall aesthetics of Low/Moderate areas. Project area is Valencia St. between Mendoza and La Salle. (CT:063904 BG:1&3 is 78.9% Low/Mod; with a total of 1,927 area residents.)		Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(1) - Low / Mod Area
 Subrecipient: Local Government
 Location(s): CT & BG's

CT: 063904 BG: 1 & 3 County: 06059

U.S. Department of Housing & Urban Development
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Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0026	Street Improvement - Wallace Ave. Public Facilities Provide funds to improve and maintain safe and decent neighborhoods in low- and moderate-income target areas through street, sidewalk, and facility improvements. Reconstruction of street in CDBG target area. New street surface will improve traffic flow, storm water flow and improve the overall aesthetics of Low/Moderate areas. Project area is Wallace Ave. between Congress and Wilson. (CT:063808 BG:1 is 79.0% Low/Mod; with a total of 4,648 area residents.)	03K Street Improvements 570.201(c) 0 People (General)	CDBG ESG HOME HOPWA TOTAL Total Other Funding	\$ 170,000 \$ 0 \$ 0 \$ 0 \$ 170,000 \$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(1) - Low / Mod Area
 Subrecipient: Local Government
 Location(s): CT & BG's

CT: 063808 BG: 1 County: 06059

U.S. Department of Housing & Urban Development
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Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0027	Think Together	05D Youth Services	CDBG	\$ 10,000
	Youth Programs	570.201(e)	ESG	\$ 0
	Assist community based programs that provide the City's youth with counseling, after-school activities, employment counseling, recreation and other alternative activities.	280 People (General)	HOME	\$ 0
			HOPWA	\$ 0
			TOTAL	\$ 10,000
			Total Other Funding	\$ 0
	Education program for at-risk youth. Program offers homework and other forms of academic support. Students are most often referred by teachers, and are required to attend the program five days per week until proficiency in core subjects is achieved.			
	Help the Homeless?	No	Start Date:	07/01/05
	Help those with HIV or AIDS?	No	Completion Date:	06/30/06
	Eligibility:	570.208(a)(2) - Low / Mod Limited Clientele		
	Subrecipient:	Subrecipient Public 570.500(c)		
	Location(s):	Community Wide		

U.S. Department of Housing & Urban Development
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Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0028	Women Helping Women	05 Public Services (General)	CDBG	\$ 15,000
	Public Services	570.201(e)	ESG	\$ 0
	Provide funds to non-profit agencies for a variety of public services for low- & moderate-income residents.	225 People (General)	HOME	\$ 0
	Program provides job skills training (e.g., word processing), job counseling, mentoring and work clothes closet for lower income women and women leaving emergency and/or transitional shelter program.		HOPWA	\$ 0
			TOTAL	\$ 15,000
			Total Other Funding	\$ 0

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide

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Project ID/ Local ID	Project Title/Priority/ Objective/Description	HUD Matrix Code/Title/ Citation/Accomplishments	Funding Sources	
0029	Youth Employment Services	05D Youth Services	CDBG	\$ 15,000
	Youth Programs	570.201(e)	ESG	\$ 0
			HOME	\$ 0
			HOPWA	\$ 0
	Assist community based programs that provide the City's youth with counseling, after-school activities, employment counseling, recreation and other alternative activities.	630 People (General)	TOTAL	\$ 15,000
			Total Other Funding	\$ 0
	Employment services for youth and young adults ages 14-22. Services include resume preparation courses, job search skills development, interview techniques, and job resources.			

Help the Homeless? No Start Date: 07/01/05
 Help those with HIV or AIDS? No Completion Date: 06/30/06

Eligibility: 570.208(a)(2) - Low / Mod Limited Clientele
 Subrecipient: Subrecipient Public 570.500(c)
 Location(s): Community Wide