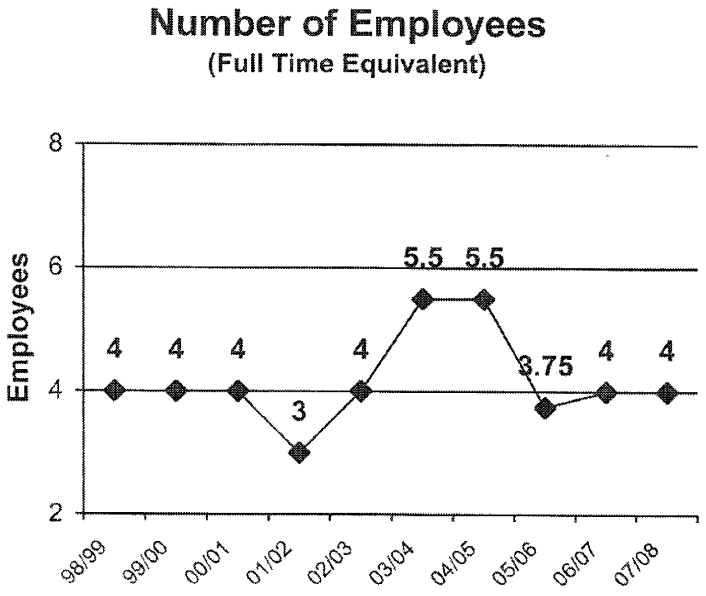
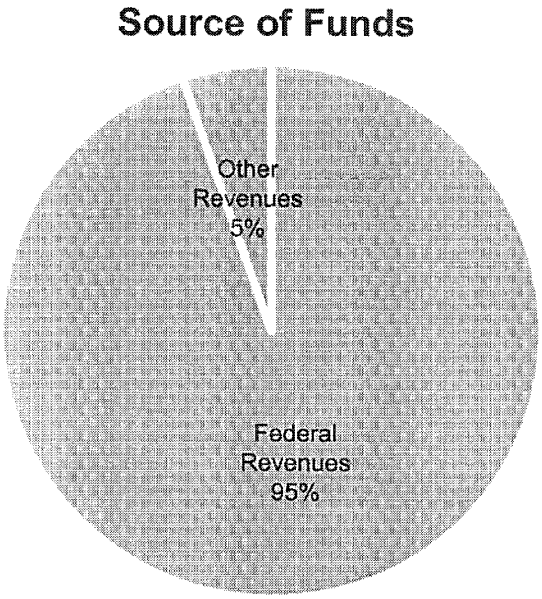
MISSION STATEMENT

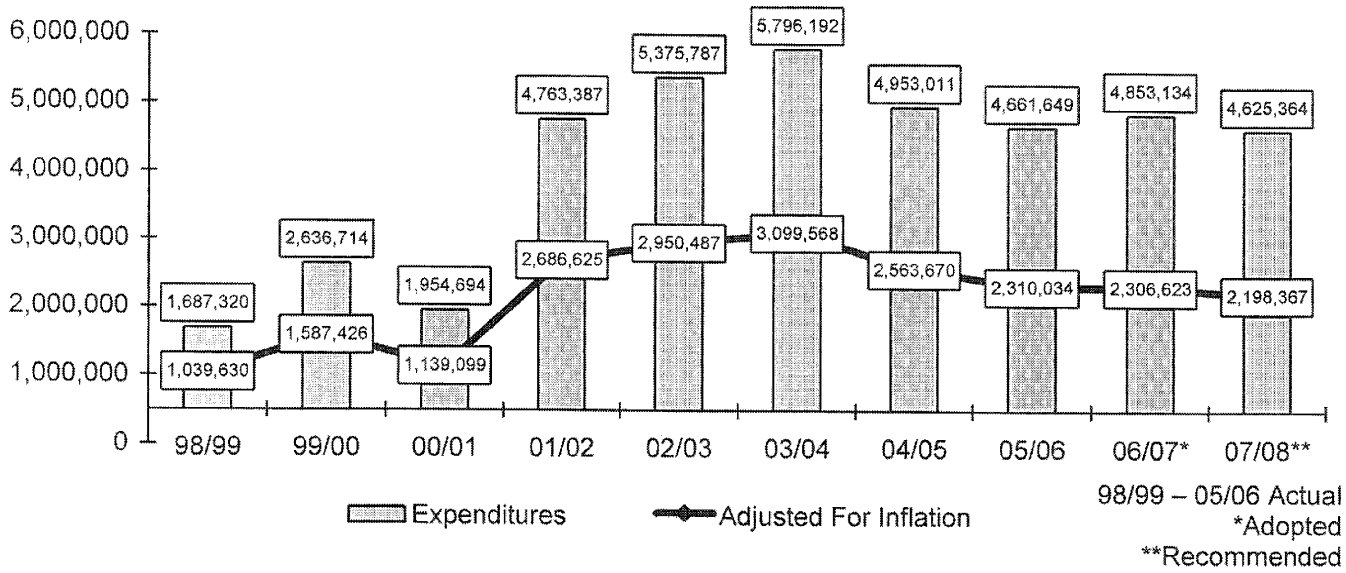
The mission of Community Development is to enhance the quality of life for San Luis Obispo County through programs to provide affordable housing, economic development opportunities, and public improvements to benefit the communities that we serve.

Financial Summary	2005-06 Actual	2006-07 Actual	2007-08 Requested	2007-08 Recommended	2007-08 Adopted
Revenues	$ 4,676,865	$ 6,090,273	$ 4,625,364	$ 4,625,364	$ 4,723,807
Fund Balance Available	$ 0	$ 15,065	$ 0	$ 0	$ (10,626)
Cancelled Reserves	0	0	0	0	0
Total Financing Sources	$ 4,676,865	$ 6,105,338	$ 4,625,364	$ 4,625,364	$ 4,713,181
Salary and Benefits	$ 0	$ 0	$ 0	$ 0	$ 0
Services and Supplies	483,721	791,096	547,351	547,351	569,753
Other Charges	4,177,928	5,261,031	4,078,013	4,078,013	4,143,428
Fixed Assets	0	0	0	0	0
Gross Expenditures	$ 4,661,649	$ 6,052,127	$ 4,625,364	$ 4,625,364	$ 4,713,181
Contingencies	0	0	0	0	0
New Reserves	0	0	0	0	0
Total Financing Requirements	$ 4,661,649	$ 6,052,127	$ 4,625,364	$ 4,625,364	$ 4,713,181





10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAM

Note: Staffing for these programs are provided within Fund Center 142, the Planning and Building Department, and Fund Center 180, the Department of Social Services.

Federal Department of Housing and Urban Development (HUD) Funded Community Development Block Grants (CDBG)

Provides funding for a variety of community development activities provided they 1) benefit primarily lower-income persons, or 2) aid in the prevention of slums or blight.

Total Expenditures: $2,093,734 Total Staffing (FTE): 2.2

Home Investment Partnership Act (HOME) Funds

Provides for a variety of affordable housing opportunities for lower-income households such as mortgage and rent assistance.

Total Expenditures: $1,318,607 Total Staffing (FTE): 1.2

Federal Emergency Shelter Grants (ESG)

Provides funding for operations of one or more shelters, homeless day center, and domestic violence shelters.

Total Expenditures: $91,799 Total Staffing (FTE): 0.2

American Dream Downpayment Initiative (ADDI) Funds

Provides for down payment assistance to lower-income households purchasing their first homes.

Total Expenditures: $23,002 Total Staffing (FTE): 0.1

Supportive Housing Program (SNAP) Funds

Provides funding for transitional housing and case management services for homeless persons.

Total Expenditures: $848,222 Total Staffing (FTE): 0.1

General Fund Support for Programs Benefiting the Homeless

Provides funding for emergency shelter and other services for homeless persons.

Total Expenditures: $150,000 Total Staffing (FTE): 0.1

General Fund Support for the Economic Vitality Corporation (EVC)

Provides funding for economic development services provided through the nonprofit EVC.
Total Expenditures: $100,000 Total Staffing (FTE): 0.1

DEPARTMENT COMMENTS

The primary function of the Community Development Fund Center is to obtain, administer and distribute Federal and State pass-through funding to assist local organizations with providing affordable housing, public services and economic development throughout the County.

Examples of results achieved in the past year FY 2006/2007

- Facilitated completion of 87 affordable housing units in Paso Robles and Atascadero using Federal funds.
- Distributed approximately $4.5 million dollars in federal grant funds for affordable housing, public services and economic development programs to individuals, cities, unincorporated communities and local non-profit organizations. Uses included development of affordable housing and homeless shelter programs.

Major Focus for 2007/2008

- Use approximately $1.3 million in Federal funds to facilitate the addition of 101 affordable housing units in Avila Beach, Paso Robles and San Luis Obispo.
- Distribute approximately $2.3 million in federal grant funds for public services and economic development programs to individuals, cities, unincorporated communities and local non-profit organizations.
- Use $575,000 to complete San Miguel flood control improvements.
- Distribute $250,000 to Economic Vitality Corporation; and to Economic Opportunity Commission and providers of homeless shelter programs.

Please note that this Status Quo Budget is based on assumptions about available federal funds that were not confirmed by HUD at the time this budget was submitted.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

Recommended funding for the Community Development budget reflects a full accounting of Federal funds received and transferred to participating cities and agencies, in compliance with General Accounting Standards Board rules. The recommended budget includes a continuation of the $150,0000 in General Fund support for homeless services provided by a consortium of agencies and $100,000 in General Fund support for the Economic Vitality Corporation.

Overall, revenues and expenses are decreasing by $242,835 (4%) primarily due to the expected reduction in federal grant revenue from the Community Development Block Grant (CDBG) and the Home Investment Partnerships program (otherwise known as HOME). Both programs are expected to reduce their funding levels by 2% as compared to FY 2006-2007.

The revenue and expenditure amounts reflected are for new grant funding only, and include:

- $1,329,215 in CDBG money to be granted to participating cities, using a formula developed by HUD (reflecting a reduction of $50,859 compared to FY 2006-2007),
- A total of $2,318,798 in CDBG and HOME funds to be distributed to various agencies that implement projects under these programs (reflecting an reduction $537,994 compared to the FY 2006-2007), and
- $269,551 to be allocated to Fund Center 142, Planning and Building to pay staff costs associated with managing contracts and overseeing projects implemented in Community Development programs. This amount is $100,449 less than the amount allocated in the FY 2006-2007 Adopted budget, due to the one-time addition of $50,000 in consulting costs appropriated for the Shandon Community Design Plan in the prior year, and a reduction in the amount of grant funding available in 2007-2008.

As noted below, the Economic Opportunity Commission submitted a request to increase funding for homeless services by $50,000. The Administrative Office is not recommending this augmentation at this time because the County will need to work together with the cities to determine the best approach for on-going financial support of homeless services in San Luis Obispo and the north county. These discussions have not yet occurred.

BUDGET AUGMENTATION REQUESTS NOT RECOMMENDED

Unit Amount	Description	Results
Gross: $50,000 General Fund support: $50,000	Additional funding for homeless services provided by a consortium of agencies.	To cover inflationary cost increases and ensure that existing services provided to approximately 495 homeless continue without disruption (due to a funding shortfall).

BOARD ADOPTED CHANGES

As noted above, an increase of $50,000 had been requested by the consortium of agencies providing shelter services to the homeless. During the budget hearings, the Board adopted an increase of $30,000, to be taken from General Fund Contingencies, to augment the $150,000 in funding recommended in the Proposed Budget for these homeless services.

In addition, the Board adopted changes recommended in the Supplemental Document, increasing expenses and revenues by $66,943 to reflect the final allocations granted by the Department of Housing and Urban Development for the Community Development Block Grant, Home Investment Partnership Act (a.k.a. HOME) and the Emergency Shelter Grant.