

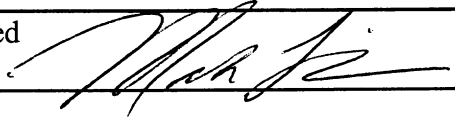
Memorandum

TO: DRIVING A STRONG ECONOMY COMMITTEE

FROM: Leslye Corsiglia

SUBJECT: SEE BELOW

DATE: October 10, 2003

Approved 

Date October 14, 2003

COUNCIL DISTRICT: Citywide
SNI AREA: All

SUBJECT: REPORT AND REVIEW OF THE HOUSING REHABILITATION PROGRAM

BACKGROUND

On February 24, 2003, the Housing Department presented a report on the City's Housing Rehabilitation Programs to the Driving a Strong Economy (DSE) Committee. This report described the various programs offered by the City, including the Strong Neighborhoods Initiative (SNI) Exterior Improvement Program. Due to budget constraints and a high demand for rehabilitation funding, the Department noted that only applications for emergency repairs were being accepted, and that, for a temporary period of time, the Department was not accepting applications for other Rehabilitation Programs, including the SNI Exterior Improvement Program. The DSE Committee requested that the Department return with an update on the status of the programs. This memorandum responds to that request.

ANALYSIS

When the Department stopped accepting new applications last January, there were 750 applications in the process of review, including more than 378 SNI applications. Now that the City has approved rebudgeting actions for the Redevelopment Agency and the FY 2003-2004 Budget has been approved, available funding for the Housing Rehabilitation Program is now known and we are able to determine how many of the 750 applications we can now fund.

A total of \$9.04 million is available this year, with \$6.74 million available for general rehabilitation, mobilehome rehabilitation, and paint grants, and \$2.3 million in 80% Redevelopment Agency funding available for SNI Exterior Grants. Staff has reviewed and prioritized the applications by urgency of need. With the resources available, staff estimates that the program will assist a total of 425 households; 145 of which will also receive SNI Exterior grant funds.

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Because the number of applications on hand exceeds the Department's budget capacity, we will continue to accept only emergency applications through the remainder of the year. The Department is currently considering a number of policy recommendations to respond to the high demand and limited resources. These will be brought forward to the City Council in the near future.

HIGHLIGHTS and ACCOMPLISHMENTS

The Rehabilitation Program achieved the following results during FY 2002-2003:

- A total of 384 projects for 403 units were rehabilitated during the year. This represents an increase of 60 projects (for 76 units) over the previous year.
- The Paint Grant Program was responsible for the painting of 579 residential units.
- Approximately 37% of rehabilitation program clients were senior citizens.
- The Rehabilitation Program served the following income categories during the fiscal year:
 - Extremely Low-Income: 197 (36%)
 - Very Low-Income: 162 (29%)
 - Low-Income: 156 (28%)
 - Moderate-Income: 35 (7%)

I would be happy to answer any questions you may have regarding this report at your October 27, 2003 meeting.


LESLEYE CORSIGNIA
Director of Housing