

REPORT

DATE ISSUED: March 23, 2007 REPORT NO: HCR07-32

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of April 27, 2007

SUBJECT: Application for Funding to the Office of Community Services,
U.S. Department of Health and Human Services (Districts 2, 3, 4, 7 and 8)

REFERENCE:

REQUESTED ACTION:

The ratification of a grant application to the Office of Community Services of the U.S. Department of Health and Human Services, and revision of the FY08 Housing Commission budget.

STAFF RECOMMENDATION:

Ratify a grant application to the Office of Community Services, U.S. Department of Health and Human Services to fund an Assets for Independence Program.

Approval to forward to Housing Authority for authorization to revise the FY08 Housing Commission Budget to reflect the addition of awarded funds, and to authorize the Chief Executive Officer (CEO) to execute all required documents.

BACKGROUND:

This application is to fund an Assets for Independence program. The purpose of the program is to assist Section 8 and Public Housing families become economically self-sufficient by teaching them about economic and consumer issues. The program allows them to establish matched savings accounts called Individual Development Accounts (IDA). For each dollar of participant savings, the program provides three dollars of matching funds. The IDA accounts and matched funds are to be used to purchase a long-term asset in one of three categories: 1) higher education; 2) small business; or, 3) homeownership.

Participants in the Assets for Independence Program must open a savings account at an approved bank, make monthly deposits of earned income, and fulfill all program requirements in order to qualify for the match funds. Program requirements include financial education, credit counseling and repair, Earned Income Tax Credits, and additional steps specific to the participant's chosen asset goal.

This application requests a total of one hundred thousand dollars (\$100,000) of federal funding over a period of five (5) years (Attachment 1). Grantees are required to provide non-federal match dollars equal to the amount of the federal grant. Firm commitments for non-federal funds have been obtained from U.S. Bank, Union Bank and Citibank. Additional funding requests are pending to other financial institutions and foundations. Solicitation of non-federal match dollars will continue through the term of the grant to assure availability of all federal funds.

The application was submitted to the Office of Community Services on March 13, 2007. Housing Commission ratification of this application is sought.

March 14, 2007

Application for Funding - Assets for Independence Program

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FISCAL CONSIDERATIONS:

The Assets for Independent program stipulates that eighty-five percent (85%) of total project funds (including federal and non-federal funds) must be used as savings match for program participants. No more than fifteen percent (15%) of the total project funds will be used for direct and indirect program costs.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This is the first application that has been submitted for this program.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The experience and feedback of residents who are actively involved in a similar IDA program funded through a HUD grant were utilized to design the Assets for Independence program. The Program Coordinating Committee of the Family Self-Sufficiency Program, made up of service providers and community leaders, served in an advisory capacity to assure that the program addresses a significant need of low-income families in San Diego.

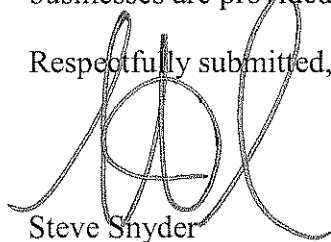
ENVIRONMENTAL REVIEW:

Under applicable federal regulations, the response to the funding notice does not require compliance with NEPA at this time. Further at the time the funds are committed, if and when they are received, in appropriate circumstances, Determinations of Exemption and or Exclusion will be sought prior to commitment of the funds in accordance with applicable federal regulations. The application for a federal grant is "not a project" under the provision of the California Environmental Quality Act ("CEQA").

KEY STAKEHOLDERS & PROJECTED IMPACTS: (if applicable)

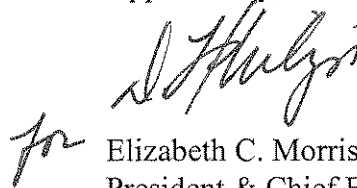
The intended impact of this asset building program for low-income families is to break cycles of family poverty by helping individuals establish a savings habit and gain financial education leading to asset acquisition. The beneficiaries of the requested action are housing-assisted families who reside in the target areas of the Diamond District and City Heights (Districts 2, 3, 4, 7 and 8). In addition, financial institutions are provided with an opportunity to reach community reinvestment goals. Foundations and businesses are provided with an avenue to invest in low-income communities.

Respectfully submitted,



Steve Snyder
Director of Asset Management

Approved by,



for Elizabeth C. Morris
President & Chief Executive Officer

Attachments: Summary of Expenditures

Attachment 1

Summary of Expenditures
Resident Services – OUSA 320
Assets for Independence Grant for Resident Services

	Current FY07 Budget	Proposed Revision Grant Award & Non-Federal Match	Revised FY07 Budget
Salaries & Benefits	1,047,857		1,047,857
Services & Supplies			
Legal	2,000		2,000
Training	8,150	2,000	10,150
Travel	7,750	2,000	9,750
Contract / Consultant	17,500	5,000	22,500
Office Rent	115,304		115,304
Sundry	54,145	11,000	65,145
Insurance	2,956		2,956
Total Services & Supplies	207,805	20,000	227,805
Housing Programs			
Resident Services Expenses	595,694	180,000	775,694
Protective Contract	5,200		5,200
Maintenance Expenses	27,500		27,500
Total Housing Programs	628,394	180,000	808,394
Equipment	1,500		1,500
Total Resident Services Budget	1,885,556	200,000	2,085,556