U.S. Department of Housing and Urban Development San Francisco Regional Office - Region IX 600 Harrison Street San Francisco, California 94107-1387 www.hud.gov espanol.hud.gov

DEC 2 4 2013

Vito Chiesa Stanislaus County Board of Supervisors, Chairman 1010 10th St, Suite 6500 Modesto, CA 95354

Dear Supervisor Chiesa:

SUBJECT: Stanislaus County California Annual Community Assessment Program Year 2012

The U.S. Department of Housing and Urban Development (HUD) Office of Community Planning and Development (CPD) annually reviews the performance of communities managing Community Development Block Grant (CDBG) program funds. A principal tool utilized by HUD CPD is the Consolidated Annual Performance and Evaluation Report (CAPER), which is submitted to the Department within 90 days of the completion of each Program Year (PY). The CAPER describes the implementation of HUD programs, other resources and the community's progress toward meeting specific goals, measurable objectives and outcomes as reflected in its Five-year Consolidated Plan and Annual Action Plan (AAP). This letter is written to convey the results of the HUD CPD review of the 2012 CAPER.

During the 2012 PY, the County received a \$1,972,737 in CDBG funding and \$198,932 in ESG funding. In its 2012-2015 Five-year Consolidated Plan, the County identified seven priorities: 1) A safe community; 2) A healthy community; 3) A strong local economy; 4) Effective partnerships; 5) A strong agricultural economy/heritage; 6) A well planned infrastructure system; and 7) Efficient delivery of public services. In order to meet these priorities, the County has identified five areas wherein eligible activities will take place: 1) Infrastructure; 2) Economic Development; 3) Housing Assistance; 4) Housing Programs; and 5) Public Services.

The County is also the lead entity in an Urban County that consists of the Cities of Ceres, Hughson, Newman, Oakdale, Patterson, and Waterford. The Urban County and its participating cities leveraged CDBG funds with other Federal, State, general County funds and various other private sources in order to maximize the CDBG allocation and to work towards the goals and priorities outlined in the Five-Year Consolidated Plan. In PY2012, Stanislaus County used CDBG funds for various public services, infrastructure projects, homeownership assistance, homelessness services, and homeowner repair. Many large multi-family construction projects are funded through the County's HOME Consortium where the City of Turlock is the lead entity.



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In addition to carrying out eligible activities and maximizing Federal resources, the Stanislaus County met its timeliness of expenditures and stayed within both the 20% administration cap and the 15% public services cap.

ESG funds were split between various non-profits and eight (8) programs, including three (3) emergency shelter facilities, two (2) transitional shelter facilities, and three (3) homeless prevention and rapid re-housing assistance providers. The non-profits funded were Children's Crisis Center, Community Housing and Shelter Services, Family Promise, Salvation Army, and We Care Program. Total persons served across all activities with ESG funding were 1,223. The County also stayed within all regulatory caps and met all deadlines.

The County continues to work cooperatively with HUD to overcome challenges that it has encountered in the implementation of its CDBG and ESG programs. Based upon our review of the CAPER and other available information, we have determined that Stanislaus County has the continuing capacity to implement and administer its CDBG and ESG programs.

We look forward to continuing our partnership with Stanislaus County. If you have any questions, please do not hesitate to contact me, at (415) 489-6572, or CPD Representative, Celia Jones, at (415) 489-6579.

Sincerely,

Maria F. Cremer Director, Community Planning and Development Division

cc: Ms. Angela Freitas