



DEC 12 2011

Rob Turner, Acting City Manager  
City of El Cajon  
200 Civic Center Way  
El Cajon, CA 92020



RECEIVED

DEC 14 2011

CITY MANAGER'S  
OFFICE

Dear: Mr. Turner:

Subject: Community Planning and Development (CPD) Entitlement Programs  
2010 Program Year Review

Enclosed you will find the Department's evaluation of your City's performance utilizing its allocation of Entitlement program funds. Our review was based on the City's 2010 program year Consolidated Annual Performance and Evaluation Report (CAPER), reports from the Integrated Disbursement and Information System (IDIS), and the City's Consolidated Plan.

The City received \$1,350,153 in Community Development Block Grant (CDBG) funds and \$841,125 in Home Investment Partnerships (HOME) funds. As detailed in the attached table, the grantee performance has been rated as **good**.

The City has addressed most strategic program goals and objectives which give context and meaning to annual and cumulative accomplishments. All major program requirements are in compliance with regulatory requirements. There are no outstanding issues raised during the 2010 review, except that the City should consider revising its five-year goals for housing rehabilitation if demand for such needs has been reduced due to the declining housing market.

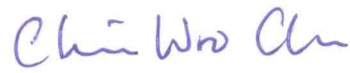
We have enclosed the latest HOME Program Red Flag Indicators report. The red flag symbols in the red flag column indicate a lack of progress on projects as they have been established in IDIS. The Red Flag Indicator identifies the City as a high performer in the projects that it has undertaken by the HOME Program.

Finally, the CAPER review is a review of information submitted by a given community in highly abbreviated form, without supporting documentation. The Department's annual CAPER review makes no representation that activities, programs, and IDIS data included in the CAPER meet all regulatory and statutory parameters. Our review is primarily a commentary upon how much progress the grantee has made towards the goals and objectives stated in its strategic plan, with additional comments made on potential improvements as applicable.

If you have any comments, please provide them to us within 30 days of the date appearing on this letter. Please consider making our review public, and give a copy to your independent public accountant and/or external audit team as required by OMB Circular A-133.

If you have questions or need assistance, please call N. Dean Huseby, Community Planning and Development Representative assigned to your community at 213/534-2569.

Sincerely,

A handwritten signature in blue ink that reads "Chi Wo Ah".

William G. Vasquez, Director  
Office of Community Planning  
and Development

Enclosures

**Program Year Review Summary Table  
 Program Year 2010; Second of Five Years  
 City of El Cajon**

**Major Program Areas**

	Priority	5 Year Goal	1 Year Cumulative Accomplishment	Annual Goal	Annual Accomplishment	Assessment
<b>Decent Housing</b>						
<b>Housing Rehabilitation (Owner – single family/mobilehomes)</b>	<b>High</b>	<b>75</b>	<b>5</b>	<b>15</b>	<b>2</b>	<b>6% of 5 yr. Goal</b>
<b>Home ownership</b>	<b>High</b>	<b>70</b>	<b>34</b>	<b>23</b>	<b>14</b>	<b>49% of 5 yr. Goal</b>
<b>Rental housing</b>	<b>High</b>	<b>49</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0% of 5 yr. Goal</b>
Goal met, exceeded, or on target; grantee is a good performer in the program area						
Goal not met; extenuating circumstances satisfactorily explained; grantee performance is satisfactory						
Strategic goals and objective not provided and/or not met; data and/or performance in the program area needs to improve						
						Good
						<b>Satisfactory</b>
						Needs Improvement
						X

**NOTES: Did not meet the goal for housing rehab but exceeded goal for homeownership. The City should amend their action plan by reducing their housing rehab budget so that they could finish the Renette Center improvements. They indicated that the housing market has declined making housing rehab less interesting to the public. The City should consider reducing the five-year goals. Rental units are under construction.**

	Priority	5 Year Goal	1 Year Cumulative Accomplishment	Annual Goal	Annual Accomplishment	Assessment
<b><u>Continuum of Care</u></b>						
<b>Public Services for Homeless (Crisis House/ FBF/Interfaith)</b>	<b>High</b>	<b>1000</b>	<b>3,109</b>	<b>435</b>	<b>216</b>	<b>310% of 5 yr. Goal</b>
Goal met, exceeded, or on target; grantee is a good performer in the program area						
Goal not met; extenuating circumstances satisfactorily explained; grantee performance is satisfactory						
Strategic goals and objective not provided and/or not met; data and/or performance in the program area needs to improve						

	Priority	5 Year Goal	1 Year Cumulative Accomplishment	Annual Goal	Annual Accomplishment	Assessment
<b><u>Economic Opportunity</u></b>						
Goal met, exceeded, or on target; grantee is a good performer in the program area						
Goal not met; extenuating circumstances satisfactorily explained; grantee performance is satisfactory						
Strategic goals and objective not provided and/or not met; data and/or performance in the program area needs to improve						

**NOTES:**

**None**

	Priority	5 Year Goal	1 Year Cumulative Accomplishment	Annual Goal	Annual Accomplishment	Assessment
<u>Suitable Living Environment</u>						
Capital improvements	High	5	2	2	1	40% of 5 yr. goal
ADA/Special Needs Imps.	High	10	2	2	1	20% of 5 yr. goal
Community and Supportive Services	High	60	635	600	635	105% of 5 yr. goal
Senior Services (meals/wheels)	High	250	209	50	103	83% of 5 yr. goal
Fair Housing	High	2,000	429	400	289	22% of 5 yr. goal
Crime Awareness	High	288162	115269	57633	57633	40% of 5 yr. goal
Goal met, exceeded, or on target; grantee is a good performer in the program area						
Goal not met; extenuating circumstances satisfactorily explained; grantee performance is satisfactory						
Strategic goals and objective not provided and/or not met; data and/or performance in the program area needs to improve						
						Good
						Satisfactory
						Needs Improvement

- **Program/Activity Eligibility; National Objective Population Targeting.**

All activities described in the City's CAPER appear to meet the program eligibility requirements.

**Program Requirements - Maximum and Minimum Program Thresholds**

	total expenditures and obligations	percentage
Planning & Administration	\$185,188.91	13.72% (20 percent maximum)
Public Services	\$192,757.89	14.28% (15 percent maximum)
Primary Objective (overall benefit)	\$1,283,021.92	100.00% (70 percent minimum)
Essential Services (ESG only)	N/A	N/A (30 percent maximum)
Homeless Prevention (ESG only)	N/A	N/A (30 percent maximum)
Operating Staff Costs (ESG only)	N/A	N/A (10 percent maximum)
Administration (ESG only)	N/A	N/A (5 percent maximum)
Timeliness	1.30	(<1.50 = requirement)
As applicable, activity caps and all program thresholds are in compliance with program rules. <b>X</b>		
The original CAPER submission contained calculations in error in one or more of the above areas. The Agency has submitted additional information documenting compliance in all areas.		
The following activity caps and or program thresholds are not in compliance with program rules. The grantee must take the steps outlined below to correct the deficiency.		
The Grantee's current balance of funds is over the recommended program year standard for this point in the program year. We would encourage the Agency to take all relevant action to be in compliance with the 1.5 program year standard when the regulatory test is taken 60 days before the close of the program year. Failure to meet the standard will result in administrative sanctions which are the first step towards monetary penalties. The rate of expenditure on eligible activities must increase if the grantee wishes to avoid administrative sanctions.		
The grantee was previously identified as an untimely grantee and is currently under an expenditure plan. Expenditure rates continue to be low and we continue to be concerned that the grantee is at risk of losing CDBG funds in excess of the 1.5 program year standard.		

**Note: We note that compliance with the CDBG program caps is based on data captured in the PR26 report and submitted by the grantee, and that IDIS technical issues may have affected the accuracy of the data contained in the 2009 CAPER. Thus, the field office may re-evaluate the cap calculations when issues have been resolved. If it is determined that a cap has been exceeded, we will notify you accordingly.**

