



CITY OF MONTEBELLO, CALIFORNIA  
**2019-20 ANNUAL ACTION PLAN**

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# Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

As a recipient of Federal funds from the US Department of Housing and Urban Development (HUD), the City of Montebello (City) is required to prepare and submit a Consolidated Plan every five years. The City's current Consolidated Plan covers the five-year period from 2015 through 2019 and applies to the following Federal grant programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Grant (HOME)

### 2. Summarize the Objectives and Outcomes Identified in the Plan

The Consolidated Plan is a multifaceted document developed through a collaborative process whereby Montebello stakeholders have helped identify community improvement needs and priorities to address with Federal grant funds and other available resources. To ensure the maximum participation of the community's residents and to comply with the City's HUD-approved Citizen Participation Plan, the City implemented an extensive process that included a multilingual survey, numerous community meetings, and public hearings. Through this process, the residents of Montebello participated in a multitude of opportunities to shape the priorities and strategies of the Consolidated Plan.

The Annual Action Plan for Fiscal Year (FY) 2019-2020 includes activities the City will undertake to address its priority needs and objectives as outlined in the 2015–2020 Consolidated Plan. These activities will be undertaken with CDBG and HOME program funds in the amounts of approximately \$669,491 and \$299,865, respectively. The City's Application for Federal Assistance and HUD-required certifications are presented in Appendix A. Activities proposed for FY 2019-2020 will each meet one of the following three national objectives:

- Activities which benefit low- and moderate-income persons
- Activities which aid in the prevention or elimination of slums or blight
- Activities that are designated as having a particular urgency

The City has established the following objectives to address the community needs identified in the Consolidated Plan; each objective has a specific course of action and projected outcomes that are discussed further throughout the Annual Action Plan.

1. Safe/Quality Neighborhoods:

- i. Objective No. 1 – Increase the affordable for-sale and rental housing stock
- ii. Objective No. 2 – Preserve the existing housing stock
- iii. Objective No. 3 – Promote fair housing and equal opportunity

2. Homelessness/Special Needs Population:

- i. Objective No. 1 – Prevent individuals and families from becoming homeless
- ii. Objective No. 2 – Reduce the number of homeless individuals and families

3. Non-homeless Special Needs:

- i. Objective No. 1 – Enable the non-homeless special needs population to live independently
- ii. Objective No. 2 – Increase the quality of life of the non-homeless special needs population

4. Community Development Priority Needs:

The City has established various community development objectives that promote activities and programs that benefit low- and moderate-income households. The overall objective is to address community development needs by implementing activities and programs related to the following CDBG-eligible categories: infrastructure; public facilities; code enforcement; public services; property acquisition and disposition; relocation; and economic development.

**3. Evaluation of Past Performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City prepares the Consolidated Annual Performance and Evaluation Report (CAPER), which outlines how the City met the needs and objectives outlined in the prior 2015–2020 Consolidated Plan and Annual Action Plan. The City’s most recent 2017–2018 CAPER reports on the first three

years of the five-year 2015–2020 Consolidated Plan. The City’s key accomplishments over the 2015–2020 Consolidated Plan period include the following:

- Provided housing rehabilitation loans to assist four homeowners improve their primary residence.
- Housing Authority of the County of Los Angeles provided rental assistance utilizing the Section 8 Housing Choice Voucher program to about 726 Montebello households annually.
- Assisted approximately 700 households with fair housing services to address impediments to fair housing.
- Provided financial support to public and nonprofit agencies that assisted 30 lower-income youth.
- Provided financial support to public and nonprofit agencies that provided services to homeless and special needs low- and moderate-income persons (totaling 3,591 persons).
- Provided financial assistance for CDBG-eligible projects that improved or upgraded the city’s public facilities or infrastructure, benefitting 23,112 low- and moderate-income persons.

The loss of low- and moderate-income housing funds as a result of the dissolution of statewide redevelopment agencies has impacted the City’s ability to implement its goals for affordable rental housing unit development and affordable purchase units. Despite these challenges, the City and its partners have worked to achieve the objectives established in the Consolidated Plan.

#### **4. Summary of Citizen Participation Process and Consultation Process**

Summary from citizen participation section of plan.

##### **1. Citizen Participation**

The following section describes specific actions taken to encourage citizen participation during the development of the City’s FY 2019-2020 Annual Action Plan. The City’s complete Citizen Participation Plan is attached as Appendix B.

- i. **Public Service Applications** – A public notice was posted in the *San Gabriel Valley Tribune* on January 16, stating that CDBG funds were available for public services. The notice was also placed on the website. A total of six applications were received.

- ii. The Montebello City Council held a public hearing on April 10, 2019 to receive and solicit public input on the 2019-2020 Annual Action Plan.
- iii. The FY 2019-2020 Annual Action Plan was released for citizen review and comment on April 11, 2019. During the 30-day public comment period from April 11 through May 12, 2019, the Annual Action Plan was available to the public at the City's Community Development Department and on the City's website.
- iv. Following the 30-day public comment period and recommendations from the public, the Montebello City Council held another public hearing to either approve or deny the FY 2019-2020 Annual Action Plan on May 15, 2019. A copy of the public hearing notice is presented in Appendix C. A copy of the Montebello City Council agenda is presented in Appendix D.

## **5. Summary of Public Comments**

**This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.**

As required by Federal regulations and the City's Citizen Participation Plan, the City advertised notices inviting nonprofits, social service providers, community groups, lenders, real estate agents, and interested citizens to attend the public hearings to provide the public with an opportunity to participate in the development of the FY 2019-2020 Annual Action Plan. The primary purpose of the citizen participation effort was to obtain input from the community before and during the City's preparation of the FY 2019-2020 Annual Action Plan.

A Notice of Funding Availability and Request for Proposals was published in the San Gabriel Valley Tribune on January 16, 2019. On March 28, the City of Montebello published a notice of a public meeting before City Council announcing the availability of FY 2019-2020 CDBG and HOME funds and to plan for the FY 2019-2020 program year. A notice was also published on March 28 announcing the availability of the draft FY 2019-2020 Annual Action Plan for public review. The notice advised the public that a copy of the FY 2019-2020 Annual Plan was placed in the City's two public libraries (i.e., Montebello and Chet Holifield) and the City Clerk's office. The 30-day public comment period commenced on April 11 and ran through May 12, 2019.

The City Council approved the FY 2019-2020 Action Plan on May 15, 2019.

**6. Summary of Comments or Views Not Accepted and the Reasons for Not Accepting Them**

All comments received from the public during the Public Hearing were addressed in the Action Plan. Comments received were from Public Service providers expressing their gratitude for funding.

**7. Summary**

No public comments received to date.

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## PR-05 Lead & Responsible Agencies – 91.200(b)

### 1. Agency/Entity responsible for preparing/administering the Consolidated Plan

Describe the Agency/Entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	City of Montebello	Community Development Department
HOME Administrator	City of Montebello	Community Development Department

**Table 1 – Responsible Agencies**

The Community Development Department is responsible for overseeing the administration of the City's CDBG and HOME programs, including administration of the grants, preparation of required reports, and implementation of grant-funded programs. The Community Development Analyst in the Community Development Department oversees the day-to-day administration of the CDBG and HOME programs with the assistance of program consultants, as needed.

#### **Consolidated Plan Public Contact Information:**

City of Montebello  
Community Development Department  
1600 West Beverly Boulevard  
Montebello, California 90640  
Attn: Damien Delany



## **AP-10 Consultation – 91.100, 91.200(b), 91.215(l)**

### **1. Introduction**

Below is a discussion of the consultation process conducted during the development of the Consolidated Plan.

**Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

During the preparation of the Annual Action Plan, the City consulted with a variety of agencies including local and regional social services agencies, Los Angeles Homeless Services Authority (LAHSA), County of Los Angeles Department of Public Health, and the Housing Authority of the County of Los Angeles (HACoLA).

The goal of the consultation process was to solicit input and gather data on priority needs of the City of Montebello and to identify opportunities for coordination to improve availability and access to services.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

#### **1. Summary of Consultation Process**

The City consulted with other grantees and surrounding jurisdictions to discuss the CDBG and HOME regulations and to plan for the portion of the FY 2019-2020 allocation that is restricted to public service agencies and affordable housing developers.

The City will continue to coordinate with surrounding jurisdictions and local grantees to develop coordinated and consistent performance standards and outcome measurements to assist the neediest populations.

Consultation efforts are made throughout the year through meetings, telephone conferences, and written communication with the Housing Authority of the County of Los Angeles, Los Angeles County Department of Health Services, and community-based

organizations to identify mutual problem areas and explore potential solutions to social problems.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

The City does not meet the threshold to receive ESG funds.

- 2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

Refer to Table 2 below.

1.	Agency/Group/Organization:	Housing Authority of the County of Los Angeles (HACoLA)
	Agency/Group/Organization Type:	Housing PHA Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination	Through a telephone conversation, additional information was gathered on the affordable housing resources of HACoLA and the agency was identified as a valuable partner with the City in meeting the needs for publicly assisted housing.
2.	Agency/Group/Organization:	West San Gabriel Valley Worksource
	Agency/Group/Organization Type:	Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City consultant met with representatives of the agency to discuss programs available particularly for low-income persons and how the City can best continue to utilize employment development services.
3.	Agency/Group/Organization:	Montebello Code Enforcement
	Agency/Group/Organization Type:	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>City consultant met with representatives of the City department to discuss operation of the code enforcement program, need for these services in the city, and the condition of housing and neighborhoods.</p>
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**Table 2 – Agencies, Groups, and Organizations Who Participated**

**Identify any Agency Types not consulted and provide rationale for not consulting**

The City consulted with a variety of agencies serving Montebello residents and the region. No agency types were specifically left out of the consultation process.

**Other local/regional/state/Federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Los Angeles Homeless Services Authority	Both address issues pertaining to homelessness and special needs housing

**Table 3 – Other Local / Regional / Federal planning efforts**

**AP-12 Participation – 91.105, 91.200(c)**

**1. Summary of citizen participation process/Efforts made to broaden citizen participation  
Summarize citizen participation process and how it impacted goal-setting**

In developing this Annual Action Plan, the City of Montebello followed its approved Citizen Participation Plan, which meets HUD’s Federal requirements for citizen participation.

The City of Montebello offered several opportunities for participation and comment throughout the Action Plan process. There was a public hearing before City Council on April 10, 2019 to solicit public input on the Action Plan process and community needs. A 30-day public review of the Action Plan was conducted from April 11 through May 12, 2019. A final City Council public meeting was held on May 15, 2019 for the adoption of the Action Plan.

The comments received through the citizen participation process were essential to identifying priority needs along with the results of the Consolidated Plan survey. Most of the needs identified throughout the Action Plan process were incorporated into the Plan.

**Citizen Participation Outreach**

Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of Comments received
Public Meeting	Non-targeted/broad community	Presentation to City Council and Public on the process.	No comments received.

<b>Mode of Outreach</b>	<b>Target of Outreach</b>	<b>Summary of response/ attendance</b>	<b>Summary of Comments received</b>
Public Hearing	Non-targeted/broad community	Some Public Service Agencies attended the meeting.	Comments were positive in nature, expressing gratitude to the Council for their continued support.
Internet Outreach	Non-targeted/broad community	The Draft Annual Action Plan was placed on City's website for public review. No comments received.	No comments received.

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.220(c) (1, 2)

#### Introduction

The City has access to a variety of Federal, state, and local resources to address its housing and community development priorities. Specific funding sources will be utilized based on the opportunities and constraints of each project or program. The table below summarizes the major sources of funding available to carry out housing and community development activities in Montebello and specifically identifies the City's current funding levels. In addition, the City has Federally mandated match requirements for the HOME programs. The City will provide an estimated \$75,000 to meet the match requirement for the HOME program. This amount equates to 25 percent of the estimated FY's 2019-2020 HOME entitlement of \$299,000 exclusive of administrative costs of \$20,000.

**Priority Table**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation \$	Program Income \$	Prior Year Resources \$	Total \$		
CDBG	Public - Federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	677,645	0	0	677,645	0	Based on HUD FY 2018-2019 allocation and projection through the Consolidated Plan period
HOME	Public - Federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	269,841	0	0	269,841	0	The City anticipated participating in a three-year voluntary grant reduction. That started during FY 2019-2020.
Continuum of Care	Public - Federal	Other	0	0	0	0	0	Credit to Letter of Credit for repayment.

**Table 5 - Expected Resources – Priority Table**



**Explain how Federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

CDBG funds are often coupled with local funds, such as State and Local funds, for capital improvement projects and private funding from nonprofits to generate a sufficient budget for a project to move forward. All sources and types of funds are more limited now due to the current economic climate, along with the demise of statewide redevelopment tax-increment funds and housing set-aside funds. The HOME program requires a local match which leverages local funds.

Leveraging multiple funding sources is often necessary to achieve the City's housing and community development objectives. Key funding sources available for housing and community development needs in the City of Montebello include the following.

Montebello Community Redevelopment Agency Set-Aside Funds: During FY 2011–2012, the California state legislature and Supreme Court implemented the dissolution of all community redevelopment agencies. With that decision, affordable housing is no longer funded through redevelopment in California, except for funds and assets already in use to further affordable housing prior to dissolution, which are now administered by the Housing Successor Agency of the City. The City will evaluate opportunities to leverage existing Housing Successor Agency resources with HOME funds to further affordable housing in the community. However, with the loss of ongoing redevelopment housing set-aside funds, a major funding resource for affordable housing is no longer available.

Section 8 Housing Choice Voucher Program: In Montebello, Los Angeles County manages the Federal Section 8 Housing Choice Voucher Program, which provides rental assistance as a voucher to very low-income persons in need of affordable housing. Typically, the voucher pays for the difference between the fair market rent for the dwelling unit and 30 percent of the voucher recipient's household income. As of January 2019, the Housing Authority of the County of Los Angeles provided Section 8 housing choice vouchers to households in Montebello. Last year the total monthly subsidy expended by the Housing Authority was approximately \$532,019.

General Fund: The City of Montebello utilizes its local general fund to leverage CDBG funds for the Code Enforcement Program and the Summer Youth Employment Program.

Other Public and Private Resources: Health services and other social services are provided by the appropriate County departments. The Housing Authority of the County of Los Angeles receives HUD funding to provide low-income housing assistance that benefits Montebello residents. Public services are also provided by nonprofit agencies, especially by those organizations intended to assist the very low income, the elderly, the abused, the homeless, and other special needs populations. Many of these organizations depend on private contributions and fundraising for their support.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City does not have any publicly owned land that is being considered for affordable housing.

**Discussion**

The Olson Project includes a residential townhome component and a small food incubator component. The residential component, located at 520-528 West Whittier Blvd., 114 and 116 N. 6<sup>th</sup> Street, and 117-125 N. 5<sup>th</sup> Street consists of 28 three-story townhomes on 0.97 acres of the 1.2-acre site. Four floor plans will be featured offering 1,361 to 1,660 square feet of living space with two to four bedrooms, two and one-half to four bathrooms, and attached two-car side-by-side and tandem garages. The proposed plan includes parking for the residential component offering 74 spaces (56 garage spaces and 18 guest spaces) for a ratio of 2.6 spaces per unit.

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## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3) &(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Safe / Quality Neighborhoods	2019	2020	Affordable Housing Public Housing	Citywide	Safe Quality Neighborhoods	CDBG HOME	Housing Rehabilitation Loans: 10
2	Homeless / Special Needs Populations	2019	2020	Homeless	Citywide	Homeless / Special Needs Populations	CDBG	Homelessness Prevention: 464 Persons Assisted
3	Fair Housing	2019	2020	Affordable Housing	Citywide	Fair Housing	CDBG	Other: 50 Other
4	Expanded Economic Opportunities	2019	2020	Repayment of Section 108 Loan	Citywide	Expanded Economic Opportunities	CDBG	Other: 1 Other
5	Improvement of Public Services for Low/Mod Income	2019	2020	Homeless Non-Homeless Special Needs	Citywide	Improvement of Public Services for Low/Mod income	CDBG	Public service activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted

**Table 6 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Safe / Quality Neighborhoods
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>i. Objective No. 1 – Increase the affordable for-sale and rental housing stock               <ul style="list-style-type: none"> <li>1. Provide additional affordable rental and for-sale housing units through the development of new units and the rehabilitation of existing units.</li> <li>2. Develop additional activities and programs that support affordable housing opportunities.</li> </ul> </li> <li>ii. Objective No. 2 – Preserve the existing housing stock               <ul style="list-style-type: none"> <li>1. Prevent at-risk affordable housing units from converting to market-rate prices if feasible.</li> <li>2. Continue to preserve the housing stock by operating a rehabilitation program.</li> <li>3. Develop additional activities and programs that support the preservation of the existing housing stock.</li> </ul> </li> </ul>
2	<b>Goal Name</b>	Homeless / Special Needs Populations
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>i. Objective No. 1 – Prevent individuals and families from becoming homeless               <ul style="list-style-type: none"> <li>1. Continue to make funds available to nonprofit organizations that offer homelessness prevention programs and services.</li> <li>2. Continue to aid individuals and families at risk of homelessness who face a one-time extenuating circumstance of financial hardship.</li> <li>3. Develop additional activities and programs that prevent individuals and families from becoming homeless.</li> </ul> </li> <li>ii. Objective No. 2 – Reduce the number of homeless individuals and families               <ul style="list-style-type: none"> <li>1. Continue to make funds available to nonprofit organizations that provide assistance to homeless families and individuals.</li> <li>2. Develop additional activities and programs that provide assistance to homeless individuals and families.</li> </ul> </li> </ul>

<b>3</b>	<b>Goal Name</b>	Fair Housing
	<b>Goal Description</b>	<p>i. Objective No. 1 – Enable the non-homeless special needs population to live independently</p> <ol style="list-style-type: none"> <li>1. Provide resources to nonprofit organizations to implement fair housing activities and programs.</li> <li>2. Develop additional activities and programs that are consistent with the goals of the Analysis of Impediments.</li> <li>3. Provide housing relocation assistance to individuals and families permanently and/or temporarily displaced due to activities carried out by the City.</li> <li>4. Prevent segregation and concentration of poverty and race.</li> </ol>
<b>4</b>	<b>Goal Name</b>	Expanded Economic Opportunities
	<b>Goal Description</b>	<p>i. Objective No. 1 - Repayment of Section 108 Loan</p> <ol style="list-style-type: none"> <li>1. Continue to repay the Section 108 Loan</li> <li>2. Develop additional activities and opportunities for businesses in the City of Montebello.</li> <li>3. The City has established various community development objectives that provide activities and programs that benefit low- and moderate-income households, and reduce or eliminate slums and blight. The overall objective is to address community development needs by implementing activities and programs related to the following CDBG-eligible categories: infrastructure; public facilities; code enforcement; public services; property acquisition and disposition; relocation and economic development. Among infrastructure improvements on the Consolidated Plan Priority Needs Survey, street improvements, sidewalk improvements, pedestrian crosswalks, and alley improvements were ranked amongst the highest priority needs. Street and alley improvements and ADA-accessible curb ramps were all identified as priority needs in the 2015-2020 Consolidated Plan.</li> </ol>
<b>5</b>	<b>Goal Name</b>	Improvement of Public Services for Low/Mod Income
	<b>Goal Description</b>	The City will continue to utilize CDBG funds to address housing and service needs for low- and moderate-income and special needs households.

**Table 7 – Goal Descriptions**

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):**

The City anticipates assisting approximately four low- to moderate income families during the 2019 – 2020 fiscal year.

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## AP-35 Projects – 91.220(d)

### Introduction

In FY 2019-2020, the City will use Federal funds to address its priority housing and community development needs by undertaking the activities listed below. These activities are consistent with needs identified in the Consolidated Plan and are further described, including a brief description and proposed funding, in the Project Summary table below.

#	Project Name
1	Section 108 Loan Repayment
2	CDBG Planning & Administration
3	Southern California Housing Rights Center Fair Housing Program
4	The Whole Child
5	East San Gabriel Valley Coalition for the Homeless
6	Heart of Compassion
7	Montebello / Commerce YMCA
8	Summer Youth Employment Program
9	HOME funds used as the Voluntary Grant Reduction to repay HUD
10	Economic Development Activities

Table 8 – Project Information

### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City recognizes that special needs populations encounter challenges due to low income and the special conditions that they face. Special needs populations are more likely to become homeless because of these factors. Special needs populations require housing and supportive services. The City considers supportive services and housing for special needs populations a high priority. Supportive services are also considered a high priority in the Continuum of Care. In 2019-2020, the City will fund several public service agencies that aid with housing and supportive services.

In making project recommendations, consideration was given to a variety of thresholds that projects must meet to comply with CDBG objectives, including meeting one of the national objectives and addressing one of the community priorities set out in the Consolidated Plan. Staff also considered activity need and justification, cost reasonableness and effectiveness, activity management and implementation, experience with similar activities, past performance, leveraged funds, and completeness of the application. Project recommendations are for those projects determined most likely to be successful and maintain compliance with CDBG regulations.

While there are several constraints to meeting the needs of low-income residents, the primary obstacle is a lack of funding to fully address all needs. Economic downturns have forced many nonprofits to cut

services at a time when governmental entities and others are least able to provide them. Another obstacle is the number of nonprofits that need assistance with basic management and fiscal policies. These agencies can benefit from assistance with setting up more sophisticated bookkeeping systems and management procedures.

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# Projects

## AP-38 Projects Summary

### Project Summary Information

1	<b>Project Name</b>	Section 108 Loan Repayment
	<b>Target Area</b>	WHITTIER REVITALIZATION AREA
	<b>Goals Supported</b>	Expanded Economic Opportunities
	<b>Needs Addressed</b>	Expanded Economic Opportunities
	<b>Funding</b>	CDBG: \$440,848
	<b>Description</b>	Completed improvements included the replacement of sidewalks, curb and gutter, street irrigation, lighting, water and sewer lines, sidewalk improvements compliant with the Americans with Disabilities Act, landscaping, and street furniture.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	1600 West Beverly Boulevard, Montebello CA
	<b>Planned Activities</b>	Section 108 loan repayment
2	<b>Project Name</b>	CDBG Planning & Administration
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Safe / Quality Neighborhoods
	<b>Needs Addressed</b>	Safe / Quality Neighborhoods
	<b>Funding</b>	CDBG: \$100,000
	<b>Description</b>	Planning and Administration
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	1600 West Beverly Boulevard, Montebello CA

	<b>Planned Activities</b>	Planning and Administration
<b>3</b>	<b>Project Name</b>	Southern California Housing Rights Center
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Fair Housing
	<b>Needs Addressed</b>	Fair Housing
	<b>Funding</b>	CDBG: \$20,000
	<b>Description</b>	Activity provides program designed to limit discrimination in housing based on race, color, national origin, handicap, gender, or creed.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	140 Beneficiaries
	<b>Location Description</b>	3255 Wilshire Boulevard, Los Angeles CA
	<b>Planned Activities</b>	Fair housing services, including counseling and discrimination investigation.
<b>Planned Activities</b>	The program assists homeless and displaced Montebello families to find affordable, permanent housing by providing a range of supportive services to eliminate barriers and assist families to return into housing.	
<b>4</b>	<b>Project Name</b>	The Whole Child
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless / Special Needs Populations
	<b>Needs Addressed</b>	Homeless / Special Needs Populations
	<b>Funding</b>	CDBG: \$5,750
	<b>Description</b>	Provide for a variety of services and programs designed to assist homeless persons and families
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	2 – 3 Homeless families

	<b>Location Description</b>	10155 Colima Road, Whittier CA
	<b>Planned Activities</b>	The program assists homeless and displaced Montebello families to find affordable, permanent housing by providing a range of supportive services to eliminate barriers and assist families to return into housing.
5	<b>Project Name</b>	East San Gabriel Valley Coalition for the Homeless
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless / Special Needs Populations
	<b>Needs Addressed</b>	Homeless / Special Needs Populations
	<b>Funding</b>	CDBG: \$5,750
	<b>Description</b>	Provide for a variety of services and programs designed to assist homeless persons and families
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	100 homeless persons will receive services.
	<b>Location Description</b>	1345 Turnbull Canyon Road, Hacienda Heights CA
	<b>Planned Activities</b>	Provides emergency meals, hygiene kits, clothing, resource assistance and emergency shelter vouchers for homeless and displaced residents of Montebello.
6	<b>Project Name</b>	Heart of Compassion
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Homeless / Special Needs Populations
	<b>Needs Addressed</b>	Homeless / Special Needs Populations
	<b>Funding</b>	CDBG: \$8,500
	<b>Description</b>	Food bank for homeless and seniors
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	100 seniors and persons with special needs plan to be served.
	<b>Location Description</b>	600 South Maple Avenue, Montebello CA

	<b>Planned Activities</b>	Fighting Hunger Feeding Hope - offers Montebello residents much needed food and essential goods twice weekly as part of their program. Duplicated service numbers are expected to exceed 1000 people.
7	<b>Project Name</b>	Montebello/Commerce YMCA
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Improvement of Public Services for Low/Mod Income
	<b>Needs Addressed</b>	Improvement of Public Services for Low/Mod income
	<b>Funding</b>	CDBG: \$9,000
	<b>Description</b>	Supportive services to benefit seniors and frail elderly
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	75 youth will benefit
	<b>Location Description</b>	2000 West Beverly Boulevard, Montebello CA
	<b>Planned Activities</b>	Services include scholarship of youth at risk programming including residence camp, swim programs, youth sports, youth fitness and youth and government programming.
8	<b>Project Name</b>	Summer Youth Employment Program
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Improvement of Public Services for Low/Mod Income
	<b>Needs Addressed</b>	Improvement of Public Services for Low/Mod income
	<b>Funding</b>	CDBG: \$15,491
	<b>Description</b>	Hiring of local low-income students who may be at risk.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	10 youth and community members will benefit.
	<b>Location Description</b>	1600 West Beverly Boulevard, Montebello CA
	<b>Planned Activities</b>	Employ low income at risk youths for summer jobs.

9	<b>Project Name</b>	Voluntary Grant Reduction to repay HUD
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Safe / Quality Neighborhoods
	<b>Needs Addressed</b>	Safe Quality Neighborhoods
	<b>Funding</b>	HOME: \$299,865
	<b>Description</b>	Administration of HOME Program
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	1600 West Beverly Boulevard, Montebello CA
	<b>Planned Activities</b>	Repayment to HUD
10	<b>Project Name</b>	Economic Development
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Safe / Quality Neighborhoods
	<b>Needs Addressed</b>	Safe Quality Neighborhoods
	<b>Funding</b>	CDBG: \$72,306
	<b>Description</b>	Business Attraction and Retention activities
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	1600 West Beverly Boulevard, Montebello CA
	<b>Planned Activities</b>	Fund an Economic Development Program

**Table 9 – Project Summary**

## AP-50 Geographic Distribution – 91.220(f)

### Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City anticipates spending at least 70 percent of its entitlement funds in target areas, including areas that have low- and moderate-income concentrations or minority concentrations. Maps of low- and moderate-income concentrations and minority concentrations are presented in Appendix E.

HUD's funded activities are limited to the city's low- and moderate-income areas, which encompass the majority of the city's residential areas. Areas of the city outside of the CDBG target areas will benefit from activities that are limited clientele in nature, i.e., a person/household can benefit from a Federally assisted program provided they meet the program's eligibility criteria. Eligibility is typically established by household income and household size.

CDBG program funds will be expended based on program criteria. For example, public services are available on a citywide basis for qualified beneficiaries; fair housing and program administration activities will also be carried out on a citywide basis. Housing code enforcement and community development projects (e.g., street and park improvement projects) will be carried out in the city's low- and moderate-income areas, i.e., areas where most residents meet HUD's low- and moderate-income definition.

### Geographic Distribution

Target Area	Percentage of Funds
Citywide	70%

Table 9 - Geographic Distribution

### Rationale for the priorities for allocating investments geographically

The City generally does not allocate funds on a geographic basis. Funds are allocated to subrecipients that provide low-income households with housing and supportive services. On an annual basis, the City prioritizes the use of its CDBG funding for citywide housing and community development activities including housing, public services, fair housing, and a portion of code enforcement. Activities identified under the public services category and targeted to special needs populations are offered on a citywide basis and/or where resources can be coordinated with existing facilities or services. Public improvements and public facilities are qualified as benefitting low- and moderate-income persons.

# Affordable Housing

## AP-55 Affordable Housing – 91.220(g)

### Introduction

In FY 2019-2020, the City will continue to encourage and facilitate the development of affordable housing. The City will also continue to expedite discretionary entitlement and plan check processes for lower-income housing developments. The expedited processing program currently provides approximately 20 days in time savings. Expedited processing is provided as an incentive to encourage development of affordable housing projects as shorter development time frames result in lower housing production costs. The City continues to evaluate the effectiveness of the expedited processing program and modify as needed to further encourage affordable housing development.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	5
Non-Homeless	7
Special-Needs	0
Total	12

**Table 10 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	0
The Production of New Units	4
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	14

**Table 11 - One Year Goals for Affordable Housing by Support Type**

### Discussion

The City's strategies relating to affordable housing efforts include maintaining the affordable housing stock through the Home Improvement and Preservation Program; providing affordable housing for low-income and special needs groups as HOME funds are available; and support for rental assistance programs through the County, such as the Section 8 Housing Choice Voucher. The City is also committed to rezoning sites found to be adequate to provide housing types for lower-income households. The City supports housing through the implementation of its Code Enforcement Program, which is essential to assist in the maintenance and conservation of existing housing stock. The Code Enforcement Program is an effort to preserve and protect existing neighborhoods against the harmful effects of deterioration caused by

neglect, graffiti, and deferred maintenance. The Program also includes the objective of bringing substandard housing units into compliance with City building and zoning codes. The City also works with nonprofit organizations and community groups to help eliminate slum and blight through rehabilitation activities and public improvement projects.

The City's housing policies support a Rental Rehabilitation Program by providing loans to investor owned properties to assist in the ability to improve the City's rental housing stock in need of rehabilitation, to provide safe, decent, and sanitary housing for lower income families. The City also puts funding toward the preservation of existing at-risk affordable housing for technical assistance to property owners and by monitoring Section 8 legislation.

To facilitate the development of affordable units, the City uses the State's density bonus law by offering a density bonus of between 20 and 35%. A density bonus is a financial incentive to developers to provide units affordable to low income households.

The City has several HOME activities in progress, funded with prior year funds. These prior year activities include several HOME-funded loans for homeowner residential rehabilitations; an agreement with a housing developer for the development of two HOME units on two properties owned by the City; and a predevelopment agreement to explore the option of purchasing two properties for future land assemblage for the development of affordable housing. It is estimated that four homeowner units for moderate-income households and the rehabilitation of three residential units for low-income households will be completed.

For example, the Olson Project includes a residential townhome component and a small food incubator component. The residential component, located at 520-528 West Whittier Blvd., 114 and 116 N. 6<sup>th</sup> Street, and 117-125 N. 5<sup>th</sup> Street consists of 28 three-story townhomes on 0.97 acres of the 1.2-acre site. The townhome units are clustered in an L-shaped pattern with a centralized community gathering space, and diagonal parking along the south side of Emmett Williams Way to provide the required resident guest parking. Four floor plans will be featured offering 1,361 to 1,660 square feet of living space with two to four bedrooms, two and one-half to four bathrooms, and attached two-car side-by-side and tandem garages.

The City of Montebello also uses HOME funds for rehabilitation of owner-occupied single-family properties. To qualify as affordable housing, the housing to be rehabilitated must be determined to be modest housing. The use of HOME funds for homeowner rehabilitation activities requires that the value of the HOME assisted property after rehabilitation must not exceed 95 percent of the median purchase price for the area. The HOME Final Rule offers two options for determining the 95 percent of median purchase price limit for owner-occupied single-family housing, as noted below:

- (1) HUD will provide limits for affordable housing based on 95 percent of the median purchase price for the area; OR
- (2) Perform a local market survey to determine the 95 percent of median purchase price limit.



After review of the published 2019 FHA figures for Los Angeles County for determining 95 percent of the median purchase price limit, it was determined that the FHA median price for Montebello homes is \$451,000. Based on a comparison of local housing market listing prices and sales information, it was determined that the FHA limits do not accurately reflect current actual home purchase prices for the area. Therefore, a local market survey was conducted for Montebello home sales for three-month period using HdL data. This survey shows a median price of \$550,000 in the City of Montebello and a 95% median value price of \$522,500.

FHA – Market Median Price	\$451,000
FHA – Market Median Price for newly constructed	\$491,000
Montebello Local Market Survey Median Price	\$550,000
<b>95% of Montebello Local Market Survey Median Price</b>	<b>\$522,500</b>

As a result of this conclusion, it is our recommendation that the City of Montebello use the local market survey price as the determinant of the 95 percent median purchase price limit as it is higher than the FHA-Market Median Price.

City of Montebello  
3 Months Home Sales Data  
January 2019 to March 2019

	Sale Date	Parcel	Situs Address	Price
<b>1</b>	03/14/19	6353016025	1161 S Maple Ave	\$310,000
<b>2</b>	03/03/19	6354017038	1420 S Greenwood Ave	\$403,000
<b>3</b>	01/31/19	5267019021	625 Leonard St	\$460,000
<b>4</b>	01/09/19	6343011005	317 Morris Pl	\$451,384
<b>5</b>	03/28/19	6343019021	454 Via Luneto	\$457,032
<b>6</b>	01/29/19	5267014007	824 Leonard St	\$500,000
<b>7</b>	03/05/19	5294001023	2109 Merle Dr	\$500,000
<b>8</b>	01/22/19	6343012014	444 Concourse Ave	\$507,000
<b>9</b>	01/24/19	6337005029	141 S Vail Ave	\$515,000
<b>10</b>	02/22/19	6352006077	800 Frankel Ave	\$523,000
<b>11</b>	01/09/19	6349017006	128 Mountain View Ave	\$525,000

12	03/22/19	5278022036	413 Andruss Pl	\$528,000
13	01/30/19	6337027014	506 Joyce St	\$529,000
14	03/12/19	5278022013	432 Katherine Dr	\$537,000
15	01/02/19	6352018001	856 S 6th St	\$549,888
16	01/14/19	6343007009	2416 W Via Corona	\$550,000
17	<b>03/27/19</b>	<b>6337024003</b>	<b>2041 Hereford Dr</b>	<b>\$550,000</b>
18	03/28/19	5294002011	2124 W Lincoln Ave	\$550,000
19	02/14/19	5267025018	3008 Via San Delarro	\$553,000
20	03/18/19	5278020005	400 N Raywood Ave	\$558,000
21	01/08/19	6346011021	313 N 7th St	\$562,000
22	03/08/19	6346011023	305 N 7th St	\$595,000
23	02/07/19	6343011024	420 N Via Val Verde	\$600,000
24	01/02/19	5295008024	1725 Westmoreland Dr	\$640,000
25	01/03/19	6350013004	1409 W Olympic Blvd	\$660,000
26	02/06/19	5295011020	828 Marconi St	\$679,900
27	03/01/19	5295009017	805 Perry Ave	\$680,000
28	03/29/19	5295006016	840 Gardner Dr	\$692,000
29	03/12/19	5269024025	716 De Palma Way	\$705,000
30	03/20/19	5293018027	840 N Taylor Ave	\$725,000
31	01/15/19	5278001008	1009 N Las Flores Ave	\$765,000
32	03/21/19	5293017004	865 N Juarez St	\$800,000
33	02/06/19	6351002003	6685 Allston St	\$2,800,000

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The City of Montebello does not own or manage public housing.

### **Actions planned during the next year to address the needs to public housing**

The City of Montebello does not own or manage public housing.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

The Housing Authority of the County of Los Angeles offers the Family Self-Sufficiency Program to assist residents toward greater independence and homeownership opportunities.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The Housing Authority of the County of Los Angeles is not designated as troubled.

### **Discussion**

The City supports the efforts of the Housing Authority in making rental assistance available to low-income households through the Section 8 program, but the City has no direct involvement in the ownership or management of public housing.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

To address the needs of homeless individuals and families, the City continues its efforts to identify efficient and effective means to distribute limited resources for homeless needs. The City has designated emergency and transitional housing as high priorities for addressing homelessness. Other efforts undertaken by the City are identified below:

1. Homeless Shelters

To accommodate its share of the region's homeless, the City utilizes numerous nonprofit organizations to offer shelter and services to homeless persons. Nonprofit organizations that have received funding through the City's CDBG program include East San Gabriel Valley Coalition for the Homeless and Heart of Compassion and The Whole Child. The City also participates in the Los Angeles County Continuum of Care Community Forum. The City works within this collaborative to help identify needs and gaps in the housing/service needs of the region's homeless.

2. Transitional and Supportive Housing

Supportive housing, as defined by Section 50675.14 of the California Health and Safety Code, is housing with no limit on the length of stay and that is occupied by a target population. The target population for supportive housing includes low-income persons having one or more disabilities. These disabilities may include mental illness, HIV or AIDS, substance abuse, or other chronic health conditions. Such housing is also linked to on-site or off-site services that assist residents in retaining their housing, improving their health status, and maximizing their ability to live and, when possible, work in the community. On- and off-site services may include, but are not limited to, tutoring, child care, and career counseling.

Transitional housing, as defined by Section 50675.2 of the California Health and Safety Code, is housing configured as rental housing developments, which may include multifamily housing, single-family housing, or group homes. Such housing is operated under state or Federal program requirements that call for termination of assistance and recirculation of the housing unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Additional services that help individuals gain necessary life skills that support independent living are also allowed but not mandated.

State law allows a distinction in the permitting requirements for certain residential uses in single-family homes based on whether there are six or fewer, or seven or more, people served by the

housing type. This size distinction currently exists in the City's Zoning Code for residential and group care facilities. Residential and group care facilities provide 24-hour per day residential living accommodations in exchange for the payment of money or other consideration, where the duration of tenancy is determined, in whole or in part, by the individual resident's participation in group or individual activities, such as counseling, recovery planning, or medical or therapeutic assistance. Residential or group care facilities include, but are not limited to, residential care facilities for persons with chronic, life-threatening illnesses, and alcoholism or drug abuse recovery or treatment facilities. Residential care facilities provide living accommodations for six or fewer persons and group care facilities provide living accommodations for seven or more persons.

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:**

The City of Montebello contracts with local service providers to assist in reducing homelessness.

**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Los Angeles County is divided into eight Service Planning Areas (SPAs), 1 through 8. The division of the County makes it easier for the Department of Public Health to target and track the needs of each area. Montebello is located in SPA 7.

Every year, the Los Angeles Continuum of Care coordinates a Shelter/Housing Inventory Count (HIC), which is a point-in-time (PIT) inventory of service projects, and a record of utilization of services. HIC records how many beds and units are dedicated to serving people experiencing homelessness (e.g., emergency shelter, transitional housing, and safe haven) or people who have experienced homelessness and are now in permanent housing. The homeless count for the City of Montebello in 2018 was 336 unsheltered and 10 sheltered. The City will fund projects within SPA 7 in the 2019-2020 program year. The SPA 7 region offers a variety of homeless housing facilities serving different client groups including:

**Emergency Shelter**

541 beds serving individuals and families with children

**Transitional Housing**

462 beds serving individuals and families with children

**Safe Haven**

3 beds serving single men and women 18 years and over

For the 2019-2020 program year, the City will allocate CDBG funds to The Whole Child to provide

emergency shelter and transitional housing to Montebello residents or families who require such assistance. The City also funds East San Gabriel Valley Coalition for the Homeless, an organization that assists homeless or at-risk populations in finding permanent housing and in becoming self-supporting. The City will also be a participant of the Los Angeles Continuum of Care.

Several programs, detailed farther below, offered in SPA 7 target different homeless client groups. The program presented below focuses on assessing the individual needs of homeless persons:

Coordinated Entry System (CES) – The CES is a framework that unites regional providers working collaboratively to house chronically homeless individuals. Using a common assessment tool, individuals are prioritized into the most appropriate housing based on their needs. The CES also coordinates county and Federal resources from agencies such as the Department of Mental Health, the Department of Health Services, housing authorities, and the US Department of Veterans Affairs.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

SPA 7 offers a variety of homeless housing facilities serving different client groups, and includes:

#### **Emergency Shelters**

657 beds serving individuals and families with children

#### **Transitional Housing**

615 beds for individuals and families with children

#### **Permanent Supportive Housing**

847 beds serving individuals and families with children

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City has the goal of assisting homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families

to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Homeless Family Solutions System – This program is a network of family homeless service providers that address the needs of homeless families or those at imminent risk of losing their housing. It works cooperatively with system partners to help families complete housing and service plans.

First 5 LA Supportive Housing Program (First 5 LA) – This program is a needs-based assistance program aimed at serving homeless or at-risk families with children from birth to age 5, some with current or past involvement with the County Department of Children and Family Services.

Supportive Services for Veteran Families (SSVF) – This program is a community-based, competitive grant program that rapidly rehuses homeless veteran families and prevents homelessness for those at imminent risk due to a housing crisis. The program's objective is to achieve housing stability through a short-term, focused intervention. The SSVF employs a housing-first model, which focuses on helping individuals and families access and sustain permanent rental housing as quickly as possible and without precondition, while facilitating access to those services that will help the veteran's family keep their housing.

HUD-VASH Vouchers (VASH) – The HUD-VASH program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by the US Department of Veterans Affairs. The department provides these services for participating veterans at Veterans Affairs medical centers and community-based outreach clinics.

Unaccompanied Youth – Several programs serve this target group, including 1736 Emergency Youth Shelter, Hathaway-Sycamores: Independent Living Program, Divinity Prophet: Independent Living Program, and Richstone: Transitional Housing Program and Transitional Living.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

Agencies involved with persons discharged from institutions and systems of care, including the Los Angeles County Department of Children and Family Services, Department of Health Services, Department of Mental Health, and Los Angeles County Sheriff's Department, all have requirements stipulated by state law or county regulations requiring effective discharge planning and a specific transition plan to ensure

that individuals and families are not discharged into homelessness.

### **Discussion**

The programs identified above, which address the needs of homeless persons and subpopulations of homeless, indicate that serving the homeless is a complex issue requiring a network of agencies, departments, and nonprofit community services agencies. It is fortunate that the City can utilize this network of agencies to provide housing and supportive services in addition to using limited CDBG funding.

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## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction**

Barriers to affordable housing exist in the form of governmental regulations and market factors.

The supply and availability of housing may be constrained by governmental actions, environmental conditions, infrastructure capacity, and economic conditions related to the housing market. Barriers or impediments to affordable housing are caused when there is little incentive to develop affordable housing due to excessive development costs and/or the lack of land availability and community commitment. Public policy and community issues potentially affect the cost of all development projects through the design and implementation of land use ordinances, fees, and development standards. While these policies constrain residential development to some extent, they are necessary to support other public policies. Cities also often require developers to provide on-site and off-site improvements necessary to serve their projects. The City of Montebello's 2014–2021 Housing Element concludes that the development review process does not put a constraint on development; building permit and plan check fees are in line with those charged by other jurisdictions in the area; and a development impact fee is not imposed for new multifamily housing. Thus, the building codes and development standards in Montebello are not overly restrictive.

Land and construction costs are key market factors that may serve as a barrier to affordable housing. Construction costs make up a large portion of development costs; however, these costs are regionally determined and the City has no influence over materials and labor costs. Land represents one of the most significant costs of new housing. Montebello is a predominantly urban area that is mostly built-out, which affects the availability and cost of land. The per unit land cost is directly affected by density, and one way to affect this cost is to develop at higher densities which allows the cost to be spread across more units, thus reducing the total price. The City's 2014–2021 Housing Element points out that state law provides for density bonuses, which serve to facilitate the development of affordable housing. While the City already abides by state density bonus requirements, the City Zoning Code will be updated to incorporate these requirements. Also as part of the comprehensive update of the Zoning Code, the City is proposing a very high-density zone to accommodate high-density housing for up to 22.1 to 35.0 units per acre.

The elimination of California redevelopment low/mod housing funds in February 2012 has directly impacted a primary funding source of the City of Montebello for subsidizing the cost of affordable housing.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

To remove or ameliorate the barriers to affordable housing, the City has adopted the following goals in

the 2014–2021 Housing Element:

- The City shall strive to maintain and improve the quality of existing housing and residential neighborhoods in Montebello.
- The City will remove potential constraints to housing production and housing affordability.
- The City will continue to identify adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate the City’s share of regional housing needs and will provide land use policy that encourages, promotes, and provides for the development of various housing types.
- The City will continue to pursue programs and funding sources and adoption of policies which allow for continued affordability of housing units.

Additionally, the City will utilize HOME funds to help facilitate the development of affordable housing, as funding is available.

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## **AP-85 Other Actions – 91.220(k)**

### **Introduction**

One of the primary constraints to meeting the needs of low-income residents is a lack of funding to fully address all the needs. Economic challenges and cuts in grant funding have resulted in budgetary constraints on nonprofit service providers.

### **Actions planned to address obstacles to meeting underserved needs**

The City of Montebello recognizes that special needs populations encounter challenges due to low income and the special conditions that they face. Special needs populations are more likely to become homeless as a result of these factors. Special needs populations require housing and supportive services. The City considers supportive services and housing for special needs populations a high priority. Supportive services are also considered a high priority in the Continuum of Care. In 2019-2020, the City will fund several public service agencies that aid with housing and supportive services.

### **Actions planned to foster and maintain affordable housing**

The City's strategies relating to CDBG-funded affordable housing efforts include maintaining the affordable housing stock through the Home Improvement and Preservation Program; maintaining rental assistance programs such as the Section 8 Housing Voucher program; and providing assistance to households before they lose their housing. The City will utilize a combination of Federal and non-Federal funds to maintain existing affordable housing units and foster the creation of new affordable housing opportunities.

### **Actions planned to reduce lead-based paint hazards**

The City's HOME-funded Home Improvement and Preservation Program follows the requirements of Lead Safe Housing Regulation 24 CFR Part 35 effective September 15, 2000, and the subsequent September 2000 HUD transition assistance policy. The City will use, when required, state of California-certified lead-based paint inspectors/risk assessors to test for lead paint and perform risk assessments on houses testing positive, and certified lead-based paint contractors to remove and/or abate lead paint.

### **Actions planned to reduce the number of poverty-level families**

The City of Montebello continues to look for ways to expand economic activities to include all people and provide programs to those people who are less fortunate. The City has focused on the creation of jobs for low- and moderate-income persons through youth employment programs, capital improvement projects, and the extensive projects related to the Whittier Boulevard Corridor Revitalization (funded by

Section 108 loan funds). Programs related to housing improvement, homeless shelters, supporting the County's rental assistance program, and funding affordable housing creation have resulted in housing the homeless and improving the living conditions of the elderly and low-income families.

Many factors can contribute to persons living at or below the poverty level. Lack of higher education opportunities, lack of marketable skills, unemployment or underemployment, lack of affordable child care, lack of effective transportation, and lack of affordable housing all contribute to homelessness or persons living in poverty. These factors must be addressed to reduce the number of persons living in poverty.

While the City has no control over most of these factors, the City regularly provides referrals to those living below the poverty line. The City also provides a listing of public services agencies and homeless resources, and links to social service agencies. In addition, the City supports other government agencies, private developers, and nonprofit agencies that are involved in creating affordable housing and economic opportunities for low- and moderate-income residents. The City has supported, and will continue to support, a City youth employment program that offers summer youth employment benefitting low-income households.

### **Actions planned to develop institutional structure**

CDBG funds received by the City are administered by the Finance Department. The City relies on a number of governmental departments and agencies, for-profit developers, and private, nonprofit organizations to carry out the City's housing and community development program. The City's Community Development Department's functions directly impact and facilitate the development of housing. Housing developers are an important partner and essential for the development of market-rate and affordable housing. Private developers are unable to build affordable units without government or other subsidies because of the high cost of land in the city. The Public Works Department is responsible for the design, construction, maintenance, and operation of public facilities as well as for administering infrastructure projects. The Housing Authority of the County of Los Angeles administers the HUD Section 8 Housing Choice Voucher Program and public housing, which benefits the city's low-income population with publicly assisted rental housing. A number of nonprofit public services agencies provide emergency shelter, transitional and special needs housing, and services to the homeless population and to low- and moderate-income households.

Many gaps or weaknesses in the institutional structure must be addressed. The loss of the redevelopment program presents a significant challenge for continued support for affordable housing. The end of redevelopment funding resulted in the loss of a primary funding source for affordable housing and a loss of administrative resources for housing programs that worked in combination with HOME funds. The reductions in CDBG funding have forced a reduction in community development programs. The cutbacks in funding have impacted public services programming, resulting in limited staff and limited budgets. While the City has limited control over tight budgets, City staff will continue to work closely with these

entities to work to achieve housing and community development goals.

**Actions planned to enhance coordination between public and private housing and social service agencies**

CDBG and HOME funds received by the City are administered by the Community Development Department. The City relies on several governmental departments and agencies to carry out the City's housing and community development program. The Community Development Department will work with the following departments and agencies during the 2019-2020 program year:

- Finance Department
- Public Works Department
- Housing Authority of the County of Los Angeles
- Nonprofit Social Service Agencies
- Contractors
- Housing Developers

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction

The program-specific requirements that apply to the City are those for the CDBG and HOME programs.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City does not receive any atypical loans, grant instruments, nonconforming loan guarantees, or other forms of investments.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City has general recapture and resale provisions in its HOME program guidelines which apply only to CHDOs. The City will impose HOME recapture provisions on any property sold by a CHDO to a homebuyer when the City provides a direct subsidy for down payment and or closing costs to the homebuyer.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

In instances where the homebuyer's home is sold to a qualified low-income buyer at an affordable price, the HOME loan balance shall be transferred to the subsequent qualified buyer and the affordability period shall remain in force. The resale provision shall remain in force from that date the legal documents are executed at loan closing until the expiration of the affordability period.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City has no current plans to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

**Discussion**

The City will rely on its HOME Policies and Procedures Manual to follow compliance requirements of the HOME program.

## Attachments

DRAFT