

City of El Monte Draft Fiscal Year 2016-2017 HUD Annual Action Plan



Economic Development Department
Housing Division

April 15, 2016

Expected Resources During Fiscal Year 2016-2017

AP-15 EXPECTED RESOURCES – 91.220(C)(1,2)

Introduction

El Monte has been notified that it's 2016 allocation of Community Development Block Grant (CDBG) funding will be \$1,691,755 along with an allocation of \$501,098.00 in HOME funds and \$155,203 in Emergency Solutions Grant (ESG) funding. At this time, the City does not anticipate generating any Program Income however remaining Prior Years' funding for the CDBG and HOME programs are being reallocated as part of the 2016 Annual Action Plan. Furthermore, the City does not anticipate receiving any other Federal or State funding for housing and community development efforts. Details for how the CDBG, HOME and ESG funds will be allocated towards eligible projects is described as part of the following Action Plan.

Anticipated Resources

Table 1 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Federal	Community Development, Economic Development, Affordable Housing	\$1,691,755		\$636,032	\$2,327,787	\$5,075,265	Total amount is based on FY 16-17 CDBG allocation and the prior year resources. The expected remaining amount is based on a 3-year projection of CDBG allocated funding from FY 17-18 to FY 19-20
HOME	Federal	Affordable Housing	\$501,098.00		\$639,894.19	\$1,140,992.19	\$1,503,294	Total amount is based on FY 16-17 HOME allocation. The expected remaining amount is based on a 3-year projection of HOME allocated funding from FY 16-17 to FY 19-20
ESG	Federal	Emergency Shelter, Homeless Services	\$155,203		\$0	\$155,203.00	\$484,062	Total amount is based on FY 16-17 ESG allocation. The expected remaining amount is based on a 3-year projection of ESG allocated funding from FY 17-18 to FY 19-20

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

The City will attempt to leverage grants and other funding when appropriate to meet the objective of the Annual Action Plan. The City does add local funds (including unexpended CDBG funds from prior years if available) to further support the organizations and individuals receiving CDBG funding. HOME and ESG funded projects require matching funds to be committed prior to funding commitments being made by the City of El Monte. In the 2016 Action Plan, two rental developments have been identified - both of which have committed significant additional resources, including LIHTC funding, to the projects. For the ESG projects, Volunteers of America provides substantial matching funds for the both the Street Outreach and the Homeless Prevention & Rapid Re-Housing projects.

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

Not applicable within the City.

Annual Goals and Objectives

AP-20 ANNUAL GOALS AND OBJECTIVES

Goals Summary Information

Table 2 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide decent affordable housing	2015	2019	Affordable Housing	City Wide Qualified Census Tracts	Provide decent affordable housing	TBD	TBD
2	Support special needs programs and services	2015	2020	Non-Homeless Special Needs	City Wide Qualified Census Tracts	Provide decent affordable housing Maintain and promote neighborhood preservation Support special needs programs and services Construct or upgrade public facilities and infrastructure Fair Housing	TBD	TBD
3	CDBG Grant Administration	2015	2020	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	City Wide Qualified Census Tracts	Provide decent affordable housing Maintain and promote neighborhood preservation Support special needs programs and services Construct or upgrade public facilities and infrastructure Fair Housing	TBD	TBD
4	Maintain and promote neighborhood preservation	2015	2019	Affordable Housing Non-Housing Community Development	City Wide Qualified Census Tracts	Construct or upgrade public facilities and infrastructure	CDBG: \$ TBD	TBD

Table 3 - Goal Descriptions

1	Goal Name	Provide decent affordable housing
	Goal Description	To provide safe and decent affordable housing within the City
2	Goal Name	Support special needs programs and services
	Goal Description	Promote and support special needs programs and services within the City
3	Goal Name	Grant Administration
	Goal Description	Administer the CDBG, HOME, and HESG programs within the City
4	Goal Name	Maintain and promote neighborhood preservation
	Goal Description	Maintain and promote neighborhood preservation programs and services within the City

Projects

AP-35 PROJECTS – 91.220(D)

Introduction

The following section provides details for each of the projects and the planned activities associated with each project.

The planned activities for each project are only planned, as such funding commitments have not been issued to the respective agencies or organizations. Each planned activity must first complete all due diligence requirements as required by El Monte and by HUD Regulations as necessary. Upon completion of the due diligence and approval by El Monte staff, the City and the respective organizations shall enter into a funding agreement (or contract) for delivery of the activity. In all cases, activities must be for the benefit of low to moderate income persons and/or households within the El Monte jurisdiction.

Table 4 - Project Information

#	Project Name
1	CDBG: Administration
2	CDBG: Housing Programs
3	CDBG: Public Services
4	CDBG: Capital Improvement Activities
5	HOME: Administration
6	HOME: Housing Development & Preservation Activities
7	HOME: 15% CHDO Set-Aside
8	ESG: 2016 Activities

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

El Monte will use a place-based strategy during the planning period. The geographic distribution of funding is predicated somewhat on the nature of the activity to be funded. It is the City's intent to fund activities in the areas most directly affected by the needs of low-income residents and those with other special needs. The Annual Action Plan directs investment geographically to an area benefit neighborhood. The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51% of the residents are low and moderate income persons. Public infrastructure improvements are an area benefit activity when they are located in a predominately low- and moderate-income neighborhood.

AP-38 Project Summary

Table 5 - Project Summary Information

City of El Monte FY 2016-17 Action Plan			Total Allocation For Each Funding Category
Revenue	2016/17 CDBG ALLOCATION	\$ 1,691,755.00	
	Prior Year Funding (2011 Job Creation - Norms)	\$ 636,032.00	
Expenditure	Admin 20% Cap	\$ 338,351.00	\$ 338,351.00
	Capital Improvement Projects	\$ 1,739,436.00	\$ 1,739,436.00
	Public Services 15% Cap	\$ 250,000.00	\$ 250,000.00
	Total CDGB Activities	\$ 2,327,787.00	\$ 2,327,787.00
Revenue	2016/2017 HOME	\$ 501,098.00	
	Prior Year Funding (2009 Dollars)	\$ 639,894.19	
Expenditure	Admin (10%)	\$ 50,100.00	\$ 50,100.00
	CHDO Set Aside (15%)	\$ 75,160.00	\$ 75,160.00
	(New Construction Multi-Family Housing Construction (Tyler Ramona)	\$ 375,838.00	\$ 375,838.00
	Tenant Based Rental Assistance Program	\$ 639,894.19	\$ 639,894.19
	Total HOME Activities	\$ 1,140,992.19	\$ 1,140,992.19
Revenue	2016/2017 ESG	\$ 155,203.00	
	Prior Year Funding	\$ -	
	Admin 7.5%	\$ 11,640.00	\$ 11,640.00
	Street Outreach/Emgr. Shelter	\$ 112,000.00	\$ 112,000.00
	Homeless Prev & Rapid Rehousing	\$ 31,563.00	\$ 31,563.00
	Total ESG Activities	\$ 155,203.00	\$ 155,203.00

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**

El Monte will use a place-based strategy during the planning period. The geographic distribution of funding is predicated somewhat on the nature of the activity to be funded. It is the City's intent to fund activities in the areas most directly affected by the needs of low-income residents and those with other special needs. The Annual Action Plan directs investment geographically to an area benefit neighborhood. The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51% of the residents are low and moderate income persons. Public infrastructure improvements are an area benefit activity when they are located in a predominately low- and moderate-income neighborhood.

Table 6 - Geographic Distribution

Target Area	Percentage of Funds
City Wide	TBD
Qualified Census Tracts	TBD

- **Rationale for the priorities for allocating investments geographically**

El Monte will use a place-based strategy during the planning period. The geographic distribution of funding is predicated somewhat on the nature of the activity to be funded. It is the City's intent to fund activities in the areas most directly affected by the needs of low-income residents and those with other special needs. The Annual Action Plan directs investment geographically to an area benefit neighborhood. The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51% of the residents are low and moderate income persons. Public infrastructure improvements are an area benefit activity when they are located in a predominately low- and moderate-income neighborhood.

Affordable Housing

AP-55 AFFORDABLE HOUSING – 91.220(G)

Introduction

The City of El Monte estimates the following beneficiaries from the combination of housing related efforts funded by the CDBG, HOME and ESG grants.

Table 7 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	TBD
Non-Homeless	TBD
Special-Needs	TBD
Total	TBD

Table 8 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	TBD
The Production of New Units	TBD
Rehab of Existing Units	TBD
Acquisition of Existing Units	TBD
Total	TBD

Discussion

Details for each housing program can be found in the Projects section of this Action Plan.

AP-60 Public Housing – 91.220(h)

There no public housing within the City. As such, the various sections in this AP are not applicable within the City.

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

Not applicable within the City.

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

Not applicable within the City.

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

Not applicable within the City.

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

Introduction

Homelessness is a critical issue for all jurisdictions throughout the San Gabriel Valley and Los Angeles Metropolitan region. Every community has a homeless population and providing adequate housing and services is significant challenge. The individuals who are homeless are typically affected by a complex set of unmet social, economic, and housing needs. These needs may include affordable housing, stable employment, treatment of medical conditions, childcare assistance, credit history, adequate rental assistance, and treatment of substance abuse and/or mental illness.

- **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including :Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City has identified Goal #2 above to provide support for Special Needs Programs and Services which includes providing for the needs of homeless persons. In order to serve this need and meet the one-year goal of serving the special needs population the City will fund Volunteers of America through its Emergency Solutions Grant Program. ESG funds will be used to deliver a multi-faceted Street Outreach program connecting currently homeless individuals and families with the available resources and supportive services.

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

Goals #1 and # 2 above include provide for Decent Affordable Housing options (#1) and providing support for Special Needs Programs and Services (#2). Again, to meet these goals, the City will partner with LAHSA to provide for housing and services opportunities for persons who are experiencing homelessness.

Every other year, LAHSA, conducts a point in time survey to count the number of homeless individuals, sheltered or unsheltered, living throughout the County. According to the 2011 Greater Los Angeles Homeless Count, it is estimated that there are 45,422 homeless persons in Los Angeles Continuum of Care and approximately 51,340 homeless individuals living in the County at a given point in time. Of the 45,422 reported in the CoC approximately 79 percent were unsheltered and 21 percent were living in either emergency shelter or transitional housing programs at the time of the survey. Within the San Gabriel Valley subarea, which includes the cities of El Monte, and numerous San Gabriel Valley cities like Claremont, Monrovia, Pomona, San Marino, Industry, and surrounding unincorporated areas, it is estimated that there are 4,727 homeless counted during the Point in Time Survey, including 3,868 single adults and 943 family members.

As part of the Greater Los Angeles Homeless Count Report authored by LAHSA, cities can participate in the Opt-In Program. The Opt-In Program provides local jurisdictions with homeless count numbers specific to their area or city allowing them to obtain local homeless count information to more effectively address local homelessness and to report progress to federal,

state, and county agencies to meet funding requirements. Prior to the 2009 homeless count, the methodology did not support this need. Beginning in 2009, the study methodology was enhanced to enable opt-in cities/communities to coordinate a homeless count within their borders using locally recruited volunteers from public and private agencies. In total, 35 areas consisting of 28 cities and seven communities enumerated all of their census tracts – including the City of El Monte. Using the results from the LAHSA shelter and youth counts, cities are able to estimate a point-in-time number of the homeless families and individuals who are sheltered and unsheltered in their jurisdictions. The most recent data available for the City of El Monte is from 2011 and indicates that there are approximately 364 homeless individuals living in the City including 119 individuals on the street and 244 living in an emergency shelter or transitional housing.

- **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**

Again, in an effort to meet Goals #1 and #2 previously identified, the City will continue to fund a wide variety of nonprofit organizations providing services for homeless people through the Consolidated Plan process. For FY 2016-17 the City will fund Volunteers of America through its Emergency Solutions Grant Program. ESG funds will be used to deliver a multi-faceted homeless prevention program that will include such services as street outreach, case management, temporary financial assistance (e.g. temporary rent subsidies), move-in assistance, motel vouchers and referral services.

The project will offer assistance programs and services designed to assist low-income residents and those in need of emergency shelter or food. According to the City, motel vouchers are issued for up to three (3) nights, depending on the circumstance, for emergency lodging for persons in need of temporary shelter. Often times, persons seek this service due to loss in wages, need a place to sleep meanwhile they are admitted into a homeless shelter, unable to afford shelter for themselves and family for small period of time, or the person is chronically homeless and is need of a place to get cleaned up and rest.

- **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.**

For FY 2016-17 the City will fund Volunteers of America's Homeless Prevention and Rapid Re-housing Program (HPRP) to provide services for individuals and families in El Monte. HPRP provides temporary assistance and stabilization services to either help those who are

experiencing homelessness to be quickly re-housed and stabilized (rapid rehousing) or prevent eligible very low income individuals and families from becoming homeless (prevention). Monetary assistance is paid directly to the landlord and/or utility company for expenses such as security deposits, utility turn-on fees and back-due rent and/or utilities. In this manner, the City and its partners are working together to meet Annual Goals #1 & #2.

Discussion

By providing for a comprehensive approach to homelessness, the City of El Monte and its partner Volunteers for America are providing much needed outreach and supportive services, including adequate housing options, for persons and families who may be experiencing homelessness or are at risk of becoming homeless in the near future. By providing housing and services the City and its partner are serving the Priority Needs previously identified in this ConPlan as well as meeting Goal #1 and #2 in the 2016 Action Plan.

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

Introduction

The City will utilize a number of policies intended to provide additional flexibility in housing site planning and promote more intense development where appropriate. The City's Housing Sites Inventory Program helps ensure that the City continuously monitors available sites in the area that may be appropriate for residential uses. A density floor is another tool that can be used to promote the maximum use of residential land. The density floor would establish a minimum density requirement within a given residential land-use designation. The availability of developable acreage in upper density ranges allows for the development of certain types of housing.

The City will also continue to consider alternate forms of residential development, including various types of small-lot, single-family subdivisions; mobile home parks that allow owner-occupied spaces; senior citizen multifamily housing developments offering various degrees of care and assistance; mixed-use residential, office and commercial developments; and planned unit developments.

Additionally, to encourage developers to pursue projects providing low- and moderate-income housing, California has provided regulations to govern the approval process, permitting greater density for affordable housing projects that include additional incentives to the developer. The City utilizes this Density Bonus Ordinance to encourage developers interested in additional density or incentives to develop a portion of their market rate project as affordable to low- and moderate-income households to meet the state housing requirements.

New barriers to the development of affordable housing opportunities have become known during recent months. Due to state legislative action, all local redevelopment funded activities have ceased as of February 2012. Redevelopment funding was a critical tool that the City used to encourage and support the preservation and creation of community improvements that primarily benefited low- and moderate-income households, including housing opportunities.

- **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**

In absence of El Monte Redevelopment Agency Low and Moderate Housing Set-Aside Funds, and reduced CDBG and HOME Program funds, the City is actively seeking replacement funding sources to recover lost funding in efforts to continue facilitating affordable housing. Given the economic downturn which has forced Federal and State agencies to reduce funding available to cities, it is unlikely that the City will be able to recover 100% of funding that was lost. Despite this circumstance, the City will make attempts to seek replacement funding assistance for affordable housing.

AP-85 Other Actions – 91.220(k)

Introduction

- **The Consolidated Plan identified a variety of barriers to the provision of affordable housing and also provided a strategy to address barriers. Outlined below are steps the City has identified it will undertake during the 2015-2020 planning period in an effort to overcome barriers**
- The City will utilize a number of policies intended to provide additional flexibility in housing site planning and promote more intense development where appropriate. The City's Housing Sites Inventory Program helps ensure that the City continuously monitors available sites in the area that may be appropriate for residential uses. A density floor is another tool that can be used to promote the maximum use of residential land. The density floor would establish a minimum density requirement within a given residential land-use designation. The availability of developable acreage in upper density ranges allows for the development of certain types of housing.

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A specific action planned for FY 2016-17 to foster and maintain affordable housing will be a partnership with the Rio Hondo Community Development Corporation. In 2014, the City acquired a three unit multi-family property using HOME funds. Approximately TBD in CDBG program income from FY 2014-15 will be used to rehabilitate the units and provide El Monte residents with decent, safe and sanitary affordable housing.

New barriers to the development of affordable housing opportunities have become known during recent months. Due to state legislative action, all local redevelopment funded activities have ceased as of February 2012. Redevelopment funding was a critical tool that the City used to encourage and support the preservation and creation of community improvements that primarily benefited low- and moderate-income households, including housing opportunities.

Actions planned to address obstacles to meeting underserved needs

The Strategic Plan provides information related to the proposed geographic distribution of investment. It includes a general description of the homeless and other community development needs activities to be undertaken and other actions to address obstacles to meet underserved needs and reduce poverty. This plan can also be found at the City's website.

Overall, El Monte has several priority housing and community needs it plans to address over the remaining years of the Consolidated Plan:

- Public Infrastructure and Capital Improvements within qualified census tracts;
- Continued support of area nonprofit agencies, particularly those programs that provide social services for special needs populations (i.e - senior, low income, youth households with a cost burden);
- Programs that improve the living environment of low- and moderate-income families residing in substandard housing;
- Programs that expands the stock of affordable housing within the City, and;
- Programs that promote fair housing, especially targeting extremely low- and low-income households
- Services for the Homeless and Homeless Prevention

Actions planned to foster and maintain affordable housing

The 2016 Action Plan has identified several activities which shall either maintain existing affordable housing or develop additional affordable housing units. These activities include:

1. CDBG funded weatherization program
2. HOME funded owner occupied rehab program
3. HOME funded rehabilitation of existing rental housing
4. HOME funded new construction of affordable rental housing

Actions planned to reduce lead-based paint hazards

Lead poisoning education and abatement efforts in El Monte are provided through the cooperative efforts of the County Public Health Department. The abatement of lead-based hazards is a vital component of the City of El Monte's Housing Rehabilitation Loan Program. All housing rehabilitation projects are assessed for lead based paint and lead based paint abatements are performed by licensed contractors.

In accordance with federal regulations and the City of El Monte's policy regarding the identification of lead-based paint hazards, all housing built prior to 1978 must undergo lead based paint testing prior to receiving funding for rehabilitation. If deteriorated lead-based paint surfaces are found, it must be stabilized during the rehabilitation of the property. Abatement must be performed by a certified lead-based paint professional and a Clearance Inspection must be issued by the certified lead-based paint assessor prior to the issuance of the Notice of Completion.

Actions planned to reduce the number of poverty-level families

Single-parent households with children often require special consideration and assistance with affordable housing, accessible day care, health care, and a variety of other support services. El Monte is home to 5,271 female-headed families, of which 2,778 are female headed families with children. In 2000, 31 percent of the City's female-headed families lived in poverty, compared to 17 percent of married-couple families.

According to the Department of Housing and Community Development, large households are defined as households having five or more members. These households constitute a special needs group because of the limited supply of adequately sized, affordable housing. According to the 2010 Census, 8,504 large households live in El Monte (5,099 are renters and 3,405 are owners). Large households have some of the more pressing needs: 72 percent earn lower incomes and 51 percent overpay for housing.

Goal: To reduce poverty level incomes below current levels by 2017.

- **Policy:** To continue to support and coordinate with public and private efforts aimed at preventing and reducing poverty level incomes.
- **Policy:** To conduct outreach with public and private agencies whose mission is to reduce poverty level incomes.
- **Program:** To support and coordinate with the organizations who directly or indirectly contribute to a reduction in poverty within the City.

El Monte's antipoverty strategy is closely aligned with the goals and objectives of the overall affordable housing plan. These goals include: reducing poverty, creating new and affordable housing, developing and promoting services for at-risk populations, expanding job training, and providing public and social services. The City will also continue partnering with organizations to provide a continuum of services addressing the full range of needs of low- and moderate-income families. Finally, the City will work to create job opportunities for its residents. The following are specific strategies the City hopes to implement during the FY 16-17 fiscal year to accomplish this objective:

- CDBG funding will be allocated to a new project called Downtown Parking Lot Improvement Project which is expected to result in new job opportunities for residents.
- Identify an Employment and Training nonprofit(s) to partner with in providing training opportunities and job assistance to low income residents with a specific focus on households within eligible census tracts (>51% AMI).
- Improvement/ rehabilitation needed by one or more businesses to allow creation or retention of jobs, primarily for Low to Moderate income persons.

All communities share a goal to eradicate poverty. The City recognizes that a goal to reduce poverty will contribute to the economic wellbeing of individuals and families. The families whose income increases above the poverty level will be able to live independent of public and private assistance.

Actions planned to develop institutional structure

The City of El Monte Housing Program will administer all of the activities specifically identified in the investment plan. The city works closely with other housing-related organizations and service providers in the County to ensure that the housing needs of City residents are addressed to the best ability of the network of such providers given available resources.

The City's Economic Department works in conjunction with the Housing Authority to ensure quality housing for all low-income City residents. The working relationships between these organizations are strong and facilitative. Due to the City's relatively small size, communication is typically direct and immediate. As a result, gaps in program or service delivery are typically not the result of poor institutional structure or lack of intergovernmental cooperation, but rather due to shortcomings in available resources.

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

The City's Economic Development Department maintains primary management of as well as the coordination of the various organizations involved in these processes. The staff within the Department work closely with other City departments and the community to develop programs and activities that improve low- and moderate-income neighborhoods throughout El Monte. The administration of program activities includes housing, public facility and infrastructure improvements, public and social service activities and economic development activities. The City collaborates with public agencies, for-profit agencies, and non-profit organizations in order to provide the aforementioned programming and services.

Program Specific Requirements

AP-90 PROGRAM SPECIFIC REQUIREMENTS – 91.220(L)(1,2,4)

Introduction

This section addresses the program-specific requirements for the Annual Action Plan. The Consolidated Plan Final Rule contains requirements regarding program-specific narratives in the Action Plan for CDBG HOME and ESG.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(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
Total Program Income:	0

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.	80.00%

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:

For the 2016-2017 Program Year no other forms of investment will be used beyond what is identified in Section 92.205.

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 of El Monte has adopted a recapture provision for all Homebuyer Activities using HUD HOME funds as a Direct Homebuyer Subsidy or if the project includes both a Direct and Development Subsidy. These provisions ensure that the City recoups all or a portion of the HOME assistance to the homebuyer (closing costs, down payment and/or junior mortgage) if the home does not continue to be the principal residence of the homebuyer for the duration of the affordability period (time during which homebuyer must maintain property as principal residence).
 - The City shall reduce the HOME investment amount to be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the entire affordability period (i.e., a forgivable period).
 - The HOME subsidy will be forgiven annually upon the anniversary of the closing date (e.g. 1/5 of HOME subsidy forgiven each year for a five-year affordability period on the anniversary of the closing date).
 - The City shall recoup funds based on a shared net proceeds basis. The maximum recapture amount by the City is equal to the HOME subsidy, times one minus the pro-rata basis percentage [Subsidy X (1 - Pro-Rata Basis)].
 - In the event the Homebuyer sells the property during the affordability period and the net proceeds are not sufficient to repay the City the remaining balance, according to the affordability period, the City shall not recapture any proceeds.
 - Under the recapture provision, the amount subject to the affordability period includes the amount provided directly to, or on behalf of the homebuyer, including down payment, closing costs, and/or direct loan plus any HOME assistance that lowers the cost of the home below market price (i.e. the difference between the market value of home and what it actually sold for).
 - The recapture provisions must be detailed and outlined in accordance with 24 CFR 92.254 in marketing brochures, written agreements and all legal documents with 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:
 - The City of El Monte requires that HOME funds be recaptured during the affordability period whenever HOME-assisted housing units are transferred to new owners or if a unit (or units) are no longer offered as HOME affordable housing units. Below are applicable periods of affordability for housing units purchased with City HOME subsidies: TBD
 - To ensure compliance with the affordability period, trust deeds or property restrictions will be recorded on all HOME-assisted housing units. The City of El Monte will monitor each unit to ensure the affordability requirements are being upheld.
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:
 - Not applicable. The City of El Monte does not intend to use HOME funds to refinance multifamily housing debt.

Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

The City has adopted the Los Angeles Homeless Services Authority's (LAHSA's) Written Standards for providing ESG Assistance. Please see attached document for details.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The City of El Monte is an active participant of the Los Angeles Continuum of Care (LACoC). The LACoC Homeless Management Information System (HMIS) has designed a system that would not only satisfy the HUD mandate, but would also provide the Los Angeles Continuum with a means to measure the effectiveness of programs serving homeless people. The system allows participating agencies to collect and input standardized client-level and demographic data into the system. Services and target achievements are entered to capture client-level activities depending on the agency, program, or program type. The data is compiled into reports that allow us to understand the demographic, geographic, or cultural scope of homelessness and the needs. Subrecipients receiving El Monte Emergency Solutions Grant (ESG) funds are required to utilize LACoC's HMIS system to track their clientele and report its accomplishments to the City. This requirement is incorporated into the ESG agreement with the subrecipient.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).
 - Please see the City's policies and procedures.
4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.
 - To provide reasonable access to the funding consideration process, the City releases a Notice of Funding Availability (NOFA) to solicit proposals from interested organizations (including community and faith based organizations) that provide programs and services to homeless, extremely low, low and moderate-income citizens. The NOFA process includes the release of an application as well as instructions for applying for CDBG, HOME or ESG funds. The application review process has three phases. In the first phase, all applications are reviewed by the Housing Division staff for completeness and eligibility under the Federal program guidelines. In the second phase, eligible programs and projects are then reviewed according to their contribution to the goals and objectives of the City's approved Consolidated Plan. Preference is given if an application/program has the ability to help the City meet federal program objectives and local priorities. Organizational capacity, experience, and past performance are also considered. Based on this review, Housing Division staff prepares general funding recommendations that are forwarded to the Grants Review Committee (GRC). The GRC considers all eligible applications and prepares funding recommendations for the City Council. For the final phase of this process, a public hearing before City Council will be held to consider the Draft Annual Action Plan. The Draft Action Plan includes the funding recommendations made by the GRC. The action of the City Council adopts the Annual Action Plan, which acts as the CDBG, HOME and ESG program annual budget. Upon completion of this process, the City forwards the adopted Annual Action Plan to the U.S. Department of Housing and Urban Development for approval.
5. Describe performance standards for evaluating ESG.
 - As an active member of the LACoC, the City of El Monte consults with LAHSA to ensure the City short and long term homeless service plans are consistent with the LACoC Ten Year Plan for Ending Homelessness. Additionally, the City requires that its ESG subrecipients meet the homeless participation requirements in 24 CFR 576.405(a) by providing evidence that a homeless or formerly homeless individual is a member of its Board of Directors or are consulted in the development of programs services. Please see attached document for additional details.