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**DIVISION OF FINANCIAL ASSISTANCE**

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April 22, 2020

**MEMORANDUM FOR:** Stakeholders and Interested Parties

**FROM:** Jennifer Seeger, Acting Deputy Director  
Division of Financial Assistance

**SUBJECT:** **State of California Draft 2020-2024 Federal Consolidated Plan**

The California Department of Housing and Community Development (Department) is pleased to announce the release of State of California Draft 2020-2024 Federal Consolidated Plan for public comment. The public review and comment period for the State of California Draft 2020-2024 Federal Consolidated Plan is 45 days, starting April 23, 2020 and ends June 8, 2020 at 5:00 p.m. The plan will be available on the Department's web site at: <https://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>. All comments must be submitted via electronic mail to: [consolidatedplan@hcd.ca.gov](mailto:consolidatedplan@hcd.ca.gov) by 5:00 Pacific Standard Time on Monday June 1, 2020. Program staff will conduct two webinars in lieu of traditional public hearings: Wednesday May 13, 2020 between 10.00 a.m. and 12.00 p.m. and Thursday May 28, 2020 between 4.00 p.m. and 6.00 p.m. to answer questions and respond to comments.

The Department engaged in robust public participation throughout the development of the plan. Participation included a community survey that was available to the public, service provider surveys for Continuum of Care operators, presentations at two Continuum of Care roundtable events and one Health in All Policies stakeholder meeting, 12 focus groups on housing, homelessness, and public services held across the state, consultation interviews with key state agencies, and a public hearing webinar that provided additional opportunity for public input. The information collected during the public participation phase of the plan was then compared to the state's census data in the Needs Assessment chapter and economic and housing market data in the Market Analysis chapter to support the priorities and goals identified in the Strategic Plan chapter.

The State of California Draft 2020-2024 Federal Consolidated Plan identifies seven priority needs and six goals for the coming five-year planning cycle. Priority needs include:

1. Improved access to affordable housing
2. Homelessness prevention and assistance
3. Neighborhood stability and sustainability
4. Community-based public services
5. Increased economic development opportunities

6. Disaster recovery and climate resilience
7. COVID-19 pandemic response

The six goals include:

1. Increase housing affordability
2. Addressing and preventing homelessness
3. Economic development
4. Maintain or improve public facilities and infrastructure
5. Maintain or improve access to public services
6. Recovery assistance for natural disaster survivors

Due to the impacts of the COVID-19 pandemic, HUD has allowed the Department an extension on submitting the Consolidated Plan, which is traditionally due May 15<sup>th</sup>. The Department has until June 30, 2020 to submit the plan online through HUD's information system for review and approval. The public participation requirements for public comment and adoption of the plan are covered in the Citizen Participation Requirements for Federal Programs, Plans, and Reports which is currently available for public comment on the Department's website at <https://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>.

# State of California Draft 2020-2024 Federal Consolidated Plan

Public Comment Draft



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# State of California

Public Comment Draft

## 2020-2024 Federal Consolidated Plan

### Table of Contents

Executive Summary .....	5
ES-05 Executive Summary - 91.300(c), 91.320(b).....	5
The Process .....	10
PR-05 Lead & Responsible Agencies 24 CFR 91.300(b) .....	10
PR-10 Consultation - 91.110, 91.300(b); 91.315(l) .....	11
PR-15 Citizen Participation - 91.115, 91.300(c).....	29
Needs Assessment .....	40
NA-05 Overview .....	40
NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c) .....	41
NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2) .....	74
NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2) .	79
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2).....	86
NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2) .....	88
NA-40 Homeless Needs Assessment – 91.305(c) .....	92
NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d) .....	100
NA-50 Non-Housing Community Development Needs - 91.315 (f).....	101
Market Analysis .....	111
MA-05 Overview .....	111
MA-10 Number of Housing Units – 91.310(a) .....	114
MA-15 Cost of Housing – 91.310(a).....	117

MA-20 Condition of Housing – 91.310(a).....	125
MA-25 Public and Assisted Housing – (Optional) .....	129
MA-30 Homeless Facilities – 91.310(b) .....	130
MA-35 Special Needs Facilities and Services – 91.310(c).....	138
MA-40 Barriers to Affordable Housing – 91.310(d) .....	139
MA-45 Non-Housing Community Development Assets -91.315(f) .....	141
MA-50 Needs and Market Analysis Discussion.....	147
MA-60 Broadband Needs of Housing .....	149
MA-65 Hazard Mitigation.....	152
Strategic Plan.....	157
SP-05 Overview .....	157
SP-10 Geographic Priorities – 91.315(a)(1).....	158
SP-25 Priority Needs – 91.315(a)(2).....	160
SP-30 Influence of Market Conditions – 91.315(b) .....	168
SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c) (1,2).....	172
SP-40 Institutional Delivery Structure – 91.315(k) .....	183
SP-45 Goals Summary – 91.315(a)(4).....	187
SP-55 Barriers to affordable housing – 91.315(h).....	190
SP-60 Homelessness Strategy – 91.315(d).....	195
SP-65 Lead based paint Hazards – 91.315(i) .....	197
SP-70 Anti-Poverty Strategy – 91.315(j) .....	198
SP-75 Colonias Strategy – 91.315.....	201
SP-80 Monitoring – 91.330 .....	203
Action Plan .....	205
AP-15 Expected Resources – 91.320(c) (1,2).....	205

AP-20 Annual Goals and Objectives – 91.320(c)(3) &(e).....	214
AP-25 Allocation Priorities – 91.320(d) .....	218
AP-30 Methods of Distribution – 91.320(d)&(k).....	223
AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii).....	240
AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii) .....	241
AP-48 Method of Distribution for Colonias Set-aside – 91.320(d)&(k) .....	242
AP-50 Geographic Distribution – 91.320(f) .....	245
AP-55 Affordable Housing – 24 CFR 91.320(g) .....	246
AP-60 Public Housing - 24 CFR 91.320(j).....	247
AP-65 Homeless and Other Special Needs Activities – 91.320(h).....	248
AP-70 HOPWA Goals – 91.320(k)(4).....	254
AP-75 Barriers to affordable housing – 91.320(i) .....	255
AP-80 Colonias Actions – 91.320(j) .....	256
AP-85 Other Actions – 91.320(j) .....	258
AP-90 Program Specific Requirements – 91.320(k)(1,2,3).....	267
State of California Draft 2020-2024 Housing Opportunities for Persons with AIDS Consolidated Plan .....	283

# California 2020-2024 Consolidated Plan: The Process

## Executive Summary

### ES-05 Executive Summary - 91.300(c), 91.320(b)

#### Introduction

The Consolidated Plan (ConPlan) is an analysis of government policies, functions, and data designed to help states and local jurisdictions regularly assess their market conditions and affordable housing and community development needs to assist in goal setting and prioritizing goals for funding provided by the U.S. Department of Housing and Urban Development (HUD). The process involves substantial public participation to solicit community perceptions and needs combined with thorough data analysis to recommend funding priorities for the five-year plan cycle. In 2018 the California Department of Housing and Community Development (HCD), which is the state department responsible for developing and implementing the HUD planning documents for the state's non-entitlement jurisdictions, completed a new strategic plan with a new mission and vision statement: Promote safe, affordable homes and strong vibrant communities throughout California with the vision that every California resident should live, work, and play in healthy communities of opportunity.

During the development of this ConPlan, Congress passed the Coronavirus Aid, Relief, and Economic Security Act or the "CARES Act". The Act identified additional funding for both the Emergency Solutions Grant and the Community Development Block Grant to support preparation for and response to the community impacts of the COVID-19 pandemic. HUD's distribution plan for the additional funding included multiple phases that would allow for quick access to funding necessary to address the immediate crisis resulting from the rising pandemic, as well as phases that would support post-pandemic community recovery. This ConPlan includes planning for both phases. The CARES Act was passed after the public participation for this ConPlan was substantially complete. CARES Act funding plans were presented for public comment as part of the public comment period of the ConPlan.

The State of California 2020-2024 Consolidated Plan outlines the State's current federal funding priorities and strategies to address housing and community development needs over the next five years, using funds from the following nine programs funded through HUD:

- Community Development Block Grant (CDBG),
- HOME Investment Partnerships Program (HOME),
- Emergency Solutions Grant (ESG),
- Housing Opportunities for Persons with AIDS (HOPWA),
- National Housing Trust Fund (NHTF),

## California 2020-2024 Consolidated Plan: The Process

- Community Development Block Grant Disaster Recovery (CDBG-DR),
- Community Development Block Grant Natural Disaster Resiliency (CDBG-NDR),
- Emergency Solutions Grant CARES Act Stimulus (ESG-CV), and
- Community Development Block Grant CARES Act Stimulus (CDBG-CV).
- Housing Opportunities for Persons with AIDS CARES Act Stimulus (HOPWA-CV)

The ConPlan includes both the five-year 2020-2024 Strategic Plan for the above funding programs, as well as the first-year implementation document, the 2020-21 Annual Action Plan. The ConPlan also discusses other federal and state sources that may leverage these dollars, program operation schedules, program goals, and planned operations.

These State-administered federal funds are available, with exceptions (NHTF and ESG-CV), only to nonurban and rural cities and counties (“non-entitlement” jurisdictions) that do not receive funds for these programs directly from HUD. Regarding the CDBG-DR and NDR programs, jurisdictions eligible for funding through those programs have been directly impacted by federally declared disasters, including the 2013 Rim Fire (NDR), and the multiple 2017 and 2018 wildfires (CDBG-DR).

The format of this document, including but not limited to paragraph and table numbering, is consistent with HUD’s ConPlan format in the Integrated Disbursement and Information System (IDIS).

### **Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview**

Based on the Plan’s Needs Assessment, the State of California 2020-2024 ConPlan Housing and Community Development Goals for low-income households and communities are as follows:

- Increase housing affordability
- Addressing and preventing homelessness
- Increase economic development opportunities
- Maintain or improve public facilities and infrastructure
- Maintain or improve access to public services
- Recovery assistance for natural disaster survivors

Specific objectives related to each goal are discussed in Sections SP 45 and AP 20. The above goals include response to the COVID-19 pandemic, and implementation of CARES Act funds.

## California 2020-2024 Consolidated Plan: The Process

Outcomes for the HUD funded programs are tracked by households and housing units, individual beneficiaries, and neighborhoods or target areas, depending on the type of activity, funding, and applicable national objective.

### Evaluation of past performance

HCD has been implementing HUD funded programs for non-entitlement jurisdictions since program inception. Past performance on the different programs administered by HCD varies, depending on program function and staff capacity. In 2015 HCD's Division of Financial Assistance, responsible for administering all the HUD funded programs except HOPWA, restructured in response to budget reductions resulting from the 2010 financial recession. The restructuring had the unintended consequence of segmenting the administration of HUD funds and negatively impacted program performance and timeliness, especially in the more complex CDBG programs. In 2017 HUD monitored HCD's CDBG program and provided a monitoring report that identified several programmatic functions that were not operating according to federal regulation. Along with 2016 and 2019 ESG monitoring reports, and feedback from HUD headquarters, the results of the CDBG monitoring identified key functions that needed to be improved.

In 2019 HCD again restructured the Division of Financial Assistance, with a goal of creating a Federal Branch that would consolidate the requirements and operations for federally funded programs to dedicated staff who would be able to develop program expertise and support improved program function. The new Federal Branch was officially approved in January of 2020 and includes the federal entitlement programs as well as the CDBG-DR and NDR programs. The new organizational structure is designed to improve program consistency, particularly regarding federal requirements like environmental reviews and procurement and will allow staff to leverage expertise across different federal programs.

Each year HCD prepares a Consolidated Annual Performance Evaluation Report (CAPER) which discusses outcomes for the CDBG, HOME, ESG, HOPWA, and NHTF Programs. The CAPER is intended to show specific program performance in terms of metrics and objectives, as well as compliance with federal requirements for the different HUD funded programs. The 2018-19 CAPER is located at:

<https://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>.

### **Summary of citizen participation process and consultation process**

Prior to the release of the draft Plan, The Department of Housing and Community Development (HCD) held 12 in-person focus group meetings statewide with representatives that included both for-profit and non-profit housing development providers, service providers, consultants, persons currently experiencing homelessness,

## California 2020-2024 Consolidated Plan: The Process

other state agencies and advocates. The meetings were structured to encourage in depth discussions about challenges for housing development, infrastructure barriers, vulnerable populations and what public facilities and services are most needed. The state particularly encouraged input from those representing non-entitlement or rural communities.

Additionally, HCD posted a survey soliciting public input on the State's housing and community resource needs on its website from mid-July to October 1, 2019. The survey was offered in both English and Spanish. A second survey, intended to solicit feedback from Continuums of Care (CoCs) in the state, was posted and distributed to CoCs statewide for participation. HCD staff presented on the ConPlan at NorCal CoC Roundtable meeting and the SoCal CoC Alliance meeting. HCD also presented at the Health in All Policies Task Force, which is an association of state government agencies and departments responsible for policies that impact community health. HCD held a publicly noticed public hearing and webinar to solicit additional public feedback prior to releasing the draft ConPlan for public comment. Consultations were completed during the first part of 2020. The full list of agencies consulted is included in PR-10.

In accordance with the State's current Citizen Participation Plan, the State will publish a summary of the proposed (draft) ConPlan in three newspapers of general circulation, in both English and Spanish, and will also distribute this summary to interested parties via electronic mailing. The summary will describe the contents and purposes of the ConPlan and will describe how copies of the entire documents can be reviewed. The State will provide a minimum period of 30 days for comments on the ConPlan. Copies of the draft ConPlan will be available on the Department's web site and available from HCD headquarters in print upon request.

HCD will hold two virtual hearings to solicit comments on the draft ConPlan and will provide notification of the virtual public hearing at least 14 days prior to the hearing. The State will provide a minimum period of 45 days for comments on the ConPlan. Future ConPlan amendments will comply with the public participation requirements in the Citizen Participation Requirements for Federal Programs, Plans, and Reports. The State will consider written comments, and comments received orally at the public hearings, in preparing the final versions of the plans. A summary of these comments, and a summary of any comments not accepted and the reasons, therefore, will be attached to the final plans.

### **Summary of public comments**

To be completed at the end of the Public Comment period.

**Summary of comments or views not accepted and the reasons for not accepting**

To be completed at the end of the Public Comment period.

**Summary**

To be completed at the end of the Public Comment period.

## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

**Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	CALIFORNIA	Dept. Housing and Community Development (HCD)
CDBG & CDBG-CV Administrator	CALIFORNIA (HCD)	Division of Financial Assistance
HOPWA and HOPWA-CV Administrator	CALIFORNIA (HCD)	Department of Public Health, Office of AIDS
HOME Administrator	CALIFORNIA (HCD)	Division of Financial Assistance
ESG & ESG-CV Administrator	CALIFORNIA (HCD)	Division of Financial Assistance
NHTF Administrator	CALIFORNIA (HCD)	Division of Financial Assistance
CDBG-DR Administrator	CALIFORNIA (HCD)	Division of Financial Assistance
CDBG-NDR Administrator	CALIFORNIA (HCD)	Division of Financial Assistance

**Table 1 – Responsible Agencies**

### Narrative

The California Department of Housing and Community Development (HCD) prepares and submits the State’s ConPlan, Annual Plan (AP), and CAPER to HUD. The plans are prepared and administered in the Division of Financial Assistance within the

Department. The programs administered by HCD are CDBG, HOME, NHTF and ESG, as well as the CDBG-DR and NDR programs. The California Department of Public Health/Office of AIDS (CDPH/OA) administers HOPWA. All these programs are implemented at the local level by agencies of eligible city and county governments, non-federally recognized Indian tribes, and/or private organizations, including nonprofit corporations.

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

For contact by mail: Department of Housing and Community Development Division of Financial Assistance PO Box 952054 Sacramento, CA 94252-2054 Attention: Jessica Hayes. For contact by e-mail or phone: consolidatedplan@hcd.ca.gov; 916-263-2771.

### **PR-10 Consultation - 91.110, 91.300(b); 91.315(l)**

#### **Introduction**

In the process of developing the 2020-2024 Consolidated Plan, HCD reached out to organizations and agencies in several ways. Focused meetings were held to gain input in identified areas, particularly housing, homelessness and public services. HCD also engages in ongoing efforts to enhance coordination between housing providers and private and governmental health, mental health and service agencies.

In addition, HCD solicited input from other agencies that provide assisted housing, health services, and social services; and that address the housing, health, social services, victim services, employment, and education needs of low-income, homeless, and special needs populations. A list of 31 agencies were contacted and given a survey of questions to provide consultation. The questions were emailed, and follow-up phone calls were used to collect as much information as possible.

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

HCD has participated in several efforts to leverage access to housing and healthcare within our programs. HCD has dedicated over \$2 billion in state and federal funds over the last five years to support permanent supportive housing, as well as homelessness response services and facilities. Permanent supportive housing includes support services intended to help address the needs of persons and households who face mental and/or physical health challenges that impact their ability to remain housed. These support services are typically provided through non-profit partnerships with housing providers. Over the next five years HCD expects to release as much as \$5 billion in additional state and federal funds to build additional housing units, including

permanent supportive housing, including housing specifically for household with specific healthcare needs.

HCD has also participated in the Health in All Policy Task Force, sponsored by the California Department of Public Health. The Task Force meets regularly to discuss how policy, including housing policy, impacts community health and what policy changes need to be implemented to improve community access to health care and health-based resources. The Task Force was consulted in the development of this ConPlan.

More specifically, HCD, at the direction of the State Legislature, directed the 2018 through 2020 allocations of the NHTF funding to the Housing for a Healthy California (HHC) program. The program combined state bond funds with the federal NHTF funds to provide a source of funding specifically geared toward providing housing for individuals who were recipients or eligible for health care provided through the state's Department of Health Care Services Medi-Cal program. The goal of the HHC program is to reduce the financial burden on state and local resources due to overutilization of emergency and inpatient care departments, nursing homes, and corrections and law-enforcement as de-facto health care providers.

**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**

HCD coordinates with the various CoCs in the state through multiple venues. The Northern California and Central California CoC Roundtables (organized by Homebase), and the Southern California CoC Alliance (organized by Urban Ventures), meet regularly to discuss best practices and evaluate opportunities for leveraging. HCD participates with those groups whenever practicable to encourage communication. HCD also hosts webinars and workshops with CoCs regarding funding opportunities, regulation changes, and general program management to help improve CoC performance and program utilization around ESG program.

More generally, homelessness has been a primary concern for the state for the last several years, and a substantial amount of the new state funding has been targeted towards homelessness services and facilities, predominantly through the CoCs. This includes California Emergency Solutions and Housing (CESH) funding, Homeless Emergency Aid Program (HEAP) funding, Homeless Housing, Assistance, and Prevention (HHAP) Program funding, and the No Place Like Home (NPLH) program. These funding sources have been used to help supplement CoC operating costs, increase funding for shelters and transitional housing, support Coordinated Entry Systems (CES), and provide direct housing assistance to people experiencing

homelessness. Other programs, such as the Veterans Housing and Homelessness Prevention (VHHP) program provide support to specific populations that are statistically more vulnerable to homelessness and housing insecurity.

While some of the programs offered by HCD and partner agencies are generic funding (HEAP, HHAP) to support homelessness response through the CoCs, other funding provides incentives for targeting vulnerable populations, including veterans (VHHP), families with children (CESH), and unaccompanied youth, particularly youth exiting the foster care system (NPLH and CESH). All of these state sources are used in leveraging the federal ESG funding that traditionally supports the CoCs and CES functions.

**Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS**

HCD consults with the CoCs through various avenues. Consultation for the ConPlan included 6 focus groups with advocates, non-profit service providers, CoC administrators, CES administrators, and persons experiencing homelessness to discuss how ESG funds are distributed and utilized across the state. Additional consultation for the plan included a CoC specific survey to identify needs and priorities, and participation in the regional CoC working groups. HCD also held workshops on the ESG regulations for a regulation update and provided workshop training on applications for ESG funding as part of the NOFA funding allocation and award process.

Currently ESG funds are allocated per the California State ESG Regulations. These regulations establish how the ESG funds must be distributed, what percentage is required to be awarded competitively, what must be assigned to rapid rehousing activities, and what can be awarded as a standing allocation.

One consistent comment received throughout the public participation for this ConPlan is the dissatisfaction with the competitive award process. Due to over subscription, the cost and time required to prepare paper applications, and the time required to review, score, and recommend awards for funding, many CoCs are frustrated with the ESG method of distributions. Participants in the public participation expressed a preference for a direct allocation with program requirements aligned with the federal minimum requirements over a competitive award process, even if it meant they received less funding on average. This adjustment to the ESG method of distribution would allow CoCs to have a more reliable funding stream, would reduce overall administrative costs, and would allow for more consistent program administration and overall improved performance.

## California 2020-2024 Consolidated Plan: The Process

As part of the implementation of the new CARES Act HUD provided some regulatory relief for the existing ESG funding by waiving the Fair Market Rent (FMR) restrictions for a limited time, and by providing increased administration percentages, reduced match requirements and reduce use restrictions on the ESG-CV funds. These reduced restrictions, along with the urgency required to get the ESG-CV funds utilized necessitated a waiver of the state’s ESG regulations, which included the proscribed method of distribution, as well as the use requirements that had frustrated CoCs and homelessness responders. The Department will be exploring the opportunity to transition from ESG regulations to more flexible guidelines to support adaptability and responsiveness to the ongoing impacts of the COVID-19 virus and the evolving needs to effectively reduce homelessness in the state.

**Provide a concise summary of the state’s activities to enhance coordination with local jurisdictions serving Colonias and organizations working within Colonias communities.**

All of the Colonias supported by the state’s HUD funding are located in Imperial County. HCD works closely with the County and the various communities that meet the Colonias definition to ensure they have access to Colonias funding. The CDBG program allocates 5 percent of each annual entitlement award for the Colonias, and the method of distribution allows for that funding to be in addition to any jurisdiction limits identified in the NOFA. Imperial County has hosted HCD in three workshops, two trainings, two focus groups, and several Technical Assistance visits over the 2019 calendar year. The County administrators are excellent partners with HCD and encourage Colonias community leaders to participate in HCD events hosted at the County. The County also administers CDBG and other federal program awards on the behalf of Colonias communities without sufficient administrative capacity, and coordinates with HCD to ensure programs and projects are completed according to regulation.

**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**

<b>1</b>	<b>Agency/Group/Organization</b>	California Housing and Finance Agency (CalHFA)
	<b>Agency/Group/Organization Type</b>	Housing, State Govt.
	<b>What section of the plan was addressed by consultation?</b>	Housing Needs Assessment, Public and Assisted Housing, Homeless Needs Assessment

California 2020-2024 Consolidated Plan: The Process

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination in affordable housing development, voucher administration, and special needs housing applications.
2	<b>Agency/Group/Organization</b>	Bureau of Consumer Services and Housing
	<b>Agency/Group/Organization Type</b>	Housing, State Govt. Business Leaders
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Homeless, Non-Housing Community Development Needs, Market Analysis of cost of housing, condition of housing, Homeless facilities.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Increased collaboration in implementing state housing priorities and Governor's Office and BCSH policy goals.
3	<b>Agency/Group/Organization</b>	California Housing Partnership
	<b>Agency/Group/Organization Type</b>	Housing, Civic Leaders, Non-Profit
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Community Development. Market Analysis-Public and Assisted Housing, Cost of Housing. Affordable Housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination in lowering barriers to housing access and affordability in California.
4	<b>Agency/Group/Organization</b>	California Coalition for Rural Housing
	<b>Agency/Group/Organization Type</b>	Housing, Non-profit, Civic Leaders, Organization serving Colonias
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Disproportionately Greater Need: Housing Problems. Market Analysis-Public and Assisted Housing. Colonias Strategy

California 2020-2024 Consolidated Plan: The Process

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved accessibility to funding for affordable housing in CA Rural Communities.
5	<b>Agency/Group/Organization</b>	Disability Rights California
	<b>Agency/Group/Organization Type</b>	Services-Persons with Disabilities, Housing, Civic Leaders
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing. Special Needs Facilities and Services. Strategic Plan-Public housing accessibility and involvement. Barriers to affordable housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Continued coordination on removing barriers to new and existing multifamily housing being ADA compliant as well as funding for retrofitting and ADA modifications.
6	<b>Agency/Group/Organization</b>	California Department of Public Health
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Health
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Market Analysis-condition of housing, Priority needs.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination with a focus on health equity and housing. Data sharing between service providers and housing agencies. Expanding permanent Supportive Housing.
7	<b>Agency/Group/Organization</b>	California Department of Health Care Services
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Health, Homeless
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Homelessness. Market Analysis- # of housing units, condition of housing. Strategic Pan-Lead based paint hazards. HOPWA goals.

California 2020-2024 Consolidated Plan: The Process

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination in tracking the change in financial cost to high-cost health user's once they enter Permanent Supportive Housing.
8	<b>Agency/Group/Organization</b>	California Department of Managed Health Care
	<b>Agency/Group/Organization Type</b>	Health Agency
	<b>What section of the plan was addressed by consultation?</b>	Market Analysis-Public and assisted housing. Non-Housing Community Needs.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improving individuals with upward mobility program, Americans with Disabilities Act program, and reasonable accommodation program.
9	<b>Agency/Group/Organization</b>	California Health Care Foundation
	<b>Agency/Group/Organization Type</b>	Health Agency
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-non housing community needs.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Coordination between measuring health outcomes of individuals receiving supportive housing and measuring improvements in the way the health care delivery system provides care to the people of California.
10	<b>Agency/Group/Organization</b>	California Department of Health and Human Services
	<b>Agency/Group/Organization Type</b>	State Govt-Services- Housing, Health, Education, Children, Elderly Persons, Employment, Homeless, Fair Housing
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Homelessness, Special needs. Market Analysis-Special needs facilities and services, Housing units. Cost of housing.

California 2020-2024 Consolidated Plan: The Process

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve coordination of federal funds to support child welfare services, foster care, the CalWORKs welfare-to-work program, and other services that assist low-income and vulnerable Californians.
11	<b>Agency/Group/Organization</b>	California Department of Fair Employment and Housing
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Fair Housing, Employment, Persons with Disability, Elderly Persons
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing problems. Market Analysis-Cost and condition of housing. Affordable housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination in ensuring that organizations that work with HCD are following fair housing law.
12	<b>Agency/Group/Organization</b>	Fair Housing Advocates of Northern California
	<b>Agency/Group/Organization Type</b>	Non-Profit-Fair Housing
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing problems. Market Analysis-Cost and condition of housing. Affordable housing. Strategic Plan-public housing accessibility and involvement. Affordable housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination on how to enforce fair housing law especially for developments/sponsors who have received HCD funding.
13	<b>Agency/Group/Organization</b>	Fair Housing Council of Central California
	<b>Agency/Group/Organization Type</b>	Non-Profit-Fair Housing

California 2020-2024 Consolidated Plan: The Process

	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-housing problems, homeless needs. Market Analysis-cost and condition of housing, public and assisted housing. Affordable housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination on how to enforce fair housing law especially for developments/sponsors who have received HCD funding.
14	<b>Agency/Group/Organization</b>	Rural Fair Housing Center
	<b>Agency/Group/Organization Type</b>	Non-Profit-Regional Organization-Fair Housing
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing. Strategic Plans-Colonias Strategy. Homelessness strategy. Colonias actions. Market Analysis-Housing units, costs, broadband needs, hazard mitigation.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination on how to enforce fair housing law especially for developments/sponsors who have received HCD funding.
15	<b>Agency/Group/Organization</b>	California Department of Social Services
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Children, Housing, Elderly Persons, Persons with Disabilities, Persons with HIV/Aids, Homeless, Health, Education, Victims of Domestic Violence.
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, homelessness, housing problems, housing cost burdens. Homeless special needs. HOPWA goals.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improved coordination on how to enforce fair housing law and promote the economic and social well-being of families, children, individuals, and communities.

California 2020-2024 Consolidated Plan: The Process

<b>16</b>	<b>Agency/Group/Organization</b>	California Department of Aging (CDA)
	<b>Agency/Group/Organization Type</b>	State Govt-Services- Elderly persons, Persons with disabilities, Persons with HIV/AIDS, Homeless
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, homelessness, housing problems, Special needs facilities and service, housing cost burdens. Homeless special needs.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. CDA coordinates with supportive agencies to support the needs of and develop strategies for older adults and housing. Anticipated outcome is to improve accessible affordable housing and assist with social service needs for California's older adult population and adults with disability using HCD's CDBG and HOME grants.
<b>17</b>	<b>Agency/Group/Organization</b>	California Department of Education
	<b>Agency/Group/Organization Type</b>	State Govt-Services- Education
	<b>What section of the plan was addressed by consultation?</b>	Strategic Plans-Influences of market conditions. Anti-poverty strategies.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve to provide assistance for homeless children and youth program using CDBG programs. Increase State Special Schools student transportation.
<b>18</b>	<b>Agency/Group/Organization</b>	California Department of Development Services (DDS)
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Persons with Disability
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Homeless needs. Market Analysis-Public and assisted housing, special needs facilities and services. Other special needs activities.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the</b>	Community Survey, Direct email, Phone call. Assist with access to stable, affordable housing and affordable health services and mental health services to individuals who

California 2020-2024 Consolidated Plan: The Process

	<b>consultation or areas for improved coordination?</b>	have intellectual and development disabilities. Improve funding for housing development, renovation and rental subsidies. Increase collaboration with multi-family housing developers.
19	<b>Agency/Group/Organization</b>	California Department of Community Services and Development
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Employment, Non-Profit, Neighborhood Organizations, Business and Civic Leaders
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, non-housing community development needs. Market Analysis-non-housing community development assets. Community Revitalization Strategies. Public housing. Affordable housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve coordination with a network of private, non-profit and local government community service providers to helping low-income families achieve and maintain self-sufficiency, meet their home energy needs and reside in housing free from the dangers of lead hazards.
20	<b>Agency/Group/Organization</b>	Disability Rights CA
	<b>Agency/Group/Organization Type</b>	Non-Profit-Services-Persons with Disabilities
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Non-housing special needs. Market Analysis-special needs facilities and services. Strategic Plans-public housing accessibility and involvement. Homeless and other special needs activities.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve coordination with anti-poverty agencies for programs that exclusively target low-income. The programs work to alleviate the causes and conditions of poverty through addressing individual needs at the local level. Increase utilization of CDBG funds towards homelessness. Target emergency shelter, medical treatment, transitional housing, employment training. Improve

California 2020-2024 Consolidated Plan: The Process

		communication in accessing HCD programs. Need access to funds addressing low income home remediations.
21	<b>Agency/Group/Organization</b>	Aids Healthcare Foundation
	<b>Agency/Group/Organization Type</b>	Non-Profit-Services-Health-Persons with HIV/AIDS
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-non-housing special needs, non-housing community development needs. Market Analysis-special needs facilities and services. HOPWA goals.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve coordination with HOPWA group in addressing these needs Healthy Housing Foundation by AHF provides decent housing units at an affordable cost to low-income people, including families with children, and those previously unsheltered or homeless. HHF will offer priority placement to individuals with chronic health conditions, including HIV/AIDS.
22	<b>Agency/Group/Organization</b>	HOPWA & CA Department of Public Health
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Persons with HIV/AIDS
	<b>What section of the plan was addressed by consultation?</b>	Annual Action Plan-HOPWA goals. Market Analysis-special needs facilities and services.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve coordination with HOPWA group with housing assistance and supportive services designed to reduce or prevent homelessness for persons living with HIV (PLWH). Seek to increase the availability of decent, safe, and affordable housing for low-income PLWH.
23	<b>Agency/Group/Organization</b>	California Environmental Protection Agency

California 2020-2024 Consolidated Plan: The Process

	<b>Agency/Group/Organization Type</b>	State Govt-Services-Planning Organizations, Business and Civic Leaders
	<b>What section of the plan was addressed by consultation?</b>	Market Analysis-Hazard mitigation. Strategic Plans-Lead based paint hazards.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Improve coordination to address public health challenges such as lead poisoning and hazardous wastes. HCD to increase funding in CDBG infrastructure in the state to recover edible food and recycle. Clean up contaminated sites.
24	<b>Agency/Group/Organization</b>	Cal Office of Emergency Services
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Managing Flood Prone Areas, Management of Public Land or Water Resources, Business and Civic Leaders, Planning Organizations.
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Housing, Non-homeless Special needs. Market Analysis- Hazard Mitigation.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Coordinate and help with the State Disaster Recovery Program specifically dedicated to housing recovery. Permanent housing solutions for displaced survivors. Administer programs to help create resilient California. Poverty alleviation. Homeless Youth and Exploitation programs and equality in prevention and services for domestic violence.
25	<b>Agency/Group/Organization</b>	California Department of Corrections and Rehabilitation
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Housing, Health, Emergency Management
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Severe housing problems, homeless needs. Homeless facilities, Community Revitalization Strategies.

California 2020-2024 Consolidated Plan: The Process

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Coordinate to increase funding in correctional health care services such as medical, dental and mental health services to prison inmates. ESG program for transitional homes and mental health services. Juvenile and adult rehab facilities to successfully reintegrate offenders back into the communities.
26	<b>Agency/Group/Organization</b>	Department of Health Care Services
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Housing, Health, Health Agency
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-housing problems, homeless needs. Non-housing community development needs. Market Analysis-Public housing and assisted housing. Affordable housing.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Improve coordination to engage more funding into the departments housing and homelessness efforts through the health in all policies. (HiAP) Expanding on affordable housing by providing more low-income apartments, housing vouchers, subsidies, and permanent supportive housing.
27	<b>Agency/Group/Organization</b>	Governor's Office of Business and Economic Development (GO-BIZ)
	<b>Agency/Group/Organization Type</b>	State Govt-Services-Employment, Business and civic leaders
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-non-housing community development needs. Market Analysis-non-housing community development assets.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Improve coordination to increase CDBG grant funding for economic development which helps support small businesses. Provide resources to certain organizations for employment training, apprenticeship training, California veterans programs, joint venture programs.

California 2020-2024 Consolidated Plan: The Process

28	<b>Agency/Group/Organization</b>	California Association for Local Economic Development (CALED)
	<b>Agency/Group/Organization Type</b>	Services-Education, Employment, Business and civic leaders
	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-non-housing community development needs. Market Analysis-non-housing community development assets.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Improve coordination to increase CDBG economic development funding for business expansion, business retention and business creation. Coordinate with State reps to support the association in ways to generate revenue for the local small communities.
29	<b>Agency/Group/Organization</b>	California Forward
	<b>Agency/Group/Organization Type</b>	Non-Profit-Business and Civic Leaders, Planning and Organization
	<b>What section of the plan was addressed by consultation?</b>	Annual Action Plan-Program Specific Requirements. Strategic Plans-barriers to affordable housing. Institutional Delivery Structure.
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call. Improve coordination with different regions in the state to create more affordable housing using CDBG funds. Increase local investments in upward mobility programs. Help to assist in hunger, housing issues and health for those who can't afford it.
30	<b>Agency/Group/Organization</b>	Rural Community Assistance Corp (RCAC)
	<b>Agency/Group/Organization Type</b>	Non-Profit-Organizations Serving Colonias, Services-Education, Broadband Internet Service Providers, Community Development Financial Institution, Business and Civic Leaders

California 2020-2024 Consolidated Plan: The Process

	<b>What section of the plan was addressed by consultation?</b>	Needs Assessment-Public housing, Homeless needs, housing cost burdens. Market Analysis-special needs facilities and services, broadband needs of housing. Strategic Plans-Colonias Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Survey, Direct email, Phone call Coordinate with nonprofit organizations to provide training, technical and financial resources to rural communities. Provide safe drinking water program, vital infrastructure in low income rural communities where housing is sub-standard, and poverty is common.

Table 2 – Agencies, groups, organizations who participated in the process and Consultations

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

All agency types were consulted.

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

See next page

California 2020-2024 Consolidated Plan: The Process

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Analysis of Impediments to Fair Housing Choice and Assessment of Fair Housing	HCD Housing Policy Division	Goals and actions to help address fair housing impediments.
Health in All Policies Strategic Plan	HiAP Task Force (Department of Health Care Services)	Implementation of the NHTF and HHC method of distribution.
2020 California Water Resilience Portfolio	California Natural Resources Agency, California Environmental Protection Agency, and California Department of Food and Agriculture	Water and storm-water infrastructure development and improvements.
California Forest Carbon Plan, 2018	California Forest Climate Action Team	Climate change, natural disaster planning and resiliency.
California Master Plan for Aging - Long Term Services and Supports Stakeholder Report	California Health and Human Service Agency	Support for seniors including housing, nutrition, and public services.
Final Statewide Housing Assessment 2025	California Department of Housing and Community Development	Evaluates current housing supply and plans for future housing needs, particularly affordable and permanently supportive housing.
2020-2023 California Unified Strategic Workforce Development Plan	California Workforce Development Board	Job-training and workforce development needs in rural and disadvantaged communities.
California Advanced Services Fund, Broadband Adoption Account. "Broadband Adoption Gap Analysis"	California Public Utilities Commission	Broadband gaps and needs state-wide, including low-income and rural areas.
Digital Equity for All - Guiding Principles	California Broadband Council	Broadband and internet access gaps and needs state-wide, including low-income and rural areas.

California 2020-2024 Consolidated Plan: The Process

2018 State of California Hazard Mitigation Plan	California Governor's Office of Emergency Services	Hazard mitigation and resiliency planning for at-risk areas, including low-income and rural areas.
The Lifting Children and Families Out of Poverty Task Force Report, 2018	California Department of Social Services and the Poverty Task Force	Statewide anti-poverty strategy.

Table 3 – Other local / regional / federal planning efforts

**Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))**

Local jurisdictions are key partners in the implementation of the federal programs administered by HCD. Coordination efforts include hosting NOFA workshops and program training, completing surveys and supporting regular requests for feedback, participating in program redesign efforts, sharing survey links and public information through local government communication channels, participation in special working groups, and regular communication with program representatives at HCD. HCD also provides on-site Technical Assistance, program monitoring, and attends governing body meetings or special meetings or events on request. Local governments are encouraged to participate in training events and workshops and experience local government partners are often offered the opportunity to provide comment on programmatic and policy materials, such as program operation guidelines and grant management tools. All of these efforts support the implementation of the Consolidated Plan.

**Narrative (optional):**

HCD completed a robust consultation and public outreach process for the development of the 2020-2024 Consolidated Plan. As mentioned in the Executive Summary, past performance has been an issue for the Department, and a key mechanism for performance improvement has been to improve the participation, feedback rate, and general communication with our local partners. Through both general program training and specific redesign efforts, local perceptions of HCD’s federally funded programs has improved, and overall program support is increasing.

## **PR-15 Citizen Participation - 91.115, 91.300(c)**

### **Summary of citizen participation process/Efforts made to broaden citizen participation: Summarize citizen participation process and how it impacted goal setting**

The Department conducted extensive outreach to the public in drafting the Consolidated Plan. The Department held twelve focus group meetings in locations across the state (Sacramento, Redding, Visalia, Arcata, El Centro, and West Sacramento) during July, August and September 2019. Six focus group sessions addressed housing needs, and six sessions addressed homelessness and public service's needs. The focus groups included representatives from for-profit and nonprofit housing development providers, service providers, consultants, other state and local agencies, advocates, and members of the public, including individuals experiencing homelessness. The Department particularly encouraged input from members of rural communities and non-entitlement jurisdictions.

The Department also developed and circulated a survey to solicit public input on housing and community development needs. The survey was available online in English and Spanish and was open for response between July 19, 2019 and October 1, 2019. In an effort to encourage widespread participation from members of the public, the Department published a press release advertising the survey, and distributed the survey announcement and link to its online mailing lists. Survey responses were anonymous, but individuals were given the opportunity to describe themselves according to detailed categories (representing local and state agencies; local, regional, and statewide institutions; Continuums of Care; nonprofit, philanthropic, community-based, and faith-based organizations; and businesses and developers). Individuals could also report their ZIP code of residence or service area, and basic demographics (gender identity, age category, race/ethnicity, and income category).

The Department encouraged members of the public to participate in the development of the Plan, especially low and moderate-income persons, particularly those living in areas where CDBG funds are proposed for use; residents of predominantly low and moderate-income neighborhoods, non-White and/or Hispanic or Latino ("minority") persons, non-native English speakers and persons with disabilities. The Department worked with local stakeholders to publicize the survey and focus groups among the communities served. The survey was distributed across the state and was available in English and Spanish. The focus groups were held in locations across the state, and the locations were specifically chosen to ensure that residents of areas eligible for CDBG could attend without requiring unreasonable travel expense.

## California 2020-2024 Consolidated Plan: The Process

The Department compiled and analyzed responses from the survey and focus groups, and drafted briefs to summarize the results. The survey and focus group analysis were cited extensively in the Needs Assessment and Market Analysis. Survey and focus group participants identified a severe shortage of affordable housing units, high development costs, a lack of housing and services available to address homelessness, and insufficient economic resources (both in employment opportunities, and for rental move-in expenses) as top barriers to achieving housing stability. This feedback contributed directly to the Plan’s Priority Needs and Goals. The Department held a public webinar on March 19, 2020 to present the survey and focus group results and to receive additional public comments on the planning process.

The Consolidated Plan is subject to federal Citizen Participation requirements, described in the Department’s current Citizen Participation Plan (<http://www.hcd.ca.gov/policy-research/plansreports/docs/Citizen-Participation-Requirements-amended-032012.pdf>). To meet these requirements, HCD solicits input from public, private, nonprofit organizations, and other state agencies in the preparation of the Plan. Public notices describing the draft documents, inviting comments, and announcing public hearings are routinely emailed to local governments and other interested parties, published in legal newspapers of record, and placed on HCD’s website at <http://www.hcd.ca.gov/policy-research/plans-reports/index.shtml>. Paper copies of notices and draft documents are available by written request.

The public comment period for the 2020-2024 ConPlan was a 45 day public comment period to allow for additional opportunities for public participation during the shelter-in-place orders in effect during the public comment period. The draft Plan is available for comment from all interested parties from **April 14, 2020**, through **May 31, 2020**. Public webinars will be held according to public participation requirements. Webinar details will be provided on HCD’s website, in addition to the public and legal notices, and disseminated in a listserv message.

	Outreach done	Attendance	Summary of feedback provided
1	Prior to the release of the draft Plan, HCD held several statewide in-person focus group meetings with representatives that included both for-profit and non-profit housing development providers,	Between the twelve sessions there were a total of 423 individuals registered to attend.	Feedback provided in these sessions included that, collectively, the top barriers to housing the homeless include a lack of units, working poor being displaced by high housing costs and a lack of services in the area. Additionally, the number one barrier in housing the

California 2020-2024 Consolidated Plan: The Process

	<p>service providers, consultants, persons currently experiencing homelessness, other state agencies and advocates. HCD particularly encouraged input from those representing non-entitlement or rural communities.</p> <p>A total of twelve focus group meetings were held in Sacramento, Redding, Visalia, Arcata and El Centro from July 31 through September 3, 2019.</p>		<p>homeless is an overregulation of programs and lack of flexibility the way funds can be used.</p>
<p>2</p>	<p>Online Housing Survey soliciting public input on the State’s housing and community resource needs on its website from mid-July to October 1, 2019 and was offered in both English and Spanish.</p> <p>To ensure the broad participation in the survey HCD took the following actions:</p> <p>Posted on HCD website</p> <p>Eblast was sent to all online subscribers to HCD’s Federal Programs.</p> <p>Direct emails to attendees of the focus groups.</p>	<p>A total of 2348 respondents</p>	<p>The responses we received through the survey revealed that 61 percent of respondents felt that a lack of resources is the largest barrier to finding and maintaining affordable housing; the top resources noted were a lack of housing units or affordable units are in unsafe areas as well as current renter qualification requirements.</p>

California 2020-2024 Consolidated Plan: The Process

	<p>Collaboration with HCD's partners to post the survey link on their own websites</p> <p>Collaboration with HCD's partners to directly email their own partners with the survey link</p>		
3	Public Hearing	The public hearing date is TBA.	

California 2020-2024 Consolidated Plan: The Process

<b>Citizen Participation Outreach</b>						
Sort Order	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Summary of com. Not accept	URL
1	2020 ConPlan Housing Needs Focus Groups  Internet Outreach/ Direct Emails	Minorities, Persons with Disabilities, Residents of Assisted Housing, Service Providers	Total of 2348 respondents to the direct email surveys.	Survey revealed that 61 percent of respondents felt that a lack of resources is the largest barrier to finding and maintaining affordable housing; the top resources noted were a lack of housing units or affordable units are in unsafe areas as well as current renter qualification requirements.	NA	NA

California 2020-2024 Consolidated Plan: The Process

2	2020 ConPlan Housing Needs Focus Groups  Public Webinar	Minorities, Persons with Disabilities, Residents of Assisted Housing, Service Providers	Six focus group meetings were held in Sacramento, Redding, Visalia, Arcata and El Centro. 423 individuals registered to attend. Total of 31 participants joined in the webinar.		N/A	NA
3	2020 Con Plan Homelessness and Public Services Focus Groups  Internet Outreach/ Direct Emails	Minorities, Persons with Disabilities, Residents of Assisted Housing, Service Providers	Distribution to HCD email list about 4500 parties, posted on HCD website	See public participation comment	NA	NA

California 2020-2024 Consolidated Plan: The Process

4	<p>2020 ConPlan Homelessness and Public Services Focus Groups</p> <p>Public Meeting</p>	<p>Minorities, Persons with Disabilities, Residents of Assisted Housing, Service Providers</p>	<p>Six focus group meetings were held in Sacramento, Redding, Visalia, Arcata and El Centro. 423 individuals registered to attend.</p>	<p>The top barriers to housing the homeless include a lack of units, working poor being displaced by high housing costs and a lack of services in the area. Additionally, the number one barrier in housing the homeless is an overregulation of programs and lack of flexibility the way funds can be used.</p>	NA	NA
5	<p>2020 ConPlan Community Survey</p> <p>Internet Outreach</p>	<p>Minorities, Non-English Speaking – Spanish</p> <p>Persons with Disabilities, Residents of Assisted Housing, Service Providers</p>	<p>Distribution to HCD email list about 4500 parties, posted on HCD website</p>	<p>See public participation comment</p>	NA	NA

California 2020-2024 Consolidated Plan: The Process

6	2020 Con Plan CoC Survey  Internet Outreach	Continuums of Care	45 Counties were contacted through direct email for the survey. 19 responded to the survey	See public participation comment	NA	NA
7	Health in All Policy Task Force  Presentation	State Agencies	33 agencies were contacted	See public participation comment	NA	NA
8	NorCal CoC Roundtable  Presentation	Continuums of Care	15 Counties Attended	See public participation comment	NA	NA
9	SoCal CoC Alliance  Presentation	Continuums of Care	12 counties attended	See public participation comment	NA	NA
10	2020 ConPlan Community Needs Public Hearing  Internet Outreach/ Direct Email	Minorities, Persons with Disabilities, Residents of Assisted Housing, Service Providers	Distribution to HCD email list about 4500 parties, posted on HCD website	See public participation comment	NA	NA

California 2020-2024 Consolidated Plan: The Process

11	Community Needs Public Hearing Public Notice  Newspaper Ad	Non-Targeted Broad Community  Non-English Speaking – Spanish	NA	NA	NA	NA
12	2020 ConPlan Public Comment Period and Public Hearing and Webinar  Internet Outreach/ Direct Email	Minorities, Persons with Disabilities, Residents of Assisted Housing, Service Providers	Distribution to HCD email list about 4500 parties, posted on HCD website	See public participation comment	NA	NA
13	2020 ConPlan Public Comment Period Public Notice  Newspaper Ad	Non-Targeted Broad Community  Non-English Speaking – Spanish	NA	NA	NA	NA

California 2020-2024 Consolidated Plan: The Process

14	2020 ConPlan Adoption Public Hearing Public Notice  Newspaper Ad	Non-Targeted Broad Community  Non-English Speaking – Spanish	NA	NA	NA	NA
15	2020 ConPlan Adoption Public Hearing  Public Hearing	Non-Targeted Broad Community  Non-English Speaking – Spanish	TBD			

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## Needs Assessment

### NA-05 Overview

#### Needs Assessment Overview

Living in decent, affordable, and reasonably located housing is important to every Californian. Unfortunately, housing in California is extremely expensive and, as a result, many households are forced to make serious trade-offs in order to live here. While many factors have a role in driving California's high housing costs, the most important is the significant shortage of affordable housing. California's supply of housing has not kept pace with demand to live in the state and housing costs have grown faster than the rest of the country.

The Needs Assessment information in this section is tabulated from two data sets. The first dataset is the statewide data. These tables are identified as statewide and include information from both the generally rural non-entitlement jurisdictions that participate in the state administered federal programs and the urban areas, which are typically entitlements and receive most program funding directly from HUD. The second dataset extracted the urban area information and only included the non-entitlement jurisdictions. This dataset is a more accurate representation to the populations typically assisted by the state administered federal programs. State administered federal programs are available to different entitlement and non-entitlement jurisdictions. CDBG is only available to non-entitlement jurisdictions, which are typically cities with fewer than 50,000 and counties with less than 200,000 in population. HOME is also available to non-entitlements; however, the list of HOME non-entitlements is slightly different due to HOME consortiums which are groups of jurisdictions that partner to meet HOME entitlement standards. ESG is available only to CoCs and only the largest urban areas in the state receive direct ESG entitlements from HUD. NHTF is available statewide.

During development of this ConPlan Congress passed the CARES Act. The Act provided additional funding for the ESG and CDBG programs intended to provide critical support during the COVID-19 pandemic and recovery assistance as communities work to re-establish vital housing, public services, and economic development activities after the peak pandemic has passed. The needs in this chapter were derived from the available data and public participation prior to the CARES Act, however, preliminary data from the impacts of COVID-19 indicate a worsening of existing needs. Public services, including nutrition support and health care, housing assistance, particularly for households suffering loss of income, support for persons experiencing homelessness, and economic development support for businesses impacted by forced closure are key programmatic needs that have been identified in the CARES Act.

## NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

### Summary of Housing Needs

Demographics	Base Year: 2011	Most Recent Year: 2017	% Change
Population	36,969,200	38,982,847	5.45%
Households	12,433,172	12,888,128	3.66%
Median Income	\$61,632	\$67,169	8.98%

**Table 4a - Housing Needs Assessment Demographics – State**

Demographics	Base Year: 2011	Most Recent Year: 2017	% Change
Population	11,935,322	12,382,665	3.75%
Households	3,954,755	4,039,310	2.14%
Median Income (population-weighted average of place-level medians)	\$65,304	\$70,340	7.71%

**Table 2b - Housing Needs Assessment Demographics – Non-Entitlement Jurisdictions**

Data Source: **Base Year: American Community Survey 5-Year Estimates 2007-2011 (2007-2011 ACS)**

**Most Recent Year: American Community Survey 5-Year Estimates 2013-2017 (2013-2017 ACS)**

### Population Age

		Percent of State population:	Percent of National population:
Under 5 years	2,493,545	6.4%	6.2%
Under 18 years	9,114,720	23.4%	22.9%
62 years and over	6,375,911	16.4%	18.3%

## California 2020-2024 Consolidated Plan: Needs Assessment

75 years and over	2,201,639	5.6%	6.3%
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**Table 4c – Population by Age Category - State**

		Percent of Non-Ent. population:	
Under 5 years	781,063	6.3%	
Under 18 years	2,971,691	24.0%	
62 years and over	2,253,406	18.2%	
75 years and over	759,029	6.1%	

**Table 4d – Population by Age Category – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 ACS**

### Population Demographics

		Percent of State population:	Percent of National population:
Hispanic or Latino (of any race)	15,105,860	39%	18%
White alone	14,777,594	38%	61%
Black or African American alone	2,161,459	6%	12%
American Indian and Alaska Native alone	137,813	0.35%	0.65%
Asian alone	5,427,928	14%	5%
Native Hawaiian and Other Pacific Islander alone	138,283	0.35%	0.16%
Some other race alone/Two or more races	1,233,910	3.2%	2.5%

**Table 4e – Population by Hispanic or Latino ethnicity and race – State**

## California 2020-2024 Consolidated Plan: Needs Assessment

		Percent of Non-Ent. population:
Hispanic or Latino (of any race)	4,600,685	37%
White alone	5,682,183	46%
Black or African American alone	535,431	4%
American Indian and Alaska Native alone	73,052	0.59%
Asian alone	1,063,197	9%
Native Hawaiian and Other Pacific Islander alone	37,786	0.31%
Some other race alone/Two or more races	390,331	3%

**Table 4f– Population by Hispanic or Latino ethnicity and race – Non-Entitlement Jurisdictions**

Data Source: **2013-2017 ACS**

California has the largest population of all states in the nation, and the population is more racially and ethnically diverse compared to other states. The population in California’s non-entitlement jurisdictions represents roughly one-third of the state’s total population – 31.8 percent of the population and 31.3 percent of households. This population has grown more slowly in previous years (between 2011 and 2017) than in the state overall. On average, median income is slightly higher among households in non-entitlement jurisdictions than in the state overall, but also has grown more slowly in previous years.

Our current estimate for California's population in 2020 is 39.94 million. It is currently the 21st fastest growing state with a yearly growth rate of .61 percent. If the current rate of growth continues, California's population may even approach 41 million by 2020.

According to the most recent ACS, the racial composition of California was:

- White: 60.10 percent
- Asian: 14.32 percent
- Other race: 13.83 percent
- Black or African American: 5.79 percent
- Two or more races: 4.81 percent
- Native American: 0.76 percent
- Native Hawaiian or Pacific Islander: 0.39 percent

## California 2020-2024 Consolidated Plan: Needs Assessment

California’s prime working-age population (between 18 and 61 years old) is around 60 percent of the state’s total population. This percentage is slightly smaller in non-entitlement jurisdictions, which have larger shares of the population under 18 years and above 61 years old.

Most Californians identify as either a non-White race or as Hispanic or Latino. Therefore, it is incorrect to refer to these individuals collectively as “minorities”. California does not have a majority racial or ethnic group; however, individuals identifying as Hispanic or Latino are the largest racial or ethnic group.

The racial and ethnic composition of non-entitlement jurisdictions differs from the state overall. A much larger share of Californians in non-entitlement jurisdictions identify as White non-Hispanic - 46 percent versus 38 percent of Californians overall – and this is matched by fewer individuals identifying as Hispanic (of any race), Black non-Hispanic, or Asian non-Hispanic. In contrast, over half of American Indian or Alaska Native Californians live in non-entitlement jurisdictions.

### Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	2,075,765	1,692,510	2,137,780	1,241,515	5,659,820
Small Family Households	676,420	644,085	869,075	529,690	2,888,005
percent of income group	33%	38%	41%	43%	51%
Large Family Households	223,480	253,165	327,450	180,620	604,765
percent of income group	11%	15%	15%	15%	11%
Household contains at least one person 62-74 years of age	403,760	355,035	459,785	268,740	1,247,455
percent of income group	19%	21%	22%	22%	22%
Household contains at least one-person age 75 or older	329,345	267,900	278,385	136,970	436,795
percent of income group	16%	16%	13%	11%	8%

## California 2020-2024 Consolidated Plan: Needs Assessment

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Households with one or more children 6 years old or younger	396,465	356,235	408,115	222,450	882,955
percent of income group	19%	21%	19%	18%	16%

**Table 3a - Total Households Table - State**

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	540,561	509,271	683,350	397,819	1,880,920
Small Family Households	177,120	187,294	273,032	171,158	958,047
percent of income group	33%	37%	40%	43%	51%
Large Family Households	61,789	75,108	105,840	60,889	216,331
percent of income group	11%	15%	15%	15%	12%
Household contains at least one person 62-74 years of age	110,798	118,093	161,993	97,277	476,177
percent of income group	20%	23%	24%	24%	25%
Household contains at least one-person age 75 or older	83,581	90,637	103,932	50,266	165,439
percent of income group	15%	18%	15%	13%	9%
Households with one or more children 6 years old or younger	107,767	112,528	136,501	74,440	279,292
percent of income group	20%	22%	20%	19%	15%

**Table 5b - Total Households Table – Non-Entitlement Jurisdictions**

**Data Source: HUD Comprehensive Housing Affordability Strategy 2013-2017 (2013-2017 CHAS)**

## California 2020-2024 Consolidated Plan: Needs Assessment

Among extremely low-income (earning 0-30 percent HAMFI) Californian households, one-third are small families of 1 or 2 persons, and 11 percent are large families of 5 or more persons.

Twenty percent of households have at least one member 62 to 74 years of age, and an additional 15 percent have at least one member age 75 or older. Twenty percent of households have children 6 years old or younger. Low income (earning 30-50 percent HAMFI) and moderate income (50-80 percent HAMFI) households have larger shares of small family and large family households, larger shares of households with at least one person 62 to 74 years of age, and approximately the same proportion of superannuated households and households with young children, compared to extremely low income households.

Consistent with measures for the entire population, households in each income category living in non-entitlement jurisdictions are more likely to have an elderly member, and slightly more likely to have a young child, than households across the state. Forty percent of low and moderate income (earning up to 80 percent HAMFI) households in non-entitlement jurisdictions have at least one member 62 years of age or older.

California 2020-2024 Consolidated Plan: Needs Assessment

**Housing Needs Summary Tables**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Substandard Housing – Lacking complete plumbing or kitchen facilities	59,855	27,300	24,260	9,535	120,950	6,135	4,560	4,915	2,750	18,360
percent of income group	3.9%	2.6%	2.1%	1.7%	2.8%	1.1%	0.7%	0.5%	0.4%	0.6%
Severely Overcrowded – With >1.51 people per room (and complete kitchen and plumbing)	99,075	74,075	56,095	19,080	248,325	5,800	10,570	17,870	9,365	43,605
percent of income group	6.5%	7.0%	5.0%	3.4%	5.8%	1.0%	1.7%	1.8%	1.4%	1.5%
Overcrowded – With 1.01-1.5 people per room (and none of the above problems)	140,315	125,715	111,380	40,645	418,055	15,195	28,265	51,350	30,630	125,440
percent of income group	9.2%	11.9%	9.9%	7.3%	9.8%	2.7%	4.4%	5.1%	4.5%	4.3%

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 50% of income (and none of the above problems)	832,450	360,495	112,005	13,430	1,318,380	317,905	237,985	207,955	69,595	833,440
percent of income group	54.8%	34.2%	9.9%	2.4%	30.9%	57.2%	37.2%	20.7%	10.2%	28.9%
Housing cost burden greater than 30% of income (and none of the above problems)	132,595	342,235	448,005	149,280	1,072,115	69,000	130,010	278,810	201,370	679,190
percent of income group	8.7%	32.5%	39.6%	26.7%	25.1%	12.4%	20.3%	27.7%	29.5%	23.5%
Zero/negative Income (and none of the above problems)	112,970	0	0	0	112,970	55,285	0	0	0	55,285
percent of income group	7.4%	0.0%	0.0%	0.0%	2.6%	10.0%	0.0%	0.0%	0.0%	1.9%

Table 6a – Housing Problems Table – State

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing – Lacking complete plumbing or kitchen facilities	10,299	7,125	6,422	2,391	26,237	2,479	2,139	2,122	1,217	7,957
percent of income group	3.0%	2.6%	2.1%	1.6%	2.5%	1.3%	0.9%	0.6%	0.5%	0.7%
Severely Overcrowded – With >1.51 people per room (and complete kitchen and plumbing)	15,533	13,178	10,576	3,930	43,217	1,840	3,331	5,472	2,945	13,588
percent of income group	4.5%	4.8%	3.5%	2.7%	4.0%	0.9%	1.4%	1.4%	1.2%	1.3%
Overcrowded – With 1.01-1.5 people per room (and none of the above problems)	31,150	30,986	29,338	10,728	102,202	5,228	9,042	16,703	9,702	40,675
percent of income group	9.1%	11.2%	9.6%	7.3%	9.6%	2.6%	3.9%	4.4%	3.9%	3.8%
Housing cost burden greater than 50% of income (and none of the above problems)	195,600	96,033	32,174	3,598	327,405	112,829	84,016	76,786	24,121	297,752

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
percent of income group	57.1%	34.8%	10.6%	2.5%	30.6%	57.0%	36.0%	20.3%	9.6%	28.1%
Housing cost burden greater than 30% of income (and none of the above problems)	26,068	88,658	120,835	39,525	275,086	24,908	49,456	101,964	72,773	249,101
percent of income group	7.6%	32.1%	39.7%	27.0%	25.7%	12.6%	21.2%	26.9%	28.9%	23.5%
Zero/negative Income (and none of the above problems)	29,067	0	0	0	29,067	21,576	0	0	0	21,576
percent of income group	8.5%	0.0%	0.0%	0.0%	2.7%	10.9%	0.0%	0.0%	0.0%	2.0%

**Table 6b – Housing Problems Table – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

California 2020-2024 Consolidated Plan: Needs Assessment

**Housing Problems (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	1,131,695	587,585	303,740	82,690	2,105,710	345,040	281,380	282,090	112,340	1,020,850
percent of income group	74.4%	55.8%	26.9%	14.8%	49.4%	62.1%	44.0%	28.0%	16.5%	35.4%
Having none of four housing problems	275,740	465,865	827,020	476,080	2,044,705	155,030	357,675	724,930	570,405	1,808,040
percent of income group	18.1%	44.2%	73.1%	85.2%	48.0%	27.9%	56.0%	72.0%	83.5%	62.7%
Household has negative income, but none of the other housing problems	112,970	0	0	0	112,970	55,285	0	0	0	55,285
percent of income group	7.4%	0.0%	0.0%	0.0%	2.6%	10.0%	0.0%	0.0%	0.0%	1.9%

**Table 7a – Housing Problems 2 – State**

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	252,581	147,364	78,480	20,595	499,020	122,368	98,491	101,088	37,858	359,805
percent of income group	73.7%	53.4%	25.8%	14.1%	46.7%	61.9%	42.2%	26.7%	15.1%	33.9%
Having none of four housing problems	60,993	128,537	226,032	125,639	541,201	53,851	134,847	277,577	213,615	679,890
percent of income group	17.8%	46.6%	74.2%	85.9%	50.6%	27.2%	57.8%	73.3%	84.9%	64.1%
Household has negative income, but none of the other housing problems	29,067	0	0	0	29,067	21,576	0	0	0	21,576
percent of income group	8.5%	0.0%	0.0%	0.0%	2.7%	10.9%	0.0%	0.0%	0.0%	2.0%

**Table 7b – Housing Problems 2 – Non-Entitlement Jurisdictions**

**Data Source: 2011-2015 CHAS**

California 2020-2024 Consolidated Plan: Needs Assessment

In both non-entitlement jurisdictions and statewide, the most common housing problem facing low and moderate-income (LMI) households is the high cost of housing. Households in Tables 3a and 3b who report substandard housing and crowding are probably also cost burdened, but the total number of cost-burdened households is not reported here. The next section examines the numbers and characteristics of cost burdened households in more detail.

Around 10 percent of renter households with incomes below the area median are overcrowded according to the HUD definition, which is more than 1 but fewer than 1.5 persons per room excluding kitchen and bathrooms. A further 5 percent of these renters are severely overcrowded, with more than 1.5 persons per room. (This would be 4 people in a 1-bedroom apartment, and 5 people in a 2-bedroom apartment.) Homeowner households are less likely to be crowded – only 4 percent of homeowner’s report crowding, and 1.5 percent report severe overcrowding. These figures are slightly lower for non-entitlement jurisdictions.

**Households with Cost Burden > 30%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	471,015	386,210	273,415	1,130,640	108,005	131,935	218,350	458,290
percent of cost burdened households	38%	44%	44%	41%	27%	33%	42%	35%
Large Related	169,875	135,805	69,780	375,460	32,520	58,840	85,080	176,440
percent of cost burdened households	14%	16%	11%	14%	8%	15%	16%	13%

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Elderly	271,645	139,850	85,145	496,640	200,655	161,715	151,415	513,785
percent of cost burdened households	22%	16%	14%	18%	49%	41%	29%	39%
Other	321,190	210,290	193,035	724,515	65,510	43,060	63,235	171,805
percent of cost burdened households	26%	24%	31%	27%	16%	11%	12%	13%
Total need by income	1,233,725	872,155	621,375	2,727,255	406,690	395,550	518,080	1,320,320
percent of income group	81%	83%	55%	74%	73%	62%	51%	60%

**Table 8a – Cost Burden > 30% - State**

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	108,176	104,725	80,206	293,107	38,248	43,137	75,754	157,139
percent of cost burdened households	40%	47%	47%	44%	26%	30%	40%	33%
Large Related	43,141	37,694	22,171	103,006	11,174	19,302	29,010	59,486
percent of cost burdened households	16%	17%	13%	15%	8%	14%	15%	13%
Elderly	54,421	38,952	25,838	119,211	70,931	64,238	62,297	197,466
percent of cost burdened households	20%	17%	15%	18%	49%	45%	33%	42%
Other	66,174	42,339	40,830	149,343	24,123	15,432	21,553	61,108
percent of cost burdened households	24%	19%	24%	22%	17%	11%	11%	13%
Total need by income	271,912	223,710	169,045	664,667	144,476	142,109	188,614	475,199
percent of income group	79%	81%	56%	72%	73%	61%	50%	59%

**Table 8b – Cost Burden > 30% - Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

California 2020-2024 Consolidated Plan: Needs Assessment

**Households with Cost Burden > 50%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	410,330	164,835	46,110	621,275	94,185	90,945	89,230	274,360
percent of cost burdened households	39%	41%	39%	40%	28%	36%	42%	34%
Large Related	140,705	45,080	7,010	192,795	28,280	33,425	22,170	83,875
percent of cost burdened households	13%	11%	6%	12%	8%	13%	10%	10%
Elderly	207,255	74,605	25,470	307,330	154,020	95,825	70,400	320,245
percent of cost burdened households	20%	18%	21%	20%	46%	38%	33%	40%
Other	289,470	119,795	40,805	450,070	57,530	31,295	32,360	121,185
percent of cost burdened households	28%	30%	34%	29%	17%	12%	15%	15%
Total need by income	1,047,760	404,315	119,395	1,571,470	334,015	251,490	214,160	799,665
percent of income group	69%	38%	11%	42%	60%	39%	21%	36%

**Table 9a – Cost Burden > 50% - State**

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>								
Small Related	95,656	48,212	14,649	158,517	33,214	28,824	31,576	93,614
percent of cost burdened households	40%	45%	43%	42%	28%	33%	40%	33%
Large Related	36,380	13,631	2,455	52,466	9,584	10,434	7,967	27,985
percent of cost burdened households	15%	13%	7%	14%	8%	12%	10%	10%
Elderly	44,364	21,601	8,524	74,489	54,659	37,513	29,036	121,208
percent of cost burdened households	19%	20%	25%	20%	46%	43%	37%	43%
Other	60,394	24,541	8,803	93,738	20,714	11,057	10,110	41,881
percent of cost burdened households	26%	23%	26%	25%	18%	13%	13%	15%
Total need by income	236,794	107,985	34,431	379,210	118,171	87,828	78,689	284,688
percent of income group	69%	39%	11%	41%	60%	38%	21%	35%

**Table 9b – Cost Burden > 50 percent - Non-Entitlement Jurisdictions**

## California 2020-2024 Consolidated Plan: Needs Assessment

**Data Source: 2013-2017 CHAS**

In both non-entitlement jurisdictions and statewide, the most common housing problem facing LMI households is the high cost of housing. Four out of five extremely low-income renter households, and three out of four extremely low-income owner-occupied households, spend more than 30 percent of their incomes on housing costs. Almost all of these extremely low-income cost burdened households spend more than 50 percent of their incomes on housing costs. These households have an elevated risk of losing their housing if they have an unexpected financial problem – a medical bill, a cutback in their work hours, a problem with their transportation – compared to households with housing expenses less than 30 percent of their income.<sup>1</sup>

As household income increases, the incidence of severe cost burden decreases. However, three-quarters of LMI renters and 60 percent of LMI homeowners are cost burdened, and approximately 40 percent of LMI households are severely cost burdened. Although housing costs are lower in non-entitlement jurisdictions than in entitlement jurisdictions, there is no significant difference between cost burdens in non-entitlement jurisdictions and in the state as a whole.

Across income categories, approximately 40 percent of cost burdened renter households are small families (defined as 2 related persons, neither of whom is aged 62 or older; or 3 or 4 related persons of any age). A quarter of cost burdened renter households are unrelated non-elderly individuals, and 20 percent are elderly households, defined as 1 or 2 individuals (related or not) with at least one aged 62 or older. The remaining 15 percent are large families of 5 persons or more. Among owner-occupied households, approximately 40 percent of cost-burdened households are elderly households, and a third of these households are small families. 15 percent are unrelated individuals, and the remaining 10 percent are large families.

Statewide, there are more than twice as many cost burdened renters as there are cost-burdened homeowners. In non-entitlement jurisdictions, the share of cost-burdened renters versus owners is closer to fifty-fifty (slightly fewer than 40 percent owners and slightly over 60 percent renters). Almost half of the cost burdened homeowners in non-entitlement jurisdictions are elderly households.

These statistics point towards the largest need for affordable housing (and the largest supply gap in affordable housing) in non-entitlement jurisdictions in rental housing for smaller families who may or may not have an elderly member and

California 2020-2024 Consolidated Plan: Needs Assessment

households made up of unrelated individuals; and among low and moderate-income elderly homeowners who are cost burdened.

**Crowding (More than one person per room)**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	210,785	161,615	127,105	42,475	541,980	15,790	25,075	40,755	22,565	104,185
percent of crowded households	85.6%	79.2%	74.4%	69.8%	79.4%	74.0%	63.8%	58.5%	55.9%	61.0%
Multiple, unrelated family households	24,505	34,675	35,270	14,030	108,480	5,225	13,820	28,375	17,435	64,855
percent of crowded households	9.9%	17.0%	20.6%	23.1%	15.9%	24.5%	35.1%	40.7%	43.2%	38.0%
Other, non-family households	11,070	7,850	8,465	4,340	31,725	325	420	590	380	1,715
percent of crowded households	4.5%	3.8%	5.0%	7.1%	4.7%	1.5%	1.1%	0.8%	0.9%	1.0%
Total need by income	246,360	204,130	170,835	60,840	682,165	21,340	39,320	69,725	40,385	170,770
percent of income group	14%	15%	11%	8%	13%	3%	4%	4%	3%	4%

California 2020-2024 Consolidated Plan: Needs Assessment

**Table 10a – Crowding Information – State**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Single family households	41,060	36,659	31,099	10,340	119,158	5,576	8,300	13,969	7,097	34,942
percent of crowded households	86.5%	81.3%	76.3%	69.8%	80.5%	77.1%	65.9%	62.3%	55.2%	63.4%
Multiple, unrelated family households	5,126	7,485	8,058	3,751	24,420	1,541	4,191	8,248	5,644	19,624
percent of crowded households	10.8%	16.6%	19.8%	25.3%	16.5%	21.3%	33.3%	36.8%	43.9%	35.6%
Other, non-family households	1,360	1,042	1,504	727	4,633	148	139	233	72	592
percent of crowded households	2.9%	2.3%	3.7%	4.9%	3.1%	2.0%	1.1%	1.0%	0.6%	1.1%
Total need by income	47,453	45,109	40,738	14,804	148,104	7,232	12,600	22,434	12,847	55,113
percent of income group	14%	16%	13%	10%	14%	4%	5%	6%	5%	5%

**Table 10b – Crowding Information – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

California 2020-2024 Consolidated Plan: Needs Assessment

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	*	*	*	*	*	*	*	*

**Table 11 – Crowding Information – 2/2**

Thirteen percent of LMI renters and 4 percent of LMI homeowners statewide are in crowded housing conditions. The figures are similar across extremely low, low, and moderate-income households (unlike cost burden, which becomes far more likely as income falls), and comparing non-entitlement jurisdictions to the state overall. The majority of overcrowded households are single-family households. Information on the number of crowded households with children present is not available by household tenure and household AMI category.

**Describe the number and type of single person households in need of housing assistance.**

Household size	Family	Non-family	Total Households
1-person	(x)	3,075,683	3,075,683
2-person	3,158,808	731,454	3,890,262
3-person	2,014,789	132,175	2,146,964
4-person	1,906,036	55,900	1,961,936
5-person	1,001,670	18,758	1,020,428
6-person	442,909	6,579	449,488
7- or more persons	338,311	5,056	343,367
Total Households	8,862,523	4,025,605	12,888,128

**Table 12– Family and Non-family Households by Household Size – State**

**Data Source: 2013-2017 ACS**

The smallest type of Census-defined household is the single person non-family household. There were approximately 3.1 million single-person households in California in 2017, which accounted for the majority of non-family households. The median household income for one person households in 2017 was \$35,979. The number of single person households increased slightly (by about 1.2 percent) from 2013 to 2017 but decreased slightly as a percentage of total households (about -1.5 percent) during the same period.

California 2020-2024 Consolidated Plan: Needs Assessment

Age Category of Householder	Number of households	Percent of single person households
Householder 15-34 years old	473,949	15%
Householder 35-64 years old	1,427,235	46%
Householder 65+ year old	1,174,499	38%

**Table 13– Age Category of single person households – State**

**Data Source: 2013-2017 ACS**

HUD estimated that in 2017 there were 547,885 single person renter-occupied households ages 62 or older in California, and 74 percent of these individuals had incomes below \$40,000. HUD also estimated that 83 percent of these individuals are in rental housing that has at least one of the following problems: lacks complete plumbing facilities, lacks complete kitchen facilities, or gross rent as a percent of household income is greater than 30 percent.<sup>2</sup>

**Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

California 2020-2024 Consolidated Plan: Needs Assessment

**Persons with Disabilities**

Age category	Civilian non-institution Population	With a Hearing Difficulty	With a Vision Difficulty	With a Cognitive Difficulty	With an Ambulatory Difficulty	With a Self-Care difficulty	With an Independent Living Difficulty
Under 18	9,099,687	46,065	56,118	210,975	37,904	65,818	*
Percent of age group	(x)	0.5%	0.6%	2.3%	0.4%	0.7%	*
18-34	9,524,875	71,166	92,406	298,187	113,332	75,135	202,897
Percent of age group	(x)	0.7%	1.0%	3.1%	1.2%	0.8%	2.1%
35-64	14,810,583	301,518	291,481	543,268	791,921	294,109	540,629
Percent of age group	(x)	2.0%	2.0%	3.7%	5.3%	2.0%	3.7%
65+	5,052,924	753,406	346,060	531,903	1,201,793	516,647	898,191
Percent of age group	(x)	14.9%	6.8%	10.5%	23.8%	10.2%	17.8%
Total	38,488,069	1,172,155	786,065	1,584,333	2,144,950	951,709	1,641,717
Percent of total	(x)	3.0%	2.0%	4.1%	5.6%	2.5%	4.3%

**Table 14– Disability Characteristics – State**

**Data Source: 2013-2017 ACS**

## California 2020-2024 Consolidated Plan: Needs Assessment

Persons with disabilities often face challenges finding housing that is accessible, located near transit and supportive services, and affordable. Around 10 percent of all Californians - just over 4 million individuals – reported having at least one disability in 2017. Among all ages, ambulatory difficulties are the most common, followed closely by independent living difficulties and cognitive difficulties. Cognitive difficulties are more common than other forms of disability among younger individuals, and ambulatory difficulties become more frequent as individuals age. Disability becomes far more common among individuals over the age of 65 – almost a quarter of California’s seniors report ambulatory disabilities, almost 20 percent have difficulty with independent living, 15 percent have hearing difficulties, and 10 percent report cognitive and self-care difficulties, respectively.

Number of Households	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80% HAMFI	Total
Total Households	2,075,765	1,692,510	2,137,780	6,901,335	12,807,390
Household member has a hearing or vision impairment	279,695	223,355	251,245	605,345	1,359,640
Percent of income group	13.5%	13.2%	11.8%	8.8%	10.6%
Household member has an ambulatory limitation	433,025	302,945	318,925	660,020	1,714,915
Percent of income group	20.9%	17.9%	14.9%	9.6%	13.4%
Household member has a cognitive limitation	302,690	204,405	215,440	442,215	1,164,750
Percent of income group	14.6%	12.1%	10.1%	6.4%	9.1%
Household member has a self-care or independent living limitation	372,395	250,590	263,120	533,970	1,420,075
Percent of income group	17.9%	14.8%	12.3%	7.7%	11.1%

**Table 15 – Disability Characteristics for Low-Mod Households – State**

Data Source: 2013-2017 CHAS

Lower-income households are more likely to include members with disabilities than higher-income households. Extremely low-income households are more than twice as likely to include an individual with a disability than households earning above moderate income. This is due in part to the challenges individuals with disabilities face in finding work.

Individuals with severe intellectual and developmental disabilities often rely on Supplemental Security Income (SSI) as their only source of income, and these payments place households below the 30 percent AMI level across California. In 2016, the average HUD Fair Market Rent (FMR) for a studio apartment across California, \$1,040, exceeded the total monthly payment of an individual receiving SSI, \$889. In non-metropolitan counties<sup>3</sup>, the average FMR for a studio apartment would consume 74 percent of the monthly SSI payment, and 84 percent for a one-bedroom apartment.<sup>4</sup> Clearly, individuals with disabilities who rely on SSI as their only source of income face extreme challenges finding affordable housing in California.

Individuals with less severe disabilities who are able to work, or those who have other forms of financial support, also face problems in securing adequate and affordable housing. Disability Rights California, an advocacy and legal services organization, has identified the following common housing needs and reasonable accommodations among individuals with disabilities<sup>5</sup>:

- Physical accessibility
- Longer search times
- Access to public transportation
- Larger units (to accommodate caregivers)
- Assistance with finding adequate units
- Access to healthcare and supportive service providers
- Higher payment and subsidy standards (to accommodate the housing needs described above)

Given the challenges that low and moderate-income households of all types face in maintaining adequate housing, it is not unreasonable to assume that almost all low and moderate-income households with members with a disability are in need of housing assistance, at the very least to find an affordable unit that meets their needs.

### **Individuals who are Survivors of domestic violence, dating violence, sexual assault and stalking**

Limited data exist on the numbers of individuals in California who are survivors of domestic violence, dating violence, sexual assault, and stalking; and the housing needs of these individuals. However, the incidence of these negative events among the

population overall may provide some guidance on the need for supportive services among Californians with housing needs. In the 2018 “Crime in California Report”, the California Department of Justice reported 166,890 domestic violence-related calls for assistance, and 15,500 reported incidences of rape, in 2018.<sup>6</sup> However, many incidents of domestic violence, dating violence, sexual assault and stalking are not reported to the police, and those that are reported may involve repeated incidents and the same victim, so these data may not be an accurate measure of the number of persons or families affected.

In their most recent National Intimate Partner and Sexual Violence Survey for which state-level results are available, the US Centers for Disease Control (CDC) estimate that in California between 2010 and 2012, 5 percent of women and 6 percent of men had experienced sexual violence, other physical violence, and/or stalking by an intimate partner in the previous 12 months.<sup>7</sup> According to the California 2019 Point-In-Time Count of individuals experiencing homelessness (PIT Count), 9,016 individuals experiencing homelessness in 2019 reported being survivors of domestic violence, representing 6 percent of this population.<sup>8</sup> Individuals seeking affordable housing may also be dealing with the consequences of these negative events, which include post-traumatic stress disorder, fearfulness and concern for safety, injury and need for medical care, need for advocate and legal services, and lost days of work.<sup>9</sup>

### **What are the most common housing problems?**

The most common housing problem in California is the high cost burden of housing. As stated above, three-quarters of LMI renters and 60 percent of LMI homeowners are cost burdened, and around 40 percent of LMI households (renters and owners) are severely cost burdened. Although housing costs are lower in non-entitlement jurisdictions than in entitlement jurisdictions, there is no significant difference between cost burdens in non-entitlement jurisdictions and in the state as a whole.



**Figure 1 Barriers to finding affordable housing**

In our statewide survey, we asked respondents to identify the top five barriers to finding and maintaining affordable and safe housing in their communities. As might be expected from the Census data, the most commonly mentioned problem among respondents' top barriers to affordable housing was that rental housing is too expensive. Rents are too high and move-in costs present hurdles even for those who can afford monthly rent. Respondents also identified difficulty in finding available affordable units as the second most common problem. Between 20 percent and 30 percent of respondents also mentioned the poor condition and safety of affordable housing, community resistance to new housing, and an inability to accumulate enough assets for a down payment and closing costs of home ownership. The Market Analysis section of this Plan will explore each of these factors in greater detail.

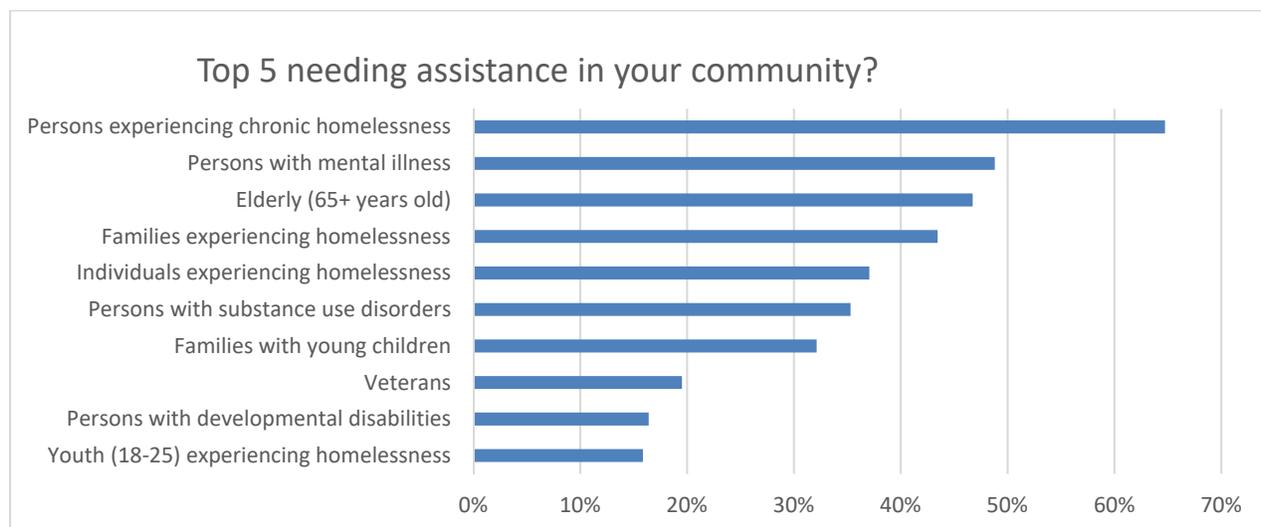
**Are any populations/household types more affected than others by these problems?**

California's Analysis of Impediments to Fair Housing has identified "vulnerable" populations in the State; that is, populations who have more difficulty finding adequate, affordable housing and are more affected by the barriers to affordable housing identified above. They include (in order of population size):

- Elderly persons:
- Persons with disabilities
- Veterans and Wounded Warriors
- Indigenous Tribal Communities
- Persons experiencing homelessness
- Recent immigrants

## California 2020-2024 Consolidated Plan: Needs Assessment

- Farm workers
- Survivors of domestic violence, dating violence, sexual assault, and stalking
- Persons living with HIV/AIDS



**Figure 2 Persons needing assistance**

Our statewide survey asked respondents to identify the top 5 groups needing assistance in their communities. Persons experiencing homelessness were mentioned most frequently among the top 5 groups. Almost 70 percent of survey respondents included persons experiencing chronic homelessness among the top 5, and over one-third mentioned families and individuals experiencing short-term homelessness in the top 5. Almost half mentioned persons with mental illness and the elderly. The following groups were also mentioned by at least one in ten survey respondents (listed in order of frequency):

- Persons with substance use disorders (35 percent)
- Families with young children (32 percent)
- Veterans (20 percent)
- Persons with developmental disabilities (16 percent)
- Youth (18-25) experiencing homelessness (16 percent)
- Youth exiting the foster system (15 percent)
- Survivors of domestic violence/abuse (15 percent)
- Persons exiting an institutional setting (11 percent)
- Persons with mobility disabilities (11 percent)

Our stakeholder outreach prioritized the following additional groups:

- Individuals who have a criminal record
- Individuals with chronic health conditions

- Survivors of natural disasters and climate change events (e.g. drought)

From a structural perspective, populations and household types that tend to have lower incomes and lower levels of assets will be more affected by the high cost of housing. This includes non-white racial and non-European ethnic groups who have been historically marginalized by discrimination and segregation.<sup>10</sup> In the past, these groups have been referred to as “minorities”; however, in California non-White racial and non-European ethnic groups comprise a majority of the population.<sup>11</sup>

**Increased Risk of Homelessness: Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c).**

Numerous studies have identified key factors that increase low-income individuals’ and families’ risk of entering homelessness.<sup>12</sup> In a study of single adults and families applying for homelessness prevention services in Alameda County, California, the primary factors predicting eventual homelessness were<sup>13</sup>:

- Previous spells of homelessness
- Living in the home of another, or “doubled up”
- Being evicted in the previous five years, or being evicted from public housing
- Debt burden, especially large debts of \$1,000 or more
- Receiving public benefits

In a similar study from New York City, NY, researchers recorded additional information on applicants, and found that primary risk factors also included<sup>14</sup>:

- Number of moves in the previous year
- Being behind on rent
- Reintegrating into community from an institution
- History of protective services involvement

In Los Angeles County, the California Policy Lab is partnering with the LA County Homelessness Initiative, the LA County Office of the Chief Information officer, and the Enterprise Linkage Project to develop a predictive model that identifies the near-term factors predicting entry into homelessness. The model, which uses confidential data on 1.9 million individuals receiving LA County public benefits or social services between 2012 and 2016, is intended to improve the efficiency of homelessness prevention strategies by targeting the correct intervention to the individuals at highest risk of entering homelessness. Preliminary results suggest that although a complex model

## California 2020-2024 Consolidated Plan: Needs Assessment

(including over 100 different factors) provides the best predictions, some of the most important factors include:

- An increase in public agency service visits in the 6 months prior to first-time homelessness
- Contact with four or more public service agencies
- Multiple service types (e.g. inpatient and outpatient visits) and locations within a single agency
- Shorter periods of time between agency visits
- Interactions with LA County Department of Health Services, Department of Mental Health, Sheriff's Office, and Probation Office
- Residence in selected zip codes

The authors acknowledge that their work is preliminary, and that statistical modeling is inherently limited because it relies on information from previous months and years and may not capture the situation "on the ground". That said, the factors seem to tell a story that individuals trying to access social services and interacting with multiple systems in a time of crisis are at an increased risk of entering homelessness compared to other low-income benefit recipients.

### **Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance.**

As identified above, formerly homeless individuals and families who are receiving rapid re-housing assistance and are nearing the termination of that assistance are at an extremely high risk of entering homelessness again. In the report "Homelessness Prevention: A Review of the Literature", the Center for Evidence-Based Solutions to Homelessness has identified the following priority needs for these households:

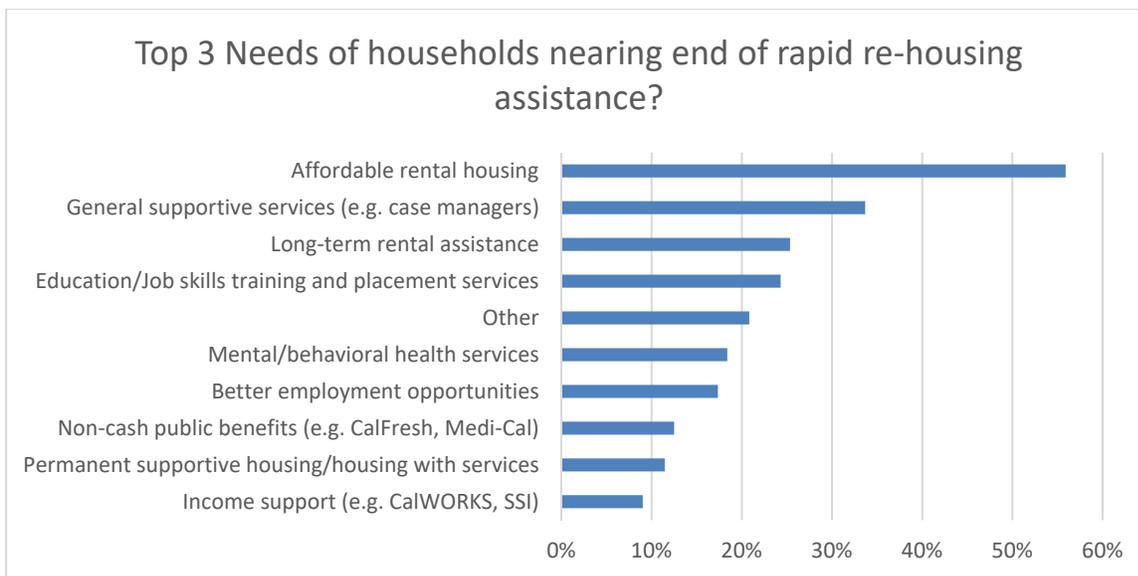
- Permanent deep rental housing subsidies. As demonstrated in the "Priced Out" study referenced above, many households who are trying to stay out of homelessness do not earn enough (through work, benefits, or both) to afford even efficiency-unit rental housing in any area of California. Market rate housing is out of reach for these households.
- Eviction prevention programs. These programs can include financial assistance, legal representation, or mediation services to keep these households in their current homes. Current literature suggests that financial assistance is more effective than legal and mediation services, although the latter is helpful to some extent.
- Community-based supportive services. These programs connect at-risk households to resources that can help them maintain stable housing – including

## California 2020-2024 Consolidated Plan: Needs Assessment

eviction prevention and short-term financial assistance, but also benefits enrollment, childcare assistance, and education and job placement assistance.

- Transitional planning for special needs populations. For persons leaving institutional care or otherwise nearing the end of a living situation with intensive supportive services, the “critical time intervention” model of transitional planning to long-term community based supportive services has been shown to reduce returns to homelessness or institutionalization.

As part of its outreach to Continuums of Care within the state, the Department surveyed its homelessness program stakeholders to address this question. The survey asked respondents directly, “In your opinion, what are the top three needs of formerly homeless individuals and families in your community/service population who are receiving temporary housing assistance and are nearing the end of that assistance?”.



**Figure 3 Household needs regarding rapid re-housing**

Most of all, these individuals and families need a place to live that they can afford, either in permanent subsidized low-income housing or through long-term rental assistance. Respondents also identified ongoing individualized supportive services and prioritized mental and behavioral health services in this area of need. Many respondents also prioritized solutions that would enable these individuals and families to support themselves in the long run, such as job skills training and placement, and short-term options to provide for their basic needs (e.g. public benefit programs). Over 5 percent of survey respondents also mentioned community acceptance and support (7 percent), housing navigator and security deposit/move-in assistance (6 percent each), and childcare and better transportation options (5 percent each).

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

The State of California does not provide numerical estimates of the at-risk population, due to the uncertain nature of determining a quantitative cut-off for the subjective assessment of “imminent risk of homelessness”.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness.**

Housing cost burden – when housing costs exceed 30 percent or even 50 percent of a household’s total income – have been linked to an increased risk of homelessness both by our survey respondents and by housing researchers. A December 2018 nationwide analysis found that an increase in rental housing cost burden above 22 percent leads to an increase in the area rate of homelessness – so, even rent increases in the “affordable” range are associated with increased homelessness – and once the share spent on housing exceeds 32 percent, homelessness increases twice as fast when costs increase.<sup>15</sup>

Housing and neighborhood characteristics associated with high and increasing unaffordability include:

- Neighborhoods undergoing gentrification. Neighborhoods which were affordable in the past but have characteristics that are increasingly in demand (such as proximity to job centers, public transit options, walkability, and a density of retail and service options) are more likely to attract higher-income residents, displacing low and moderate-income renters.
- Areas affected by natural disasters. When a significant proportion of the housing stock is destroyed or rendered uninhabitable, competition for the remaining units drives up prices – and vulnerable households who have lost their homes and cannot relocate to other areas are at a high risk of homelessness as a result.
- Physically substandard or unsafe housing. Anecdotally, individuals who receive rapid re-housing assistance but who are only able to find housing that is physically inadequate, or in an unsafe location, sometimes return to homelessness because it is a better option for them than that housing.<sup>16</sup>

**NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)**

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need.

**Introduction**

Disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group in a category of need is at least 10 percentage points higher than the percentage of persons in the category as a whole (24 CFR § 91.305). Based on that definition, there exists a disproportionately greater need measured by housing problems among non-Hispanic-ethnicity persons of Native Hawaiian and other Pacific Islander ancestry, among households earning below 80 percent AMI.

The four housing problems are: 1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one person per room; and 4) Cost Burden greater than 30 percent of monthly gross income. Severe housing problems include: 1) More than 1.5 persons per room; and 2) Cost Burden greater than 50 percent of monthly gross income. Severe housing problems include: 1) More than 1.5 persons per room; and 2; Cost Burden greater than 50 percent of monthly gross income.

**Households Earning 0 percent – 30 percent of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,678,335	229,175	168,255
Percent of total	81%		
White	586,390	100,650	77,055
Percent of group	77%		
Black / African American	178,250	22,315	17,430
Percent of group	82%		
Asian	197,795	39,675	32,225
Percent of group	73%		
American Indian, Alaska Native	8,130	1,880	1,110
Percent of group	73%		
Pacific Islander	5,205	465	465
Percent of group	85%		
Hispanic	658,775	58,850	35,250
Percent of group	88%		
Other	43,780	5,340	4,715

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Percent of group	81%		

**Table 16a - Disproportionally Greater Need 0 – 30 percent AMI – State**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	425,877	63,951	50,643
Percent of total	79%		
White	192,661	35,119	28,502
Percent of group	75%		
Black / African American	30,789	3,269	4,666
Percent of group	80%		
Asian	27,429	5,392	4,829
Percent of group	73%		
American Indian, Alaska Native	3,454	1,190	710
Percent of group	65%		
Pacific Islander	1,251	17	109
Percent of group	91%		
Hispanic	158,981	17,477	10,698
Percent of group	85%		
Other	11,541	1,586	1,272
Percent of group	80%		

**Table 16b - Disproportionally Greater Need 0 - 30% AMI – Non-Entitlement Jurisdictions**

**Data Source:** 2013-2017 CHAS

### Households Earning 30% – 50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,341,210	351,295	0
Percent of total	79%		
White	478,325	175,020	0
Percent of group	73%		
Black / African American	99,570	20,930	0
Percent of group	83%		
Asian	138,440	39,615	0

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Percent of group	78%		
American Indian, Alaska Native	5,040	2,440	0
Percent of group	67%		
Pacific Islander	4,270	530	0
Percent of group	89%		
Hispanic	585,995	106,755	0
Percent of group	85%		
Other	29,585	6,010	0
Percent of group	83%		

**Table 17a - Disproportionally Greater Need 30 - 50% AMI – State**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	383,942	125,248	0
Percent of total	75%		
White	172,540	73,395	0
Percent of group	70%		
Black / African American	18,771	4,261	0
Percent of group	81%		
Asian	24,143	7,789	0
Percent of group	76%		
American Indian, Alaska Native	2,493	1,581	0
Percent of group	61%		
Pacific Islander	1,142	117	0
Percent of group	91%		
Hispanic	156,522	35,734	0
Percent of group	81%		
Other	8,475	2,505	0
Percent of group	77%		

**Table 17b - Disproportionally Greater Need 30 - 50% AMI – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

**Households Earning 50%-80% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,312,645	825,135	0
Percent of total	61%		
White	531,830	380,400	0
Percent of group	58%		
Black / African American	83,885	48,950	0
Percent of group	63%		
Asian	147,825	86,670	0
Percent of group	63%		
American Indian, Alaska Native	4,825	4,360	0
Percent of group	53%		
Pacific Islander	5,255	2,960	0
Percent of group	64%		
Hispanic	508,200	285,555	0
Percent of group	64%		
Other	30,830	16,235	0
Percent of group	66%		

**Table 18a - Disproportionally Greater Need 50 – 80% AMI – State**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	402,473	280,895	0
Percent of total	59%		
White	197,399	154,821	0
Percent of group	56%		
Black / African American	19,392	9,581	0
Percent of group	67%		
Asian	26,870	15,929	0
Percent of group	63%		
American Indian, Alaska Native	2,156	2,408	0
Percent of group	47%		
Pacific Islander	1,446	569	0
Percent of group	72%		
Hispanic	146,334	92,332	0
Percent of group	61%		
Other	8,941	5,243	0
Percent of group	63%		

**Table 18b - Disproportionally Greater Need 50 - 80% AMI – Non-Entitlement Jurisdictions**

## California 2020-2024 Consolidated Plan: Needs Assessment

Data Source: 2013-2017 CHAS

### Households Earning 80% – 100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	545,680	695,835	0
Percent of total	44%		
White	258,090	337,410	0
Percent of group	43%		
Black / African American	30,845	41,820	0
Percent of group	42%		
Asian	72,925	81,670	0
Percent of group	47%		
American Indian, Alaska Native	1,655	2,835	0
Percent of group	37%		
Pacific Islander	1,860	2,230	0
Percent of group	45%		
Hispanic	166,875	214,305	0
Percent of group	44%		
Other	13,430	15,560	0
Percent of group	46%		

**Table 19a - Disproportionally Greater Need 80 – 100% AMI – State**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	170,781	226,997	0
Percent of total	43%		
White	94,003	129,113	0
Percent of group	42%		
Black / African American	7,631	8,047	0
Percent of group	49%		
Asian	14,252	14,660	0
Percent of group	49%		
American Indian, Alaska Native	852	1,594	0
<b>Percent of group</b>	35%		
Pacific Islander	460	667	0
Percent of group	41%		
Hispanic	49,941	68,436	0

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Percent of group	42%		
Other	3,764	4,573	0
Percent of group	45%		

**Table 19b - Disproportionally Greater Need 80 – 100% AMI – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

### Discussion

Most racial and ethnic groups in the state overall and in non-entitlement jurisdictions, with the exception of Native Hawaiian and other Pacific Islander households, do not exhibit a disproportionately greater housing need based on the presence of at least one of four specified housing problems. As demonstrated in Section NA-10, most California households with at least one of four specified housing problems are cost burdened. Cost burden is the result of low income and high housing costs. Certain racial and ethnic groups may be disproportionately represented in lower-income categories. However, when we compare households with similar incomes, we might not expect to see disproportionately higher housing costs and higher incidence of cost burden for racial and ethnic groups.

California’s Analysis of Impediments (AI) examines the housing needs of different racial and ethnic groups, both across the state and in different geographic regions. The AI also explores differences in other measures of housing need – for example, whether different racial and ethnic groups are disproportionately represented in neighborhoods of high opportunity. A lower cost burden, while beneficial in many ways, may represent less access to and presence in high-opportunity neighborhoods that foster social mobility for families with children. These more detailed characteristics and trends are explored in the AI.

### **NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)**

#### **Introduction**

Based on the regulatory definition of disproportionate need, there exists a disproportionately greater need measured by severe housing problems among non-Hispanic-ethnicity persons of Native Hawaiian and other Pacific Islander ancestry, among households earning below 50% AMI.

**Households Earning 0% -30 % of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,476,735	430,770	168,255
Percent of total	71%		
White	511,125	175,915	77,055
Percent of group	67%		
Black / African American	154,265	46,300	17,430
Percent of group	71%		
Asian	166,825	70,650	32,225
Percent of group	62%		
American Indian, Alaska Native	6,810	3,195	1,110
Percent of group	61%		
Pacific Islander	4,465	1,210	465
Percent of group	73%		
Hispanic	593,675	123,950	35,250
Percent of group	79%		
Other	39,570	9,550	4,715
Percent of group	74%		

**Table 20a – Severe Housing Problems 0 – 30% AMI – State**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	374,949	114,844	50,643
Percent of total	69%		
White	167,197	60,592	28,502
Percent of group	65%		
Black / African American	27,369	6,583	4,666
Percent of group	71%		
Asian	23,806	8,970	4,829

California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Percent of group	63%		
American Indian, Alaska Native	2,901	1,770	710
Percent of group	54%		
Pacific Islander	1,227	51	109
Percent of group	88%		
Hispanic	142,325	34,169	10,698
Percent of group	76%		
Other	10,235	2,899	1,272
Percent of group	71%		

Table 20b – Severe Housing Problems 0 - 30% AMI – Non-Entitlement Jurisdictions

Data Source: 2013-2017 CHAS

**Households Earning 30% – 50% of Area Median Income**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	868,965	823,540	0
Percent of total	51%		
White	307,765	345,575	0
Percent of group	47%		
Black / African American	60,300	60,200	0
Percent of group	50%		
Asian	94,465	83,585	0
Percent of group	53%		
American Indian, Alaska Native	3,025	4,445	0
Percent of group	40%		
Pacific Islander	2,950	1,850	0
Percent of group	61%		
Hispanic	381,165	311,590	0
Percent of group	55%		
Other	19,300	16,295	0
Percent of group	54%		

Table 21a – Severe Housing Problems 30 - 50% AMI – State

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	245,855	263,384	0
Percent of total	48%		
White	109,059	136,886	0
Percent of group	44%		
Black / African American	11,318	11,746	0
Percent of group	49%		
Asian	16,838	15,021	0
Percent of group	53%		
American Indian, Alaska Native	1,388	2,662	0
Percent of group	34%		
Pacific Islander	901	354	0
Percent of group	72%		
Hispanic	100,808	91,345	0
Percent of group	52%		
Other	5,658	5,346	0
Percent of group	51%		

**Table 21b – Severe Housing Problems 30 - 50% AMI – Non-Entitlement Jurisdictions**

Data Source: 2013-2017 CHAS

### Households Earning 50% - 80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	585,830	1,551,950	0
Percent of total	27%		
White	218,220	694,010	0
Percent of group	24%		
Black / African American	27,850	104,980	0
Percent of group	21%		
Asian	69,590	164,915	0
Percent of group	30%		
American Indian, Alaska Native	1,725	7,455	0
Percent of group	19%		
Pacific Islander	2,140	6,070	0
Percent of group	26%		
Hispanic	253,930	539,820	0
Percent of group	32%		
Other	12,375	34,690	0

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Percent of group	26%		

**Table 22a – Severe Housing Problems 50 - 80% AMI – State**

	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	179,568	503,609	0
Percent of total	26%		
White	83,146	269,042	0
Percent of group	24%		
Black / African American	7,017	22,013	0
Percent of group	24%		
Asian	12,998	29,794	0
Percent of group	30%		
American Indian, Alaska Native	752	3,816	0
Percent of group	16%		
Pacific Islander	613	1,380	0
Percent of group	31%		
Hispanic	71,296	167,329	0
Percent of group	30%		
Other	3,909	10,261	0
Percent of group	28%		

**Table 22b – Severe Housing Problems 50 - 80% AMI – Non-Entitlement Jurisdictions**

Data Source: 2013-2017 CHAS

### Households Earning 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	195,030	1,046,485	0
Percent of total	16%		
White	70,680	524,825	0
Percent of group	12%		
Black / African American	8,665	64,000	0
Percent of group	12%		
Asian	29,555	125,040	0

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Percent of group	19%		
American Indian, Alaska Native	490	4,000	0
Percent of group	11%		
Pacific Islander	895	3,190	0
Percent of group	22%		
Hispanic	80,550	300,635	0
Percent of group	21%		
Other	4,185	24,795	0
Percent of group	14%		

**Table 23a – Severe Housing Problems 80 - 100% AMI – State**

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	58,453	339,254	0
Percent of total	15%		
White	25,860	197,195	0
Percent of group	12%		
Black / African American	2,171	13,567	0
Percent of group	14%		
Asian	5,609	23,323	0
Percent of group	19%		
American Indian, Alaska Native	266	2,184	0
Percent of group	11%		
Pacific Islander	132	969	0
Percent of group	12%		
Hispanic	23,575	94,815	0
Percent of group	20%		
Other	1,018	7,284	0
Percent of group	12%		

**Table 23b – Severe Housing Problems 80 - 100% AMI – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

**Discussion**

Similarly, to the incidence of housing problems, most racial and ethnic groups in the state overall and in non-entitlement jurisdictions, with the exception of Native Hawaiian and other Pacific Islander households, do not exhibit a disproportionately greater housing need based on the presence of at least one of four specified severe housing problems.

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

### Introduction

Based on the regulatory definition of disproportionate need, no racial or ethnic group shows a disproportionately greater need as measured by the share of households (across all levels of income) who are either cost burdened or severely cost burdened.

### Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	7,377,405	2,700,350	2,546,695	182,925
Percent of total	58%	21%	20%	1%
White	3,966,635	1,184,070	1,082,035	81,120
Percent of group	63%	19%	17%	1%
Black / African American	359,655	186,350	228,095	18,645
Percent of group	45%	24%	29%	2%
Asian	1,006,440	326,485	293,800	35,835
Percent of group	61%	20%	18%	2%
American Indian, Alaska Native	28,405	9,925	10,215	1,180
Percent of group	57%	20%	21%	2%
Pacific Islander	20,435	8,830	7,440	510
Percent of group	55%	24%	20%	1%
Hispanic	1,831,770	920,895	857,850	40,430
Percent of group	50%	25%	23%	1%
Other	164,065	63,795	67,260	5,205
Percent of group	55%	21%	22%	2%

Table 4a – Greater Need: Housing Cost Burdens AMI – State

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	2,418,466	813,876	725,528	54,343
Percent of total	60%	20%	18%	1%
White	1,495,867	433,769	379,583	29,772
Percent of group	64%	19%	16%	1%
Black / African American	80,474	39,728	44,367	4,867
Percent of group	47%	23%	26%	3%
Asian	189,037	58,692	50,312	5,293
Percent of group	62%	19%	17%	2%
American Indian, Alaska Native	15,833	4,640	4,613	731

## California 2020-2024 Consolidated Plan: Needs Assessment

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Percent of group	61%	18%	18%	3%
Pacific Islander	5,048	2,239	2,159	109
Percent of group	53%	23%	23%	1%
Hispanic	582,902	256,323	225,598	12,207
Percent of group	54%	24%	21%	1%
Other	49,305	18,485	18,896	1,364
Percent of group	56%	21%	21%	2%

**Table 24b – Greater Need: Housing Cost Burdens AMI – Non-Entitlement Jurisdictions**

**Data Source: 2013-2017 CHAS**

### Discussion

Similarly, to the incidence of housing problems, the identified racial and ethnic groups do not exhibit a disproportionately greater housing need based on housing cost burden or severe housing cost burden. However, non-Hispanic Black households are disproportionately less likely to have an affordable housing cost burden. 45 percent of non-Hispanic Black households have a housing cost burden less than 30 percent of income, compared to 58 percent statewide. The figures for non-entitlement jurisdictions are 47 percent and 60 percent, respectively. Non-Hispanic Black households are more likely to be cost burdened, and much more likely to be severely cost burdened, than the population overall, but not up to the 10-percentage point difference that defines a “disproportionately greater need”.

### **NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)**

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

The preceding tables show the breakdown of each of the three categories of housing issues and a summary of which racial or ethnic groups (highlighted) are disproportionately affected by income grouping compared to the effect on all members of the group.

-In the 0-30 percent AMI category, at the State level, none of racial/ethnic groups meet 10 or higher percentage of housing problem/s than the jurisdiction as a whole.

-In the 0-30 percent AMI category, at the Non-Entitlement level, only Pacific Islander group shows a large gap with 99 percent, which is much higher percentage of housing problem/s than the jurisdiction as a whole.

-In the 30-50 percent AMI category Pacific Islander group shows higher percentages of housing problem/s than the jurisdiction as a whole at both State and Non-Entitlement levels.

-In the 50-80 percent AMI category, at the State level, none of racial/ethnic groups meet 10 or higher percentage with housing problem/s than the jurisdiction as a whole, while Pacific Islander group, at the Non-Entitlement level, shows higher percentages of housing problem/s than the group as a whole.

-In the 80-100 percent AMI category none of racial/ethnic groups meet 10 or higher percentage of housing problem/s than the jurisdiction as a whole at both State and Non-Entitlement levels.

-The Pacific Islander group shows similar trends on severe housing problems as they were indicated in previous comparisons of Disproportionately Greater Need categories.

-The Black/African American group experiences a disproportionately greater need in terms of housing cost burden. Only, 45 percent at the State level and 47 percent at non-entitlement level of Black/African American group expend less than 30 percent of their monthly income on housing costs (cost burdened) which is much higher than at the 10 or more percentage points above the jurisdiction as a whole. In other words, 53 percent at the State level and 49 percent at the non-entitlement level in this group spend more than 30 percent of their monthly income on housing that includes 29 percent at State level and 26 percent at the non-entitlement level spend more than 50 percent of their monthly income on housing costs.

If they have needs not identified above, what are those needs?

Following are some other needs that can be targeted and resolved in various local, State, and Federal levels.

-Due to increasing measures of segregation, the access to affordable housing in low minority and high opportunity areas should be increased through the introduction of pertinent goals, such as developing housing outside of areas of minority concentrations with low opportunities. Increasing access to low minority areas will impact the rate of segregation.

-Disparity in access to opportunities can be the result of different issues, such as disparities in race, income, geographical location, educational attainment, employment and overall opportunity. Therefore, the main factors that need to be considered for proper access to opportunities are educational opportunities, employment opportunities, affordable housing opportunities, transportation options, and healthy environment.

-Limited access to transportation and especially public transit is a key component in access to affordable and fair housing and to disparities in access to opportunities. Comprehensive programs should be undertaken for establishing public transportation services infrastructure, to provide availability of transportation options to vulnerable families.

-There is a lack of Limited English Proficiency (LEP) services. The State should enhance LEP outreach to non-English speaking persons annually through capable agencies. First, agencies will be assessed for any need they may have to serve persons with limited English skills. Then the agencies will be supported on a needed basis with either services or funding to provide needed translation or interpretation services for the targeted areas and population.

-Lack of community resources and services for working families cause poor access to affordable housing information and relevant opportunities. Expanded assistance to low-income families is crucial both for promoting recovery and minimizing the growth and extent of poverty.

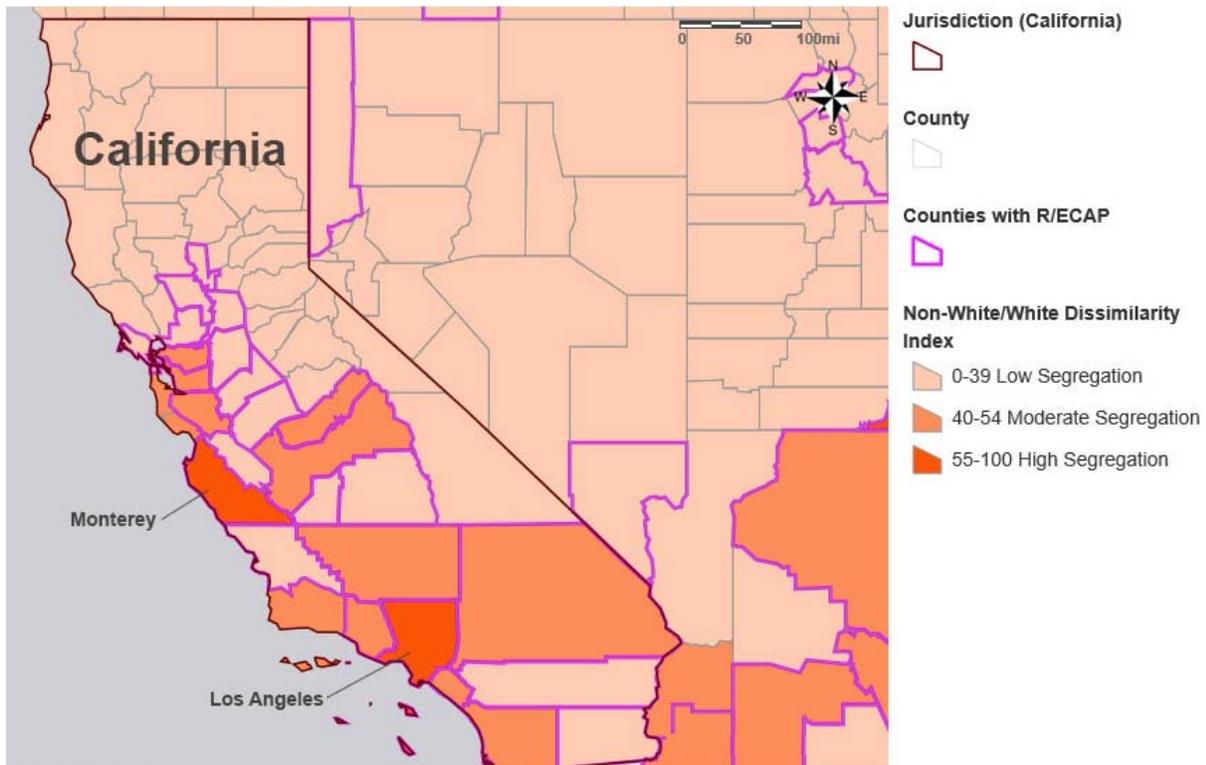
Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

The maps below illustrate dissimilarity of racial/ethnic groups with white population in different counties of the State of California.

## California 2020-2024 Consolidated Plan: Needs Assessment

-The figure 4 below indicates that Monterey and Los Angeles Counties have the largest ratio of Non-White/White dissimilarity that causes highest degree of segregation in the county.

-Figure 5 shows that the highest Black/White dissimilarity throughout the State of California happens in Alameda, Amador, Contra Costa, Del Norte, Imperial, Lassen, Los Angeles, Madera, Napa, and Tuolumne counties.



**Figure 4 Race/Ethnic Dissimilarity Map Non-White/White**

**Data Source: HUD Affirmatively Furthering Fair Housing Mapping Tool 2017**

# California 2020-2024 Consolidated Plan: Needs Assessment

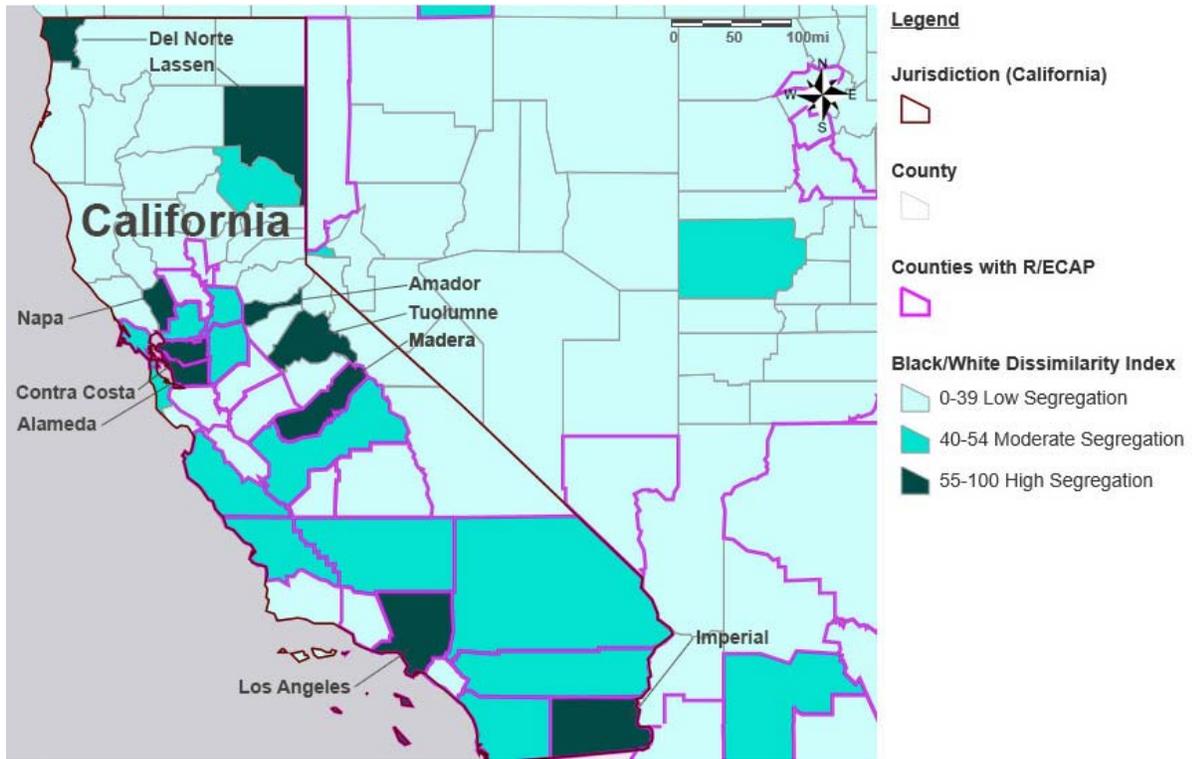


Figure 5 Race/Ethnic Dissimilarity Map Black/White

Date Source: HUD Affirmatively Furthering Fair Housing Mapping Tool 2017

## **NA-40 Homeless Needs Assessment – 91.305(c)**

### **Introduction:**

Data on individuals in California currently experiencing homelessness are available from HUD's 2019 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations reports. Continuums of Care are required to provide an unduplicated count of persons experiencing homelessness according to data collection standards explained in HUD's annual HIC and PIT count notice, and HUD's Point-in-Time Count Methodology Guide.<sup>xvii</sup>

The limitations of point-in-time surveys to measure the size of the population experiencing homelessness are well known.<sup>xviii</sup> While HUD provides guidance on how to conduct PIT counts, jurisdictions develop their own methodologies, and there is no standard methodology and questionnaire across the state. Some years, CoCs are unable to complete PIT counts, and HUD must rely on data used in previous years. CoCs can change their methodology to count individuals between years, which makes it difficult to distinguish true changes in the size of the population. Researchers also have commented on potential undercounting of individuals experiencing homelessness in PIT counts due to variations in enumerator training and behavior, and environmental conditions.

The State of California obtains statewide Coordinated Entry System (CES) data from the state CoC's Annual Performance Reports via the Sage Homeless Management Information Systems (HMIS) Reporting Repository. The Department reports this information as an attachment to the annual CAPER. Information on the number and characteristics of individuals and households initially assessed via the Coordinated Entry System, details of the circumstances under which they leave the CES, and the length of time between their entry into the system and moving into housing, are captured in this report. Although the CES does not include all individuals who may have entered homelessness during the twelve-month period – only those who were assessed – these limitations exist in any measure of the population experiencing homelessness.

Unfortunately, the report does not provide this information separately for chronically homeless families, veterans, and persons living with HIV/AIDS. However, due to the special needs of these populations, we might expect that fewer of them are able to find housing, leading to fewer exits from homelessness and longer average spells of homelessness.

**Persons Experiencing Homelessness**

Population	Sheltered	Unsheltered	Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
Persons in Households with Adults(s) and Child(ren)	17,523	4,978	22,501		2,156	
Persons in Households with Only Children	245	768	1,013		70	
Persons in Households with Only Adults	25,078	102,686	127,764		2,426	
Chronically Homeless Families	458	279	737		*	
Veterans	3,261	7,719	10,980		*	
Unaccompanied Youth	2,528	9,465	11,993		*	
Persons with HIV	633	1,989	2,622		*	

**Table 25 – Homeless Needs**

Number of Persons Served					
	Total	Without Children	With Children and Adults	With Only Children	Unknown Household Type
Adults	31315	27506	3792	0	17
Children	6123	0	5878	236	8
Client Doesn't Know/ Client Refused	16	0	0	0	16
Data Not Collected	136	0	0	0	137
Total	37590	27524	9670	236	178

**Table 26 – Number of persons served**

**Data Source: ESG SAGE 7/1/2018-6/30/2019**

## California 2020-2024 Consolidated Plan: Needs Assessment

Exit Destination – All persons					
	Total	Without Children	With Children and Adults	With Only Children	Unknown Household Type
<b>Permanent Destinations:</b>					
Moved from one HOPWA funded project to HOPWA PH	1	1	0	0	0
Owned by client, no ongoing housing subsidy	48	19	29	0	0
Owned by client, with ongoing housing subsidy	20	5	15	0	0
Rental by client, no ongoing housing subsidy	1488	675	797	14	2
Rental by client, with VASH housing subsidy	58	38	20	0	0
Rental by client, with GPD TIP housing subsidy	3	3	0	0	0
Rental by client, with other ongoing housing subsidy	741	285	455	0	1
Permanent housing (other than RRH) for formerly homeless persons	257	190	67	0	0
Staying or living with family, permanent tenure	825	321	450	54	0
Staying or living with friends, permanent tenure	285	170	113	2	0
Rental by client, with RRH or equivalent subsidy	693	318	372	0	3
<b>Subtotal</b>	<b>4419</b>	<b>2025</b>	<b>2318</b>	<b>70</b>	<b>6</b>
<b>Temporary Destinations:</b>					
Emergency shelter, including hotel or motel paid for with emergency shelter voucher	1914	1448	460	5	1
Moved from one HOPWA funded project to HOPWA TH	0	0	0	0	0
Transitional housing for homeless persons (including homeless youth)	562	248	310	4	0
Staying or living with family, temporary tenure (e.g. room, apartment or house)	535	206	317	12	0
Staying or living with friends, temporary tenure (e.g. room, apartment or house)	408	207	191	10	0

## California 2020-2024 Consolidated Plan: Needs Assessment

Exit Destination – All persons					
Place not meant for habitation (e.g., a vehicle, an abandoned building, bus/train/subway station/airport or anywhere outside)	4083	3676	383	12	12
Safe Haven	28	19	9	0	0
Hotel or motel paid for without emergency shelter voucher	234	67	164	3	0
Subtotal	7764	5871	1834	46	13
Institutional Settings:					
Foster care home or group foster care home	39	3	21	13	2
Psychiatric hospital or other psychiatric facility	49	45	1	3	0
Substance abuse treatment facility or detox center	109	97	10	1	1
Hospital or other residential non-psychiatric medical facility	97	92	5	0	0
Jail, prison, or juvenile detention facility	85	73	11	0	1
Long-term care facility or nursing home	29	28	1	0	0
Subtotal	408	338	49	17	4
Other Destinations:					
Residential project or halfway house with no homeless criteria	47	42	5	0	0
Deceased	45	44	1	0	0
Other	144	103	31	4	6
Client Doesn't Know/Client Refused	124	57	57	10	0
Data Not Collected (no exit interview completed)	6032	5178	790	20	44
Subtotal	6392	5424	884	34	50
TOTAL	18983	13658	5085	167	73
Total persons exiting to positive housing destinations	4692	2426	2156	70	7
Total persons whose destinations excluded them from the calculation	192	152	26	13	2
Percentage exiting to positive housing destinations	24.97 %	17.96 %	42.62 %	45.45 %	9.86 %

**Table 27 – Exit Destination**

**Data Source: ESG SAGE 7/1/2018-6/30/2019**

## California 2020-2024 Consolidated Plan: Needs Assessment

Length of Time between Project Start Date and Housing Move-in Date (post 10/1/2018)					
	Total	Without Children	With Children and Adults	With Only Children	Unknown Household Type
7 days or less	1043	655	381	0	7
8 to 14 days	330	176	151	0	3
15 to 21 days	183	103	77	0	3
22 to 30 days	173	92	81	0	0
31 to 60 days	330	212	113	0	5
61 to 180 days	519	408	111	0	0
181 to 365 days	194	185	9	0	0
366 to 730 days (1-2 years)	51	47	4	0	0
Total (persons moved into housing)	2865	1912	933	0	20
Average length of time to housing	55.96	71.29	25.83	--	16.3
Persons who were exited without move-in	1549	1007	532	7	3
Total persons	4414	2919	1465	7	23

**Table 28- Length of time between Project Start Date and Move-in-date**

**Data Source: ESG SAGE 7/1/2018-6/30/2019**

**If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

Data collected and reported via SAGE for the fiscal year ending in 2019 estimate that 37,590 individuals were recorded and provided services via a Coordinated Entry system. Some of these individuals may have been in homelessness for longer than a year, but this may provide a rough estimate of the number of people entering homelessness each year. These data report that 4,692 individuals exited the Coordinated Entry System to “positive housing destinations” – permanent housing or safe temporary housing. Looking at the number of days that person’s experience homelessness, not as many individuals reported this information to the CES. For those who did, the modal duration between CES entry and housing move-in date was 7 days or less; however, almost as many people reported durations of over 60 days. Also, we have no way of knowing from these data how long a person experienced homelessness before they entered the CES.

Public outreach indicated that vulnerable populations, such as seniors, persons with disabilities and/or health or mental health issues, single parent families with young children, persons escaping domestic violence, persons exiting the corrections system, and youth aging out of the foster care system are particularly susceptible to homelessness. Students and households experiencing temporary instances of unemployment are increasingly showing up in homelessness surveys, including both the point in time count and other surveys supported by education institutions and hospitals. Nature and Extent of Homelessness:

Race:	Sheltered:	Unsheltered (optional)
White	23,276	58,888
Black or African American	14,339	29,747
Asian	757	1,849
American Indian or Alaska Native	1,285	5,512
Pacific Islander	567	1,610
Multiple Races	2,622	10,826
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	14,018	33,501
Not Hispanic	28,828	74,931

**Table 29 – Homelessness by Racial and Ethnic Group**

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

As of 2019 there were an estimated 22,501 individuals experiencing homelessness who were members of families with children present, approximately 14 percent of all people experiencing homelessness. Nearly 12,000 unaccompanied youth experienced homelessness, of whom 2,528 were unsheltered and 9,465 were sheltered. Although there were no statistics available for families of veterans, there were an estimated 11,993 California veterans experiencing homelessness in 2019, 3,261 of whom were sheltered and 7,719 were unsheltered.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Groups**

While the majority of Californians experiencing homelessness are White, individuals of Black/African American ancestry are disproportionately likely to enter homelessness.

**Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

With approximately 72 percent of California's total population of individuals experiencing homelessness unsheltered, California ranks the highest among states in unsheltered homelessness.

CDBG-DR: In January of every year, a Point-in-Time (PIT) count is conducted to count the number of sheltered and unsheltered people experiencing homelessness nationwide. The count is conducted by Continuums of Care (CoCs) which are regional planning bodies that coordinate housing and services for homeless families and individuals. Please refer to the DR Action Plan for more details.

ESG: The 2019 total Point-in-Time (PIT) estimate for homelessness in California was 177,610. There were 49,726 sheltered homeless and 127,884 unsheltered homeless. While this count only minimally estimates homelessness due to difficulties in identifying and counting persons in unsheltered locations, it ranks California amongst the top four states with the largest concentration of homeless individuals and families.

The PIT report indicated that a total of 4,419 homeless people exited to permanent destination of which 2,025 were without children and 2,318 were with children and adults.

Every County in California has homeless populations, but for rural areas of the state it becomes more difficult to provide estimates because the 2019 PIT counts by Continuum of Care (CoC) and some of the CoC's are only partly and not entirely rural. Rural counties may experience homelessness more severely in some categories than in urban areas. Rural counties may have much higher percentages of female

## California 2020-2024 Consolidated Plan: Needs Assessment

homelessness and persons entering homelessness due to lack of domestic violence resources, higher. Battered women who live in poverty are often forced to choose between abusive relationships and homelessness. In addition, 50 percent of the cities surveyed by the U.S. Conference of Mayors identified domestic violence as a primary cause of homelessness (U.S. Conference of Mayors, 2005). Higher number of persons remaining in homelessness for longer than one year, and slightly higher unemployment rates when compared to urban areas. Although housing costs in rural areas are lower, wages are significantly lower as well. Many rural residents are at risk of entering homelessness because they cannot make sufficient income to meet housing costs. Elderly on small, fixed incomes and those with sporadic and seasonal employment, such as farmworkers, are particularly vulnerable to homelessness.

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

CDBG-DR: HCD will continue to coordinate with CoCs and organizations providing disaster case management services over the course of the program design process to ensure that the needs of these populations are addressed as directly as possible. Please refer to the DR Action Plan for more details.

**NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)**

Introduction

HOPWA

Please see attached HOPWA 2020-2024 Consolidated Plan

## NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction’s need for Public Facilities:

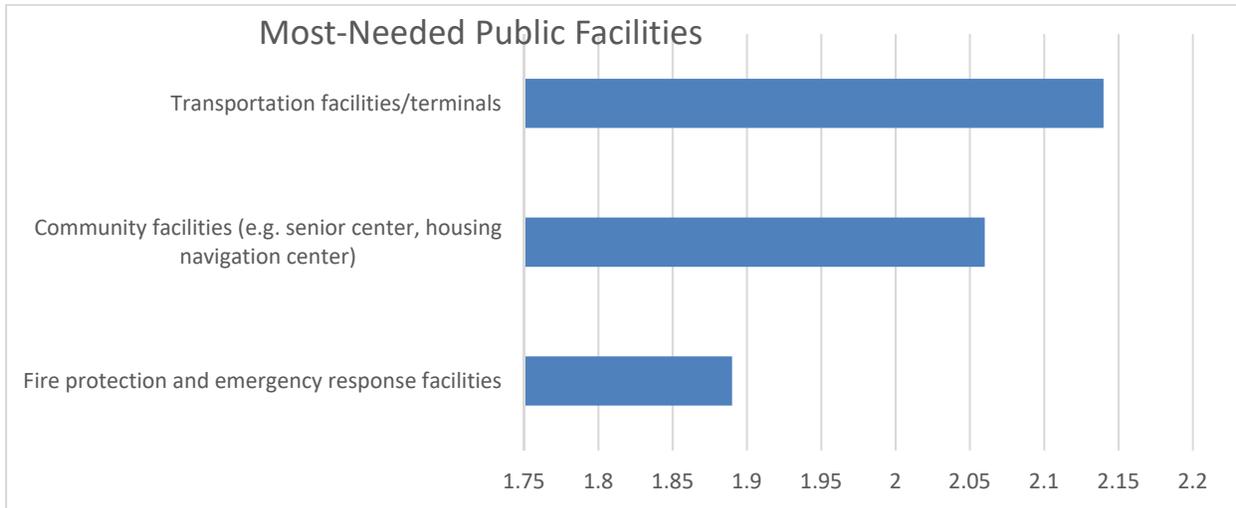


Figure 6 Most Needed Public Facilities

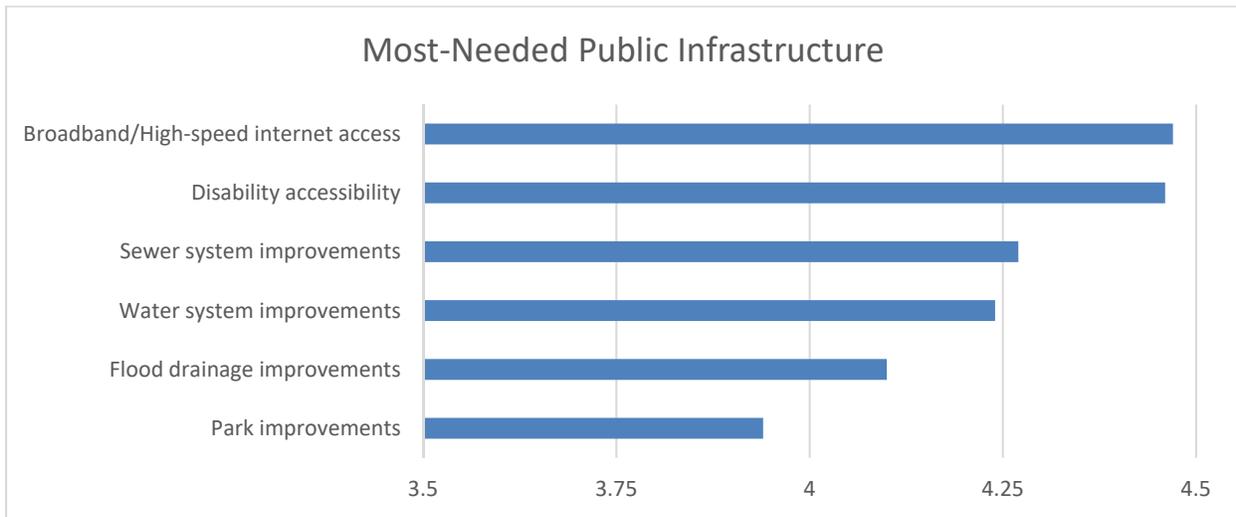
Our survey asked community members to rank the most-needed public facilities in State CDBG-eligible communities. Based on our list, respondents identified public transportation centers, followed closely by facilities providing public services, such as senior centers and housing navigation centers. Respondents also prioritized emergency response and fire protection facilities. These results align with statewide research focusing on rural areas, such as the California Economic Summit’s Elevate Rural CA initiative.<sup>xix</sup> Among other needs (mainly in infrastructure, and outlined below), Elevate Rural CA identified transportation facilities, and improvements in fire protection and emergency response systems to respond to increasing wildfire risk, as investment priorities.

In a survey question preceding this one, we asked respondents about the needs of individuals and families experiencing homelessness, and included facilities serving this population as an option. Many survey respondents identified emergency shelters, and services for individuals currently experiencing/at risk of homelessness, as top needs (reported in section NA-40). A larger number of survey respondents prioritized public facilities which address homelessness than identified the facilities above. Emergency shelters, homelessness navigation centers, and community facilities to provide case management services to these individuals and families, are urgent needs, and likely have top priority.

**How were these needs determined?**

The Consolidated Plan assessed needs for public facilities, public improvements, infrastructure investments, public services, and economic development by surveying community members and program stakeholders as part of our outreach efforts. We also held focus groups on the topics of Housing Needs and Homelessness and Community Development Needs with stakeholders and advocates in locations across the state. We attended meetings of State department and agency collaboratives, and roundtables for the state’s Continuums of Care, to consult with these organizations on the Consolidated Plan. These data gathering efforts were continued in the Plan’s public participation outreach, and supported information available in statewide strategic plans and research.

**Describe the jurisdiction’s need for Public Improvements:**



**Figure 7 Most Needed Public Infrastructure**

Survey respondents ranked broadband Internet access and improvements to facilitate access for individuals with disabilities highest among public infrastructure needs. The next highest ranked needs were improvements to sewer and water systems, followed by flood drainage improvements. The response options did not include other examples of natural disaster preparedness and recovery investments such as buried power lines, since these are out of the scope of the CDBG program. These types of public improvements likely would have ranked highly had they been included.

In our Housing Needs focus groups, we asked participants to discuss the most important barriers to providing affordable housing in their communities. As shown below, many participants mentioned infrastructure-related housing barriers in the conversation.

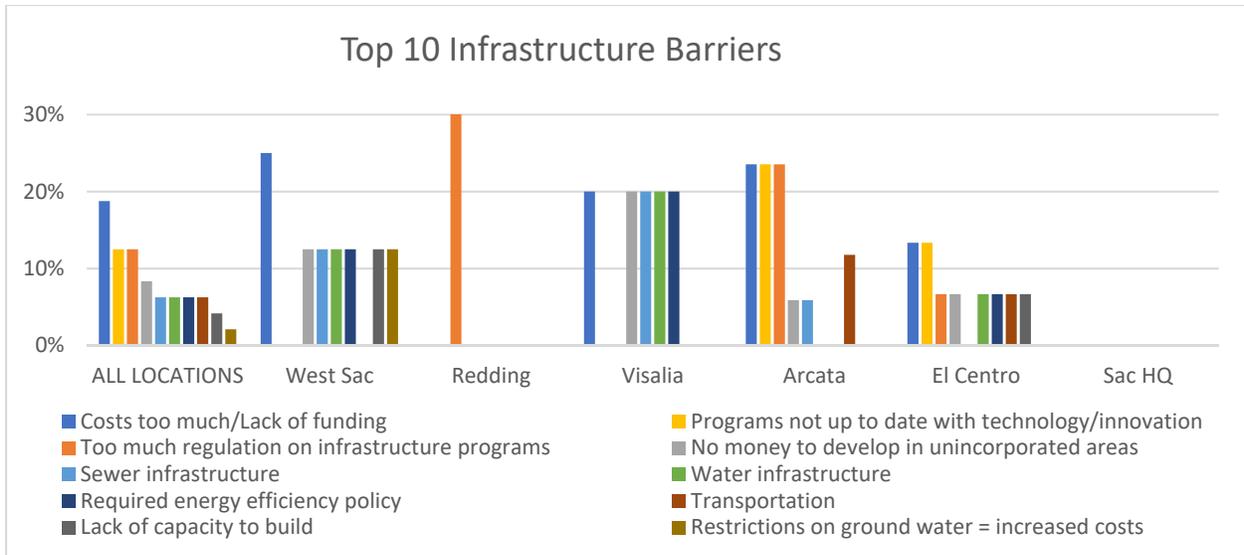


Figure 8 Top 10 Infrastructure Barriers

The cost of building infrastructure to support new residential development is increasing in tandem with other development costs, limiting the supply of new income-restricted and naturally occurring affordable housing. Participants also mentioned a lack of funding to build infrastructure, and a lack of flexibility in affordable housing program rules that prevent would-be developers from implementing nontraditional, lower-cost, environmentally friendly systems (such as composting septic systems).

In 2018, the Elevate Rural CA initiative identified four priorities for targeted community, workforce, and economic development activities in rural areas: broadband access, water infrastructure, wildfire response and forest resiliency. Exploring these issues, which echo the priorities of our survey respondents:

**Broadband Access:** High speed Internet access is critical infrastructure to fully participate in today’s California, and communities without broadband – the residents, businesses, and institutions providing health care, education, and emergency response – are technologically and socially isolated without it.

The California Emerging Technology Fund, in partnership with the UC-Berkeley Institute of Governmental Studies, conducted a statewide survey in March 2019 which found that a “digital divide” exists between low-income and rural Californians, and the rest of the population.<sup>xx</sup> While 88 percent of California households had a home high-speed Internet connection, several demographic groups had much lower access: households earning less than \$20,000 (70 percent), adults ages 65 and older (76 percent), adults who identify as having a disability (79 percent), and Spanish-speaking Latino persons (80 percent). Outlying areas of California had the lowest rates of households who were able to connect to the Internet via a high-speed connection at home – 74 percent,

compared to 75 percent in LA County and the Inland Empire, 78 percent in the Central Valley, 81 percent in the SF Bay Area, and 86 percent in Orange and San Diego Counties.

The survey also found that increasing home broadband access may be a strategy to reduce vehicle miles traveled and promote California's greenhouse gas emissions reductions goals. Six in ten households surveyed reported that using the Internet to shop or work from home reduced the number of their vehicle trips in a typical month. For these reasons, the California Broadband Council, chaired by representatives from the California Public Utilities Commission and California Department of Technology, are developing a statement of "Digital Equity for All – Guiding Principles" to enable the widespread deployment of broadband access. The Council also provides resources on broadband availability and new broadband projects across the state.<sup>xxi</sup>

Water Infrastructure: In April 2019, California Governor Newsom issued Executive Order N-10-19, directing the California Natural Resources Agency, the California Environmental Protection Agency, and the California Department of Food and Agriculture to develop recommendations to address the risks and challenges facing California's water infrastructure. The Order identified:

- A range of existing water challenges, including unsafe drinking water across the state, major flood risks that threaten public safety, severely depleted groundwater aquifers, agricultural communities coping with uncertain water supplies, and native fish populations threatened with extinction; and
- Climate change (which) is having a profound impact on water and other resources, making the climate warmer and more variable, which reduces mountain snowpack, intensifies drought and wildfires, and drives shorter, more intense wet seasons that worsen flooding.

In response to this order, the Agencies released a draft water resilience portfolio in January 2020 which aims to provide information to local and regional entities on their water infrastructure needs and propose strategies to meet these needs. The portfolio's recommended goals and actions are in four categories:

- Maintain and diversify water supplies: State government will continue to help regions reduce reliance on any one water source and diversify supplies to enable flexibility as conditions change. Diversification will look different in each region based on available water resources, but it will strengthen water security and reduce pressure on river systems across the state.

## California 2020-2024 Consolidated Plan: Needs Assessment

-Protect and enhance natural ecosystems: State leadership is essential to restore the environmental health of many of our river systems in order to sustain fish and wildlife. This entails effective standard setting, continued investments, and more adaptive, holistic environmental management.

-Build connections: The state aims to improve physical infrastructure to store, move, and share water more flexibly and integrate water management through shared use of science, data, and technology.

-Be prepared: Each region must prepare for new threats, including “flashier” floods, deeper droughts, and hotter temperatures. State guidance will enable preparation, protective actions, and adaptive management to weather these stresses.

Wildfire Response: The California Economic Summit’s policy brief, “California’s Wildfire Crises: A Call to Action 2019” describes the current landscape of California’s wildfire risks, where densely grown forests and tree mortality from recent droughts and insect infestations have left vast swaths of the state at high risk of wildfire.<sup>xxii</sup> The brief identifies some of the highest-priority infrastructure needs and risks, including:

- Planning and emergency response to catastrophic wildfires: The 2017 and 2018 wildfire seasons were the most destructive in state history. More than 9,000 wildfires ignited in 2017, and nearly 7,600 in 2018 – together burning 2.8 million acres. Tens of thousands of homes and businesses were lost, 139 people perished, and the air across vast portions of the state was poisoned. During 2018, the worst fire year on record, 19,000 homes and other structures were damaged or destroyed in one fire alone: The Camp Fire in Butte County. The town of Paradise was nearly obliterated. Among the 86 who perished, many were frail and elderly.
- Wildfire resiliency investments for residents of urban-wildland interface areas: More than 20 million acres of California wildland are now classified as being under very high or extreme fire threat. Between 1990 and 2010, 33.8 percent of new California housing units (1.1 million homes) were built in the wildland-urban interface. Today, 4.5 million homes and 11 million people live and work in this area adjacent to dense flammable vegetation.
- Replacing infrastructure destroyed or damaged by fire: Eroded landscapes from the King Fire in 2014 caused so much sediment spill into facilities serving Placer County that water equipment had to be shut down. Clearing reservoirs cost \$5 million to \$10 million per episode, while the cost of turning off equipment ran up to \$200,000 per day. The Tubbs Fire in 2017 melted plastic water pipes in Santa Rosa, threatening neighborhood water systems, and clean-up costs for

## California 2020-2024 Consolidated Plan: Needs Assessment

Paradise's municipal water system in the wake of the Camp Fire are projected to exceed \$300 million.

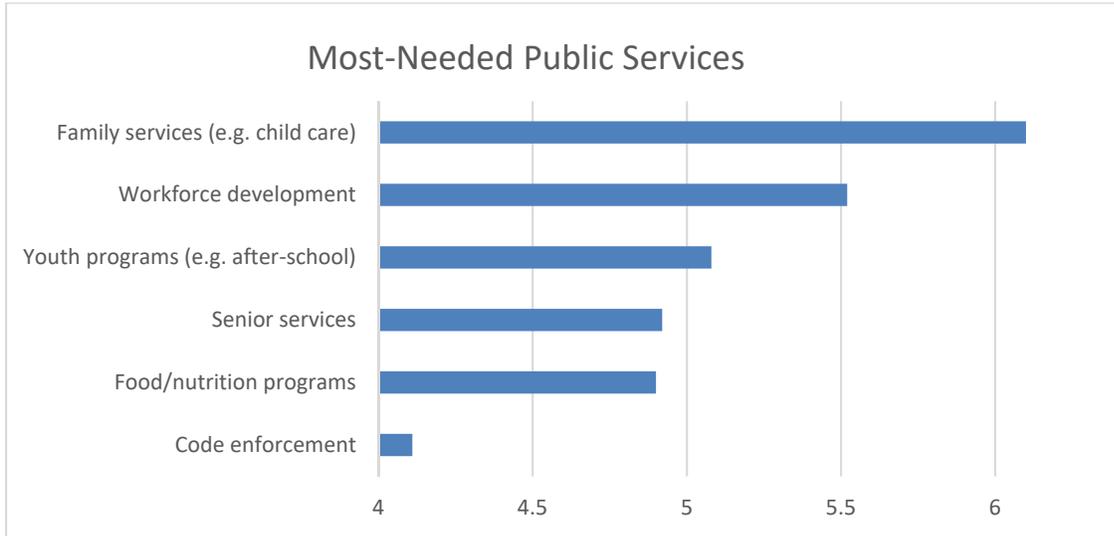
Forest Resiliency: The Elevate Rural CA policy brief, "A Portrait of Rural California: Resources, Needs and Opportunity 2019", identifies forest resiliency as a key investment area to reduce wildfire risk, reduce carbon emissions, and improve the economic well-being of rural communities.<sup>xxiii</sup> They suggest the following infrastructure investments to improve forest health:

- Resources for wildfire fuel reduction projects: In a May 2018 plan<sup>xxiv</sup>, the California Forest Climate Action Team (comprised of the Office of the Governor and multiple state and federal departments, agencies, and stakeholder associations) reported that since 2010, California has nearly doubled the number of acres treated annually by fuel reduction, and has tripled the number of acres treated by prescribed burning. However, these efforts – less than 33,000 acres treated in 2017-18 – are dwarfed by the number of acres that require attention. Experts say at least 1 million acres should be treated annually over a sustained period. In 2019, CAL FIRE accelerated 35 priority fuel reduction projects, encompassing 94,000 acres. However, in its announcement, CAL FIRE acknowledged the chasm between this plan and total needs.
- Infrastructure to support the use of excess wood products: Many rural communities lack facilities and supportive infrastructure for the "next-generation forest product" industry. Industry supporters tout the benefits of this economic activity - removing fuel for fires, creating jobs, generating renewable energy sources, protecting the health of watersheds that provide much of the state's water supply, and potentially producing engineered wood products to address California's housing crisis.

### **How were these needs determined?**

Please refer to the preceding section on the State's need for public facilities.

**Describe the jurisdiction’s need for Public Services:**



**Figure 9 Most Needed Public Services**

Survey respondents ranked family services most highly among the options provided, followed by workforce development services. They also prioritized programs serving youth, seniors, and families facing food insecurity.

Homelessness related public services

When we asked in the same survey separately about the needs of individuals and families experiencing homelessness, many survey respondents identified housing with services to address chronic homelessness, emergency shelters, and re-entry services and housing for persons exiting institutions, as top needs (reported in section NA-40). A larger number of survey respondents prioritized public services which address homelessness than identified the services above. Case management services to individuals and families experiencing homelessness, especially chronic homelessness; re-entry services, and services provided at emergency homeless shelters, are urgent needs, and likely have top priority.

Our outreach to ESG program stakeholders, reported earlier in the Needs Assessment, underscores the need for community-based supportive services that address the needs of individuals and families experiencing or exiting homelessness, particularly mental and behavioral health services and job skills training and placement services.

Aging related public services

As Californians live longer and the birth rate in the state falls to historic lows, California’s over-65 population is projected to grow to over 8.6 million individuals by 2030, an

increase of four million individuals in ten years. California's Governor Newsom issued an executive order in June 2019 to create a Master Plan for Aging, which will highlight recommendations to better coordinate programs and services to serve older adults, families, and caregivers.<sup>xxv</sup> In January 2020, the Master Plan for Aging's Long-Term Services and Supports Subcommittee issued a draft report with recommendations to support the Plan's goal for all Californians to "be able to live where we choose as we age and have the help we and our families need to do so."<sup>xxvi</sup> These recommendations, which are grouped into the following four priority areas, provide some guidance on the types of public services that may have increasing demand over the next five years:

- **Dedicated Statewide Leadership:** suggestions for State institutional capacity building and departmental reorganizations to implement the findings of the Master Plan for Aging.
- **Building Pathways to Care:** breaking down silos between providers to make it easier for people to access services across different delivery systems.
- **Access to Care:** Strengthen and enforce accessibility standards across sectors, assess program infrastructure needs, and increase resources available to public service providers and public-private partnerships, to address the unmet needs of older Californians, particularly in rural areas.
- **Long Term Supportive Services Affordability:** Enable resources to be used efficiently to meet the high costs of long-term support by aligning federal, state, and county financing; allowing state resources to be used where they are most needed and exploring the possibility of creating a statewide public long-term supportive services benefit.

Further information on the needs of this population will be available once the Master Plan for Aging is released in October 2020.

### Natural Disaster-Related Public Services

Communities need public services at every stage of experiencing a natural disaster, but particularly in the long-term response to disasters. Investment in public services to support emergency response efforts can help community members evacuate and find places to go when natural disasters strike. Having strong public service organizations can help communities mobilize and distribute emergency aid to meet survivors' basic needs in the immediate wake of disasters. In the weeks, months, and years of recovery following disaster, community-based organizations provide a lifeline to survivors who are unable to obtain support from institutional sources (such as insurance companies) or government funding.

## How were these needs determined?

Please refer to the preceding section on the State's need for public facilities.

## Based on the need's analysis above, describe the State's needs in Colonias.

The Colonia needs reflect the public facility and infrastructure needs of the rest of the rural communities in the state, except with additional severity. Colonias needs include water and sewer infrastructure – both initial infrastructure development, and infrastructure repairs and improvements necessary to address increased capacity needs. The Colonias also need public facilities, such as fire stations and cooling centers to support both the built community and the homeless population that has increased in the Colonias in recent years. Applications for funding in the CDBG program have been awarded for funding supporting both public facility and public infrastructure projects, but also supporting housing rehabilitation programs, and public services programs in the Colonias. Ongoing communication and coordination with the Colonias and Imperial County will help to make sure Colonias needs are considered in the development and implementation of both the ConPlan and the Annual Plans.

## Resources

Zillow study/California Policy Lab study

<sup>1</sup>EMAD Special Tabulations of 2017 ACS 5-year Survey Data

<sup>1</sup> Explain difference between non-metropolitan counties and entitlement areas in a "Definitions and Acronyms" section.

<sup>1</sup> TAC "Priced Out" study, 2016

<sup>1</sup> DRC Fact Sheet "Disability Discrimination and HUD Section 8 Vouchers"

<sup>1</sup> CA-OAG, "Crime in California – 2018"

<sup>1</sup> CDC-NISVS 2010-2012 state-level report

<sup>1</sup> California PIT Count 2019, HUD.

<sup>1</sup> CDC study *ibid*.

<sup>1</sup> Richard Rothstein, "The Color of Law"

<sup>1</sup> In this Plan, we will refer to non-White racial populations and non-European ancestry ethnic populations as "minorities" where referenced by the Plan template provided by HUD. Whenever possible, we will refer to these groups using the most specific and accurate identifiers possible (e.g. "Mexican Americans" rather than "Hispanics" or "minorities").

<sup>1</sup> "Homelessness Prevention: A Review of the Literature", Center for Evidence-Based Solutions to Homelessness provides a recent review of key studies on this topic.

<sup>1</sup> "Preventing Homelessness In Alameda County, CA and New York City, NY: Investigating Effectiveness And Efficiency", Vanderbilt U.

## California 2020-2024 Consolidated Plan: Needs Assessment

<sup>1</sup> See also “Efficient Targeting of Homelessness Prevention Services for Families”, Am J Public Health; “Targeting Services to Individuals Most Likely to Enter Shelter: Evaluating the Efficiency of Homelessness Prevention”, Social Service Review.

<sup>1</sup> Zillow study

<sup>1</sup> Sacramento Bee/CalMatters article on homelessness in Oakland vs. housing in Stockton

<sup>1</sup> <https://www.hudexchange.info/hdx/guides/pit-hic/>

<sup>1</sup> <https://ee.caeconomy.org/content/landing-page/elevate-rural-ca>

<sup>1</sup> IGS/CETF 2019 survey and press release

<sup>1</sup> <https://broadbandcouncil.ca.gov/task-forces/>, <https://broadbandcouncil.ca.gov/resources/>

<sup>1</sup> Executive Order N-10-19.

<sup>1</sup> The following section is excerpted from the Executive Summary of the 2020 California Water Resilience Portfolio, available at .

<sup>1</sup> The following section is excerpted from CA Wildfire Crisis FINAL Call To Action 10\_18\_19 - California Forward

<sup>1</sup> Portrait of Rural California Resources Needs Opportunity - Elevate Rural CA

<sup>1</sup> California-Forest-Carbon-Plan-Final-Draft-for-Public-Release-May-2018

<sup>1</sup> <https://www.gov.ca.gov/wp-content/uploads/2019/06/6.10.19-Master-Plan-for-Aging-EO.pdf>

<sup>1</sup> [https://www.chhs.ca.gov/wp-content/uploads/2020/01/MP4A\\_LTSS-Stakeholder-Report\\_FirstDraft.pdf](https://www.chhs.ca.gov/wp-content/uploads/2020/01/MP4A_LTSS-Stakeholder-Report_FirstDraft.pdf)

## Market Analysis

### MA-05 Overview

#### Housing Market Analysis Overview:

One of the highest priorities needs in housing markets across California is an increase in the supply of housing affordable to low and moderate-income households. California has had historically low housing production levels during the previous fifteen years, while the population has continued to grow. The high cost of housing reflects this fundamental issue of supply and demand. While California's median household income is 22 percent above the nationwide median, the median California renter pays 44 percent above the nationwide median, and homeowners with mortgages pay 50 percent more than the nationwide median.

The inadequate supply of housing units that are affordable and available for low and moderate-income families is due to a combination of longstanding factors, including:

- High land prices
- Land use policies, lengthy development processes, and other legal and procedural barriers to new construction
- Fees, construction requirements, and a lack of construction labor, contributing to high development costs
- Lack of resources to develop and/or convert existing housing to subsidized low and moderate-income housing
- Lack of resources to construct and maintain infrastructure and public services that support housing, particularly in rural areas
- Individual households' lack of resources to modify existing housing to address their changing needs, for example to adequately house additional household members
- Community resistance to new development, especially housing affordable to low and moderate-income households

Increasing the supply of affordable housing is the highest-priority need because the lack of affordable units is the fundamental factor driving many other issues in California's housing markets, including the high incidence of cost burden among low and moderate-income households, entry into homelessness, difficulty finding permanent housing after experiencing homelessness, access to economic opportunity, and vulnerability to the impacts of climate change.

## California 2020-2024 Consolidated Plan: Strategic Plan

The inadequate supply of affordable housing units available to low and moderate-income households leads directly to high housing cost burden, housing instability, and homelessness. The incidence of cost burden is particularly severe in California. Three-quarters of low and moderate-income renter households are cost burdened, meaning they spend more than 30 percent of their total income on housing costs. Moreover, two out of five low and moderate-income renter households are extremely cost burdened, meaning they spend more than half of their total income on housing costs.

Households who spend a large share of their income on housing sacrifice well-being in other areas that have individual and macroeconomic impacts, such as saving for retirement, obtaining needed health services and insurance coverage, and crowding additional members in a single household. For some households, these consequences are unfortunate, but manageable. For others, housing cost burden places an individual one financial misstep away from homelessness. The relationship between housing costs and risk of homelessness accelerates once households are cost burdened.

Another highest priority need in California housing markets is housing, facilities, and services to prevent and address homelessness. Individuals and families at high risk of entering homelessness need resources to remain stably housed, and persons currently experiencing homelessness need assistance to find and maintain housing. California is currently experiencing a historic homelessness crisis. The state represents roughly one-tenth of the nation's population but has over 25 percent of the nation's individuals currently experiencing homelessness. Two-thirds of these individuals are unsheltered.

The consequences of this crisis are far-reaching, touching not only the lives of the individuals and families experiencing homelessness, but also their communities and the entire state. Individuals experiencing homelessness are less able to address the circumstances – physical and mental health problems, transitions from institutionalization, difficulty supporting themselves through public benefits and personal resources, and inability to overcome financial barriers to entering affordable housing – that put them into homelessness. These circumstances only worsen the longer that homelessness continues. Communities with many members experiencing homelessness face high burdens on their public services and facilities, and households who are housed are often handling the additional burden of caring for family members who are at risk of homelessness.

California's homelessness crisis has many sources – the biggest of which is a severe lack of housing units available to extremely low and low-income households. This contributes to unstable living situations such as severe cost burden, increasing household debt and lack of emergency savings, living “doubled up” with many families in a single household, and frequent unplanned moves and evictions. Other factors

## California 2020-2024 Consolidated Plan: Strategic Plan

identified in our stakeholder consultations and public outreach include a lack of supportive services for special needs populations (particularly for mental health and substance use disorder treatment), insufficient and poorly targeted housing subsidies, and a lack of economic opportunities for individuals and families at risk of entering homelessness.

As of the drafting of this report, California and the nation are experiencing the longest economic expansion on record, and unemployment rates are at historic lows. However, in California this optimistic overall picture may be masking an economy that is increasingly divided between workers who are experiencing gains and those who are not. Among the private sectors' top ten in job growth between 2016 and 2019, California added the most jobs in individual and family services, followed by limited service (or fast food) eating places. These low-wage sectors, combined with warehousing and storage and outpatient care centers, added the same number of jobs as middle and high-wage sectors despite representing a smaller share of total jobs. The labor force participation rate, while increasing slightly from 62.4 percent to 62.8 percent between 2016 and 2019, is still lower than the 64.7 percent recorded in 2010, during the depths of the Great Recession.

The primary goal of economic development, particularly in areas of high poverty and historic under-investment, is to create a local environment where businesses can generate high-quality jobs and local workers have the education and skills to fill these jobs. In these areas in California, meeting these needs requires:

- fostering demand-driven skills attainment, where workforce and education programs align with potential employers' needs;
- making workforce and education programs accessible to all Californians, especially those who face higher barriers to employment;
- supporting public infrastructure that enables companies to operate more efficiently; and
- supporting other public and private services (such as childcare, health care, and housing) that enable workers to perform their jobs.

## MA-10 Number of Housing Units – 91.310(a)

### Introduction

California’s Statewide Housing Assessment, completed in 2018, identified a mismatch between housing supply and demand in California.<sup>xxvii</sup> The state’s housing supply continues to fall short of increasing demand, while existing local land use restrictions and high development costs create barriers to new development. California’s population continues to increase while housing development lags previous decades. By 2025, California is projected to have more than 42 million people living in the State. To meet the growing population’s housing needs, the state needs to add an average of 180,000 units annually, which far exceeds the average production of 78,645 units between 2008 and 2018. This figure is less than half of the amount produced before 1990, which averaged 205,000 units a year.<sup>xxviii</sup>

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	8,131,716	58%
1-unit, attached structure	978,110	7%
2-4 units	1,119,089	8%
5-19 units	1,586,551	11%
20 or more units	1,647,167	12%
Mobile Home, boat, RV, van, etc.	533,666	4%
Total	13,996,299	100%

**Table 30 – Residential Properties by Unit Number**

Data Source: 2013-2017 ACS

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	43,767	1%	432,672	7%
1 bedroom	174,381	3%	1,530,229	27%
2 bedrooms	1,283,583	18%	2,233,522	38%
3 or more bedrooms	5,522,584	78%	1,667,390	28%
Total	7,024,315	100%	5,863,813	100%

**Table 31 – Unit Size by Tenure**

Data Source: 2013-2017 ACS

**Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.**

The California Housing Partnership's (CHPC) Preservation Database includes properties subsidized by HUD, USDA Section 514 and 515 rural programs, and properties financed with Low-Income Housing Tax Credits. CHPC estimates that currently there are 420,476 assisted units in California.<sup>xxix</sup> The majority of these units are restricted to households earning below 60 percent AMI (the income maximum for the California LIHTC program), and many of them are restricted to households earning below this amount.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

CHPC assesses the prior loss and conversion risk of federally- and state-subsidized affordable rental properties in its annual report, "California's Affordable Rental Homes At-Risk".<sup>xxx</sup> CHPC's February 2019 report estimates that between 1997 and 2018, the state lost 15,044 affordable rental homes with HUD project-based rental assistance contracts, loans, and/or Low-Income Housing Tax Credits, due to the property owners' decisions to opt out, sell, or otherwise convert their properties to market rate. CHPC estimates that an additional 34,554 units are currently at risk of conversion due to HUD project-based rental assistance contracts and mortgages, LIHTC regulatory agreements, and USDA mortgages that are expiring or maturing.

**Does the availability of housing units meet the needs of the population?**

High housing growth is expected in communities with less favorable environmental and economic characteristics, and fewer community amenities (such as high-performing schools) between the present and 2025. Housing is being developed further from jobs and transit, limiting access to opportunity. Areas of opportunity are not seeing the same level of housing unit development as more disadvantaged communities that are located inland, away from jobs and transit infrastructure.<sup>xxxi</sup>

**Describe the need for specific types of housing.**

Jurisdictions across the state need a wider range of housing beyond the traditional detached single-family dwelling to accommodate residents with diverse needs. Participants in our housing needs focus groups held across the state report that low and moderate-income members of their communities have embraced a diverse set of housing options – accessory dwelling units, tiny homes, manufactured homes, mobile homes and RVs, shared housing, multi-generational housing, and various combinations

of all these. These stakeholders would like affordable housing programs to be more flexible in how funds can be used and how a unit is defined.

Over the past decade, municipalities with large homeless populations in California and throughout the country have passed ordinances limiting where people can live in nontraditional housing options such as RVs, according to the National Law Center on Homelessness and Poverty.<sup>xxvii</sup> These laws, and land use restrictions, create barriers to nontraditional forms of housing.

## **Discussion**

Participants in our homelessness needs focus groups, and individuals who responded to the ESG survey, report that individuals at risk of homelessness, especially those who have previously experienced homelessness, need a place to live that they can afford, either in permanent subsidized low-income housing or through long-term rental assistance. Since these individuals have very low incomes, they need housing that is very inexpensive – e.g. shared housing or micro-units. Respondents also prioritized housing with ongoing individualized supportive services and prioritized mental and behavioral health services in this area of need.

## **MA-15 Cost of Housing – 91.310(a)**

### **Introduction**

California is the most expensive housing market in the nation, according to virtually every possible statistic one could examine. A majority of Californians (63 percent) say that housing affordability is a big problem in their area, and homelessness tops the list of the most important issues facing the state today.<sup>xxxiii</sup>

California has six of the nation's fifteen most expensive metropolitan area rental markets – San Francisco (number one), San Jose, Oakland, Orange County, San Diego, and Los Angeles. Rents increased from 36 percent to 60 percent in these areas between 2015 and 2019 and have increased by 13 percent statewide (adjusting for inflation), compared to 8 percent nationally. The state's median home value in 2019, at \$550,800, was the second highest in the nation after Hawaii. Eight of the ten least-affordable owner-occupied housing markets in 2019 were in California, according to the National Association of Home Builders.

In California, increases in the cost of housing have outstripped increases in median incomes in recent years. While California's median household income is 22 percent above the nationwide median, the median California renter pays 44 percent above the nationwide median, and homeowners with mortgages pay 50 percent more than the nationwide median. These trends contribute directly to the high incidence of cost burden among California households, particularly low and moderate-income households. When housing costs are accounted for, California has the highest poverty rate among states, second only to the District of Columbia (18.1 percent versus 18.2 percent for the three-year period 2016-2018).<sup>xxxiv</sup>

## California 2020-2024 Consolidated Plan: Strategic Plan

### Cost of Housing

	Base Year: 2011	Most Recent Year: 2017	% Change
Median Home Value	\$421,600	\$443,400	5%
Median Contract Rent	\$1,185	\$1,358	15%

**Table 32 – Cost of Housing**

**Data Source:** Base Year: 2007-2011 ACS; Most Recent Year: 2013-2017 ACS

Rent Paid	Number	%
Less than \$500	305,891	5%
\$500-999	1,209,811	21%
\$1,000-1,499	1,808,573	32%
\$1,500-1,999	1,209,667	21%
\$2,000 or more	1,144,223	20%
Total Units paying rent	5,678,165	100.0%

**Table 33 - Rent Paid**

**Data Source: 2013-2017 ACS**

### Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	527,895	No Data
50% HAMFI	806,985	717,055
80% HAMFI	2,653,605	785,005
100% HAMFI	No Data	725,900
Total	3,988,485	2,227,960

**Table 34 – Housing Affordability**

**Data Source: 2012-2016 CHAS**

### Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$1,208	\$1,422	\$1,804	\$2,479	\$2,856
High HOME Rent	\$1,950	\$2,100	\$2,495	\$2,895	\$3,150
Low HOME Rent	\$914	\$1,050	\$1,337	\$1,897	\$2,166

**Table 35 – Monthly Rent**

**Data Source: HUD FMR and HOME Rents**

California 2020-2024 Consolidated Plan: Strategic Plan

**Statewide Fair Market Rents (FMR)**

Metropolitan Statistical Area/Metro FMR Area	County	Efficiency	1 Bed	2 Bed	3 Bed	4 Bed
Oakland-Fremont, CA HUD Metro FMR Area	Alameda County	\$1,488	\$1,808	\$2,239	\$3,042	\$3,720
Alpine County, CA	Alpine County	\$685	\$778	\$1,014	\$1,457	\$1,617
Amador County, CA	Amador County	\$851	\$856	\$1,128	\$1,627	\$1,908
Chico, CA MSA	Butte County	\$761	\$842	\$1,090	\$1,567	\$1,881
Calaveras County, CA	Calaveras County	\$668	\$849	\$988	\$1,425	\$1,735
Colusa County, CA	Colusa County	\$634	\$712	\$938	\$1,353	\$1,647
Oakland-Fremont, CA HUD Metro FMR Area	Contra Costa County	\$1,488	\$1,808	\$2,239	\$3,042	\$3,720
Del Norte County, CA	Del Norte County	\$661	\$775	\$978	\$1,369	\$1,571
Sacramento—Roseville—Arden-Arcade, CA HUD Metro FMR Area	El Dorado County	\$952	\$1,072	\$1,349	\$1,946	\$2,368
Fresno, CA MSA	Fresno County	\$691	\$787	\$980	\$1,395	\$1,621
Glenn County, CA	Glenn County	\$597	\$670	\$883	\$1,100	\$1,196
Humboldt County, CA	Humboldt County	\$687	\$806	\$1,040	\$1,500	\$1,797
El Centro, CA MSA	Imperial County	\$669	\$781	\$1,027	\$1,365	\$1,744
Inyo County, CA	Inyo County	\$783	\$788	\$973	\$1,313	\$1,318
Bakersfield, CA MSA	Kern County	\$711	\$726	\$946	\$1,365	\$1,624
Hanford-Corcoran, CA MSA	Kings County	\$841	\$861	\$1,064	\$1,535	\$1,647
Lake County, CA	Lake County	\$662	\$773	\$1,016	\$1,466	\$1,567
Lassen County, CA	Lassen County	\$609	\$684	\$901	\$1,300	\$1,403
Los Angeles-Long Beach-Glendale, CA HUD Metro FMR Area	Los Angeles County	\$1,279	\$1,517	\$1,956	\$2,614	\$2,857
Madera, CA MSA	Madera County	\$833	\$839	\$1,105	\$1,584	\$1,717
San Francisco, CA HUD Metro FMR Area	Marin County	\$2,197	\$2,720	\$3,339	\$4,365	\$4,657

California 2020-2024 Consolidated Plan: Strategic Plan

Metropolitan Statistical Area/Metro FMR Area	County	Efficiency	1 Bed	2 Bed	3 Bed	4 Bed
Mariposa County, CA	Mariposa County	\$716	\$804	\$1,059	\$1,376	\$1,859
Mendocino County, CA	Mendocino County	\$805	\$892	\$1,173	\$1,659	\$1,932
Merced, CA MSA	Merced County	\$651	\$782	\$947	\$1,366	\$1,652
Modoc County, CA	Modoc County	\$520	\$585	\$770	\$1,062	\$1,228
Mono County, CA	Mono County	\$872	\$979	\$1,290	\$1,699	\$2,058
Salinas, CA MSA	Monterey County	\$1,334	\$1,467	\$1,810	\$2,606	\$2,834
Napa, CA MSA	Napa County	\$1,225	\$1,427	\$1,880	\$2,712	\$2,803
Nevada County, CA	Nevada County	\$856	\$998	\$1,314	\$1,896	\$2,052
Santa Ana-Anaheim-Irvine, CA HUD Metro FMR Area	Orange County	\$1,563	\$1,785	\$2,216	\$3,098	\$3,578
Sacramento—Roseville—Arden-Arcade, CA HUD Metro FMR Area	Placer County	\$952	\$1,072	\$1,349	\$1,946	\$2,368
Plumas County, CA	Plumas County	\$619	\$722	\$916	\$1,250	\$1,453
Riverside-San Bernardino-Ontario, CA MSA	Riverside County	\$875	\$1,030	\$1,289	\$1,789	\$2,216
Sacramento—Roseville—Arden-Arcade, CA HUD Metro FMR Area	Sacramento County	\$952	\$1,072	\$1,349	\$1,946	\$2,368
San Benito County, CA HUD Metro FMR Area	San Benito County	\$1,290	\$1,298	\$1,710	\$2,467	\$3,002
Riverside-San Bernardino-Ontario, CA MSA	San Bernardino County	\$875	\$1,030	\$1,289	\$1,789	\$2,216
San Diego-Carlsbad, CA MSA	San Diego County	\$1,404	\$1,566	\$2,037	\$2,894	\$3,576
San Francisco, CA HUD Metro FMR Area	San Francisco County	\$2,197	\$2,720	\$3,339	\$4,365	\$4,657
Stockton-Lodi, CA MSA	San Joaquin County	\$745	\$869	\$1,144	\$1,650	\$2,009
San Luis Obispo-Paso Robles-Arroyo Grande, CA MSA	San Luis Obispo County	\$1,153	\$1,275	\$1,657	\$2,390	\$2,909
San Francisco, CA HUD Metro FMR Area	San Mateo County	\$2,197	\$2,720	\$3,339	\$4,365	\$4,657

## California 2020-2024 Consolidated Plan: Strategic Plan

Metropolitan Statistical Area/Metro FMR Area	County	Efficiency	1 Bed	2 Bed	3 Bed	4 Bed
Santa Maria-Santa Barbara, CA MSA	Santa Barbara County	\$1,502	\$1,752	\$2,073	\$2,766	\$3,186
San Jose-Sunnyvale-Santa Clara, CA HUD Metro FMR Area	Santa Clara County	\$2,103	\$2,458	\$2,970	\$3,943	\$4,525
Santa Cruz-Watsonville, CA MSA	Santa Cruz County	\$1,641	\$1,913	\$2,519	\$3,342	\$3,746
Redding, CA MSA	Shasta County	\$630	\$744	\$966	\$1,394	\$1,696
Sierra County, CA	Sierra County	\$858	\$975	\$1,270	\$1,825	\$2,026
Siskiyou County, CA	Siskiyou County	\$591	\$650	\$856	\$1,218	\$1,344
Vallejo-Fairfield, CA MSA	Solano County	\$1,124	\$1,318	\$1,589	\$2,292	\$2,790
Santa Rosa, CA MSA	Sonoma County	\$1,302	\$1,489	\$1,949	\$2,798	\$3,302
Modesto, CA MSA	Stanislaus County	\$788	\$885	\$1,105	\$1,567	\$1,846
Yuba City, CA MSA	Sutter County	\$838	\$844	\$1,087	\$1,568	\$1,908
Tehama County, CA	Tehama County	\$649	\$689	\$908	\$1,216	\$1,304
Trinity County, CA	Trinity County	\$576	\$684	\$852	\$1,229	\$1,359
Visalia-Porterville, CA MSA	Tulare County	\$710	\$714	\$941	\$1,312	\$1,534
Tuolumne County, CA	Tuolumne County	\$694	\$827	\$1,015	\$1,453	\$1,774
Oxnard-Thousand Oaks-Ventura, CA MSA	Ventura County	\$1,266	\$1,503	\$1,943	\$2,709	\$3,243
Yolo, CA HUD Metro FMR Area	Yolo County	\$1,010	\$1,066	\$1,404	\$2,025	\$2,432
Yuba City, CA MSA	Yuba County	\$838	\$844	\$1,087	\$1,568	\$1,908

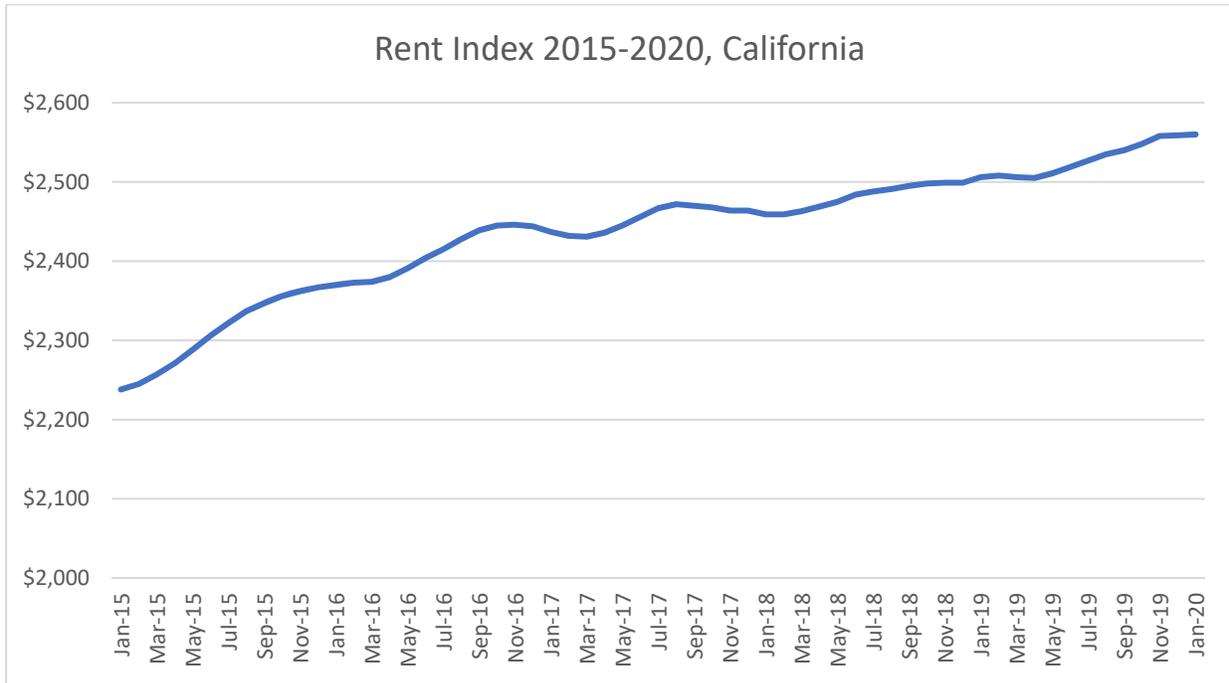
**Table 36 – Statewide Fair Market Rent (FMR)**

**Data Source: HUD FMR Rents**

**Is there sufficient housing for households at all income levels?**

There is insufficient housing for households at all income levels. Based on the Needs Assessment, statewide 69 percent of extremely low-income renters, 38 percent of low-income renters, and 11 percent of moderate-income renters spend more than 50 percent of their incomes on rent. The shares for homeowners are 60 percent, 39 percent, and 21 percent, respectively. These statistics are indicative of a statewide housing crunch at all income levels, where households with above-moderate incomes and other characteristics (such as good credit scores and employment histories) occupy available housing, forcing households with lower incomes to pay a high share of their income on the remaining housing, and leaving individuals with the lowest incomes unable to find housing at all.

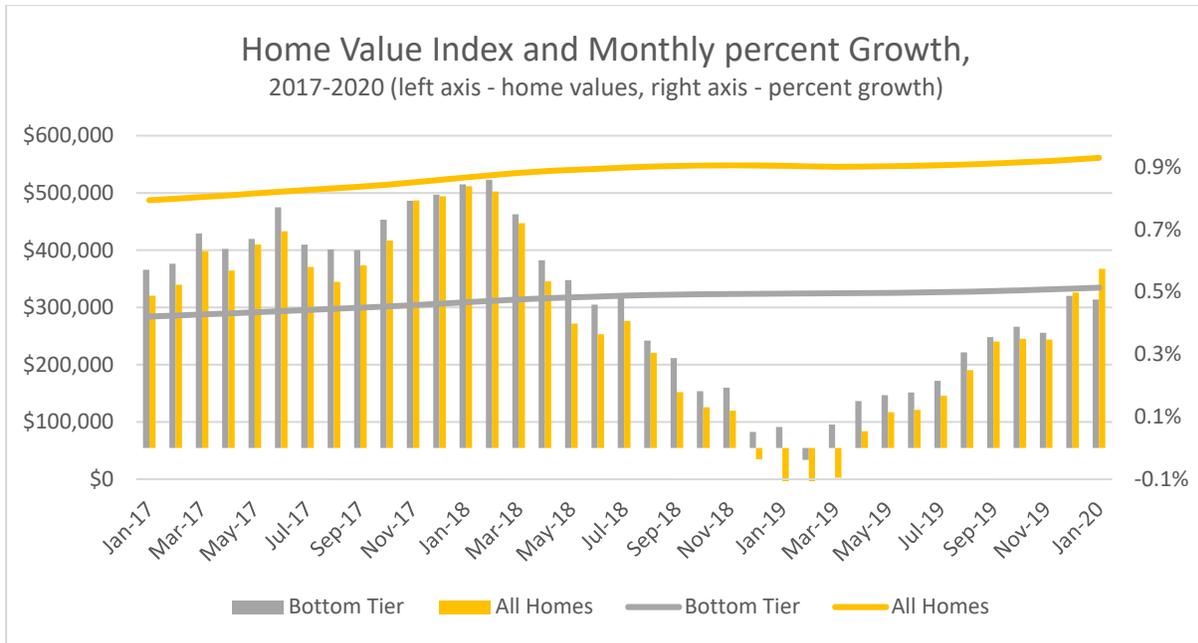
**How is affordability of housing likely to change considering changes to home values and/or rents?**



**Figure 10 Rent Index 2015-2020**

**Data Source: Zillow Rent Index (Zillow Research)**

## California 2020-2024 Consolidated Plan: Strategic Plan



**Figure 11 Home Value Index**

**Data Source: Zillow Home Value Index (Zillow Research)**

Based on statewide estimates produced by Zillow Research, rents have increased steadily during the previous two years from 2018 to 2020. Estimated home prices fell slightly month-over-month at the beginning of 2019 but continued to grow for the rest of the year. Notably, price growth for homes in the “bottom tier” – the 5<sup>th</sup> to 35<sup>th</sup> percentile of prices – have been higher than for the market overall in almost each month. The increases in home prices and rents have outpaced income growth for low and moderate-income Californians since the Great Recession, forming our current affordability crisis. Absent significant increases in the stock of housing affordable to low and moderate-income households, or significant decreases in demand (if, for example, these households leave California in large numbers) the affordability of housing is likely to continue to decline.

**How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

Table 35 reports the HUD Fair Market Rents, High HOME Rents, and Low HOME Rents for the San Luis Obispo Metropolitan Statistical Area. Since HUD does not produce a single statewide estimate for fair market rent, this table presents data for San Luis Obispo, where median household income in 2017 of \$67,175 is closest to the statewide median household income in 2017 of \$67,169. We also report the fair market rents for FY 2019-20 for each Metro FMR Area in California.

## California 2020-2024 Consolidated Plan: Strategic Plan

We also include an estimate of the typical market rate rent across the state, including apartments and single-family homes, from Zillow Research. The Zillow Rent Index estimate is the mean of asking rents that fall into the 40<sup>th</sup> to 60<sup>th</sup> percentile range, including estimates for properties currently not listed for rent. The typical rent in California estimated by Zillow in January 2020 is \$2,560, compared to a fair market rent of \$1,542 for a two-bedroom apartment in the median-income county in the state (San Luis Obispo).

While low and moderate-income households may seek housing below the 40<sup>th</sup> percentile, the fair market rent is substantially below the Zillow estimate. These data support the feedback provided by stakeholders and the public in our focus groups, surveys, and consultations. The lack of housing at this price point creates a lot of competition for the available units, and many households who receive vouchers have difficulty finding and successfully leasing apartments renting for fair market rent or below. The fair market rents' low level also prevents households from finding housing in areas of high opportunity, which can limit their access to educational and employment opportunities.

The discrepancy between market rate rents and HOME rents also affects our grantees' ability to build and preserve affordable housing developments. Grantees usually need multiple sources of funding, and additional grants (such as free land), to subsidize HOME projects in order to make them financially viable. This makes it more time consuming and risky to develop affordable housing.

### **Discussion**

Please refer to the Introduction to this section, and to the Needs Assessment NA-10, for further discussion of housing costs and cost burden across California.

As part of the CARES Act, HUD waived certain FMR limits for the ESG CV funding. This waiver would impact both the existing ESG allocations as well as the ESG CV funding. The waiver is intended to help address the wide variances in housing costs, not just between urban and rural areas, but nation-wide. This waiver will be critical in ensuring that the funding can be used as intended to help people in the timeframe required to make a timely response to community needs. Additional waivers of the public services cap for the CDBG-CV and 2020 CDBG allocation were provided along with waivers for HOPWA-CV and CoC homelessness response funding. The program specific waivers are included in the program methods of distribution in AP-30.

## **MA-20 Condition of Housing – 91.310(a)**

### **Introduction**

As reported in the Needs Assessment, cost burden is the most common housing condition facing Californian households, with over half of households earning below the area median reporting being cost burdened. Physical housing conditions such as lacking kitchen or plumbing facilities are much rarer. 2.8 percent of renter households and 0.6 percent of owner-occupied households reported lacking complete plumbing or kitchen facilities in 2017. 15.6 percent of renter households earning below the area median, and 5.8 percent of owner-occupied households in this income group, reported being crowded (with more than 1 person per room excluding kitchen and bathrooms).

The property information firm RealtyTrac reports the foreclosure rate for counties and states.<sup>xxxv</sup> In January 2020 (the timeframe for which data were publicly available), the statewide foreclosure rate in California was 1 per 2,375 properties, which translates to a stock of approximately 6,000 homes in foreclosure. Of these 6,000 homes, half were “pre-foreclosures”, which are properties with mortgages in default; one-quarter were sold at auction; and the remaining quarter were bank-owned properties (REO properties).

Statewide data are not available on the condition of units that are vacant for non-temporary reasons (such as vacant-for-rent and vacant-for-sale). However, the problem of California housing investors leaving units vacant while they wait for prices to increase rose to national attention when members of the activist group “Moms 4 Housing” occupied a vacant home in West Oakland for over a month in early 2020. In response, local legislators have discussed potentially taxing vacant properties, to encourage investors to make these homes available to be occupied.

### **Definitions**

The American Community Survey defines “selected conditions” as the following:

- lacking complete plumbing facilities,
- lacking complete kitchen facilities,
- with 1.01 or more occupants per room (excluding kitchen and bathrooms),
- monthly owner costs greater than 30 percent of household income, and
- gross rent greater than 30 percent of household income.

## California 2020-2024 Consolidated Plan: Strategic Plan

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	2,278,386	32%	2,876,160	49%
With two selected Conditions	96,079	1%	494,342	8.5%
With three selected Conditions	3,550	0.1%	22,932	0.5%
With four selected Conditions	253	0%	2,001	0%
No selected Conditions	4,646,047	67%	2,468,378	42%
Total	7,024,315	100%	5,863,813	100%

**Table 37 - Condition of Units**

**Data Source: 2013-2017 ACS**

### Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	1,010,005	15%	666,425	11%
1980-1999	1,841,755	27%	1,504,220	26%
1960-1979	2,037,595	29%	1,984,535	34%
Before 1960	2,039,655	29%	1,723,200	29%
Total	6,929,005	100%	5,878,380	100%

**Table 38 – Year Unit Built**

**Data Source: 2013-2017 CHAS**

### Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	4,077,250	59%	3,707,735	63%
Housing Units built before 1980 with children present	533,185	8%	768,385	13%

**Table 39 – Risk of Lead-Based Paint**

**Data Source: 2013-2017 CHAS**

**Vacant Units**

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	307,685		
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

**Table 40 - Vacant Units**

Vacancy Status	Estimate	% of Total/Total Vacant
Total Housing Units	13,996,299	
Total Vacant Units:	1,108,171	7.9%
For rent	220,686	19.9%
Rented, not occupied	58,366	5.3%
For sale only	83,339	7.5%
Sold, not occupied	51,264	4.6%
For seasonal, recreational, or occasional use	383,658	34.6%
For migrant workers	3,173	0.3%
Other vacant	307,685	27.8%

**Table 41 – Vacant Unit Status**

**Data Source: 2013-2017 ACS**

Statewide data are not available on the condition of units that are vacant for non-temporary reasons (such as vacant-for-rent and vacant-for-sale).

**Need for Owner and Rental Rehabilitation**

There is a high need for rehabilitation of owner-occupied and rental properties serving low and moderate-income households in California. These needs are caused by a number of factors, including rehabilitation and reconstruction of properties damaged in natural disasters, and properties that need to be modified to meet the needs of an aging population. In recent years, these needs have been more acute in non-entitlement areas of the state. The most significant fires and floods have occurred and are expected to occur in urban-wildland interface areas. In addition, non-entitlement areas are gaining elderly Californians at a faster rate than the state overall.

**Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards**

Risk of Lead-Based Paint Hazard	Owner-Occupied Number	Percent of Owner-Occupied Units	Renter Occupied Number	Percent of Renter-Occupied Units
Number of Units Built Before 1980 with children present:	533,185		768,385	
<30% AMI	30,890	6%	222,490	29%
30-50% AMI	49,295	9%	177,385	23%
50-80% AMI	89,835	17%	158,545	21%
80-100% AMI	61,630	12%	67,150	9%
>100% AMI	301,535	57%	142,815	19%

**Table 42 – Risk of Lead-Based Paint**

**Data Source: 2013-2017 CHAS**

**Discussion**

There is ongoing need for reinvestment in the housing stock, particularly in older and rural areas. Lead-based-paint risks are identified project by project and remediation is on a case by case basis, however, the extensive need for housing reinvestment indicates that a lot of units remain un-remediated.

## **MA-25 Public and Assisted Housing – (Optional)**

### **Introduction**

States are not required to report on the condition of public housing units statewide or in non-entitlement jurisdictions. However, the data below are made available from HUD's "Picture of Subsidized Households, 2017" to provide more information on the total stock of HUD-subsidized housing available to low and extremely low-income households in the state.

## MA-30 Homeless Facilities – 91.310(b)

### Introduction

A total of 552,830 people, nationwide, were experiencing homelessness on a single night in 2018. It is estimated through the HUD 2019 Continuum of Care Homeless Assistance Programs Reports that there were approximately 127,448 total homeless households and 151,278 total homeless people in the State of California in 2018, which represents more than 27 percent of all homeless people in the United States. As of January 2019, of that total homeless persons in California, 10,980 were Veterans, 11,993 were unaccompanied youth, and 41,557 were individuals experiencing chronic homelessness.

The table below shows services and facilities available to address the needs of homeless individuals and families in the State, indicating that most people experiencing homelessness are individuals. The remainder are people in families with children.

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	12,332	713	7,946	34,512	?
Households with Only Adults	14,637	N/A	8,010	51,269	?
Chronically Homeless Households	N/A	N/A	N/A	30,280	?
Veterans	748	N/A	2,309	23,591	?
Unaccompanied Youth	897	N/A	2,116	948	?

**Table 43 - Facilities Targeted to Homeless Persons**

**Data Source: HUD 2019 Continuum of Care Homeless Assistance Programs Reports**

The above table indicates that transitional housing is the only intervention on the decline by comparing that with number of beds in that category in 2014. This follows a national trend of states and communities shifting resources away from temporary transitional housing and towards permanent housing options (such as permanent supportive housing and rapid rehousing).

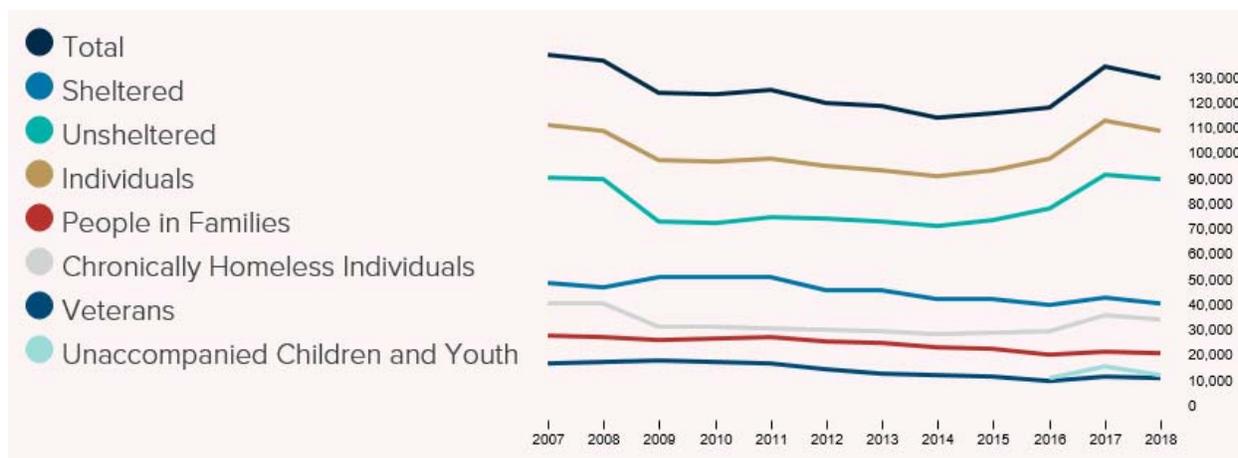


Figure 12 Number of Homeless Persons by Type

Data Source: National Alliance to End Homelessness – Reports

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons.**

The State of California has been facing the homelessness issue for a long time, while after the great nationwide recession in 2007, some cities in California dealt with the highest risk of homelessness surge. From 2007, the chronically homeless population began increasing at an alarming rate and these individuals had a high demand for services, including basic human necessities, security, drug and alcohol rehabilitation, and mental health services.

Therefore, the State of California implemented Homeless Services through different programs such as CoC and Emergency Solutions Grants (ESG) to support homeless projects and transitions of homeless individuals and families into permanent housing. However, there were some challenges in designing and implementing those programs to provide appropriate social, mental, and capital infrastructure services for a sustainable transition of homeless population into stable housing. The CoC reinforced Temporary Homeless Services Area (THSA): by that local governments established some areas to temporarily serve chronically homeless. The areas provided bathrooms, showers, food distribution, tents, and 24/7 security.

The following principles guided the development of above programs:

- Serve and reduce homeless population with a special emphasis on the chronically homeless without creating negative impacts on our neighborhoods, business areas, and community operations;

- Leverage a multitude of funding sources to provide comprehensive supportive programs. The majority of the funding was provided through the following sources: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership Act (HOME), Homeless Prevention and Rapid Re-Housing (HPRP), Low and Moderate Income Housing Funds (LMIHF); Neighborhood Stabilization Program (NSP I and III), and Shelter Plus Care rental subsidy vouchers. All of these programs had numerous regulatory requirements and time constraints that needed to be carefully considered and managed to ensure ongoing compliance;
- Create new stable funding sources that would reduce the need for continued local, state, and federal subsidies for ongoing operation costs; and
- Encourage local governments to create and foster lasting partnerships to leverage and maximize services necessary to transition individuals and families out of homelessness.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

There are several provider agencies and active programs in the State of California that complement services and facilities to homeless persons. Some of these agencies and programs are funded through the ESG and CoC programs, and many are also funded through other State programs. Community Action Agencies are non-profit private and public organizations established under the Economic Opportunity Act of 1964 to fight America's war on poverty. These agencies assist people to help themselves in achieving self-sufficiency. Some of the services that may be provided include childcare, education, energy assistance, emergency assistance, financial and legal services, food programs, health services, housing services, prevention programs, self-reliance programs, and youth services.

Following programs are funded by HCD to support services targeted to homeless persons, such as health, mental health, and employment services:

#### No Place Like Home (NPLH) Program

On July 1, 2016, Governor Brown signed landmark legislation enacting the No Place Like Home program to dedicate up to \$2 billion in bond proceeds to invest in the

development of permanent supportive housing for persons who are in need of mental health services and are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. The bonds are repaid by funding from the Mental Health Services Act (MHSA). In November 2018 voters approved Proposition 2, authorizing the sale of up to \$2 billion of revenue bonds and the use of a portion of Proposition 63 taxes for the NPLH program. Key features of the program include:

- Counties will be eligible applicants (either solely or with a housing development sponsor).
- Funding for permanent supportive housing must utilize low barrier tenant selection practices that prioritize vulnerable populations and offer flexible, voluntary, and individualized supportive services.
- Counties must commit to provide mental health services and help coordinate access to other community-based supportive services.

#### Emergency Housing and Assistance Program Capital Development (EHAPCD)

The program funds capital development activities for emergency shelters, transitional housing, and safe havens that provide shelter and supportive services for homeless individuals and families.

#### Projects for Assistance in Transition from Homelessness (PATH)

The State of California has received federal homeless funds annually since 1985, initially through the Stewart B. McKinney Homeless Block Grant, and beginning in state fiscal year (FY) 1991-92, through the McKinney Projects for Assistance in Transition from Homelessness (PATH) formula grant. The PATH grant funds community-based outreach, mental health and substance abuse referral/treatment, case management and other support services, as well as a limited set of housing services for adults who are homeless or at imminent risk of homelessness and have a serious mental illness.

#### Veterans Housing and Homelessness Prevention Program (VHHP)

California is home to the largest veteran population in the nation. Unfortunately, many of them experience homelessness on any given night. Homeless veterans are overrepresented in the homeless population and veteran status is associated with a higher risk of homelessness. In 2008, California voters approved Proposition 12, the Veteran's Bond Act of 2008, authorizing \$900 million in general obligation bonds intended to help veterans purchase single family homes, farms, and mobile homes through the California Department of Veterans Affairs (CalVet) Home Loan Program. In 2013, AB 639 (Chapter 727, Statutes of 2013, Pérez) restructured the Veteran's Bond Act of 2008 authorizing \$600 million in existing bond authority to fund multifamily

housing for veterans. With the approval of Proposition 41 by California voters on June 3, 2014, the Department of Housing and Community Development (HCD), in collaboration with the California Housing Finance Agency (CalHFA) and CalVet, designed, developed and is administering a veteran multifamily housing program pursuant to AB 639 (Chapter 727, Statutes of 2013, Pérez). The VHHP program has been funding units since 2018.

#### Supportive Housing Multifamily Housing Program (SHMHP)

SHMHP funds are for permanent financing only and may be used for new construction or rehabilitation of a multifamily rental housing development, or conversion of a nonresidential structure to a multifamily rental housing development. Eligible use of funds may include, but are not limited to, real property acquisition, refinancing to retain affordable rents, necessary on-site and off-site improvements, reasonable fees and consulting costs, capitalized reserves, facilities for childcare, after-school care, and social service facilities integrally linked to the restricted supportive housing units.

#### Homeless Youth Multifamily Housing Program (HYMHP)

This program funds may be used for permanent multifamily rental and transitional housing projects involving new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures. Projects must contain five or more HY units with associated supportive services. Target population and eligible household requirements apply at initial occupancy only. HY are either emancipated minors, or those who are at least 18 years old, homeless or at risk of homelessness, no longer eligible for foster care on the age basis, or who have run away from home.

#### The Housing Opportunities for Persons With AIDS (HOPWA) program

This program provides housing assistance for people living with HIV/AIDS. In some cases, HOPWA assistance will include chemical dependency treatment, mental health treatment, nutritional services, job training and placement assistance, and assistance with daily living. Low income people living with HIV/AIDS (PLWHA) that are homeless are assisted through State HOPWA with Permanent Housing Placement (PHP), Tenant-Based Rental Assistance (TBRA), housing information and referral services, hotel/motel voucher or other short term housing assistance, and supportive services including case management, meal assistance, and transportation vouchers. At intake to a State HOPWA program, a client service plan (mainstream services, such as health, mental health, and employment services) is prepared, and the client is referred to other agencies for services not provided by the HOPWA project sponsor. The level of HOPWA-funded homeless services provided to PLWHA varies from county to county depending on funding availability.

### Emergency Solutions Grants (ESG) Program

This program provides funds for a variety of activities to address homelessness as authorized under the federal Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 and State program requirements. The California Department of Housing and Community Development (HCD) administers the ESG program with funding received from the U.S. Department of Housing and Urban Development (HUD). ESG funds may be used for four primary activities: Street Outreach, Rapid Re-Housing Assistance, Emergency Shelter, and Homelessness Prevention. In addition, ESG funds may be used for associated Homeless Management Information System (HMIS) costs and administrative activities for some subrecipients. The ESG program provides grant funding to (1) engage homeless individuals and families living on the street, (2) rapidly re-house homeless individuals and families, (3) help operate and provide essential services in emergency shelters for homeless individuals and families, and (4) prevent individuals and families from becoming homeless.

In 2016, in an effort to align the Department's ESG funds with the HEARTH Act priorities, HCD has redesigned how it allocates and distributes funding. The redesigned ESG program aims to do the following: Align with local systems' federal ESG and HEARTH goals, invest in impactful activities based on key performance goals and outcomes, improve geographic distribution of funded activities and continuity of funded activities, and create a streamlined delivery mechanism.

### The Continuum of Care program (CoC)

This program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness. In 2018, of the 43 California CoCs, 41 submitted a CoC Program application to HUD. The 41 CoCs listed a total of 917 projects of which 908 or 99 percent were designated as Housing First.

### Homeless Emergency Aid Program (HEAP)

HEAP was established by statute by the State of California Business, Consumer Housing Agency to provide California Homeless Continuums of Care (CoC) with flexible grant funds to address immediate homelessness challenges. The Leadership Council (LC) serves as the local Homeless CoC Care Board of Directors and is responsible for setting HEAP priorities and approving projects. LC membership representation includes, but is not limited to; public officials, philanthropy, youth, veterans, faith communities, affordable housing developers, housing advocacy groups, the Housing Authority, community members and county departments such as the Department of Health and Department of Social Services. Through the LC, the Coalition of Homeless Services Providers (CHSP) serves as the local designated CoC representative and HEAP program Administrative Entity.

HCD also supports California Department of Social Services (CDSS) to run homeless related programs:

### CalWORKs

This program is a welfare program that gives cash aid and services to eligible needy California families. The program serves all 58 counties in the state and is operated locally by county welfare departments. If a family has little or no cash and needs housing, food, utilities, clothing or medical care, it may be eligible to receive immediate short-term help. Families that apply and qualify for ongoing assistance receive money each month to help pay for housing, food and other necessary expenses.

### The CalWORKs Housing Support Program (HSP)

This program is intended to foster housing stability for families experiencing homelessness. HSP assists homeless CalWORKs families in obtaining permanent housing, and can provide temporary shelter, help with moving costs, short to medium term rental subsidies and wraparound case management.

### The CalWORKs Homeless Assistance (HA) Program

This program aims to help CalWORKs families meet the reasonable costs of securing housing. The CalWORKs HA program serves eligible CalWORKs recipients, or apparently eligible CalWORKs applicants, who are homeless or at risk of homelessness. CalWORKs HA can provide payments for temporary shelter for up to 16 consecutive calendar days, as well as payments to secure or maintain housing, including a security deposit and last month's rent, or up to two months of rent arrearages.

The Bringing Families Home (BFH)

This program is intended to help reduce the number of families in the child welfare system experiencing homelessness, increase family reunification, and prevent foster care placements. BFH serves homeless families involved with the child welfare system and is designed to offer housing supports for families to successfully reunify.

The Housing and Disability Advocacy Program (HDAP)

This program assists homeless, disabled individuals apply for disability benefit programs, while also providing housing supports. The HDAP requires that participating counties offer outreach, case management, benefits advocacy, and housing support to all program participants.

The Home Safe Program

This program is intended to support the safety and housing stability of individuals involved in Adult Protective Services (APS) who are experiencing, or at imminent risk of experiencing, homelessness due to elder or dependent adult abuse, neglect, self-neglect, or financial exploitation by providing housing-related assistance using evidence-based practices for homeless assistance and prevention.

**MA-35 Special Needs Facilities and Services – 91.310(c)**

Introduction

HOPWA

Please see attached HOPWA 2020-2024 Consolidated Plan

## **MA-40 Barriers to Affordable Housing – 91.310(d)**

### Negative Effects of Public Policies on Affordable Housing and Residential Investment

Appendix B of California’s 2018 Statewide Housing Assessment provides an extensive analysis of the land use, planning, and other policies historically limiting the development of affordable housing. While some statewide laws present barriers, California local governments have primary control over land use and housing related decisions and can enact policies that discourage affordable housing development. These policies can directly prevent affordable housing from being built. More importantly, they can discourage new housing development for households of all income levels due to a lack of certainty of where and which housing is economically and politically feasible to build, and how long the whole process will take. This exacerbates the shortage of affordable housing for everyone.

These barriers affect every stage of the planning and development process:

- **Housing Elements and Local General Plans:** Housing Elements are a required part of each local government’s General Plan. They must identify sites with appropriate densities and development standards to accommodate the community’s need for housing and must be updated every 5 to 8 years. Historically, many jurisdictions have failed to comply with housing element law, which has created a shortage of sites available for development.
- **Federal and State Laws:** Federal and state environmental and land use laws, while crucial to protecting natural resources, can limit affordable housing development, particularly in rural areas. California housing development is subject to the California Environmental Quality Act (CEQA) in addition to the National Environmental Protection Act (NEPA). Addressing CEQA requirements and legal challenges raised by development opponents can take years. Stakeholders have reported that restrictions on the use of federal and state-owned wildland can also limit opportunities for affordable development. California’s Proposition 13 limits how much homeowners’ property taxes can increase each year. This law creates an incentive for local governments to prefer land uses that generate sales tax revenues, over residential and other land uses, as a way to provide more funding to local governments. Article 34 of the California Constitution, which requires local voter approval for “public housing”, in effect requires affordable housing developers to have an additional layer of local approval before planning a majority-affordable housing development.
- **Zoning Ordinances:** Historically, California jurisdictions – even large cities – have zoned much of their residential land as single family, which prevents more affordable forms of housing from being built. Changes to local zoning rules must

## California 2020-2024 Consolidated Plan: Strategic Plan

balance the need for housing with many other competing priorities, including economic development and local revenue generation, infrastructure constraints, and demands on local public facilities and services. Also, there is often community resistance to changing land use density, parking standards, lot coverage restrictions, minimum unit sizes, and height limits.

- **Local Fees, Exactions, and Development Standards:** Due in part to Proposition 13, local governments must use impact fees to pay for services and costs associated with new development. A UC Berkeley Turner Center study commissioned by the State found that these fees can approach \$25,000 per multifamily unit and \$35,000 per single-family home in some jurisdictions. Development standards such as parking requirements and neighborhood character design requirements also add costs to new development and rehabilitation.
- **Local Development Approvals:** Generally, local governments have control over the final approval for housing development, through the permitting process. The permit approval process can be long and unpredictable. Jurisdictions can complete simple ministerial approvals in a matter of months. In contrast, discretionary processes that require approval from local planning commissions, design review boards, neighborhood councils, and city councils can take years, and create significant additional costs for developers. Some localities even require voter approval for changes to land use policy for a single project.
- **State and Local Building Codes:** Recent additions to the state building code include a requirement implemented in January 2020 that new residential development (under four stories) include solar energy sources. Many localities have moved to ban natural gas appliances in new homes and are considering “home hardening” building requirements that make homes more wildfire resistant. While these measures promote the State’s natural hazard and climate change mitigation goals, they also add to development costs.
- **Affordable Housing Financing and Building Cost:** Stakeholders have reported that federal and state affordable housing program rules, such as prevailing wage requirements, can add to development costs. Since most affordable housing projects require multiple sources of federal, state, and local funding, overlaying and conflicting requirements complicate the development process. Program rules also restrict how a unit is defined, which makes some forms of development that stakeholders want (e.g. manufactured homes) difficult to finance.

## MA-45 Non-Housing Community Development Assets -91.315(f)

### Introduction

The extended economic recovery in California and nationwide may mask an economy that is increasingly divided between workers who are experiencing gains, and those who are not. The primary goal of economic development, particularly for workers who have barriers to employment (such as an institutional history) and areas of historic under-investment, is to create local environments where businesses can generate high-quality jobs and local workers have the education and skills to fill these jobs. While recent job growth has been concentrated in sectors characterized by low wages, the State continues to explore strategies to increase opportunities in “high quality jobs” – jobs that ensure both long-term economic self-sufficiency and economic security.

### Economic Development Market Analysis Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers%	Share of Jobs%	Jobs less workers%
Agriculture, Mining, Oil & Gas Extraction	415,522	473,346	2%	3%	0%
Arts, Entertainment, Accommodations	1,877,141	2,030,207	10%	12%	1%
Construction	1,095,245	851,387	6%	5%	-1%
Education and Health Care Services	3,766,488	3,918,130	21%	23%	1%
Finance, Insurance, and Real Estate	1,108,073	839,754	6%	5%	-2%
Information	529,359	649,367	3%	4%	1%
Manufacturing	1,711,597	1,300,021	10%	8%	-2%
Other Services	952,898	541,165	5%	3%	-2%
Professional, Scientific, Management Services	2,378,080	2,623,937	13%	15%	1%
Public Administration	788,166	677,777	4%	4%	-1%
Retail Trade	1,944,607	1,690,566	11%	10%	-1%
Transportation & Warehousing	894,568	637,910	5%	4%	-2%
Wholesale Trade	532,171	719,937	3%	4%	1%

Table 44 - Business Activity

Data Source: 2013-2017 ACS (Workers), 2017 Longitudinal Employer-Household Dynamics (Jobs)

### Labor Force

Employment and Unemployment	
Total Population in the Civilian Labor Force	19,501,001
Civilian Employed Population 16 years and over	17,989,654
Unemployment Rate	7.7%
Unemployment Rate for Ages 16-24	16.5%
Unemployment Rate for Ages 25-65	6.4%

## California 2020-2024 Consolidated Plan: Strategic Plan

**Table 45 - Labor Force**

**Data Source: 2013-2017 ACS**

Occupations by Sector	Number of People	Median Income
Management, business and financial	6,852,750	\$65,679
Farming, fisheries and forestry occupations		
Service	3,358,297	\$20,042
Sales and office	4,159,589	\$30,952
Construction, extraction, maintenance and repair	1,634,116	\$31,703
Production, transportation and material moving	1,989,163	\$28,475

**Table 46 – Occupations by Sector**

**Data Source: 2013-2017 ACS**

### Travel Time

Travel Time	Number	Percentage
< 30 Minutes	9,624,528	56%
30-59 Minutes	5,411,737	31%
60 or More Minutes	2,191,477	13%
Total	17,227,742	100%

**Table 47 - Travel Time**

**Data Source: 2013-2017 ACS**

### Education

Educational Attainment by Employment Status (Population 16 and Older)	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	2,064,938	209,759	1,208,574
High school graduate (includes equivalency)	2,820,058	253,901	1,155,986
Some college or Associate degree	4,443,507	317,544	1,383,527
Bachelor's degree or higher	5,617,763	241,366	1,016,255

**Table 48 - Educational Attainment by Employment Status**

**Data Source: 2013-2017 ACS**

## California 2020-2024 Consolidated Plan: Strategic Plan

Educational Attainment by Age	Age				
	18–24 yrs.	25–34 yrs.	35–44 yrs.	45–65 yrs.	65+ yrs.
Less than 9th grade	61,074	272,394	472,739	1,066,981	698,256
9th to 12th grade, no diploma	422,601	461,842	466,088	743,463	361,767
High school graduate, GED, or alternative	1,155,180	1,242,034	1,021,604	1,979,272	1,102,632
Some college, no degree	1,703,070	1,382,305	1,021,741	2,127,578	1,054,447
Associate degree	190,550	455,120	382,788	807,411	376,625
Bachelor's degree	357,856	1,420,787	1,103,954	1,888,894	878,349
Graduate or professional degree	26,978	588,390	711,156	1,185,829	676,372

**Table 49 - Educational Attainment by Age**

Data Source: 2013-2017 ACS

Educational Attainment – Median Earnings in the Past 12 Months	Median Earnings in the Past 12 Months
Less than high school graduate	\$21,252
High school graduate (includes equivalency)	\$30,036
Some college or Associate degree	\$37,169
Bachelor's degree	\$59,709
Graduate or professional degree	\$82,943

**Table 50 – Median Earnings in the Past 12 Months**

Data Source: 2013-2017 ACS

### **Based on the Business Activity table above, what are the major employment sectors within the state?**

California's primary employment sector is education and health care services (23 percent of all jobs in 2017). This sector is followed by professional, scientific, and management services (15 percent); arts, entertainment, and accommodations (12 percent); retail trade (10 percent); and manufacturing (8 percent). This is consistent with the observation that the majority of household spending by Californians, other than shelter expenses, is on services rather than goods.

### **Describe the workforce and infrastructure needs of business in the state.**

California's Unified Strategic Workforce Development Plan (SWDP), drafted by the California Workforce Development board, serves as the framework for the development of public policy, fiscal investment, and operation of the state workforce development and education system. The most recent plan analyzes the workforce, educational, and infrastructure expected needs of the State for 2020-2023.

## California 2020-2024 Consolidated Plan: Strategic Plan

Based on an analysis of employment data from the California Employment Development Division, between October 2016 and October 2019 California added the most jobs in individual and family services, which includes in-home health supportive service jobs (98,700) followed by limited service (or fast food) eating places (64,000 jobs). Both of these industries are characterized by comparatively low skill and low wage jobs. Among the private-sector industries adding more than 20,000 jobs during the same time period, other jobs requiring less education included jobs in the construction sector (69,800) and warehousing and storage jobs (31,000).

Industries characterized by jobs requiring a high level of education also experienced significant employment growth. Information services (38,400 jobs), computer systems design and related services (37,100 jobs), scientific research and development services (23,800 jobs) and management of companies and enterprises (22,700 jobs) were among the top contributors to job growth. The only industry characterized by middle-skill occupations included in the top ten growth industries was outpatient care centers (27,700 jobs).

**Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

The California Governor's most recent proposed budget for 2020-2021 included many initiatives that could impact employment and business growth opportunities during the Consolidated Planning period.<sup>xxxvi</sup> The proposed budget continues to focus on the Governor's policy priorities of climate resilience and ending homelessness, including a \$4.75 billion climate resilience bond for consideration on the November 2020 ballot which would create job opportunities in water and forest management, and \$1.4 billion in general funds to address homelessness which could create opportunities in affordable housing and social service occupations. To help Californians invest in skills required by employers and prepare for jobs, the budget proposal includes funding toward expanding apprenticeship and work-based learning programs.

The Governor's proposed budget also includes funding for projects to improve economic opportunities in rural areas of the state. The Regions Rise Together initiative, a project of the Governor's Office of Business and Economic Development, and Office of Planning and Research, will add new positions with the goal of identifying successful local projects and expanding them across the state. The proposed budget also will support the state's new "Broadband for All" plan to advance digital equity and improve

the availability, speed, and affordability of high-speed Internet access across all communities.

**How do the skills and education of the current workforce correspond to employment opportunities in the state?**

California’s Statewide Workforce Development Plan (SWDP) includes projections for industry and occupational employment, derived from estimates provided by the federal Department of Labor’s Bureau of Labor Statistics. Total nonfarm employment in California is estimated to grow by almost 1.8 million jobs between 2016 and 2026, with nearly 73 percent of the growth in private-sector educational services, health care, and social assistance; professional and business services; leisure and hospitality; and construction.

These industries are characterized by jobs that require different education and skill sets. Service sector jobs may require specialized training or licensing (such as for outpatient care centers and home health care services), but not necessarily a college degree. Jobs in construction require on-the-job training and apprenticeships to join the pool of eligible workers. Professional jobs (such as in computer systems design, and consulting services) often require education beyond a bachelor’s degree.

The SWDP reports that the top 25 “middle-skill occupations” – those requiring more than a high school education but less than a four-year degree – will add only 16,760 jobs during 2016-2026. This may be due to the narrow definition of “middle-skill”, leaving out jobs that officially only require a high school diploma but usually hire employees with more education. However, there may be limited employment growth for workers with these credentials in the near future. These workers currently represent a significant share of the working-age population, even among younger people (Table 48). This mismatch, combined with the high cost of living in the state, contributes to the phenomenon that individuals with only a high school education or some college (but no associate degree) were the most likely to leave the state between 2007 and 2016.<sup>xxxvii</sup>

**Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.**

California’s Statewide Workforce Development Plan identifies three primary policy objectives which guide the development of workforce training initiatives at both the state and local level. By improving individuals’ ability to achieve stable and high-paying employment, as well as potentially increasing the construction trades workforce, the SWDP goals support the Consolidated Plan goals of improving housing affordability and creating more affordable housing.

Fostering demand-driven skills attainment: Workforce and education programs need to align program content with the state's industry sector needs to provide California's employers with the skilled workforce necessary to compete in the global economy. The SWDP highlights apprenticeships as one of the primary means of linking new employees to high quality jobs.

Enabling upward mobility for all Californians: Workforce and education programs need to be accessible for all Californians, especially populations with barriers to employment, and ensure that everyone has access to a marketable set of skills, and is able to access the level of education necessary to get a high quality job that ensures both long-term economic self-sufficiency and economic security. The SWDP places increased emphasis on providing services to immigrants, individuals recently released from correctional facilities, and individuals experiencing homelessness – populations that have higher barriers to employment.

Aligning, coordinating, and integrating programs and services: Workforce and education programs must use limited resources efficiently to achieve scale and impact, while also providing the right services to clients based on each individual's needs, including any needs for skills development. The SWDP reports that state leaders (including Governor Newsom) are considering a proposal to create a new department, unifying the California Workforce Development Board, the Employment Development Department – Workforce Services Branch, the Employment Training Panel, and the Department of Industrial Relations – Division of Apprenticeship Standards, to better align workforce services and training programs.

**Describe any other state efforts to support economic growth.**

Please refer to the discussion above.

**Discussion**

Please refer to the summary section, "MA-50 Needs and Market Analysis Discussion", below.

## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

The most common housing problem among California households is cost burden, followed by overcrowding. While there is no common definition of “concentrated areas of households with multiple housing problems”, housing problems are associated with other household characteristics that are more likely in communities that are segregated by income and race/ethnicity. The Needs Assessment of this Consolidated Plan documents that cost burden increases as household income decreases. The California Department of Public Health’s Healthy Communities Data and Indicators Project, which tracks overcrowding as a health risk factor, reports that older-adult immigrant and recent immigrant communities, low-income households, and renter-occupied households are more likely to experience household crowding.<sup>xxxviii</sup> These factors suggest that racially and ethnically concentrated areas of poverty (defined in the next section) are likely to have a high incidence of households with multiple housing problems as well.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

HUD defines Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) as areas that have a non-White population of 50 percent or more with 40 percent or more of the population in poverty, or a poverty rate that is greater than three times the average poverty rate in the area.<sup>xxxix</sup> California’s Analysis of Impediments to Fair Housing (AI) analyzes the distribution of these areas across the state in Chapter 5 (Segregation and Integration) and Chapter 8 (Regional Analysis) of the AI.<sup>xl</sup>

As of 2017, the State of California had 391 R/ECAP areas, which represents a 40 percent increase from the 278 R/ECAP areas documented in 2010, and a 115 percent increase from the 182 R/ECAP areas present in 2000. The incidence of R/ECAP areas increased in both entitlement and non-entitlement jurisdictions. In particular, non-entitlement counties near urban centers (such as Yolo County, bordering Sacramento; and Kings County, near Fresno) have experienced spillovers from housing market and other economic pressures that have shifted low-income households towards the urban periphery.

### **What are the characteristics of the market in these areas/neighborhoods?**

Based on the analysis in California’s AI, 48 percent of the state’s population living in R/ECAPs reside in the Greater Los Angeles Region (Los Angeles, Ventura, Orange, Riverside, San Bernardino, and Imperial Counties), and an additional 29 percent of the

population living in R/ECAPs live in the San Joaquin Valley Region (Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare Counties). R/ECAP tracts are located in urban and rural areas in both regions. Urban R/ECAPs in the greater Los Angeles area are characterized by higher housing costs and closer proximity to jobs and transit, while rural R/ECAPs in both areas have lower housing costs but less access to jobs, transportation, and other community resources associated with high-opportunity neighborhoods.

**Are there any community assets in these areas/neighborhoods?**

In January 2017, the UC Davis Center for Regional Change released a report on an ongoing project in the San Joaquin Valley to engage with residents and advocates working with communities to learn about their experiences, the challenges they face, and their priorities for policy and systems change.<sup>xii</sup> One of the community assets identified by the report (among numerous areas of historic and current disinvestment) is the region's diverse and growing population. The population of the San Joaquin Valley is expected to nearly double from around 4 million in 2010 to 7.4 million in 2060, and the region's residents are younger than average for the state. These demographic trends form the foundation of a strong local workforce.

**Are there other strategic opportunities in any of these areas?**

The San Joaquin Valley Region provides significant output in California's agricultural sector. The 8 counties identified above in this region were among the top ten agricultural producers, as measured by crop value, in the state in 2014. Other industries present in the region, such as fossil fuel energy extraction and prison construction/operation, increased employment during previous decades but may face limited growth in the future as California's economy and regulatory environment moves away from these needs.

There may exist strategic opportunities in these areas to create higher-quality jobs in agriculture, food technology, and energy production. The Valley's natural endowments of sun and wind provide opportunities for investment in these clean energy industries. For agriculture, the Governor's current budget proposal includes funding to develop a Fresno-Merced Food Innovation Corridor.<sup>xiii</sup> If approved, the California Department of Food and Agriculture, in conjunction with UC-Merced, Fresno State, and the Governor's Office of Business and Economic Development, would award grants to local partners to encourage research and development, innovation, and commercialization to advance sustainable agricultural production and processing, with the explicit goal of increasing employment opportunities

## **MA-60 Broadband Needs of Housing**

**Describe the broadband needs of housing in the State based on an analysis of data, identified by the jurisdiction.**

High speed Internet access that is consistent, reliable, and affordable is critical infrastructure to fully participate in today's California, and communities without broadband – the residents, businesses, and institutions providing health care, education, and emergency response – are technologically and socially isolated without it. Broadband access can be provided either through a hard-wired connection to a modem device, or through an individual's smartphone and cellular service.

In partnership with the California Emerging Technology Fund, the University of California, Berkeley Institute of Governmental Studies conducts the biennial Statewide Survey on Broadband Adoption, a survey of broadband access among adults ages 18 and older and their families.<sup>xliii</sup> The most recent survey, which was conducted between January and February 2019, found that 78 percent of responding households were able to connect to the Internet via a home-based high-speed connection and a personal computing device. Another 10 percent of households were able to connect to the Internet at home on their smartphones only.

While 88 percent of responding households overall had a home high-speed Internet connection, several demographic groups had much lower access: households earning less than \$20,000 (70 percent), adults ages 65 and older (76 percent), adults who identify as having a disability (79 percent), and Spanish-speaking Latino persons (80 percent). Outlying areas of California had the lowest rates of households who were able to connect to the Internet via a high-speed connection at home – 74 percent, compared to 75 percent in LA County and the Inland Empire, 78 percent in the Central Valley, 81 percent in the SF Bay Area, and 86 percent in Orange and San Diego Counties.

These results are similar to an analysis of 2017 American Community Survey Data by the Public Policy Institute of California. PPIC researchers found that 74 percent of households reported having high-speed internet services (such as cable, DSL, or fiber-optic service) installed at home. Among less-connected demographic groups, only 59 percent of rural residents, 55 percent of low-income households, and 54 percent of households headed by a high school-only graduate reported broadband access.

The California Public Utilities Commission awards grants to increase publicly-available or after-school broadband access and digital inclusion, via the California Advanced Services Fund – Broadband Adoption Account. To measure the applicants' community need for broadband services, the CPUC conducted a broadband adoption gap analysis,

released in June 2019.<sup>xliv</sup> The gap analysis includes an updated online interactive map including broadband adoption rates and demographic data at the Census tract, block group, and block level; a list of ten identified communities that should be a focus for adoption investment due to low incomes and low adoption rates; and a map highlighting all Census tracts in California with low adoption rates and low median incomes.



Figure 13 Adoption Rate And Low-Income Communities

With the exception of Los Angeles County, most of these Census tracts are in rural areas of the state.

**Describe the broadband needs of housing occupied by low- and moderate-income households based on an analysis of data, identified by the jurisdiction, for its low- and moderate-income neighborhoods.**

In both the CPUC adoption gap analysis, and the UC-Berkeley IGS survey, in-home broadband access was less likely among low and moderate-income households than in the general population. According to the CPUC data, collected in December 2017, only 52.9 percent of households in Census tracts where the median household income is less than \$20,000 had in-home broadband access, compared to 85.7 percent of households in Census tracts with a median household income of \$80,000 or more. The

California 2020-2024 Consolidated Plan: Strategic Plan

gap analysis also included a regression analysis of factors predicting broadband adoption which found that income was the most important predictor.

CPUC Broadband Adoption Gap Analysis:		UC-Berkeley IGS Survey:	
Household Income <sup>1</sup>	Households with Broadband Access	Household Income <sup>2</sup>	Households with Broadband Access
Less than \$20,000	52.9%	Less than \$20,000	70%
\$20,000-\$50,000	60%	\$20,000-\$39,999	94%
\$50,000-\$80,000	76%	\$40,000-\$59,999	94%
More than \$80,000	85.7%	\$60,000-\$99,999	97%
		More than \$100,000	99%

**Table 51– Broadband Access by Household Median Income**

**Data Source: CPUC (Broadband Adoption Gap Analysis), 2017; UC-Berkeley IGS, 2019.**

In both the CPUC analysis of Census data, and the UC-Berkeley IGS survey, in-home broadband access steadily increased as household incomes increased.

Households earning \$20,000 or less were also the least likely to report having broadband access in the UC-Berkeley IGS survey. However, the most common response given for lack of Internet access at home was that the service is too expensive, or that they have no computer or smartphone at home – mentioned by 51 percent of respondents. 31 percent said that they can connect from another place, and 24 percent were not comfortable using a computer or going online. Only 21 percent of respondents said that the Internet was not available where they lived.

Describe broadband needs, including the need for broadband wiring and for connection to broadband service in the household units, and the need for increased competition by having more than one Internet service provider serve the jurisdiction

## MA-65 Hazard Mitigation

**Describe the vulnerability of housing occupied by low- and moderate-income households to increased natural hazards associated with climate change based on an analysis of data, findings, and methods used by the jurisdiction to analyze this vulnerability.**

The State of California Hazard Mitigation Plan (SHMP), developed by the Governor’s Office of Emergency Services (Cal-OES), is the state’s hazard mitigation guidance document and provides an updated and comprehensive description of California’s historical and current hazard analysis, mitigation strategies, goals, and objectives. More importantly, the SHMP reflects the state’s commitment to reduce or eliminate potential risks and impacts of natural and human-caused disasters by making California’s families, homes, and communities better prepared and more disaster-resilient.<sup>xlv</sup>

Section 4.4 of the SHMP addresses environmental justice, equity, and hazard mitigation in California. To determine appropriate hazard mitigation strategies and actions, the SHMP uses GIS analysis to undertake a risk and vulnerability assessment of socially vulnerable populations for the state’s primary hazards – earthquakes, floods and wildfires – and has also the applied the social vulnerability model data to the secondary hazard of extreme heat. GIS is helpful for analyzing spatial relationships between risk of natural hazard, and concentrations of populations that live within areas affected by natural hazards.

The SHMP’s risk and vulnerability assessment includes five datasets: a population/social vulnerability dataset and four hazard maps, for earthquakes, floods, wildfires, and extreme heat days. The 2018 SHMP developed an updated set of population indicator variables to model social vulnerability, including measures of access to resources and information, cultural and linguistic isolation, and limitations in meeting functional needs.

Sub-Index	Indicator	Variable
Differential Access to Resources and Information	Poverty/Income	Annual housing costs to income ratio
	Education	Percent of the population 25 or older without a high school diploma or equivalent
	Housing Tenure	Percent renter occupied units
	Gender	Percent female population
Cultural or Linguistic Isolation	Food Access	Modified Retail Food Environment Index
	Linguistic Isolation	Percent of population 5 or older who speak English less than very well
	Minority Status	Percent non-White or Hispanic population
Access and Functional Needs	Disability	Percent of population with a disability

## California 2020-2024 Consolidated Plan: Strategic Plan

	Long-Term Care Facility Residents	Beds in licensed long-term care facilities per person
	Age	Percent of population 65 or older, or younger than 5
	Vehicle Access	Percent of households with no available vehicles

**Table 52 – Social Vulnerability Index Conceptual Model and Associated Variables**

**Data Source: State of California Hazard Mitigation Plan, Table 37**

Vulnerable housing occupied by low and moderate-income households is captured under the “annual housing costs to income ratio” variable. Population/social vulnerability data were combined with each GIS hazard dataset to show vulnerability for that hazard as it varies throughout the state. Communities can use the MyPlan or MyHazards internet mapping tools to develop hazard risk assessments for their specific communities or at a county level.<sup>xlvi</sup>

### **Wildfire Vulnerability**

Wildfires are the most frequent source of declared disasters and account for the third highest combined losses. The SHMP wildfire hazard map uses data from the 2017 Wildfire Threat GIS map created by the California Department of Forestry and Fire Protection (CAL FIRE)’s Fire and Resource Assessment Program. Its original data take into account fuel loads and fire history, among other factors, to create five threat classes: extreme, very high, high, moderate, and low or no threat.

Wildfire vulnerability in California is found chiefly in wildland-urban interface (WUI) communities. WUI areas tend to be less heavily populated than other parts of urban California. Therefore, the vulnerability patterns shown in the Population/Social Vulnerability with Wildfire Hazard Map (Map 4.M in the SHMP) tend to be understated when viewed at a statewide scale. Densely populated urban areas will appear at higher relative vulnerability due to the larger concentrations of socially vulnerable communities in these areas. However, rural areas have socially vulnerable populations that are at high risk of wildfire hazard.

### **Flooding Vulnerability**

Flooding in California is widespread and the second most frequent disaster source. Since 1950, floods have accounted for the second highest combined losses and the largest number of deaths.

The patterns in the Population/Social Vulnerability with Flood Hazard Map (Map 4.L in the SHMP), show a higher flooding vulnerability for housing occupied by low and moderate-income households in the Central Valley region. This reflects a greater

frequency of flooding, combined with greater social vulnerability, in portions of the Central Valley.

### **Extreme Heat Vulnerability**

As the climate changes in California, one of the more serious threats to public health will be more frequent, more intense, and longer heat waves. Increasing temperatures are on record, and temperature records continue to be broken more frequently.<sup>xlvii</sup> In urban areas, hot conditions can be exacerbated by materials such as asphalt absorbing heat and then releasing it, causing urban heat islands. Increased exposure to heat puts children, the elderly, and people with pre-existing health conditions at more serious risk of heat stroke and heat-related complications.

Extreme heat days are calculated by Cal-Adapt as the 98th percentile of historical maximum temperatures for an area between April 1 and October 31, based on observed daily temperature data from 1961 to 1990. In the Population/Social Vulnerability with Extreme Heat Hazard Map (Map 4.O in the SHMP), extreme heat day data were sourced from Cal-Adapt 2.0. For many urban areas with moderate to high concentrations of socially vulnerable populations, Cal-Adapt climate models show a notable rise in the number extreme heat days per year.

### **Disease Outbreaks**

As of April 7, 2020, the State of California reported 16,309 confirmed cases of the COVID-19 novel coronavirus, with 387 death toll. Low and moderate-income communities are more vulnerable to disease outbreaks than higher-income communities because of their limited access to health care providers, and the fact that being a member of a vulnerable population is associated with being immunocompromised and more vulnerable to infectious disease. California's governor has requested emergency action from the state Legislature to make funding available for the public response to the outbreak.<sup>xlviii</sup> While the eventual impact of the COVID-19 outbreak is unclear at this stage, it serves as a warning that these events may increase in frequency and severity in coming years.

<sup>1</sup> California Department of Housing and Community Development. February 2018. California's Housing Future: Challenges and Opportunities, Final Statewide Housing Assessment 2025. Available at [https://www.hcd.ca.gov/policy-research/plans-reports/docs/SHA\\_Final\\_Combined.pdf](https://www.hcd.ca.gov/policy-research/plans-reports/docs/SHA_Final_Combined.pdf)

<sup>2</sup> Construction Industry Research Board/California Homebuilding Foundation Reports 2005, 2013, 2015, 2018.

<sup>3</sup> California Housing Partnership, "California's Affordable Rental Homes At-Risk, 2019". February 2019. Available at <https://chpc.net/policy-research/preservation/>.

## California 2020-2024 Consolidated Plan: Strategic Plan

<sup>4</sup> California Housing Partnership, *ibid*.

<sup>5</sup> Statewide Housing Assessment, *ibid*.

<sup>6</sup> National Law Center on Homelessness & Poverty. 2014. “No Safe Place: The Criminalization of Homelessness in U.S. Cities,”. Available at [https://nlchp.org/wp-content/uploads/2019/02/No\\_Safe\\_Place.pdf](https://nlchp.org/wp-content/uploads/2019/02/No_Safe_Place.pdf)

<sup>7</sup> For a complete exploration of these statistics comparing California to the rest of the nation, please refer to “California’s Future 2020 – Housing”, Public Policy Institute of California. Available at <https://www.ppic.org/publication/californias-future/>. Also see the PPIC Statewide Survey: Californians and Their Government, September 2019 and January 2020, available at <https://www.ppic.org/publications/?topic=ppic-statewide-survey>.

<sup>8</sup> U.S. Census Bureau, “The Supplemental Poverty Measure: 2018”. Available at <https://www.census.gov/content/dam/Census/library/publications/2019/demo/p60-268.pdf>.

<sup>9</sup> RealtyTrac/ATTOM Data Solutions, “California Real Estate Trends and Market Info”. Available at <https://www.realtytrac.com/statsandtrends/foreclosuretrends/ca/>

Available at <https://www.huduser.gov/portal/datasets/assths.html>

<sup>11</sup> A draft of the SWDP is available at [https://cwdb.ca.gov/plans\\_policies/2020-2023-state-plan-draft/](https://cwdb.ca.gov/plans_policies/2020-2023-state-plan-draft/).

<sup>12</sup> For an overview of these proposals, please refer to an analysis by California Forward, <https://www.cafwd.org/reporting/entry/newsom-budget-points-to-a-regional-inclusive-way-forward>.

<sup>1</sup> Brian Uhler and Justin Garosi, California Legislative Analyst’s Office. “California Losing Residents Via Domestic Migration.” Available at <https://lao.ca.gov/LAOEconTax/Article/Detail/265>.

<sup>1</sup> California Department of Public Health, Office of Health Equity, Healthy Communities Data and Indicators Project. “Housing Overcrowding Narrative”. Available at <https://data.chhs.ca.gov/dataset/housing-crowding>.

<sup>1</sup> HUD definition available in the technical memo “AFFH Data Documentation”, available at [https://www.huduser.gov/portal/publications/pdf/FR-5173-P-01\\_AFFH\\_data\\_documentation.pdf](https://www.huduser.gov/portal/publications/pdf/FR-5173-P-01_AFFH_data_documentation.pdf).

<sup>1</sup> The following data are summarized from the State of California 2020 Analysis of Impediments to Fair Housing, a draft of which will be available at <https://hcd.ca.gov/> in April 2020.

<sup>1</sup> UC Davis Center for Regional Change, “California’s San Joaquin Valley: A Region and its Children Under Stress”. January 2017. Available at [https://regionalchange.ucdavis.edu/sites/g/files/dgvnsk986/files/inline-files/CA\\_percent20San\\_percent20Joaquin\\_percent20Valley\\_percent20Jan\\_percent202017\\_percent20-1\\_0.pdf](https://regionalchange.ucdavis.edu/sites/g/files/dgvnsk986/files/inline-files/CA_percent20San_percent20Joaquin_percent20Valley_percent20Jan_percent202017_percent20-1_0.pdf).

<sup>1</sup> For detailed information on the proposal, please refer to the “State of California Budget Change Proposal, 8570-050-BCP-2020-GB, Fresno-Merced Food Innovation Corridor”, available at [https://esd.dof.ca.gov/Documents/bcp/2021/FY2021\\_ORG8570\\_BCP3690.pdf](https://esd.dof.ca.gov/Documents/bcp/2021/FY2021_ORG8570_BCP3690.pdf).

<sup>1</sup> Institute for Governmental Studies, University of California, Berkeley. “Internet Connectivity and the ‘Digital Divide’ in California – 2019”.

<sup>1</sup> California Advanced Services Fund – Broadband Adoption Account. “Broadband Adoption Gap Analysis.” California Public Utilities Commission. Available at [https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Communications/Reports\\_and\\_Presentations/CDVideoBB/BAGapAnalysis.pdf](https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Communications/Reports_and_Presentations/CDVideoBB/BAGapAnalysis.pdf)

<sup>1</sup> The SHMP is available at <https://www.caloes.ca.gov/cal-oes-divisions/hazard-mitigation/hazard-mitigation-planning/state-hazard-mitigation-plan>.

<sup>1</sup> MyPlan is available at <https://www.caloes.ca.gov/cal-oes-divisions/hazard-mitigation/myplan-internet-mapping-tool>, and MyHazards is available at <http://myhazards.caloes.ca.gov/>.

<sup>1</sup> SHMP

## California 2020-2024 Consolidated Plan: Strategic Plan

<sup>1</sup> California Department of Public Health press release, “State and Emergency Health Officials Ramp up Response”. Available at <https://www.cdph.ca.gov/Programs/OPA/Pages/NR20-009.aspx>.

## Strategic Plan

### SP-05 Overview

#### 1. Strategic Plan Overview

This Strategic Plan discusses the State's priority needs, five-year goals, and projected outcomes for the CDBG, HOME, ESG, HOPWA and NHTF programs as well as the CARES Act CDBG-CV, ESG-CV and HOWPA-CV funds. This section includes a high-level review of the CDBG-DR and NDR programs and expectations for disaster related efforts over the next five years. Both the DR and NDR programs have discrete action plans and this section will direct to those plans when appropriate. The strategic plan also discusses the State's current efforts and five-year strategy for increasing affordable housing production, alleviating homelessness and poverty, and improving the overall condition of existing housing stock, including public facility and infrastructure improvements in the State and the Colonias.

## **SP-10 Geographic Priorities – 91.315(a)(1)**

### **Geographic Area**

**Table 53 - Geographic Priority Areas (Table not included)**

The State does not identify specific geographic priority areas outside of Colonias.

### **General Allocation Priorities**

#### **Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)**

The State's Analysis of Impediments (AI) has identified a number of geographic priorities for affordable housing investment. To address the disproportionate impact of climate and environmental vulnerabilities (Impediment 7), and to address local resistance and exclusionary land use policies that constrain access to opportunity (Impediment 9), for lower income households, the AI recommends promoting affordable and accessible housing opportunities in "high-opportunity neighborhoods". High-opportunity neighborhoods are those which provide greater resources, functioning infrastructure, less pollution exposure, climate change mitigation policies, access to transit and active transportation mobility choices such as walking and biking, access to jobs, high-performing schools, open space, and other community needs linked to long term positive outcomes for residents. The State, in conjunction with the California Tax Credit Allocation Committee, developed a statewide map identifying Census tracts as areas of highest, high, middle and low opportunity, based on quantitative measures of these neighborhood characteristics. This map is updated on a regular basis. The State currently provides incentives in some of its existing State-funded programs (e.g. the Multifamily Housing Program) for proposed affordable developments in high-opportunity areas.

To narrow the disparities between low-income, rural communities and the rest of the state in housing quality and infrastructure (Impediment 6), and to address the historic and lasting impact of segregation (Impediment 8), the AI recommends promoting place-based community investments in rural communities with infrastructure disparities, segregated concentrated areas of poverty, and communities of color that have experienced historic disinvestment. The State has recognized rural program applicants' difficulty in competing with urban, higher-resourced areas by providing geographic set-asides. CDBG has a 5 percent set-aside for the Colonias, located along the southern border with Mexico in Imperial County. The state's HOME regulations require that 50 percent of state administered HOME funds be set aside for rural areas as defined by California Health and Safety Code. The ESG program state regulations have also been modified to allow un-obligated ESG funding to be made available to disaster areas,

## California 2020-2024 Consolidated Plan: Strategic Plan

particularly for disasters that have dramatically increased households experiencing homelessness or vulnerable to homelessness. The NHTF, through the HHC program, also sets aside at least 20 percent of available funding for rural areas to help support housing needs in rural communities.

Each program's individual Method of Distribution sets forth allocation methods or application rating criteria which may directly or indirectly impact the geographic distribution of program funds. See AP-30 for more information.

**SP-25 Priority Needs – 91.315(a)(2)**

**Priority Needs**

Table 54 – Priority Needs Summary

<b>Sort Order</b> 1	<b>Name</b> Improved access to affordable housing	<b>Priority Level</b> High
<b>Description:</b>  Inadequate and at-risk supply of affordable housing units available to low and moderate-income households.		
<b>Target Areas Affected</b>	<b>Population</b> <i>Income Level:</i> Extremely Low, Low, Moderate	<b>Associated Goals</b> Increase housing affordability
<b>Describe the basis for the relative priority:</b>  This need is demonstrated by California’s historically low housing production levels during the previous fifteen years, the state’s high population-to-housing unit ratio, the high incidence of cost burden and severe cost burden among LMI households, and feedback from stakeholder surveys, focus groups, and consultations.  Improving access to affordable housing is the highest-ranked priority because the lack of affordable units is the fundamental factor driving many of the other priority issues, especially cost burden among LMI households, entry into homelessness, difficulty exiting homelessness, and vulnerability to the impacts of climate change.		

The inadequate supply of affordable housing units available to low and moderate-income households, and the high risk of losing existing units, is due to a combination of longstanding factors including:

- Local land use policies and development fees, and a lack of construction labor, contributing to high land prices and high development costs overall
- Lack of resources to develop and/or convert existing housing to subsidized low and moderate-income housing
- Lack of local resources to construct and maintain infrastructure and public services that support housing, especially in rural areas

California 2020-2024 Consolidated Plan: Strategic Plan

- Individual households’ lack of resources to maintain owner-occupied housing, modify the housing to address their changing needs, and add accessory units to increase supply
- Community resistance to new development, especially housing available to low and moderate-income households.

<b>Sort Order</b>  2	<b>Name</b>  Homelessness prevention and assistance	<b>Priority Level</b>  High
<b>Description:</b>  High housing costs relative to incomes, particularly for extremely low and low-income renter households, are a key predictor of housing instability. Limited resources aimed at helping vulnerable populations and households with housing instability remain housed increases their risk of homelessness and adds burden to homelessness responders. Individuals and families currently experiencing homelessness need assistance to find and maintain stable housing.		
<b>Target Areas Affected</b>	<b>Population</b>  <i>Income Level:</i> Extremely Low, Low  <i>Non-homeless Special Needs:</i> Elderly, Frail Elderly, Persons with Mental Disabilities, Persons with Physical Disabilities, Persons with Developmental Disabilities, Persons with Alcohol or Other Addictions, Persons with HIV/AIDS and their Families, Victims of Domestic Violence  <i>Homeless:</i> Rural, Chronic Homelessness, Individuals, Families with Children, Mentally Ill, Chronic Substance Abuse, Veterans, Persons with HIV/AIDS, Victims of Domestic Violence, Unaccompanied Youth	<b>Associated Goals</b>  Addressing and preventing homelessness
<b>Describe the basis for the relative priority:</b>  California is currently experiencing a historic homelessness crisis. The state of California represents roughly one-tenth of the nation’s population but has over		

California 2020-2024 Consolidated Plan: Strategic Plan

25 percent of the nation’s individuals currently experiencing homelessness. Two-thirds of these individuals are unsheltered.

The consequences of this crisis are far-reaching, touching not only the lives of the individuals and families experiencing homelessness, but also their communities and the state. Individuals experiencing homelessness are less able to address the circumstances – physical and mental health problems, transitions from institutionalization, difficulty supporting themselves through public benefits and economic opportunities, and inability to overcome financial barriers to entering affordable housing – that put them into homelessness. These circumstances only worsen the longer that homelessness continues. Communities with many members experiencing homelessness face high burdens on their public services and facilities, and households who are housed are often handling the additional burden of caring for family members who are at risk of homelessness.

California’s homelessness crisis has many sources – the biggest of which is a severe lack of housing units available to extremely low and low-income households. This contributes to unstable living situations such as severe cost burden, increasing household debt and lack of emergency savings, living “doubled up” with many families in a single household, and frequent unplanned moves and evictions. Other factors identified in quantitative research on California cities, and qualitative outreach in the need’s assessment, include a lack of supportive services for special needs populations, insufficient and poorly targeted housing subsidies, and a lack of economic opportunities for individuals and families at risk of entering homelessness.

Sort Order	Name	Priority Level
3	Neighborhood stability and sustainability	High
<p><b>Description:</b></p> <p>Communities across the state, particularly in rural areas, need improvements in substandard or missing infrastructure, public facilities, and resources to narrow disparities between these communities and the rest of the state, address the impacts of climate change, and mitigate the increased risk of natural disasters.</p>		
<p><b>Target Areas Affected</b></p>	<p><b>Population</b></p> <p><i>Income Level:</i> Extremely Low, Low, Moderate, Middle</p>	<p><b>Associated Goals</b></p> <p>Maintain or improve public facilities and infrastructure</p>
<p><b>Describe the basis for the relative priority:</b></p>		

California 2020-2024 Consolidated Plan: Strategic Plan

Decades of deferred maintenance combined with population growth that exceeds capacity have resulted in much of the public infrastructure in the State rating as unstable or insufficient to meet the needs of the community. Many rural areas never had public infrastructure for water and sewer and have relied on wells and septic systems to meet basic community needs. Increased incidence of drought, wildfire, flood, and natural disasters related to climate change disproportionately impact communities without sufficient infrastructure. Many rural communities also struggle with poor road maintenance, or limited options for travel to and from the community, which adds to community risk during disasters, such as wildfires, that can shut down the only paved roads and trap residents in vulnerable areas. Communities with under-sized or aging infrastructure are often faced with emergency repairs or critical system failures that put residents at risk and that result in high cost repairs and replacements. Communities exclusively reliant on well water are exceptionally vulnerable to drought and water contamination.

Lack of community resources for ongoing infrastructure maintenance and development has resulted in infrastructure and facility deficiencies and increased community vulnerability to natural disasters and drought. Population growth combined with a lack of housing supply has adversely impacted infrastructure with insufficient capacity and a shortage of effective tools to update infrastructure and increase capacity have increased the risk of infrastructure failures, particularly in rural and low-income areas in the state.

<b>Sort Order</b>	<b>Name</b>	<b>Priority Level</b>
4	Community-Based Public Services	High
<p><b>Description:</b></p> <p>Supportive services and other programs to improve access to public services, including services for special needs communities and vulnerable populations.</p>		
<b>Target Areas Affected</b>	<p><b>Population</b></p> <p><i>Income Level:</i> Extremely Low, Low</p> <p><i>Non-homeless Special Needs:</i> Elderly, Frail Elderly, Persons with Mental Disabilities, Persons with Physical Disabilities, Persons with Developmental Disabilities, Persons with Alcohol or Other Addictions, Persons with HIV/AIDS and</p>	<p><b>Associated Goals</b></p> <p>Increase and support public services</p>

	<p>their Families, Victims of Domestic Violence</p> <p><i>Homeless:</i> Rural, Chronic Homelessness, Individuals, Families with Children, Mentally Ill, Chronic Substance Abuse, Veterans, Persons with HIV/AIDS, Victims of Domestic Violence, Unaccompanied Youth</p>	
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**Describe the basis for the relative priority:**

Public service funding is one of the most difficult resources for rural and non-entitlement jurisdictions to consistently source. Funding levels are impacted by economic drivers, and often when the public need for the service is highest, the availability of the resources to fund the service are insufficient. Vulnerable populations, particularly persons experiencing homelessness, low-income families, seniors, persons with a disability, and survivors of domestic violence often rely heavily on public services for basic life necessities, such as food and shelter. When funding for these necessities is unreliable, it dramatically impacts the ability of vulnerable persons to function independently. Service needs also change as populations evolve. As a jurisdiction’s population ages, service priorities may shift from family support to senior assistance. It is important that jurisdictions and their partners have resources to help address those changes.

Service availability is very uneven in the state. Many rural areas have no local service providers while urban areas may have several providers. The lack of providers in rural areas mean that services are by default more expensive and more difficult to provide. Building capacity to help service providers expand into under- and un-served areas is critical to helping maintain community stability and protecting vulnerable populations.

The need for community services is based on community feedback collected through the ConPlan participation process, statewide planning documents from state agencies who coordinate with service providers, and analysis of available services and applications for services.

<b>Sort Order</b>	<b>Name</b>	<b>Priority Level</b>
5	Increase economic development opportunities	High

<b>Description:</b>		
Need for investment resources and technical assistance for businesses in low and moderate-income communities, particularly in rural areas.		
<b>Target Areas Affected</b>	<b>Population</b> <i>Income Level: Extremely Low, Low, Non-homeless</i>	<b>Associated Goals</b> Increase Economic Development Opportunities
<b>Describe the basis for the relative priority:</b>		
<p>Economic growth statewide has been focused in urban areas, with substantial job growth resulting in jobs to housing imbalance. This imbalance has bled into surrounding suburban and rural communities resulting in increasing housing costs, while the rural job markets have not kept pace with urban wages and have been vulnerable to market instability. Rural areas are particularly subject to variances in the employment market as traditional industries like lumber and agriculture have been continuously consolidated into large single-source corporations, putting pressure on smaller businesses and creating communities with a lack of diversification in employment. Economic development, particularly focused on smaller businesses, can help expand employment opportunities and can protect communities from market instability.</p> <p>A lack of economic development resources targeting lower-income businesses and entrepreneurs limits the ability for communities to diversify labor opportunities and protect against market fluctuations. Many banks and traditional lending sources see small businesses and entrepreneurs as risky investments and are unwilling to engage without additional subsidy or protections. Using grant or low/no interest funds to help subsidize small and newer businesses can help them be more creditworthy and improve long term employment opportunities.</p>		

The source of this need was derived from the market analysis and supported by community feedback and participation in the public outreach process. Additionally, consultations with the California Governor’s Office of Business and Economic Development and the California Association for Local Economic Development underscore the need for supporting funding for economic development in rural areas of the state.

Sort Order	Name	Priority Level
6	Disaster Recovery and Climate Resilience	High

California 2020-2024 Consolidated Plan: Strategic Plan

<b>Description:</b>		
Survivors need significant assistance to rebuild their lives and communities after natural disasters, and low and moderate-income and certain special needs populations need strategic investments to improve their resilience to climate change.		
<b>Target Areas Affected</b>	<b>Population</b> <i>Natural Disaster Survivors</i>	<b>Associated Goals</b> Recovery assistance for natural disaster survivors
<b>Describe the basis for the relative priority:</b>		
<p>In 2017 and 2018 California experienced sequential devastating wildfires that destroyed thousands of housing units, leaving families homeless, and that led to subsequent disasters including flooding and landslides. The disasters have adversely impacted neighboring communities that were not directly affected by the fires, but that have since tried to absorb the thousands of households who lost their housing, as well as persons who lost employment and livelihood during the disasters.</p> <p>As detailed in the CDBG-DR Action Plan, the consequences of the natural disasters in 2017 and 2018 have particularly severe impacts on rural communities and funding has been dedicated to help impacted and vulnerable communities recover.</p>		

Sourced in 2017 CDBG-DR Action Plan and preparation for the 2018 CDBG-DR Action Plan.

<b>Sort Order</b>	<b>Name</b>	<b>Priority Level</b>
7	COVID-19 Pandemic Response (CARES Act)	High
<b>Description:</b>		
Provide emergency response for persons vulnerable to health risks posed by the COVID-19 pandemic. Provide economic development support to areas impacted by shelter-in place business closures and economic recession.		
<b>Target Areas Affected</b>	<b>Population</b> <i>Income Level: Extremely Low, Low</i> <i>Non-homeless Special Needs: Elderly, Frail Elderly, Persons with Mental Disabilities, Persons with Physical</i>	<b>Associated Goals</b> Addressing and preventing homelessness Economic Development

California 2020-2024 Consolidated Plan: Strategic Plan

	<p>Disabilities, Persons with Developmental Disabilities, Persons with Alcohol or Other Addictions, Persons with HIV/AIDS and their Families, Victims of Domestic Violence</p> <p><i>Homeless:</i> Rural, Chronic Homelessness, Individuals, Families with Children, Mentally Ill, Chronic Substance Abuse, Veterans, Persons with HIV/AIDS, Victims of Domestic Violence, Unaccompanied Youth</p>	<p>Maintain or improve access to public services</p>
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**Describe the basis for the relative priority:**

In March of 2020 the Coronavirus pandemic began to impact U.S. communities and projections indicated that elderly, persons with underlying health conditions, and persons without access to housing were at particular risk of infection and death. Communities across the nation, including the State of California, initiated Shelter in Place Orders that encouraged non-essential workers to shelter in their homes, and that shut down all non-essential businesses. Impacts from the pandemic are expected to spread from health risks from homelessness, needs for additional housing to support persons experiencing homelessness in providing non-congregate shelters to prevent the spread of COVID-19. Additionally, the Shelter-in-Place Orders resulted in mass business shut-downs during the term of the order. The shut-downs impacted non-essential services and resulted in record unemployment. Essential businesses need assistance in preserving jobs during the shelter-in-place order. Businesses that have shut down will need support in re-opening and ramping back up into full operations, including both job retention and job creation efforts.

## **SP-30 Influence of Market Conditions – 91.315(b)**

### **Influence of Market Conditions**

The following table discusses the influence of housing market conditions on housing availability and quality. The unforeseen impacts of COVID-19 on the housing market is yet to be determined. However, it is projected that the long-term impacts on housing will likely result in increased housing instability, and longer terms responses will be necessary. Additionally, the State of California is experiencing record unemployment due to the shelter-in-place orders and resulting business shut-downs. The impacts on the existing market conditions is difficult to foresee, but there is a projected need for additional assistance.

California 2020-2024 Consolidated Plan: Strategic Plan

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	<p>The majority of low-income renters in California need rental assistance to avoid being cost burdened by housing. The incidence of cost burden is particularly severe in California. Four out of five of extremely low and low-income households are cost burdened, spending more than 30 percent of their total income on housing costs. Moreover, just under 70 percent of extremely low-income renter households and 40 percent of low-income renter households are severely cost burdened, spending more than half of their total income in housing costs.</p> <p>The consequences of households' being cost burdened include:</p> <ul style="list-style-type: none"> <li>• Households sacrifice resources in other areas, including saving for retirement, obtaining needed health services and insurance coverage, and "crowding in" multiple families in a single household.</li> <li>• The relationship between housing costs and risk of homelessness accelerates once households are cost burdened.</li> </ul>
TBRA for Non-Homeless Special Needs	<p>Finding community housing for those being de-institutionalized is a high priority for the State of California, as is providing housing for the frail elderly, individuals recovering from mental health and substance use disorders, and individuals with disabilities. Individuals in these groups tend to be at the lowest income levels (0-30 percent AMI), and as a result are very likely to be severely cost burdened. Assisted living facilities and community care homes face rapidly rising costs to find suitable properties and pay their workers. Increasing rents to cover these expenses, while increases in Social Security and SSI/DI payments lag behind, can cause extreme financial hardship for individuals in these groups.</p>

California 2020-2024 Consolidated Plan: Strategic Plan

<p>New Unit Production</p>	<p>California has had historically low housing production levels during the previous fifteen years, while the population has continued to grow, resulting in a lack of units that is most acute for lower-priced homes. The inadequate supply of housing units that are affordable and available for low and moderate-income families is due to a combination of longstanding factors, including:</p> <ul style="list-style-type: none"> <li>• High land prices;</li> <li>• Land use policies, lengthy development processes, and other legal and procedural barriers to new construction; and</li> <li>• Fees, construction requirements, and a lack of construction labor, contributing to high development costs</li> </ul> <p>Stakeholders report that tenant-based rental assistance recipients are often unable to use their vouchers because the lack of and competition for moderately-priced rentals is so intense.</p>
<p>Rehabilitation</p>	<p>There is a high need for rehabilitation of owner-occupied and rental properties serving low and moderate-income households in California. These needs are caused by a number of factors, including rehabilitation and reconstruction of properties damaged in natural disasters, and properties that need to be modified to meet the needs of an aging population.</p> <p>In recent years, these needs have been more acute in non-entitlement areas of the state, while increases in the cost of rehabilitation have outpaced increases in rural incomes. The most significant fires and floods have occurred and are expected to occur in urban-wildland interface areas. In addition, non-entitlement areas are gaining elderly Californians at a faster rate than the state overall.</p>

California 2020-2024 Consolidated Plan: Strategic Plan

Acquisition, including preservation	The California Housing Partnership estimates that 34,554 units are currently at risk of conversion due to HUD project-based rental assistance contracts and mortgages, LIHTC regulatory agreements, and USDA mortgages that are expiring or maturing. This figure does not include projects funded by the State whose loan agreements are expiring. Due to the high cost of operating multifamily housing (especially supportive housing) and the large financial upside to converting projects to market rate, funding is needed to preserve affordable housing projects.
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**Table 55 – Influence of Market Conditions**

## **SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c) (1,2)**

### **1. Introduction**

All data starts from the first year of the 2020-2024 ConPlan cycle. The annual allocation numbers shown below are the actual formula allocation amounts for the California non-entitlement areas for FY 2019-20. The PI estimates are based on PI estimates from State-held loans and from locally held State recipient loans during FY 2019.

The State has received an allocation for disasters that occurred in 2018. At the time that this plan is being developed, HCD is still working on the action plan for those funds. For the purpose of this plan, those funds are included below in bulk.

On March 27, 2020 Congress passed the CARES Act, which provided funding in response to the COVID-19 pandemic. The funding was divided into funds for the ESG, CDBG, and HOPWA programs. The funding was divided into different phases to help get funding out to the public quickly while providing communities an opportunity to address the longer-term impacts of the pandemic. The first tranche of funding was released in April of 2020 and included \$43,990,603 in ESG-CV funding, \$19,331,744 in CDBG-CV, and \$578,909 in HOPWA-CV funding. The first tranche funding was programmed through substantial amendments to both the 2015-2020 Consolidated Plan, and the 2019-2020 Annual Action Plan in order to make the funds available before July 1, 2020, which is when the 2020-2024 Consolidated Plan will become the governing planning document. Additional tranches are scheduled to be announced over the next several weeks. The Department will evaluate whether future funds will need to be amended into the prior year plans or this ConPlan. The funding sources for ESG-CV, CDBG-CV, and HOPWA-CV have been identified with TBD for the proposed values. Those values will be updated and the plan will be noticed as an amendment if the amounts are announced and are intended to be dispersed after July 1, 2020.

California 2020-2024 Consolidated Plan: Strategic Plan

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	\$33,000,000	\$5,000,000	\$25,000,000	\$63,000,000	\$152,000,000	2019 HUD allocation, available (and projected) PI balance plus an estimate on prior year CDBG resources.

California 2020-2024 Consolidated Plan: Strategic Plan

HOME	Public Federal	Acquisition, Homebuyer assistance, Homeowner rehab, Multifamily rental rehab, New construction for ownership, TBRA	\$45,000,000	\$6,000,000	\$30,000,000	\$81,000,000	\$204,000,000	2019 HUD allocation, available (and projected) PI balance plus an estimate on prior year HOME resources
HOPWA	Public Federal	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities, STRMU Supportive Services, TBRA	\$3,800,000			\$3,800,000	\$15,200,000	2019 HUD allocation.

California 2020-2024 Consolidated Plan: Strategic Plan

ESG	Public Federal	Conversion and Rehab for transitional housing, Financial Assistance, Overnight shelter, Rapid-Rehousing, Transitional housing	\$12,500,000			\$12,500,000	\$50,000,000	2019 HUD allocation.
NHTF	Public Federal	Multi-family rental new construction, increase supply of affordable housing, Develop housing for healthy California Program. HHC	\$35,000,000			\$35,000,000	\$140,000,000	2019 HUD allocation.

California 2020-2024 Consolidated Plan: Strategic Plan

CDBG-DR Unmet Need	Public Federal	Multi-family units, single family homes, infrastructure	\$38,300,000			\$38,300,000	\$85,700,000	2017 HUD Allocation Unmet Need
CDBG-DR Mitigation	Public Federal	Public Services and Planning, various resilient infrastructure	\$1,7600,000			\$1,7600,000	\$35,200,000	2017 HUD Allocation Mitigation
NDR	Public Federal	Biomass Facility, community Resilience center, forest and watershed health	\$23,500,000			\$23,500,000	\$30,882,223	2015 HUD Allocation

California 2020-2024 Consolidated Plan: Strategic Plan

CDBG-DR 2018	Public Federal	TBD	NA			NA	\$700,000,000	The 2018 Funding will be available for part of this ConPlan cycle and part of the 2025-2029 cycle. The associated funds are an estimate of what will be available during the 2020-2024 ConPlan.
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California 2020-2024 Consolidated Plan: Strategic Plan

ESG-CV	Public Federal	Financial Assistance, Overnight shelter, Rapid-Rehousing, Transitional housing	TBD		TBD	TBD	TBD	Pending further information from HUD
CDBG-CV	Public Federal	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	TBD			TBD	TBD	Pending further information from HUD

California 2020-2024 Consolidated Plan: Strategic Plan

HOPWA-CV	Public Federal	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities, STRMU Supportive Services, TBRA	TBD			TBD	TBD	Pending further information from HUD
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Table 56 - Anticipated Resources

**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 CDBG, HOME, NHTF, ESG, and HOPWA programs only partially fund the many different activities and services listed. Each program takes a unique approach to leverage multiple funding sources to expand the reach of services. This leveraged funding from other partners is critical. As housing costs continue to rise, developers, communities, and service providers must be creative and have partnerships and other resources to successfully complete the proposed projects. Banks participate in providing conventional loans to support development of affordable rental units. Banks are also active in providing first-time homebuyer assistance in conjunction with state and federal programs. In addition to conventional lending and HUD entitlement funds, resources include the following (the percentage is the utilization for the respective funding sources based on HCD's development financing records);

- State housing tax credits 11 percent
- Federal housing tax credits 43 percent
- Private bank loans 9 percent
- Federal HOME funds 5 percent
- Local funds 4 percent
- Federal Home Loan Bank Affordable Housing Program 3 percent
- State housing funds e.g. Veterans Housing and Homeless Prevention Program 19 percent
- State Mental Health Services Act Housing funds 6 percent

HOME: 25 percent Match Requirement. HCD uses State CalHome funds and other state and local resource contributions to housing pursuant to the HOME matching requirements at 24 CFR 92.220.

ESG: 100 percent Match Requirement. HCD encourages the use of state homeless funds, such as from the California Emergency Solutions for Housing (CESH) and Homelessness Emergency Assistance Program (HEAP) to help meet the match requirement. HCD has worked with the state government to develop flexible funding sources targeted to address homelessness.

CDBG, NHTF: No match required.

CARES Act: Funding waived match requirements to improve immediate access to the ESG-CV funds. CDBG-CV does not require match.

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

The lack of affordable housing across California is a matter of vital statewide importance and the State is working to expand housing opportunities through a new level of innovation and cooperation between the public and private sectors. As one of his first acts after taking the oath of office, Governor Gavin Newsom signed Executive Order N-06-19 (EO), which directed the Department of General Services (DGS) and the Department of Housing and Community Development (HCD) to identify and prioritize excess state-owned property and aggressively pursue sustainable, innovative, cost-effective housing projects.

DGS compiled an inventory of over 44,000 state-owned parcels and identified the sites most suitable for development. A two-part screening tool, including housing need and economic feasibility measures, was developed and applied to prioritize these parcels.

The housing need screens allowed the State to focus its efforts in areas where housing development will be most impactful. If the State can reduce cost burden by not only restricting rents, but also by making sure the households served are close to quality jobs, schools, and transit, household cost burden and vehicle miles traveled can be reduced.

In August 2019, DGS and HCD published a GIS-enabled, searchable, and fully interactive map of excess state-owned sites. This land inventory map shows more than 100 sites that have been identified as state-owned property, suitable for housing (with a focus on affordable housing and access to nearby opportunities) and vetted by departments with jurisdiction as excess to their need. The majority of sites are located within the State's most populous urban areas (i.e., Los Angeles, Bay Area, San Diego, Sacramento, and Orange County), range in size (anywhere from 0.1 acres to large campus sites) and vary from vacant to existing improvements on site. The State's property inventory is dynamic, and sites will be added and/or removed from the map—the State will continue to identify excess land that may be used to address the housing needs identified in this plan.

Building on this EO, Assembly Bills 1486 and 1255 were signed at the end of 2019—connecting affordable housing developers to local surplus land, strengthening enforcement of the Surplus Lands Act, and requiring cities and counties to inventory and report surplus and excess local public lands to include in a statewide inventory.

Assembly Bill 1486 (Ting, 2019) aims to connect developers who are interested in building more affordable homes to surplus local public land that is both available and suitable for housing development. As of January 1, 2020, local agencies (cities,

counties, and special districts) must send notices about available, surplus local public land to HCD, any local public entity within the jurisdiction where the surplus local land is located, and developers who have notified HCD of their interest in developing affordable housing on surplus local land.

By April 1, 2021, every California city and county will be required to have a central inventory of surplus and excess land and must report to HCD on each parcel. HCD, in turn, will provide the information to DGS to include in a statewide inventory. This is in accordance with Assembly Bill 1255 (Robert Rivas, 2019).

Governor Newsom also recently signed N-23-20—an executive order that builds on the comprehensive state response to homelessness, including the creation of the California Access to Housing and Services Fund, expediting the availability of state land assets, and standing up a state crisis response team. The Governor’s action focuses on prevention and early intervention, moving people off the streets and providing them services, and creating new temporary housing to effectively reduce street homelessness. EO N-23-20 requires the State to re-evaluate its excess site inventory in the lens of temporary housing uses for persons experiencing homelessness.

Through both executive and legislative action, the State is not only identifying publicly owned land that may be used to address housing needs, but also finding creative ways to expedite the production of affordable housing – especially for those experiencing homelessness – through innovative and sustainable measures.

## **Discussion**

To address housing needs, California must be able to plan for ongoing, sustainable development. Unstable funding makes it difficult to plan for new, affordable development and limits housing production efficiency over time. Funding uncertainty, and restrictions within programs on the amounts that can be spent on different activities, also make it difficult to identify and separate the cost impacts of location, construction, fees, and program requirements, and which cost drivers, if any, can be reduced without compromising program outcomes.

Even with important changes in land use policy to remove barriers and increase supply, a large number of Californians will always remain priced out of both the ownership and rental housing markets. Public investment in housing programs will remain necessary to meet the needs of those who struggle most to keep roofs over their heads.

**SP-40 Institutional Delivery Structure – 91.315(k)**

**Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.**

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
CALIFORNIA	Government	Economic Development Homelessness Non-homeless Special needs Ownership Planning Rental Public facilities Public services	State
State Department of Public Health	Government	Ownership Rental	State

**Table 57 - Institutional Delivery Structure**

**Assess of Strengths and Gaps in the Institutional Delivery System**

As discussed in the Executive Summary, there are three State agencies which administer the ConPlan programs. It does not reflect individual State subrecipients or grantees. The primary strength of the institutional delivery structure in California is the wide array of entities, both public and private, which we fund to provide housing and services

State HOPWA has established sound partnerships with its project sponsors that ensure ongoing and seamless housing and supportive services to PLWHA; however, the allowable HOPWA grant administration fee only funds one full-time staff position, which has impacted grantee oversight, prevented State HOPWA from expanding HIV housing activities, and delayed HIV/AIDS housing-related planning and integration activities. In addition, project sponsors have reduced their level of participation in the HOPWA program, due in part, to the low sponsor administration fee.

**Assess the strengths and gaps in the institutional delivery system working within the Colonias**

There are currently fifteen (15) Colonia designated communities located in Imperial County, including nine located in the unincorporated area of the county, (Bombay Beach, Heber, Niland, Ocotillo, Poe, Palo Verde, Salton Sea, Seeley & Winterhaven), and six located in incorporated cities within the county, including: Brawley (Brawley

California 2020-2024 Consolidated Plan: Strategic Plan

Colonia), Calexico (C.N. Perry Colonia and Kloke Colonia), City of Imperial (South Colonia and East Colonia), and El Centro (the City is an Entitlement jurisdiction with one Colonia named El Dorado Colonia). The CDBG Colonia set-aside funding helps subsidize public infrastructure projects to improve failing water and sewage issues, as well as housing rehabilitation projects.

Each Colonia has unique characteristics, and some have more needs than others. All can use housing rehabilitation funding, but not all need the water, sewer, and infrastructure funding. Constraints on eligible uses of Colonia funding have impeded funding to needed infrastructure by the Colonia community. Specifically, the Colonia jurisdictions and the Department consider the following as major concerns due to constraints on eligible uses: (1) Storm drainages, sidewalks, curbs and gutters, (2) Street lighting, (3) Abandoned, blighted structures, (4) Neighborhood blight: abandoned cars, furniture, and trash, (5) Lack of economic investment, (6) Lack of services (both commercial and social), (7) Lack of medical services, and (8) Lack of new housing development, affordable to residents (especially in the unincorporated areas of the Colonia.) In addition, the following other problems exist: (a) many properties are suitable for the Housing Rehabilitation fund but many property owners owe more on their existing loans than the property is worth, and do not want any more loans, (b) the Colonia cities have varying levels of capacity and are unable to compete for available funding, and (c) Fundamental knowledge of CDBG eligibility requirements is often missing. This requires a great deal of pre-review by the State to ensure federal overlays are complied with and that the project will be completed with beneficiaries.

**Availability of services targeted to homeless persons and persons with HIV and mainstream services**

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/ Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		X
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	X
Mobile Clinics	X	X	X
Street Outreach Services			
Other Street Outreach Services	X	X	X
Supportive Services			
Alcohol & Drug Abuse	X	X	X

California 2020-2024 Consolidated Plan: Strategic Plan

Child Care	X	X	X
Education	X	X	X
Employment and Employment Training	X	X	X
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	X
Other			
Basic Telephone Services	X	X	X

**Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction**

HOPWA: Approximately 80 percent of the annual HOPWA allocation is used for homeless and homeless prevention services for PLWHA, including sub-populations of the chronically homeless, families with children, and veterans. These services include TBRA, STRMU, PHP, facility-based housing operational subsidies, hotel/motel voucher assistance, housing information and referral services. Additionally, case management, employment and employment training, benefits counseling, personal assistance, life skills management, mental health or substance abuse services, transportation, and food and nutrition services are made available. The level of HOPWA-funded homeless services provided to PLWHA varies from county to county depending on funding availability. State HOPWA facilitates the integration of HOPWA project sponsors and resources with HCP service agencies, homeless service providers, and other mainstream services through its HOPWA funding application process and through technical assistance, to maximize the services made available to homeless persons and persons with HIV.

Other Programs: State homelessness response and prevention funds are going to be increasingly targeted to Rapid Rehousing programs and crisis response services that provide low barrier access, and emphasize Housing First approaches; therefore, while many communities offer supportive services targeted to homeless people, more funded programs may be providing these in housing funded with Rapid Rehousing assistance, rather than in shelter or transitional housing, with supportive services funded through non-ESG sources.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

HOPWA: At the local level, most HOPWA project sponsors are either an HCP service provider or have established a partnership with HCP service providers to ensure PLWHA are screened at initial intake and linked to the appropriate agencies for healthcare, housing, and other services. At the state level, CDPH/OA has initiated collaborative measures between the HIV/AIDS Prevention and Care Branches to improve timeliness in identifying newly diagnosed clients and linking to health care, and services. In addition, CDPH/OA is initiating measures to improve data collection to identify PLWHA who are out-of-care or newly diagnosed, including those who are homeless.

Other Programs: Specific gaps in services vary by county, with non-entitlement areas, and rural areas in particular having fewer health, education, employment and transportation services available to assist their low-income populations generally, and homeless or chronically homeless household in particular. This may impact a jurisdiction's ability to provide permanent supportive housing, or service-enriched Rapid Rehousing.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

CDPH/OA is integrating HCP and HOPWA grant oversight and compliance activities to streamline internal systems, maximize existing staff, and ensure coordination of HIV/AIDS services. The statewide HIV/AIDS needs assessment will include epidemiology data, resource inventory, assessment of needs and unmet needs/service gaps, which will assist in prioritizing use of HOPWA funds.

Through the VHHP, AHSC, and Section 811 PRA programs, HCD will continue to work with other State Departments to assist housing providers serving homeless and other low-income household to access supportive services offered or funded through these agencies to address gaps in services communities. See <http://www.hcd.ca.gov/fa/> for more information on VHHP and AHSC, and <http://www.calhfa.ca.gov/multifamily/section811/index.htm> for more information on the Section 811 PRA program

**SP-45 Goals Summary – 91.315(a)(4)**

**Goals Table**

The following goal information is a rough estimate of the proposed goals for the 2020-2024 ConPlan cycle. Public comment collected through the public comment period is expected to help validate and direct these goals as appropriate.

The Coronavirus pandemic has magnified the need for the State of California to meet its existing goals rather than creating new goals. During the response to the COVID-19 pandemic, certain goals have been prioritized to help address immediate needs. These goals include:

- Addressing and Preventing Homelessness
  - Focused on providing appropriate housing resources to prevent spread of COVID-19
- Economic Development
  - Focused on job retention and providing operating support
- Maintain or Improve Public Facilities and Infrastructure
  - Focused on healthcare facilities and capacity
- Maintain or Improve Access to Public Services
  - Focused on services for COVID-19 relief and support.

Name	Increase housing affordability
Description	Address the high cost of housing among extremely low income, low income, and moderate-income households by making available and preserving more affordable housing options.
Category	Affordable Housing
Start Year	2020
End Year	2024
Outcome	Affordability
Objective	Provide decent affordable housing
Geographic Areas Included	Statewide
Priority Needs Addressed	Improved Access to Affordable Housing
Funding Allocated	CDBG, HOME, HTF
Goal Outcome Indicator	Households Assisted, Housing Units Added

## California 2020-2024 Consolidated Plan: Strategic Plan

Name	Addressing and preventing homelessness
Description	Addressing the increasing number of individuals and families experiencing homelessness by providing assistance to households currently experiencing homelessness and those at imminent risk of entering homelessness.
Category	Homeless
Start Year	2020
End Year	2024
Outcome	Availability/Accessibility
Objective	Create suitable living environments
Geographic Areas Included	Statewide
Priority Needs Addressed	Homelessness prevention and assistance, COVID-19 Pandemic Response
Funding Allocated	ESG, CDBG
Goal Outcome Indicator	Households Assisted, Persons Assisted

Name	Economic Development
Description	Provide an economic catalyst to areas in need of economic development, particularly in rural areas, with the goal of increasing economic opportunities and outcomes for low and moderate-income individuals.
Category	Non-Housing Community Development
Start Year	2020
End Year	2024
Outcome	Sustainability
Objective	Economic Development
Geographic Areas Included	CDBG non-entitlement areas
Priority Needs Addressed	Increase economic development opportunities, COVID-19 Pandemic Response
Funding Allocated	CDBG
Goal Outcome Indicator	Jobs Created/Retained, Businesses Assisted, Persons Assisted

Name	Maintain or improve public facilities and infrastructure
Description	Provide support for public facilities and infrastructure, particularly in rural areas, with the goal of supporting low and moderate-income households in these communities.
Category	Non-Housing Community Development
Start Year	2020
End Year	2024
Outcome	Sustainability
Objective	Create suitable living environments
Geographic Areas Included	CDBG non-entitlement areas
Priority Needs Addressed	Neighborhood stability and sustainability, COVID-19 Pandemic Response

## California 2020-2024 Consolidated Plan: Strategic Plan

Funding Allocated	CDBG
Goal Outcome Indicator	Area Benefit (total people assisted), Persons Assisted

Name	Maintain or improve access to public services
Description	Provide support for public services, particularly in rural areas, with the goal of supporting low and moderate-income households in these communities.
Category	Non-Housing Community Development
Start Year	2020
End Year	2024
Outcome	Sustainability, accessibility
Objective	Create suitable living environments
Geographic Areas Included	CDBG non-entitlement areas
Priority Needs Addressed	Community-based public services, COVID-19 Pandemic Response
Funding Allocated	CDBG
Goal Outcome Indicator	Area Benefit (total people assisted), Persons Assisted

Name	Recovery assistance for natural disaster survivors
Description	Activities to support disaster recover for local jurisdictions and people impacted by 2017 and 2018 natural disasters
Category	Housing, non-housing community development
Start Year	2020
End Year	2024
Outcome	Recovery
Objective	Recovery
Geographic Areas Included	Federally declared disaster areas
Priority Needs Addressed	Disaster recovery and climate resilience
Funding Allocated	CDBG-DR 2017, CDBG-DR 2018
Goal Outcome Indicator	Households, Persons, Areas

**Table 58 – Goals Summary**

### **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 91.315(b)(2)**

Over this next five year-Consolidated Plan period, not including the CDBG-DR funding which goals and unit counts are tabulated through the DR-specific Action Plans, the State estimates providing about 1,100 units of affordable rental housing through CDBG, HOME, and NHTF. An additional 15,000 households are estimated to receive short-term rental and/or utility assistance to access or maintain housing through ESG, HOPWA, or HOME, as permitted under program requirements.

## **SP-55 Barriers to affordable housing – 91.315(h)**

### **Barriers to Affordable Housing: Negative Effects of Public Policies on Affordable Housing and Residential Investment**

Appendix B of California’s 2018 Statewide Housing Assessment provides an extensive analysis of the land use, planning, and other policies historically limiting the development of affordable housing. While some statewide laws present barriers, California local governments have primary control over land use and housing related decisions and can enact policies that discourage affordable housing development. These policies can directly prevent affordable housing from being built. More importantly, they can discourage new housing development for households of all income levels due to a lack of certainty of where and which housing is economically and politically feasible to build, and how long the whole process will take. This exacerbates the shortage of affordable housing for everyone.

These barriers affect every stage of the planning and development process:

- **Housing Elements and Local General Plans:** Housing Elements are a required part of each local government’s General Plan. They must identify sites with appropriate densities and development standards to accommodate the community’s need for housing and must be updated every 5 to 8 years. Historically, many jurisdictions have failed to comply with housing element law, which has created a shortage of sites available for development.
- **Federal and State Laws:** Federal and state environmental and land use laws, while crucial to protecting natural resources, can limit affordable housing development, particularly in rural areas. California housing development is subject to the California Environmental Quality Act (CEQA) in addition to the National Environmental Protection Act (NEPA). Addressing CEQA requirements and legal challenges raised by development opponents can take years. Stakeholders have reported that restrictions on the use of federal and state-owned wildland can also limit opportunities for affordable development. California’s Proposition 13 limits how much homeowners’ property taxes can increase each year. This law creates an incentive for local governments to prefer land uses that generate sales tax revenues, over residential and other land uses, as a way to provide more funding to local governments. Article 34 of the California Constitution, which requires local voter approval for “public housing”, in effect requires affordable housing developers to have an additional layer of local approval before planning a majority-affordable housing development.
- **Zoning Ordinances:** Historically, California jurisdictions – even large cities – have zoned much of their residential land as single family, which prevents more

affordable forms of housing from being built. Changes to local zoning rules must balance the need for housing with many other competing priorities, including economic development and local revenue generation, infrastructure constraints, and demands on local public facilities and services. Also, there is often community resistance to changing land use density, parking standards, lot coverage restrictions, minimum unit sizes, and height limits.

- **Local Fees, Exactions, and Development Standards:** Due in part to Proposition 13, local governments must use impact fees to pay for services and costs associated with new development. A UC Berkeley Turner Center study commissioned by the State found that these fees can approach \$25,000 per multifamily unit and \$35,000 per single-family home in some jurisdictions. Development standards such as parking requirements and neighborhood character design requirements also add costs to new development and rehabilitation.
- **Local Development Approvals:** Generally, local governments have control over the final approval for housing development, through the permitting process. The permit approval process can be long and unpredictable. Jurisdictions can complete simple ministerial approvals in a matter of months. In contrast, discretionary processes that require approval from local planning commissions, design review boards, neighborhood councils, and city councils can take years, and create significant additional costs for developers. Some localities even require voter approval for changes to land use policy for a single project.
- **State and Local Building Codes:** Recent additions to the state building code include a requirement implemented in January 2020 that new residential development (under four stories) include solar energy sources. Many localities have moved to ban natural gas appliances in new homes and are considering “home hardening” building requirements that make homes more wildfire resistant. While these measures promote the State’s natural hazard and climate change mitigation goals, they also add to development costs.
- **Affordable Housing Financing and Building Cost:** Stakeholders have reported that federal and state affordable housing program rules, such as prevailing wage requirements, can add to development costs. Since most affordable housing projects require multiple sources of federal, state, and local funding, overlaying and conflicting requirements complicate the development process. Program rules also restrict how a unit is defined, which makes some forms of development that stakeholders want (e.g. manufactured homes) difficult to finance.

## **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

California's Analysis of Impediments to Fair Housing has identified ten barriers to fair and affordable housing that will be addressed over the next five years. One of the barriers, "Local Resistance and Exclusionary Land Use Policies Constrain Access to Opportunity", is specifically related to tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment. These restrictions deny, prevent, or render infeasible multifamily housing development, alternative housing strategies, and overall access to affordable housing for lower-income households, protected classes, and persons experiencing homelessness.

The AI also identifies policies which constrain the supply and production of affordable homes. The barrier, "Supply and Production of Affordable Homes", concerns the inadequate supply and production of affordable homes available to lower-income households and persons in protected classes.

In consultation with stakeholders and the public, the State is currently drafting actions in the AI to address these barriers. These actions may include:

Addressing local resistance and exclusionary land use policies:

- Continue to analyze HCD's funding programs to assess, review, and seek opportunities to more affirmatively further fair housing. Partner with other agencies, such as California Housing Finance Agency, Tax Credit Allocation Committee, and California Debt Limit Allocation Committee to share lessons learned and support them in completing similar analysis.
- Promote affordable and accessible housing opportunities in communities with greater resources, functioning infrastructure, less pollution exposure, climate change mitigation policies, access to transit and active transportation mobility choices such as walking and biking, jobs, high-performing schools, open space, and other community needs linked to long term positive outcomes for residents.
- Continue partnership with councils of government to improve Regional Housing Need Allocations (RHNA) under AB 1771, which requires RHNA to further all five statutory objectives including: 1) increasing housing supply and a mix of housing types, tenure, and affordability in an equitable manner, 2) promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns, 3) promoting jobs-housing fit, 4) balancing disproportionate household income distributions, and 5) affirmatively further fair housing.

## California 2020-2024 Consolidated Plan: Strategic Plan

- Encourage greater community engagement in the housing element, particularly the identification of sites for the housing element. Increase technical assistance and depth of review related to housing element sites to confirm sites are affirmatively furthering fair housing and meet other legal mandates (under AB 1397 and AB 686) for projected income levels.
- In partnership with DFEH and HUD, continue to provide guidance and, as necessary, accountability and enforcement, on the fair housing implications of local ordinances, zoning requirements, building codes, and development standards.
- Continue to enforce housing element law and other laws to discourage local land use policies and implementation from acting as barriers to housing opportunities for lower-income residents and protected classes.
- Explore the creation of an anonymous complaint mechanism for parties reporting potential housing law violations under AB 72 in order to protect complainants from potential retaliation.
- Promote education and additional research on how restrictions on multifamily housing, such as limited multifamily zoning, and height and density limitations, impact inclusive communities.
- Explore opportunities to use small area Fair Market Rents or updated market studies to provide voucher holders access to higher rent areas and increase voucher utilization rates.

### Increasing supply and production of affordable homes:

- Maintain and expand resources available for the production and preservation of rental housing for households earning less than 30 percent AMI.
- Maintain and expand technical assistance on state laws and strategies that promote zoning for a variety of housing types, including multifamily housing, low-barrier navigation centers, group homes, supportive housing, and accessible units affordable to lower-income households.
- Develop and deliver technical assistance on recently enhanced statutory requirements related to planning and zoning for affordable homes, including broad sixth cycle housing element support and specific guidance on [AB 686](#), [SB 330](#), [SB 35](#), [AB 2162](#), [AB 1397](#), and [SB 166](#).
- Identify state surplus and excess local public land suitable for housing development, connect available land with affordable housing developers ([AB 1486](#) and [Executive Order N-06-19](#)).
- Explore potential to move to guideline authority on the Emergency Solutions Grant Program, the HOME Program and other HCD funding programs, where

## California 2020-2024 Consolidated Plan: Strategic Plan

permissible, to provide staff with flexibility to integrate evidence-based solutions and respond to evolving housing needs and policy priorities.

- Encourage housing supply strategies that implement state requirements to Affirmatively Further Fair Housing (AFFH) under [AB 686](#).
- Encourage greater community engagement in the housing element, particularly the identification of sites for the housing element. Increase technical assistance and depth of review related to housing element sites to confirm sites are affirmatively furthering fair housing and meet other legal mandates (under [AB 1397](#) and [AB 686](#)) for projected income levels.

## **SP-60 Homelessness Strategy – 91.315(d)**

California's 58 Continuums of Care are largely responsible for determining priorities, goals, and strategies to address homelessness statewide. The State provides funding for Continuums of Care through the ESG program. ESG strategies to reduce and end homelessness are described in further detail below.

There have been statewide planning efforts to direct additional state-level funding in the face of California's homelessness crisis. The Homelessness Coordinating and Financing Council, an organization of BCSH, is responsible for implementing Housing First regulations and guidelines, and administers programs that are more flexible in how funding can be used. The California Homelessness and Supportive Housing Advisory Task Force, established by Governor Newsom in May 2019, is responsible for translating input from jurisdictions and constituents statewide into solutions to address the crisis. Through these entities, the State is currently developing a strategic plan to coordinate local and state-level homelessness strategies.

Governor Newsom's 2020-21 budget proposal – another important element of the State's homelessness strategy – includes significant one-time state funding to address the causes and consequences of homelessness. The budget proposes \$750 million for a newly- established California Access to Housing Services Fund. A primary goal of the fund, operated by the Department of Social Services, will be to help reduce street-based homelessness and increase the number of housing units available to persons experiencing homelessness. An additional \$695 million is proposed in the budget to begin a major Medi-Cal reform, Medi-Cal Healthier California for All. This initiative is intended to provide more comprehensive care to Medi-Cal patients with complex needs, especially those experiencing homelessness. The budget proposal must be approved by the state Legislature and will be finalized in June 2020.

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

The ESG Program funds some Street Outreach programs which provide individualized assessment to unsheltered homeless persons. Based on 2015-2019 ESG applicant demand, in the coming year, ESG anticipates that up to 5 percent of its awards will go toward Street Outreach Programs.

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

The ESG Program funds a number of Emergency Shelter programs which provide short and medium-term shelter and supportive services to homeless individuals and families while affordable, suitable permanent housing is being sought out. Based on 2015-2019

ESG applicant demand, in the coming year, ESG anticipates that 40-60 percent of its awards will go toward Emergency Shelter programs.

**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 ESG Program funds Rapid-Rehousing and Homeless Prevention programs which provide short and medium-term rental assistance and supportive services to homeless and individuals and families and those at risk of homelessness so that they can access and maintain affordable, suitable permanent housing. In the coming year, ESG anticipates that approximately 40 percent of its awards will go toward Rapid Rehousing and Homeless Prevention activities. ESG currently provides points in its application rating process to Rapid-Rehousing programs, and to programs that engage in Housing First practices. See AP-30 for more information.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

As part of the CARES Act, HUD has temporarily waived FMR limits for the ESG-CV funding. This waiver impacts both the existing ESG allocations as well as the ESG-CV funding. The waiver is intended to help address the wide variances in housing costs, not just between urban and rural areas, but nation-wide. This waiver will be critical in ensuring that the funding can be used as intended to help people in the timeframe required to make a timely response to community needs.

HUD has proposed additional regulatory relief as part of the CARES Act, by providing increased administration percentages, reduced match requirements, and reduced use restrictions on the ESG-CV funds. These reduced restrictions, along with the urgency required to get the ESG-CV funds utilized, necessitated a waiver of the state's ESG regulations, which included the proscribed method of distribution as well as use requirements that had frustrated CoCs and homelessness responders. The Department will be exploring the opportunity to transition from ESG regulations to more flexible guidelines to support adaptability and responsiveness to the ongoing impacts of the COVID-19 virus and evolving needs to effectively reduce homelessness in the state.

## **SP-65 Lead based paint Hazards – 91.315(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

Since 1992, the Department of Community Services and Development (CSD) has managed a continual Lead-Based Paint Hazard Control Program (LBPHC) designed to identify and control lead-based paint hazards in eligible privately-owned housing for rental or owner occupants. CSD has successfully managed LBPHC benefiting low-income families through effective program design and implementation, and through cost-effective and fiscally responsible business practices. CSD developed a LBPHC design by forming a collaborative partnership between CSD and its network of Community-Based Organizations (CBOs) in the delivery of lead hazard control services to low-income households. The CBO's have a long history of serving low-income families as they are locally based and offer a wide range of community service programs. LBPHC is designed to work in conjunction with the California Department of Public Health, Childhood Lead Poisoning Branch, the federally funded Low-Income Home Energy Assistance Program (LIHEAP) weatherization component, Department of Energy Weatherization Assistance Program (DOE WAP), local health agencies and affordable housing programs such as CDBG and HOME.

### **How are the actions listed above integrated into housing policies and procedures?**

CBOs continue to collaborate with their local housing departments and provide education about LBPHC services and identify lead-hazard at-risk units. CBO's continue to participate in community events, meet with local businesses, housing advocacy groups and neighborhood groups to build the public's understanding on lead-based paint hazards. Housing programs funded with HUD funds must include LBP procedures in their housing program guidelines and must evaluate for LBP on applicable units and projects.

## **SP-70 Anti-Poverty Strategy – 91.315(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

According to U.S. Census data, California had 12.8 percent of its population living below the federal poverty line in 2018. When costs of living are taken into account (the “supplemental poverty measure”), California is one of the three states tied for highest poverty rate, alongside Florida and Louisiana. Household types most affected by poverty include female head-of-households, children, ethnic groups (particularly Hispanics and African Americans) and the elderly.

In 2019, California’s unemployment rate was 4.1 percent, ranking 13th amongst 50 states. High unemployment contributes to the growing number of persons living in poverty and places added demands on the Department's programs as well as upon many of the human service programs managed by other state agencies. In addition to the serious consequences for families and individuals, unemployment can severely impact a community. The ability to generate taxes and utility revenues and to incur debt is directly related to the resources that a community's citizens have. High numbers of unemployed persons form populations that hinder a community's ability to be self-sufficient. Job creation and retention combined with job training opportunities are considered to be the best way to fight poverty and to provide Californians throughout the state the ability to live self-sufficiently.

HCD seeks to reduce the number of families and individuals living in poverty, thereby providing a better future for all Californians. This means (1) continuing to provide long-term solutions to the problems facing people in poverty and (2) targeting resources to those with the greatest need. The State has undertaken several efforts to reduce poverty among its population:

- Some community colleges in California offer easy access to a number of programs including technical education, customized business and industry training, and adult education classes.
- Some California universities also host the Professional Development programs that give certification-training credits for participating in career-related training after passing a written examination.
- Provide a range of services and activities through federal and State programs that have a measurable impact on conditions of poverty and homelessness.
- Provide activities through programs and services to assist low-income participants, including the elderly, to secure and retain employment, gain an adequate education, obtain and maintain affordable/accessible housing, obtain emergency assistance to meet immediate and urgent individual and family

needs, including health services and remove obstacles blocking the achievement of self-sufficiency.

- Coordinate and collaborate linkages between governmental and other social service programs to assure the effective delivery of such services to low-income individuals.
- Encourage the private sector to become involved in efforts to alleviate poverty and homelessness.
- Encourage collaboration among several State departments administer programs that directly respond to the needs of individuals/families in poverty. These programs are continually assessed to determine their effectiveness and appropriateness in meeting the needs and providing the resources they need to break the cycle of poverty. The goals of these programs are the acquisition of skills, knowledge, and motivation necessary for California's poor to become self-sufficient.
- The State devotes part of the CDBG's economic development, ESG and HOPWA programs' funds to case management services that assist poverty-level households increase their income by linking to mainstream education and employment opportunities.
- Although HCD no longer administers the Enterprise Zone Program, HCD will support the Franchise Tax Board as it implements the New Employee Credit program in Designated Geographic Areas throughout the state, many of which were former enterprise zones.
- HCD will also continue to verify the eligibility of businesses which claim previously earned hiring tax credits when called upon by the FTB in the performance of its audits.

### **How are the jurisdiction's poverty reducing goals, programs, and policies coordinated with this affordable housing plan?**

In 2017, the state Legislature passed AB 1520, directing the California Department of Social Services to convene the Lifting Children and Families Out of Poverty Task Force. This task force's responsibility was to recommend comprehensive strategies to reduce deep poverty among children and lower the child poverty rate statewide. The task force's final report, issued in November 2018, identified 24 priority recommendations for expanding the social safety net, investing in early childhood, expanding healthcare coverage, improving the quality of education and workforce training, reforming aspects of the juvenile justice system, improving coordination in service provision, and housing and homelessness. Two of the report's recommendations for housing and homelessness – (1) protection and assistance for families using Section 8 and other rent vouchers, and (3) implement housing supply provisions in localities falling short of their low-income housing goals – are shared goals of the ConPlan.

## California 2020-2024 Consolidated Plan: Strategic Plan

California recognizes that affordable housing is a key component in poverty-reduction strategies. The Qualified Allocation Plan (QAP) is the document that the State develops to govern the allocation of Low-Income Housing Tax Credits (LIHTC), which can be combined with HOME Program funds. The QAP prioritizes developments that are sited in stable communities—areas of lower poverty and access to place-based opportunity like transportation, education, and high workforce housing need—and those that are in revitalizing communities—areas that have higher poverty rates but are paired with a concerted community revitalization plan.

Many of the State’s competitive affordable housing development programs – both federally funded and state funded – incentivize applicants to include more units restricted to very-low income and extremely-low income households. The HOME Rental Housing Loan Program and the state Multifamily Housing Program (MHP) include scoring incentives to develop these units. MHP also provides scoring incentives for developments located in Census tracts that are classified as “high or highest opportunity”, according to the opportunity mapping index developed by the State and the CTCAC. High-opportunity neighborhoods provide a healthy, well-resourced environment with access to jobs and transportation – neighborhoods whose characteristics are linked to children’s well-being and pathways to exit poverty.

The National Housing Trust Fund program is intended to increase and preserve affordable housing for extremely low- income (ELI) households, including homeless families. The NHTF allocation will be used to create housing affordable to the extremely low-income (ELI) households with incomes at or below 30 percent of Area Median Income (AMI). For CDBG, the Method of Distribution for the Annual Competition and the set-asides use demographic scores to increase the chances of funding for those jurisdictions in the state that suffer from higher levels of poverty. Although other competitive factors on a combined basis carry more weight (e.g., target area benefit, health and safety needs, project feasibility), these points assist communities with public infrastructure, buildings and preservation of the affordable housing stock when, other factors being equal, their level of poverty is greater than others.

## **SP-75 Colonias Strategy – 91.315**

### **Describe the State's homeless strategy within Colonias.**

Like the rest of California, Imperial County has experienced a significant increase in homelessness over the last 5 years. According to the 2019 Point-in-Time Count, the number of homeless in the county was 1,413 up from 554 in the 2015 PIT Count. Two new transitional housing projects were opened in 2019 but 87 percent of the persons experiencing homelessness remain unsheltered. The Imperial County CoC utilizes ESG as well as other funding to meet the needs of the persons experiencing homelessness. Summer is the most difficult time of year for the persons experiencing homelessness in the Imperial Valley due to extreme heat. CDBG has provided assistance through the funding of two public safety facilities which serve as cooling centers for the Colonia communities they serve. California plans to continue to set-aside 5 percent of its CDBG allocation for activities in the Colonias.

### **Describe the barriers to affordable housing in Colonias.**

Residents of Colonias experience the same barriers to affordable housing as other very low-income populations including high unemployment, low income, and credit issues which limit their ability to obtain credit. The residents typically rely on government housing programs to provide assistance, but funding is very limited compared to demand. Due to limited housing options overcrowding is common. The housing stock is generally substandard where the costs of repair are significant. There is a lack of capacity in the local jurisdictions to implement housing programs.

### **Describe the State's strategy for addressing barriers to affordable housing (including substandard housing) in Colonias.**

California sets aside 5 percent of its CDBG allocation for use in the Colonias. In addition to this the county typically is awarded funding in the competitive NOFA to undertake activities some of which occur in designated Colonias. The legislature has designated that statewide 51 percent of CDBG funds be used for housing and housing related activities. California provides significant outreach, engagement and training in Imperial County and the Colonia communities. These efforts are aimed at increasing capacity to access funding and implement projects within required timelines.

### **Describe the State's goals/programs/policies for reducing the number of poverty level families in Colonias.**

State CDBG Colonia set-aside funds are used primarily for water, sewer, public facilities and housing rehabilitation within Colonia communities. Addressing these issues improves sustainability and quality of life for the residents. The safe environment and

stable housing then allow families to focus on other areas such as education where there is the potential to improve their incomes and reduce poverty.

**Describe how the State's goals/programs/policies for producing and preserving affordable housing in the Colonias will be coordinated with other programs and services.**

California is committed to working with the county and all designated Colonias to access funding for needed improvements. HCD works cooperatively with other funders such as USDA and EPA through a funding coordinating committee. Efforts have been made to streamline CDBG processes to allow better alignment with other funding sources.

## **SP-80 Monitoring – 91.330**

**Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

CDBG: HCD's commitment to the Strategic Plan includes oversight and monitoring to ensure compliance with Federal and State requirements of the CDBG program. Project monitoring is a five-step process:

1. The monitoring process begins with scrutiny of applications to determine project feasibility, eligibility under Federal and State regulations and the applicant's capacity to successfully implement the proposed project.
2. If funds are awarded, the subrecipient agreement (standard agreement) includes milestones to track progress and identify projects that may be encountering difficulty. Grantees that fall behind contract milestones are contacted and a plan is developed to overcome obstacles to successful performance.
3. Progress is monitored by requiring grantees to submit quarterly drawdowns and progress reports through the recently implemented Grants Management System (GMS).
4. HCD conducts an annual risk assessment to determine which grantees, projects or activities are at highest risk of noncompliance. The risk assessment analyzes grantee performance in areas such as timely expenditure of funds, adherence to the terms of previous grants, management of program income, complexity of environmental review or labor standards issues and length of time since the last on-site monitoring visit. The risk assessment informs the development of a schedule of on-site monitoring visits and/or remote monitoring. Remote monitoring is most often used to determine adherence to cross cutting requirements such as environmental review, labor standards, Section 3 or procurement. If deficiencies are identified, HCD provides technical assistance to increase grantee capacity and help the grantee return to compliance.
5. At the end of the grant term, HCD follows grant closeout procedures to ensure that subrecipient obligations are fulfilled, National Objective is achieved, and any ongoing asset management is assured.

ESG: The ESG program monitors subgrantee performance primarily through onsite and desk monitoring of financial expenditures to ensure that requests for ESG funds comply with the HUD ESG expenditure guide. Other federal requirements are also monitored including, but not limited to, Program Policy and Procedures, Written Standards requirements and participation in HMIS.

HOME: Staff perform four primary types of types of monitoring for its funded activities.

1. Close-out monitoring is done for all funded activities to assess overall compliance with the requirements of the HOME Regulations and Standard Agreement when closing out the HUD grant.
2. Program Activities grant management monitoring which begins with an annual risk assessment, an annual monitoring plan to identify what areas of compliance the monitoring will concentrate on, and a site visit to the grantee to view completed projects and examine their records.
3. CHDO Project Long-Term Monitoring is performed by the State's asset management section. These include both rental projects and homebuyer projects involving CHDOs. For these projects, the Department holds the Note and Deed of Trust and Regulatory agreements. Asset Management monitoring of rental projects involves assessing ongoing compliance with HOME rent and occupancy requirements, fair housing requirements, and the physical and financial condition of the project. This assessment includes the annual review of project rents, operating budgets, and financial statements ensuring compliance with project rents and operating requirements pursuant to the Department's Uniform Multifamily Regulations and 24 CFR 92.252. Additionally, annual Affirmative Marketing Reports and 5-year Affirmative Marketing Plans are reviewed. Site visits are scheduled annually, semi-annually or every three years (based on the number of HOME assisted units in the project) to review resident files for compliance and pursuant to the requirements set forth in 24 CFR 92.504. Asset Management also monitors the individual home-buyer assistance loans for continued owner-occupancy, and payment of taxes and insurance.
4. State Recipient Long-Term Monitoring is an assessment of performance of the above monitoring activities by local jurisdictions. HOME State Recipients are the lenders for rental and homebuyer new construction and rehabilitation projects where they have applied directly to the State for HOME funds, rather than the CHDO being the recipient of the funds. An office review consists of an Annual Monitoring Report questionnaire and Project Compliance Report, which asks about project financial condition and compliance with other federal HOME requirements, a copy of the project's utility allowance schedule (form HUD-52667); a copy of the State Recipient's last long term monitoring Summary Letter and Clearance Letter to the project's owner/manager, a copy of Physical Conditions report, and a copy of the project's Annual Affirmative Marketing Analysis Report. MBE/WBE HOME Program Income Reporting and Section 3 goals assessment and outreach activities are monitored as part of our grantee Annual Performance Reports.

## Action Plan

### AP-15 Expected Resources – 91.320(c) (1,2)

#### Introduction

Below are the FY 20-21 annual allocation amounts, and the four-year remainder estimate available to the State's eligible CDBG, HOME, ESG, HOPWA, NHTF, CDBG-DR, NDR, CDBG-CV, ESG-CV, and HOPWA-CV jurisdictions. In CDBG, there is an estimate of \$10 million in prior year program income and an estimated of \$15 million of prior year entitlement identified as prior year resources in disencumbered funds. In HOME, there is prior year program income of \$6 million and estimated prior year of \$6 million in disencumbered funds. The State has \$212 million total awarded for the 2017 wildfires across the state, including \$88 million for CDBG-DR Mitigation. The \$124 million for unmet needs has an expenditure period of 6 years and the mitigation funds have an expenditure period of 12 years, and the \$40 million combined CDBG-DR funding below is the amount expected to be available in the 2020 program year (July 1, 2020 through June 30, 2021). The department expects to spend \$161 million of the 2017 CDBG-DR funds in this ConPlan period. The remaining \$51 million in 2017 CDBG-DR mitigation funds is expected to be spent in the next ConPlan. The Department received \$1.02 billion for unmet recovery needs in response to the 2018 disasters (4407 and 4382). We are currently preparing the Action Plan, which is due May 2020. The Department anticipates an executed grant agreement with HUD by December 2020. For NDR, \$70,359,459 was awarded in January 2016, with the HUD grant agreement executed in January 2017. Per federal statute, all funds must be expended by September 30, 2022. The Department expects to expend all NDR funds in this ConPlan period.

The anticipated resources for the ESG-CV, HOPWA-CV, and CDBG-CV programs are to be determined, and are marked TBD. Future funding for the ESG-CV and CDBG-CV is expected to address longer term impacts of the COVID-19 pandemic, however those funds will be programmed through future plans and amendments. CARES Act funds have not been identified as prior year resources at this time.

State of California Draft 2020-2024 Federal Consolidated Plan

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	\$32,904,296	\$5,000,000	\$25,000,000	\$62,904,296	\$151,617,184	2020 HUD award  Available PI balance plus an estimate on prior year CDBG resources.
HOME	Public Federal	Acquisition, Homebuyer assistance and rehab, Multifamily rental rehab, New construction, TBRA	\$42,390,453	\$6,000,000	\$12,000,000	\$60,390,453	\$193,561,812	2020 HUD award  Available PI balance plus an estimate on prior year HOME resources

State of California Draft 2020-2024 Federal Consolidated Plan

HOPWA	Public Federal	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities, STRMU Supportive Services, TBRA	\$3,977,981		\$401,806	\$4,379,787	\$15,911,924	2020 HUD award  Prior Year Resources include uncommitted FY 2019-20 funding
ESG	Public Federal	Conversion and Rehab for transitional housing, Financial Assistance, Overnight shelter, Rapid-Rehousing, Transitional housing	\$12,757,275			\$12,757,275	\$51,029,100	2020 HUD award

State of California Draft 2020-2024 Federal Consolidated Plan

NHTF	Public Federal	Multi-family rental new construction, increase supply of affordable housing, Develop housing for healthy California Program. HHC	\$ 32,376,691			\$32,376,691	\$142,623,309	2019 HUD award
CDBG-DR Unmet Needs	Public Federal	Multi-family units, single family homes, infrastructure	\$38,300,000			\$38,300,000	\$85,700,000	2017 HUD award
CDBG-DR Mitigation	Public Federal	Public Services and Planning, various resilient infrastructure	\$1,760,000			\$1,760,000	\$35,200,000	2017 HUD award

State of California Draft 2020-2024 Federal Consolidated Plan

NDR	Public Federal	Biomass Facility, community resilience center, forest and watershed health	\$23,500,000			\$23,500,000	\$30,882,223	2015 HUD award
ESG CV	Public Federal	Financial Assistance, Overnight shelter, Rapid-Rehousing, Transitional housing	TBD		TBD	TBD	TBD	Pending HUD Allocation
CDBG CV	Public Federal	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	TBD		TBD	TBD	TBD	Pending HUD Allocation

State of California Draft 2020-2024 Federal Consolidated Plan

HOPWA CV	Public Federal	Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities, STRMU Supportive Services, TBRA	TBD		TBD	TBD	TBD	Pending HUD Allocation
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Table 59 - 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**

The CDBG, HOME, NHTF, ESG, and HOPWA programs only partially fund the many different activities and services listed. Each program takes a unique approach to leverage multiple funding sources to expand the reach of services. This leveraged funding from other partners is critical. As housing costs continue to rise, developers, communities, and service providers must be creative and have partnerships and other resources to successfully complete the proposed projects. Banks participate in providing conventional loans to support development of affordable rental units. Banks are also active in providing first-time homebuyer assistance in conjunction with state and federal programs. In addition to conventional lending and HUD entitlement funds, resources include the following (the percentage is the utilization for the respective funding sources based on HCD's development financing records):

- State housing tax credits 11 percent
- Federal housing tax credits 43 percent
- Private bank loans 9 percent
- Federal HOME funds 5 percent
- Local funds 4 percent
- Federal Home Loan Bank Affordable Housing Program 3 percent
- State housing funds 19 percent
- State Mental Health Services Act Housing funds 6 percent

Funding from state and local housing funds will likely increase from past levels, due to increases in affordable housing funding available from the State, and improvements in local revenues during the past 5 years.

HOME: 25 percent Match Requirement. HCD uses State CalHome funds and other state and local resource contributions to housing pursuant to the HOME matching requirements at 24 CFR 92.220.

ESG: 100 percent Match Requirement. ESG Match is provided by its Subrecipients on a dollar for dollar basis. Specific sources of match are identified at the time of application and must comply with 24 CFR 576.201. The primary sources of match identified in the most recent funding round for ESG are (1) Local match funding including cities and counties; (2) Private match funding including fundraising, cash; (3) Federal match funding including CDBG, SHP, and HOME Tenant-Based Rental Assistance (TBRA); in addition to (4) donated goods, volunteers, building value or lease.

NHTF: There is no federal match requirement for NHTF. HCD anticipates that, similar to the state HOME Program, LIHTC will be leveraged for rental new construction projects. The Department anticipates sources of leverage including private bank loans, state funds such as Tax Credits, other federal funds, and local funds.

HOPWA: There is no federal match requirement for HOPWA; however, project sponsors report leveraged funds. On an annual basis, CDPH/OA allocates funding through the HCP for HIV/AIDS care and treatment services to California counties.

CARES Act: Funding through the CARES Act waived match requirements to improve immediate access to the ESG-CV funds. CDBG-CV does not require match.

**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 lack of affordable housing across California is a matter of vital statewide importance and the State is working to expand housing opportunities through a new level of innovation and cooperation between the public and private sectors. As one of his first acts after taking the oath of office, Governor Gavin Newsom signed Executive Order N-06-19 (EO), which directed the Department of General Services (DGS) and the Department of Housing and Community Development (HCD) to identify and prioritize excess state-owned property and aggressively pursue sustainable, innovative, cost-effective housing projects.

DGS compiled an inventory of over 44,000 state-owned parcels and identified the sites most suitable for development. A two-part screening tool, including housing need and economic feasibility measures, was developed and applied to prioritize these parcels.

The housing need screens allowed the State to focus its efforts in areas where housing development will be most impactful. If the State can reduce cost burden by not only restricting rents, but also by making sure the households served are close to quality jobs, schools, and transit, household cost burden and vehicle miles traveled can be reduced.

In August 2019, DGS and HCD published a GIS-enabled, searchable, and fully interactive map. This land inventory map shows more than 100 sites that have been identified as state-property, suitable for housing (with a focus on affordable housing and access to nearby opportunities) and vetted by departments with jurisdiction as excess to their need. The majority of sites are located within the State's most populous urban areas (i.e., Los Angeles, Bay Area, San Diego, Sacramento, and Orange County), range in size (anywhere from 0.1 acres to large campus sites) and vary from vacant to existing improvements on site. The State's property inventory is dynamic, and sites will

be added and/or removed from the map—the State will continue to identify excess land that may be used to address the housing needs identified in this plan.

Building on this EO, Assembly Bills 1486 and 1255 were signed at the end of 2019—connecting affordable housing developers to local surplus land, strengthening enforcement of the Surplus Lands Act, and requiring cities and counties to inventory and report surplus and excess local public lands to include in a statewide inventory.

Assembly Bill 1486 (Ting, 2019) aims to connect developers who are interested in building more affordable homes to surplus local public land that is both available and suitable for housing development. As of January 1, 2020, local agencies (cities, counties, and special districts) must send notices about available, surplus local public land to HCD, any local public entity within the jurisdiction where the surplus local land is located, and developers who have notified HCD of their interest in developing affordable housing on surplus local land.

By April 1, 2021, every California city and county will be required to have a central inventory of surplus and excess land and must report to HCD on each parcel. HCD, in turn, will provide the information to DGS to include in a statewide inventory. This is in accordance with Assembly Bill 1255 (Robert Rivas, 2019).

Governor Newsom also recently signed N-23-20—an executive order that builds on the comprehensive state response to homelessness, including the creation of the California Access to Housing and Services Fund, expediting the availability of state land assets, and standing up a state crisis response team. The Governor’s action focuses on prevention and early intervention, moving people off the streets and providing them services, and creating new temporary housing to effectively reduce street homelessness. EO N-23-20 requires the State to re-evaluate its excess site inventory in the lens of temporary housing uses for persons experiencing homelessness.

Through both executive and legislative action, the State is not only identifying publicly owned land that may be used to address housing needs, but also finding creative ways to expedite the production of affordable housing through innovative and sustainable measures.

## **AP-20 Annual Goals and Objectives – 91.320(c)(3) &(e)**

### **Goals Summary Information**

The Consolidated Plan identifies six priority needs and associates six goals with these needs. The goals are:

- Increase housing affordability (Priority Need: Improved access to affordable housing)
- Addressing and preventing homelessness (Priority Need: Homelessness prevention and assistance)
- Economic Development (Priority Need: Increase economic development opportunities)
- Maintain or improve public facilities and infrastructure (Priority Need: Neighborhood stability and sustainability)
- Maintain or improve access to public services (Priority Need: Community-based public services)
- Recovery assistance for natural disaster survivors (Priority Need: Disaster recovery and climate resilience)

The figures below represent estimates of allocation goals and objectives for the 2020-21 fiscal year. These figures could change based on the U.S. Department of Housing and Urban Development input.

In response to the CARES Act and the COVID-19 pandemic, certain goals have been prioritized for increased funding, particularly through the ESG-CV and CDBG-CV programs. These goals include:

- Addressing and preventing homelessness: focusing on providing suitable shelter for unhoused persons at risk of infection and spread of COVID-19
- Economic Development: focusing on job retention and business support
- Maintain or improve public facilities and infrastructure: focusing on healthcare facilities and capacity as well as appropriate shelter facilities for person experiencing homelessness
- Maintain or improve access to public services: focusing on services to help address the impacts of COVID-19.

State of California Draft 2020-2024 Federal Consolidated Plan

Name	Increase housing affordability
Description	Address the high cost of housing among extremely low income, low income, and moderate-income households by making available and preserving more affordable housing options.
Category	Affordable Housing
Start Year	2020
End Year	2021
Outcome	Affordability
Objective	Provide decent affordable housing
Geographic Areas Included	Statewide
Priority Needs Addressed	Improved Access to Affordable Housing
Funding Allocated	CDBG, HOME, HTF
Goal Outcome Indicator	Households Assisted, Housing Units Added

Name	Addressing and preventing homelessness
Description	Addressing the increasing number of individuals and families experiencing homelessness by providing assistance to households currently experiencing homelessness and those at imminent risk of entering homelessness.
Category	Homeless
Start Year	2020
End Year	2021
Outcome	Availability/Accessibility
Objective	Create suitable living environments
Geographic Areas Included	Statewide
Priority Needs Addressed	Homelessness prevention and assistance, COVID-19 Pandemic Response
Funding Allocated	ESG, CDBG
Goal Outcome Indicator	Households Assisted, Persons Assisted

State of California Draft 2020-2024 Federal Consolidated Plan

Name	Economic Development
Description	Provide an economic catalyst to areas in need of economic development, particularly in rural areas, with the goal of increasing economic opportunities and outcomes for low and moderate-income individuals.
Category	Non-Housing Community Development
Start Year	2020
End Year	2021
Outcome	Sustainability
Objective	Create economic opportunities
Geographic Areas Included	CDBG non-entitlement areas
Priority Needs Addressed	Economic Development, COVID-19 Pandemic Response
Funding Allocated	CDBG
Goal Outcome Indicator	Jobs Created/Retained, Businesses Assisted, Persons Assisted

Name	Maintain or improve public facilities and infrastructure
Description	Provide support for public facilities and infrastructure, particularly in rural areas, with the goal of supporting low and moderate-income households in these communities.
Category	Non-Housing Community Development
Start Year	2020
End Year	2021
Outcome	Sustainability
Objective	Create suitable living environments
Geographic Areas Included	CDBG non-entitlement areas
Priority Needs Addressed	Neighborhood stability and sustainability, COVID-19 Pandemic Response
Funding Allocated	CDBG
Goal Outcome Indicator	Area Benefit (total people assisted), Persons Assisted

State of California Draft 2020-2024 Federal Consolidated Plan

Name	Maintain or improve access to public services
Description	Provide support for public services, particularly in rural areas, with the goal of supporting low and moderate-income households in these communities.
Category	Non-Housing Community Development
Start Year	2020
End Year	2021
Outcome	Sustainability, accessibility
Objective	Create suitable living environments
Geographic Areas Included	CDBG non-entitlement areas
Priority Needs Addressed	Community-based public services, COVID-19 Pandemic Response
Funding Allocated	CDBG
Goal Outcome Indicator	Area Benefit (total people assisted), Persons Assisted

Name	Recovery assistance for natural disaster survivors
Description	Activities to support disaster recover for local jurisdictions and people impacted by 2017 and 2018 natural disasters
Category	Housing, non-housing community development
Start Year	2020
End Year	2021
Outcome	Recovery
Objective	Recovery
Geographic Areas Included	Federally declared disaster areas
Priority Needs Addressed	Disaster recovery and climate resilience
Funding Allocated	CDBG-DR 2017, CDBG-DR 2018
Goal Outcome Indicator	Households, Persons, Areas

Table 60 – Goals Summary

## **AP-25 Allocation Priorities – 91.320(d)**

### **Introduction**

The percentages below are based on the expected amount of funds that will be awarded by each program for federal Fiscal Year (FY) 2019 for eligible activities that fall within that goal. The expected amounts to be awarded are in the column "Total Available in Year 5" (FY 2019) found in Table 3 in Annual Action Plan Section 15 (AP-15). This total includes any program income and prior year resources expected to be awarded in FY 2019. The expected amounts to be awarded towards each goal are typically based on actual applicant demand for activities within that goal from the prior NOFA year. For this reason, in some instances, the percentages below may be under the minimums allowed for a particular activity pursuant to statute or regulation.

Note: Community Development Block Grant (CDBG) Colonias percentage is listed below at 5 percent, but this amount would otherwise be reflected in the amounts available under the housing or infrastructure goals.

The amount for the HOME Investment Partnership program (HOME) under "homelessness assistance and prevention" reflects the total amount of HOME Tenant Based Rental Assistance (TBRA) funds projected to be awarded for the 2019 HOME NOFA. For purposes of the goals reflected below, HOME TBRA is considered a homelessness assistance or prevention activity.

The allocation priorities for the CARES Act funding will depend on community needs and HUD's directives, and will be shaped by the waivers and exemptions allowed at the federal level. The below percentages are an estimate of projected need but may substantially differ from actual utilization.

State of California Draft 2020-2024 Federal Consolidated Plan

**Funding Allocation Priorities**

Program	Increase the supply affordable rental housing (%)	Expand homeowner improve existing housing (%)	Provide homeless assistance prevention (%)	Increase economic development opportunities (%)	Maintain or increase public services (%)	Maintain or increase public facilities (%)	Colonias Set-Aside (%)	Total (%)
CDBG	30%	5%	10%	30%	15%	5%	5%	100%
CDBG-CV	0%	0%	20%	20%	30%	10%		
HOME	55%	35%	10%	0%	0%	0%	0%	100%
NHTF	100%	0%	0%	0%	0%	0%	0%	100%
ESG	0%	0%	100%	0%	0%	0%	0%	100%
ESG-CV	0%	0%	100%	0%	0%	0%	0%	
HOPWA	0%	0%	100%	0%	0%	0%	0%	100%
HOPWA-CV	0%	0%	100%	0%	0%	0%	0%	

**Table 61 – Funding Allocation Priorities**

## **Reason for Allocation Priorities**

CDBG: Actual allocation percentages may vary from Table 6 – Funding Allocation Priorities. After administration costs are subtracted and mandatory federal and state allocations are calculated, projected activity funding is based on the demand for each activity as reflected in each year’s application submittals. Federal law requires an allocation of up to 10 percent for eligible Colonia communities. The California Department of Housing and Community Development (HCD) has traditionally set aside 5 percent for eligible Colonia communities, however, the specific amounts will be identified in the NOFA. Federal law requires that not more than 15 percent of CDBG funding be provided for public service activities each year. State allocations include a 1.25 percent allocation for non-federally recognized Native American communities, and state regulations require that 30 percent be allocated for economic development activities. If the demand for these allocations in a given NOFA cycle is not sufficient, then the balance of funds will revert to the general pool of funds.

State statute requires that at least 51 percent of all available funds be allocated for applications to fund housing and housing-related activities (housing-related includes public improvements and public facilities in support of construction of new housing activities).

As with the economic development allocation, if the demand for housing funds in a given NOFA cycle is not sufficient, the balance of funds reverts to the general pool of funds to be awarded to other eligible projects and programs. In addition to allocations and funding level criteria described above, HCD will monitor general administration expenditures to ensure compliance with the federal expenditure cap rate and ensure a minimum expenditure rate on activities meeting the national objective of benefitting at least 70 percent of low/moderate-income individuals in compliance with the federal regulation.

CDBG-NDR: HUD has awarded the state \$70,359,459 for three activities tied to the 2012 Rim Fire disaster in Tuolumne County. The state was awarded: (1) \$28,604,459 for the Forest and Watershed Health Program (FWHP); (2) \$22,000,000 for a biomass utilization facility (BUF); and (3) \$19,755,000 for at least one Community Resilience Center.

For more information, please see HCD’s CDBG-NDR Action Plan on HCD’s website at <http://www.hcd.ca.gov/community-development/disaster-recovery-programs/ndrc.shtml>.

HOME: HOME-funding allocation priorities are based on demand by program applicants for categories of activities. In addition, state HOME regulations establish a minimum allocation of 40 percent for First Time Homebuyer (FTHB) mortgage assistance, Owner

## State of California Draft 2020-2024 Federal Consolidated Plan

Occupied Rehabilitation (OOR), and TBRA (i.e., program activities), and a 5 percent minimum allocation for FTHB new construction or rehabilitation/conversion activities (i.e., FTHB projects). For FY 2019, in the table above, the 55 percent allocation for renters reflects anticipated demand for rental new construction or rehabilitation projects.

The 10 percent for homeless assistance and prevention activities reflects anticipated demand for HOME TBRA activities for FY 2019 due to HUD allowing unit inspections and income determinations as eligible project-related soft costs for TBRA, as well as an anticipated increase in the need for TBRA due to lack of other rental assistance, continued focus on Rapid Re-housing (RR) for homeless households, or assistance provided as a result of local, state, or federally declared disasters.

NHTF: Per 2017 Assembly Bill 74, NHTF funding allocation priorities are based on the state's current homeless crisis. Per Title 24 Code of Federal Regulations, §93.250, all NHTF will target homeless or households that are extremely low-income. HCD will allocate these NHTF funds competitively to developers for operating reserve grants and capital loans for new Supportive Housing opportunities to assist the Housing for a Healthy California (HHC) program's Target Population. Target Population means a person who is Chronically Homeless or is Homeless and a High-cost health user, as defined by HCD's HHC program guidelines located on HCD's website at <http://www.hcd.ca.gov/grants-funding/active-funding/hhc/docs/HHC-Final-Guidelines.pdf>. HCD will maximize NHTF's deep targeting requirements by devoting 100 percent of its NHTF allocation to the production of new rental housing units. Increasing the supply of rental housing is a priority need in the state's Consolidated Plan.

ESG: With the redesign of the ESG program, HCD has moved its focus from provider competition to a more formula-based method of distribution for Local Continuums of Care (CoC) Service Areas (SA), using a formula that utilizes Point-in-Time count (PIT), poverty rate, and renter cost burden data for extremely low-income households. (See AP-30 for more information on methodology).

HOPWA: A statutory goal of HOPWA is to prevent or alleviate homelessness among persons living with HIV. CDPH/OA allocates HOPWA funds through a formula process based on the most recent reported HIV and AIDS cases by county. This allocation formula was developed to ensure equity of funding to all non-Eligible Metropolitan Statistical Areas (EMSA) of California while allocating proportionately larger amounts to the communities most impacted by HIV/AIDS. To promote the use of HOPWA funds for housing assistance activities, the California Department of Public Health, Office of AIDS has limited supportive services activities to 20 percent of a project sponsor's allocation.

CARES Act: The CARES Act CV funds identified specific goals and purposes for the funding to best address the community impacts of the COVID-19 pandemic. HUD provided short- and intermediate-term waivers of certain regulations and requirements to support dispersing CV funding quickly and focusing on specific needs. These included FMR waivers for the ESG-CV funding and a waiver of the public services cap for expenditures related to COVID-19 response for CDBG-CV.

**How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?**

The Consolidated Plan identifies six priority needs, associates six goals with these needs, and associates specific goal outcome indicators (objectives) with these goals. The ConPlan goals are:

- Increase housing affordability (Priority Need: Improved access to affordable housing) (Goal Outcome Indicators: Households Assisted, Housing Units Added)
- Addressing and preventing homelessness (Priority Need: Homelessness prevention and assistance) (Goal Outcome Indicators: Households Assisted, Persons Assisted)
- Economic Development (Priority Need: Increase economic development opportunities) (Goal Outcome Indicators: Jobs Created/Retained, Businesses Assisted, Persons Assisted)
- Maintain or improve public facilities and infrastructure (Priority Need: Neighborhood stability and sustainability) (Goal Outcome Indicators: Area Benefit (total people assisted), Persons Assisted)
- Maintain or improve access to public services (Priority Need: Community-based public services) (Goal Outcome Indicators: Area Benefit (total people assisted), Persons Assisted)
- Recovery assistance for natural disaster survivors (Priority Need: Disaster recovery and climate resilience) (Goal Outcome Indicators: Households, Persons, Areas)

The proposed distribution of funds addresses all of the goals identified in the ConPlan by allocating funding to activities that will contribute directly to each of the goal outcome indicators. The proposed allocations will be determined by the goal priorities set in the ConPlan (High or Low), by applicant demand for each activity, and federal and state statutory or regulatory requirements for the use of the funds.

## **AP-30 Methods of Distribution – 91.320(d)&(k)**

### **Distribution Methods**

#### **CDBG (Community Development Block Grant)**

HCD's CDBG program partners with rural cities and counties to improve the lives of low-and-moderate-income residents through the creation and expansion of community and economic development opportunities in support of livable communities. The CDBG program is running a two-year NOFA to help address lagging program performance. The Department combined the 2019 and 2020 CDBG funds, and the below method of distribution applies to both program years, and does not separate out the 2019 and 2020 funding.

#### **1. Describe the state program addressed by the Method of Distribution.**

The state CDBG program uses a NOFA application process where eligible cities and counties apply for funding awards both competitively and over the counter (OTC) for a variety of programs and projects intended to align with the goals and priorities identified in this ConPlan. Federal requirements mandate a set aside for Colonias, for which the state sets aside 5 percent of its allocation each year.

Additionally, state statute requires that at least 51 percent of HCD's CDBG allocation from HUD be made available to housing and housing related activities; 30 percent shall be set aside for Economic Development (ED) projects and programs; and at least 1.25 percent of the total amount of funds shall be set aside for eligible Native American activities benefiting non-federally recognized Native American communities or tribes.

In FY 2019, HCD completed a two-year redesign collaboration with the HUD and CDBG stakeholders. The goal of the redesign was to achieve the following objectives:

- Align the state CDBG Program in California with the federal regulations that govern the Program.
- Increase local capacity to plan for and operate the Program.
- Improve Program communication and operations.
- Ensure activities are implemented and funds expended by grant recipients in a timely manner.
- Address materials findings in Program operations as discovered by HUD.

This redesign has been facilitated through a new online grants management system that provides cloud-based access to program applications and grant management tools. The grants management system is being piloted through the release of a two-year

NOFA that includes CDBG funds for award year 2019 and 2020 totaling approximately \$60 million.

**2. Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

With the redesign there were substantial changes made to HCD's application process. With the 2020 NOFA, HCD offered both competitive and Over-the-Counter programs under the housing, non-housing and economic development categories. Applicants are allowed to apply for up to six eligible activities in any of the categories.

Need and Benefit: HCD will assess the Applicant's program/activity description to ensure that it meets a National Objective. This assessment will include the review of the Applicant's narrative to ensure there is a clear description of why the program/activity is needed in the service area, who the beneficiaries will be, where it will take place, when it will be implemented and completed and how it will be completed.

Readiness: The 2020 NOFA has made readiness a main measurement for both the OTC and Competitive categories.

Applicants applying for funds in the competitive programs are also required to document that projects/activities are ready to start once funding is received. Those readiness criteria vary based on the activity category that is being applied for.

Jurisdictional Capacity and Past Performance: Applicants in both categories will be required to demonstrate the capacity to implement the proposed activity, as demonstrated by performance, including timeliness of clearance of General and Special Conditions, reporting, and cooperation in clearing audit and monitoring findings.

For the 2020 NOFA Applicants are not being scored on past performance as HCD has redesigned the program and a new system is being used to track reporting. Applicants are required to certify that they are in good standing with HCD, provide HCD with current single audits, where applicable, and provide documentation of remediation for any monitoring findings that may be open.

State objectives: Under the OTC category Applicants are required to document they have met the state objectives as identified in the NOFA. Under the competitive category Applicants will receive 50 points if they document the following HCD priority objectives: 1) Access to Opportunity (e.g. public outreach, diversity of investment in areas of low opportunity, and investment in areas of high opportunity to provide access to these areas for low income families), 2) Disaster Resiliency Long-Term Planning to incentivize

local jurisdictions to incorporate hazard mitigation and disaster resiliency planning. More clarification on these HCD priorities is provided in the NOFA.

Future CDBG-CV funding may have different criteria than those above, which are for the standard CDBG program. CDBG-CV funding may reflect specific goals or priorities intended to provide response to the COVID-19 pandemic.

**3. If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

CDBG: The specific scoring breakdowns for all application types are included in Appendices of the NOFA. The NOFA will be made available on HCD's CDBG webpage at <https://www.hcd.ca.gov/grants-funding/active-funding/index.shtml>, however, the Appendices will be kept within HCD's grants management systems. Applicants can access the grants management system at [https://gn.ecivis.com/GO/gn\\_redir/T/vyjsqf2kekyx](https://gn.ecivis.com/GO/gn_redir/T/vyjsqf2kekyx).

The evaluation criteria are also contained within the state's CDBG Program 2019 Guidelines, HCD's AAP, and the 2020 NOFA. All of these documents are available at <https://www.hcd.ca.gov/grants-funding/active-funding/cdbg.shtml>.

CDBG-NDR: All application documents can be found at: <https://www.hcd.ca.gov/community-development/disaster-recovery-programs.shtml>. The NDR page has been redesigned to accommodate all DRGR Quarterly Progress Reports and other reporting requirements. The navigation function has been designed so the reports and information are easily found and accessible.

CDBG-DR: Information about the CDBG-DR program can be found at the following link: <https://www.hcd.ca.gov/community-development/disaster-recovery-programs.shtml>

**4. Describe how resources will be allocated among funding categories.**

Pursuant to state CDBG regulations, funding allocations are based on demand once state administration funding amounts and state and federal set-aside amounts have been accounted for.

The 2019-20 NOFA: The 30 percent, approximately \$18 million for FY 2019-20, set aside for allocation to economic development will be made available for Economic Development Over the Counter and Competitive activities. The balance of funds will be made available to community development activities if there is insufficient demand for these activities under the set asides.

At least 51 percent, approximately \$30.6 for FY 2019-20, of awarded funds of the Community Development allocation will be made available in supporting housing and housing related activities, including housing related public improvement projects. Public service activities will be capped at 15 percent, with the exception of COVID-19 activities, which are exempt from the public services cap. Once these funding requirements have been met, the remaining funds will be awarded down the list of scored applicants. The allocation for Colonias is determined based on a 5 percent set-aside, approximately \$3 million for FY 2019-20. The allocation for Nonfederal recognized tribes is based on a 1.25 percent set-aside at about \$750,000.

##### **5. Describe threshold factors and grant size limits**

Applicants applying for both OTC and Competitive Programs must meet the state and federal CDBG regulation threshold requirements at time of submittal. These threshold requirements are detailed in the 2019-20 NOFA and in the application. The NOFA can be accessed at <https://www.hcd.ca.gov/grants-funding/active-funding/cdbg.shtml>.

Grant size limits: Under 2019-20 CDBG NOFA the maximum total grant award for all activities combined is \$3.5 million per jurisdiction, with the exception of economic development projects which have a \$6 million per project limit. This maximum does **not** include Program Income. Jurisdictions that commit Program Income to an Activity may exceed the maximum grant award total, including Program Income. In no event shall the new grant award exceed the maximum per jurisdiction limit of \$3.5 million. Per jurisdiction limits do not include Colonia and Native American set-asides.

Housing Community Development Activities:

- Single-Family Housing Rehabilitation Program, 1-4 units - up to \$1 million
- Homeownership Assistance Program - up to \$1 million
- Housing Project: Multifamily Rental (5 or more units), Rehabilitation with or without acquisition - up to \$3.5 million
- Housing Project: Acquisition of Real Property for Multifamily housing projects - up to \$3.5 million
- Public Improvements in Support of Housing: New Construction - up to \$3.5 million

Non-Housing Community Development Activities:

- Public Improvements (other than In Support of Housing or Businesses) - up to \$3.5 million
- Public Facility - up to \$3.5 million
- Project Predevelopment (limited to 2 grant awards this NOFA) - up to \$500,000

## State of California Draft 2020-2024 Federal Consolidated Plan

- Public Services - up to \$500,000
- Planning & Technical Assistance - up to \$250,000

Economic Development Activities: Activities have a maximum total grant award limit of \$6 million, including all Activities except ED OTC, Colonia, and Native American set-asides. The ED OTC a stand-alone application and subject to the limits below:

ED Competitive applications:

- Business Assistance - up to \$750,000
- Micro-Enterprise Assistance - up to \$500,000

ED OTC applications:

- Public Infrastructure In-Support of Businesses - up to \$6 million
- Commercial/Industrial Building Acquisition, Construction, Rehabilitation, or other improvements - up to \$6 million.

Colonias and Native American Communities: Applications may be in addition to other applications submitted by an eligible jurisdiction. Applications submitted under this section will be independently evaluated and ranked against other applications for these respective special allocations, without regard to the ranking of an application submitted pursuant to another section of this NOFA. Applications for these allocations are not included in the per-jurisdiction grant award maximums.

### **6. What are the outcome measures expected as a result of the method of distribution?**

With FY 2019-20 funds, CDBG expects to assist eligible households and persons and address deficiencies in infrastructure and facilities, while improving economic opportunities. The specific goals and goal outcome indicators associated with CDBG activities are:

- Increase housing affordability (Goal Outcome Indicators: Households Assisted, Housing Units Added)
- Addressing and preventing homelessness (Goal Outcome Indicators: Households Assisted, Persons Assisted)
- Economic Development (Goal Outcome Indicators: Jobs Created/Retained, Businesses Assisted, Persons Assisted)
- Maintain or improve public facilities and infrastructure (Goal Outcome Indicators: Area Benefit (total people assisted), Persons Assisted)

- Maintain or improve access to public services (Goal Outcome Indicators: Area Benefit (total people assisted), Persons Assisted)

## ESG Program

### 1. Describe the state program addressed by the Method of Distribution

As authorized by [Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act](#) (42 U.S.C. 11371-11378) and the federal [Homeless Emergency and Rapid Transition to Housing Act \(HEARTH\) Act](#), 100 percent of ESG funds activities must address homelessness. HCD's ESG program is distributed by formula to two separate allocations, CoC and Balance of State (BoS). CoC allocations contain a city or county that receives ESG funds directly from HUD. BoS funds are allocated to Service Areas (SA) that do not contain a city or county that receives ESG funds directly from HUD.

The ESG program aims to do the following: align with local systems' federal ESG and HEARTH goals; invest in impactful activities based on key performance goals and outcomes; and improve geographic distribution of funded activities and continuity of funded activities and create a streamlined delivery mechanism. Pursuant to current state regulations, eligible applicants are local governments and nonprofit corporations. Federal ESG funding will continue to be directed towards non-entitlement areas throughout the state; however, under the redesigned program, funding can be used in Entitlement areas.

As discussed earlier, the program utilizes a formula-based method of distribution for CoC and BoS SA, using a formula that considers homeless PIT count, poverty rates, and extremely low-income household renter cost burden data. HCD is currently exploring alternate, more effective, methods of distribution and plans to implement a new method of distribution in future years. All of ESG's federal funds go to address homelessness and may be used for Emergency Shelter (ES), Homeless Prevention (HP), Street Outreach (SO), Rapid Rehousing (RR), and the Homeless Management Information System (HMIS) ([24 CFR §576.100](#)). Federal regulations cap the amount that can be used for ES/SO at 60 percent, and HCD generally limits the amount that can be received for HMIS per application to no more than 10 percent of the available funds. RR will remain the priority for ESG funds with a minimum required 40 percent used towards RR.

### 2. Describe all of the criteria that will be used to select applications and the relative importance of these criteria

As stated above, ESG funds will be allocated to two separate funding pools; the CoC allocation and the BoS allocation.

## State of California Draft 2020-2024 Federal Consolidated Plan

Within the CoC allocation, local government Administrative Entities (AEs) will select applications for funding pursuant to the criteria set forth in ESG regulations, California Code of Regulations (CCR), title 25, division 1, chapter 7, subdivision 20, section 8403(g), and administer ESG contracts. Further discussion of the CoC allocation is provided in the narrative below.

Under the BoS allocation, for the 2020 funding round, up to 50 percent of the funds will be available noncompetitively to each BOS SA. The remaining balance will be available within the three-regional competitive set-asides set forth under ESG regulations section 8404(a)(3), HCD will select providers for funding according to the application eligibility criteria set forth under section 8406 and the application rating criteria set forth under section 8407. Further discussion of the BoS allocation is also provided in the narrative below.

### CoC allocation

Within the CoC allocation, AEs will be selected by HCD to administer an allocation of funds provided pursuant to the formula factors set forth under section 8402 of the state ESG Regulations. These AEs must be local governments of ESG Entitlement Areas and must commit to administering ESG funds, in collaboration with their CoC, throughout their CoC SA, including ensuring access to ESG funds by households living in non-entitlement areas. AE and CoC qualifications are set forth in state ESG Regulation section 8403(d) and (e). A minimum of 40 percent of each AE ESG allocation must be used for RR activities.

HCD will enter into a contract with the AE, and the AE will contract directly with its selected providers. The AE shall collaborate with the CoC in administering an application selection process which complies with section 8403 (g) of the ESG regulations. The process must: (1) be a fair and open competition which avoids conflicts of interest; (2) follow procurement requirements of 24 CFR Part 200; (3) evaluate provider capacity and experience, including the ability to deliver services in non-entitlement areas; (4) evaluate eligibility and quality of services, including adherence to Core Practices pursuant to ESG regulations section 8409; (5) utilize data and consider community input to identify unmet needs; (6) prioritize activities that address the highest unmet need, considering other available funding and system-wide performance measures; and (7) consider project-level performance measures when evaluating proposals.

An AE can also enter into an agreement with a geographically contiguous CoC in the BoS allocation to administer 100 percent of the funding attributable to both CoC SAs for RR activities in accordance with section 8403(a)(1) of the ESG regulations.

BOS allocation

Noncompetitive allocation

CoC in the BoS allocation are those that have no ESG entitlement jurisdictions within their CoC SA. Within this allocation pool, CoC may select providers to receive a portion of funds available under the formula allocation noncompetitively for RR. HCD will administer these contracts with providers. In recommending providers for these funds, the CoC shall follow a process that meets the requirements of ESG Regulation section 8404(a) (2). The current limits on the percentage of funds and number of contracts that can be accessed noncompetitively for RR are set forth in the state ESG Regulations under the heading “Minimum and maximum percentage of an ESG allocation that can be accessed noncompetitively for Rapid Rehousing”.

Competitive allocation

Funds available through the competitive allocation are divided up into three geographic regional allocations (Northern Region, Bay Area Region, and the Central and Imperial Valley Region). Programs within each of these regions apply for the funds. Applications are evaluated based on the following competitive application rating criteria:

- Applicant Experience (20 points) - An evaluation of length of experience and prior ESG program performance.
- Need for Funds (10 points) - Whether the application activity and subpopulation targeting, if any, meets a high need for the community as identified by the CoC in a manner that is consistent with the requirements of ESG regulations section 8409 (required Core Practices).
- Program Design (20 points) – The quality of the proposed program in delivering eligible activities to participants consistent with the Written Standards of the CoC and Core Practices as set forth under ESG regulations section 8409.
- Impact and Effectiveness (30 points) – The Impact and Effectiveness measures for fiscal year 2019-20 are discussed in the 2019-20 ESG NOFA under the heading “HMIS Project and System-Level Impact and Effectiveness Performance Metrics.”
- Cost Efficiency (10 points) - Using HMIS data from the most recent ESG contract year, applications will be evaluated based on the average cost per exit to permanent housing based on the total ESG project budget and the number of exits to permanent housing.

**3. Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations (ESG ONLY)**

ESG funds will be distributed to local governments and non-profit homeless service providers in two separate funding allocations pursuant to the formula set forth under section 8402 of the ESG regulations: 1) the CoC allocation and 2) the BoS allocation. See above for a discussion of these two allocations.

**4. Describe how resources will be allocated among funding categories.**

Federal ESG regulations cap the amount that can be allocated to eligible projects under the SO and ES components at 60 percent of HCD's annual federal ESG allocation. Individual homeless service providers may propose uses of funds in accordance with their needs subject to the above restriction as well as the following limitations:

CoC allocation

Within the COC allocation, ESG regulations section 8403(i) requires that not less than 40 percent of the CoC allocation awarded by an AE be for RR except if funds are administered by an AE for two contiguous SAs. In this scenario, 100 percent of the funds must be used for RR. HMIS is limited to 10 percent per application under state regulations section 8408.

BoS allocation

For 2020, BoS must use a minimum of 40 percent and a maximum of 50 percent of their Noncompetitive allocation for RR. BoS Homelessness Prevention funds are limited to 10 percent per application and can only be used in combination with an RR or ES application. If applied for as part of a noncompetitive RR application, SO funds are limited to 10 percent per application. (State regulation section 8404(b)). HMIS is limited to 10 percent per application under state regulations section 8408.

As permitted by the ESG State Regulations, the following additional limits apply for FY 2020: Caps on amounts available under the formula (section 8402(d))

No one CoC SA may receive more than 10 percent of the total amount of funds available under the allocation formula in a given funding round.

Amounts available for Administrative Activities and Indirect Cost allocation (section 8402(a) and 8404(b)).

ESG Administration - AEs under the CoC allocation may receive approximately 2.6 percent of their formula allocation for Administration as defined in the federal regulations. For the BoS allocation, grant Administration of up to \$200 per application may be requested by local government service provider applicants per 24 CFR §576.108. No other Administration funds will be provided for the CoC or BoS allocations.

HMIS Project and System-Level Impact and Effectiveness Performance Metrics (8407 (a) (4))

CoC allocation: AEs may establish their own project-level HMIS performance metrics by which to evaluate applications submitted to them for ESG funds.

BoS allocation: Scoring for the Performance Outcomes in the Impact and Effectiveness rating factor will be evaluated using data from HMIS from October 1, 2018- September 30, 2019, or, for those projects not in operation during this entire time period, the most recent 12-month period. For data coming from Victim Service Providers (VSP), data from a HUD-compliant comparable database may be used.

Project-Level Performance Metrics Data

BoS allocation: The project level measures are as follows: (1) Average length of project participation for individual leavers and (2) Leavers exiting to permanent housing. Scores assigned will be based on relative success rate. For project-level performance metrics, programs of the same activity type (i.e. SO, ES, RR) will only be compared against programs of that same activity-type.

System-Level Performance Metrics data

CoC allocation: System-level performance metrics within SAs under the CoC allocation will be monitored by HCD at a later date.

BoS allocation: Reports submitted by the CoC must be consistent with Measures. Scoring will be based on the either one of the following two measures over the 12-month period ending September 30, 2019: 1) The change in Exits to Permanent Housing, (Measure 7b1, or as may be renumbered by HUD); or 2) Increases in the number of Chronically Homeless served, as measured under Metric 3.917, or as may be renumbered by HUD.

## **5. Describe threshold factors and grant size limits**

All funded activities must meet program eligibility criteria as set forth in ESG state Regulations section 8406 and this AP. Grant size limits are discussed above.

Application threshold factors under the BoS regional competition are summarized below, pursuant to section 8406.

1. The applicant is an eligible organization and is recommended by the CoC;
2. The CoC meets the requirements of section 8404(a)(1);
3. The application proposes an eligible activity in the CoC SA consistent with section 8408;

## **6. Minimum and Maximum Grant Limits**

CoC allocation: Where there is an approved AE, AEs will be responsible for setting any minimum and maximum grant amounts since they will be evaluating provider applications and managing the contracts. HCD will be monitoring AEs to ensure that they can effectively manage the number of awards they make.

BoS allocation: *Noncompetitive allocation* – no individual application minimum and maximum grant amounts will be established by HCD for this allocation. The amount of each individual application for available funds within this set-aside shall be determined by the CoC.

*Competitive allocation* - each application submitted must be for a minimum of \$75,000 and a maximum of \$200,000. These amounts include amounts requested for all eligible activities, including HMIS and Indirect Costs.

## **7. What are the outcome measures expected as a result of the method of distribution?**

As stated previously, the method of distribution is designed to better align with local systems, federal ESG and HEARTH goals. The specific goal and goal outcome indicators associated with ESG activities in the Strategic Plan is addressing and preventing homelessness (Goal Outcome Indicators: Households Assisted, Persons Assisted).

For fiscal year 2019-2020, ESG anticipates serving approximately 2,700 RR recipients, 19,000 persons with ES, and 335 persons with HP services.

## **HOME Program**

### **1. Describe the state program addressed by the Method of Distribution**

The HOME Investment Partnerships Program (HOME) provides funds for Project Activities (PJ) and Program Activities (PA) on a competitive basis and/or over the counter (hereinafter “OTC”) annually through a periodic Notice of Funding Availability

(hereinafter “NOFA”). The competitive method will be utilized unless there is a business need to utilize the OTC method in order to obligate each year’s allocation.

Project Activities are activities with an identified site at the time of application for HOME funds. These activities include Rental New Construction or Rehabilitation projects and First-Time Homebuyer (hereinafter “FTHB”) New Construction or Rehabilitation/Conversion projects. Based on applicant demand, HOME allocates roughly 60 percent of its funds to project activities on an annual basis, with 55 percent of total funds to rental projects and 5 percent to FTHB projects. Within the rental project allocation, HOME may offer additional Deep Targeting (DT) funds to rental projects to reduce private mandatory debt and facilitate more-affordable rents.

Program Activities are activities without an identified site at the time of application for HOME funds, meaning that HOME applicants apply for a specified amount of funds, and once awarded, advertise their housing program(s) and provide these funds to individual low-income households that qualify for participation. Eligible program activities include FTHB acquisition with or without rehabilitation, FTHB infill new construction, Owner-Occupied Rehab (OOR), and Tenant-based Rental Assistance (TBRA). Based on applicant demand, HOME allocates roughly 40 percent of its funds to program activities in each NOFA release.

Eligible applicants for HOME funds are:

- a) Local governments that do not receive a direct allocation of HOME funds from HUD,
- b) Local governments that do not participate in a HOME Consortium or a HOME Urban County Agreement, and
- c) State-certified HOME Community Housing Development Organization(s) (hereinafter “CHDOs”) that provide housing in these localities.

Effective January 1, 2017, state HOME regulations were amended to expand the availability and competitiveness of HOME-funded project activities for developers, including Native American Entities. The state considers American Indian reservations or Native American lands to be within the boundaries of the applicable state HOME eligible jurisdictions listed in Appendix A.

State HOME regulations require that a minimum of 50 percent of funds go to activities located in rural census tracts. Federal regulations require that a minimum of 15 percent of funds be allocated to CHDOs. TBRA funds can be used in all HOME eligible jurisdictions in the county where the funds were awarded, and not just in the particular jurisdiction to which the funds were awarded. TBRA tenant leases cannot exceed 24 months but can be renewed if additional TBRA funds are secured. In California, there

are many market conditions that justify the use of HOME funds for TBRA, including tenant income compared to fair market rent and housing cost burden. State recipients may establish preferences pursuant to federal and state HOME requirements for use of HOME TBRA funds to serve victims of local, state, or federally declared disasters. Preferences for TBRA funds may also be established for tenants displaced if HCD determines that existing rental assistance will not be continued or renewed.

Additional preferences for special needs populations, including the needs of persons with mobility, sensory, mental health and intellectual disabilities, may be approved by HCD consistent with federal and state regulations and fair housing laws. Prior to approving any preferences in the use of TBRA funds, HCD will determine whether an unmet need exists for which the preference is necessary to narrow the gap in benefits and services received by such persons. Any TBRA preferences must be established under the jurisdiction's HOME TBRA guidelines and these guidelines must be approved by HCD. Before using HOME TBRA funds, the applicable TBRA requirements at 24 CFR part 58 must also be met.

**2. Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Below is a summary of the HOME rating criteria. For additional information, see section 8212 of the state HOME regulations at <http://www.hcd.ca.gov/grants-funding/active-funding/home.shtml>. (Note: in a federal, state, or locally declared emergency, the state may utilize an alternate method of distribution to enable funds to be allocated quickly to impacted areas.)

1. Housing Element Compliance (50 points) - Provides points to cities or counties with an adopted housing element that has been approved by HCD. Projects developed on American Indian reservations or Native American lands as defined by section 8201(y)(1) receive full points for this rating factor. CHDOs, developers, and newly formed cities receive full points in this rating category.
2. Direct Home Allocation Declined (50 points) - HOME entitlement jurisdictions that have given up their HOME formula allocation to compete in the state HOME Program receive additional points.
3. Rural Points (50 points) - Activities proposed in rural census tracts receive additional points.
4. State objectives (up to 200 points) - For FY 2018 HOME funds, HCD may award state objective points to one or more of the following:
  - a. applications that provide deeper affordability;
  - b. activities that can be set up and funded quickly;
  - c. applications that demonstrate expeditious or efficient use of HOME funds;

## State of California Draft 2020-2024 Federal Consolidated Plan

- d. applications that can be funded in a manner which promotes capacity building and continuity of housing activities;
- e. applications that target special needs populations, including the needs of persons with mobility, sensory, mental health and intellectual disabilities, as permitted under federal and state antidiscrimination and fair housing laws, HOME requirements;
- f. applications that serve victims of local, state, or federally declared disasters,
- g. applications that promote community revitalization of mobile home parks;
- h. applications that promote geographic diversity;
- i. applications that address fair housing impediments; and
- j. activities that complement other state or federal programs or policy objectives.

HCD will also be providing state objective points for two of its three housing and community development priorities:

- a. Homelessness; and
- b. Access to Opportunity. Further information and guidance on these additional state objective factors is in the NOFA. For the 2019 NOFA, it is HCD's goal to increase state objective points for HOME.

Additional Rating Factors for Program Activity Applications:

1. Applicant Capacity: (250 points) - Examines past performance on HOME contracts, as well as experience with other activities. Performance points may be deducted for failure to submit required reports in a timely manner and failure to cooperate with monitoring or contractual requirements identified by HCD in the last five years.
2. Community Need: (250 points) - Examines census data, such as poverty rates, age of housing stock, housing overcrowding, and home sales prices compared to median incomes in the locality.
3. Program Feasibility: (100 points) – For FTHB programs, this factor examines the financial feasibility of the activity at proposed sales prices, income targets, and assistance levels. For OOR programs, this factor examines feasibility as reflected through need by census data, such as overcrowding and age of housing stock. For TBRA programs, this factor examines feasibility as reflected through need by census data, such as renter overpayment for housing.

Additional Rating Factors for Project Applications:

1. Applicant Capacity: (450 points) - Examines past performance on HOME contracts, as well as experience with other activities. Points may be deducted for any of the following: missing HOME performance deadlines in the last five years; failure to submit required reports in a timely manner; material misrepresentations of fact which jeopardize the HOME investment or put HCD at risk of a serious monitoring finding; and failure to cooperate with monitoring requirements identified by HCD in the last five years.
2. Community Need: (250 points) - Examines census data, such as poverty rates, vacancy rates, age of housing stock, housing overcrowding, and home sales prices compared to median incomes in the locality.
3. Project Feasibility: (200 points) - Both rental and FTHB projects earn points based on the percentage of HOME-assisted units. Rental projects must demonstrate compliance with HCD's Uniform Multifamily Regulations (UMRs) and HOME requirements. FTHB projects must demonstrate the ability of the proposed project to meet HOME requirements, including demonstrating the adequacy of the proposed development budget, the market for the project, and the affordability of the project.
4. Readiness: (300 points) - Examines the project development plan, as well as the status of local government approvals, design progress, and financing commitments.

**3. Describe how resources will be allocated among funding categories**

Pursuant to state HOME regulations, a minimum of 40 percent will be allocated to program-activity applications, (FTHB, OOR, and/or TBRA activities), and 5 percent will be allocated to FTHB projects. Fifty-five percent of funds are typically available for rental project new construction or rehabilitation projects, based upon applicant demand in a given NOFA cycle.

**4. Describe threshold factors and grant size limits**

Grant size limits are in the applicable NOFA and may change as the size of the HOME allocation changes. HOME threshold factors are discussed below. For more information, see sections 8211 and 8212 of the state HOME regulations.

To be eligible for funding, an application must be submitted by an eligible applicant by the deadline stated in the applicable NOFA. The total amount requested in an application cannot exceed the amounts specified in the NOFA for the particular eligible activity(ies). Applicants may be held out from competition due to performance problems

with current HOME contracts, such as failure to submit required Single Audit documentation to the State Controller's Office or unresolved audit findings.

Applicants for program activity funds with one or more active state HOME contracts must have expended at least 50 percent of the aggregate total of program funds originally awarded under these contracts to be eligible to apply for additional program activity funds. Applicants for projects that miss three project deadlines are currently ineligible to apply for funds in the next NOFA. However, HCD may waive this holdout penalty if the missed project deadline was clearly outside the control of all of the following parties: the applicant, developer, owner, and managing general partner.

Project applications must show adequate evidence of site control and demonstrate financial feasibility. HOME requires certain documents to evaluate feasibility, including, but not limited to, a market study (or other market information for FTHB development activities), appraisal, and Phase I/Phase II Environmental Site Assessments (ESA) for new construction projects or lead, asbestos, and mold assessments for rehabilitation projects. Project applicants must also certify there are no pending lawsuits preventing implementation of the project as proposed. FTHB projects and all program activities must also submit guidelines governing the allocation of mortgage assistance funds to individual homebuyers. Rental projects must demonstrate compliance with Article XXXIV of the California Constitution and CHDO applicants must also demonstrate effective project control pursuant to federal and state HOME requirements.

All proposed HOME activities must be evaluated according to underwriting standards addressing federal HOME requirements at 92.250 and 92.254, as applicable. For more information see sections 8211 and 8212 of state HOME regulations.

#### **5. What are the outcome measures expected as a result of the method of distribution?**

The specific goals and goal outcome indicators associated with HOME activities in the Strategic Plan are:

- Increase housing affordability (Goal Outcome Indicators: Households Assisted, Housing Units Added)
- Addressing and preventing homelessness (Goal Outcome Indicators: Households Assisted, Persons Assisted)

Based on trends in prior year completion data and additional demand for TBRA, in the upcoming fiscal year HOME estimates completing construction on 250 rental units (includes Rental New Construction and Rental Rehab) and 42 homebuyer units (FTHB

New Construction); rehabilitating 74 OOR units, assisting 91 FTHB program activity households, and providing TBRA to 92 households.

### **NHTF**

The NHTF method of distribution has been tied to the Housing for a Healthy California program through 2021. That program uses a competitive application process to identify eligible projects and award funds. The Department will be developing guidelines for the NHTF program during the 2020-2021 program year to prepare for the 2022 allocation which will need a specific method of distribution. To see the current method of distribution, visit the Housing for a Healthy California program at the following link: <https://www.hcd.ca.gov/grants-funding/active-funding/hhc.shtml>.

### **CARES Act**

Methods of distribution for Cares Act funds will be identified and amended into the appropriate plans as funds are identified.

**AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No

**If yes, Describe available grant amounts.**

HCD has considered CDBG economic development projects for Section 108 funding. However, large-scale projects that would support the federal Section 108 funding have not been identified at this time.

**Acceptance process of applications**

There are none at this time. The state has not historically operated a Section 108 program.

**AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

No.

**State’s Process and Criteria for approving local government revitalization strategies**

Not applicable. The state Community Development Block Grant (CDBG) program does not currently have a Community Revitalization Strategies (CRS) program. CDBG program participants and stakeholders prefer individual activities in specific areas of greatest need.

## **AP-48 Method of Distribution for Colonias Set-aside – 91.320(d)&(k)**

### **Introduction**

Colonias are jurisdictions along the U.S. and Mexico border that frequently experience advanced needs for housing, water, and sewer challenges. The National Affordable Housing Act of 1990 established allocations to support Colonias in addressing deficiencies in housing, access to potable water, and sewer improvements. The new Community Development Block Grant (CDBG) guidelines allow for up to 10 percent of CDBG funding to be set aside for Colonia applications, which aligns with federal regulations. This allows for the CDBG program to be responsive in the event additional funding needs to be made available for the Colonias. Typically, the state has met the federal requirement for the Colonia allocation by setting aside 5 percent of CDBG funding for Colonia applications. The state plans to continue to use the 5 percent set aside for Fiscal Year (FY) 2019 as it rolls out the new method of distribution.

Colonia programs, projects, and service applications should align to the specific needs of Colonias, with a focus on housing, access to potable water, and sewer improvements. To support this focus, the Colonia set aside is allocated to the community development component of the 2019 Notice of Funding Availability (NOFA). Economic development and public service applications will not be eligible through the Colonia allocation, though jurisdictions may apply for economic development and/or public service activities from the economic development set aside and the general CDBG allocation, in addition to a Colonia activity application. The Colonia applications are subject to the same method of distribution identified in the CDBG method of distribution.

### **Distribution Methods**

Applicants will be able to identify if they are applying for Colonia allocation funds in their competitive or over-the-counter application. For details in both the competitive and over-the-counter application process, please see the CDBG method of distribution. Competitive applications will include housing assistance programs, such as homebuyer assistance and housing rehabilitation, and planning grant applications. Over-the-counter applications will include multifamily housing rehabilitation, public improvements in support of housing, and public infrastructure and facility projects that increase access to potable water and sewer improvements. Only the Colonias in Imperial County are eligible for the Colonia set aside through the state CDBG program.

The criteria for the Colonia set aside applications is the same as the criteria for the state CDBG applications as a whole. Programs (single-family housing assistance) and planning applications will be submitted through the competitive process while projects

(multifamily housing rehabilitation, public improvements in support of housing, and public facility and infrastructure project focusing on water and sewer improvements) will be submitted over the counter. Competitive application criteria will focus on need, readiness, capacity and past performance, and state objectives. Competitive applications will focus on readiness and capacity and past performance, which includes performance on the state objectives. For specific details about the criteria, see the CDBG method of distribution. The Colonia set aside will not be eligible for economic development or public services activities, though Colonia jurisdictions may apply for Colonia eligible activities in addition to general CDBG programs, services, planning, and projects.

**Describe how resources will be allocated among funding categories**

Pursuant to state CDBG guidelines, funding allocations are based on demand once state administration funding amounts and state and federal allocated amounts have been accounted for. The allocation for Colonias is determined based on a 5 percent set-aside for FY 2019-20. The Colonias set aside is pulled from the community development funds and may be used for programs and projects that support housing, access to potable water, and sewer improvements. Applications for activities from the Colonia set aside may be made in addition to applications for the general CDBG activities identified in the CDBG allocation among funding categories.

**Describe threshold factors and grant size limits.**

All applications must meet federal and state thresholds and overlays to be eligible for funding. Please see the CDBG method of distribution for the CDBG threshold and overlay table. The Colonia set aside is subject to the same thresholds and overlays as the other set asides and allocations in the state CDBG program.

**Grant size limits:** The following grant limits apply to the Colonia set aside only. The 2019 NOFA maximum application limit for Colonia funding will be 5 percent of the CDBG allocation or at least approximately \$3 million. Colonia applications may apply for the full amount of set aside for an eligible project. Grant size limits will be in the applicable NOFA and may change as the size of the CDBG allocation changes.

**What are the outcome measures expected as a result of the method of distribution?**

HCD expects to use CDBG funding to support public infrastructure for water and sewer improvements in the Colonias, as well as improving housing quality in owner and renter occupied units. HCD expects to leverage the Colonia allocation with other CDBG

State of California Draft 2020-2024 Federal Consolidated Plan

funding, as Imperial County has been a regular applicant for multiple CDBG funded projects.

## **AP-50 Geographic Distribution – 91.320(f)**

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

For most programs, assistance is made available to all areas of the state, subject to program eligibility rules. Changes in CDBG- and HOME-eligible jurisdictions may occur annually if jurisdictions join or withdraw from a CDBG Urban County Agreement or a HOME consortium. See AP-30 for each program's current Method of Distribution that sets forth allocation methods or applicant rating criteria that may directly or indirectly impact the geographic distribution of program funds.

In each Notice of Funding Availability, HCD will consider different approaches to promoting the equitable and strategic distribution of funds through geographic targeting. These approaches may include rural set-asides, minimum percentages by broad area (e.g., north, south), incentives for activities in areas providing access to opportunity, and incentives for investment in disadvantaged communities, which can include areas with concentrations of lower-income or racially/ethnically segregated households without decent infrastructure or in close proximity to environmental hazards.

HOPWA: Pursuant to eligibility requirements for HOPWA formula awards, changes in eligible jurisdictions for HOPWA may occur if a Metropolitan Service Area (MSA) reaches more than 500,000 in population and has more than 2,000 persons living with HIV or AIDS annually. Entitlement MSAs annually receive approximately \$36 million in HOPWA funds directly from the U.S. Department of Housing and Urban Development. State HOPWA currently funds EMSAs only, unless there is a compelling reason to assume oversight of a particular EMSA's funding for a limited period.

NHTF: Pursuant to Title 24 Code of Federal Regulations, §91.320(k)(5), the program considers geographic distribution. NHTF funding will be available to all jurisdictions in California. However, HCD will employ geographic distribution methods such as a set-aside at least 20 percent of the NHTF for projects located in rural areas, as defined by §50199.21 of the California Health and Safety Code.

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

The state has no geographic target areas for allocation.

**AP-55 Affordable Housing – 24 CFR 91.320(g)**

**Introduction:**

One Year Goals for the Number of Households to be Supported\Type of Household to be Supported	
Homeless	2319
Non-Homeless	790
Special-Needs	1642
Total	4751

**Table 5 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through Support Type	
Rental Assistance	3961
The Production of New Units	387
Rehab of Existing Units	229
Acquisition of Existing Units	174
Total	4751

**Table 6 - One Year Goals for Affordable Housing by Support Type**

**Discussion**

In Fiscal Year 2020-21, the California Department of Housing and Community Development (HCD), Community Development Block Grant (CDBG), Home Investment Partnerships program (HOME), National Housing Trust Fund (NHTF), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) program plan to assist approximately 4,751 households to access or maintain permanent housing. This figure includes an estimated 3,961 households who will receive short-term rent and/or utility assistance. An estimated 1,642 Special Needs households, including persons with mobility and sensory disabilities, will be assisted through HOME and HOPWA.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

The California Department of Housing and Community Development (HCD) does not own or operate public housing in the State of California. Public housing is administered directly through local Public Housing Authorities (PHAs). Pursuant to the U.S. Department of Housing and Urban Development's requirements, PHAs are also not eligible to apply directly for funds from the following programs: Community Development Block Grant (CDBG), Home Investment Partnerships program (HOME,) National Housing Trust Fund (NHTF), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) program. However, PHAs in eligible jurisdictions can work with eligible applicants to plan for the use of program funds to assist low-income tenants in their communities.

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

PHAs in jurisdictions eligible to apply for federally funded state programs may seek funds for eligible activities through their city or county application development process. For a list of California PHAs, see:  
[https://www.hud.gov/sites/dfiles/PIH/documents/PHA\\_Contact\\_Report\\_CA.pdf](https://www.hud.gov/sites/dfiles/PIH/documents/PHA_Contact_Report_CA.pdf).

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

Since HCD does not administer PHA funds, or have any oversight over PHA tenants, it has no actions directed specifically to public housing residents.

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

There are currently no PHAs designated as "troubled" in the state's CDBG non-entitlement areas.

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

HCD will address the requirements in 24 CFR Section 91.320 by using funds to reduce and end homelessness. For ESG we have over 100 active contracts that work to help transition persons out of institutions, provide funds to service providers for outreach to unsheltered homeless persons in order to connect them to emergency shelters, housing, or critical services, such as HOPWA.

Individuals eligible for the HOPWA program are coordinated through the California Department of Public Health, Office of AIDS (CDPH/OA). The CDPH/OA convenes the California Planning Group which serves as an advisory subcommittee, which identifies the most effective housing services and best practices for integrating HIV health and housing providers. For FY 2020-21, a total of 20 HOPWA projects will be funded with the goal of providing homeless assistance and prevention services.

The NHTF Program increases the supply of affordable supportive housing projects and rental housing for extremely low- and very low-income families, including homeless families. HCD released a NHTF NOFA in June 2018 for approximately \$30 million, utilizing FY 2016 and FY 2017 allocations. Seven projects were awarded in FY 2018-19. The projects will complete predevelopment requirements and be under construction by the end of FY 2019-20.

As authorized by Senate Bill (SB) 850, the California Emergency Solutions and Housing (CESH) Program provides funds for a variety of activities to assist persons experiencing or at risk of homelessness. HCD administers the CESH program with funding received from SB 2 – Building Homes and Jobs Act. The first year's revenues from SB 2 will allocate 25 percent of the 2018-19 Budget to Continuums of Care (CoCs) through the CESH program, and another 25 percent to the Housing for a Healthy California (HHC) program. The CESH program provides funding to CoCs for housing relocation and stabilization services, operating subsidies for permanent housing, flexible housing subsidies, shelter operations, and capacity building. In August 2018, HCD released the first CESH NOFA, making \$53 million available using a portion of SB 2 funds and remaining California Emergency Solutions Grant Program (ESG) funds. All California CoCs applied and were awarded the first round of CESH funds. Please go to HCD's website to see the award list, <http://www.hcd.ca.gov/grants-funding/active-funding/cesh/docs/2017-2018-CESH-Awards-List.pdf>. On March 21, 2019, HCD released the second CESH NOFA for approximately \$29 million.

SB 850 authorizes the Homeless Emergency Aid Program (HEAP), which is a \$500 million block grant program designed to provide direct assistance to cities,

counties and Continuums of Care (CoCs) to address the homelessness crisis throughout California. The Homeless Coordinating and Financing Council (HCFC) released the HEAP NOFA on September 5, 2018.

The Supportive Housing Multifamily Housing Program (SHMPH) provides low-interest residual receipts loans for permanent affordable rental housing that contain supportive housing units. In October 2018, HCD released a NOFA for \$77 million from recaptured Propositions 46 and 1C funding for the SHMHP program, which provides permanent financing for supportive housing developments. HCD amended the NOFA in January 2019 to include approximately \$78 million in Proposition 1 Multifamily Housing Program (MHP) funding. The application deadline was February 8, 2019. For the approximately \$155 million available, HCD received 20 applications requesting approximately \$142 million. An application log and self-score report is located on HCD's website at <http://www.hcd.ca.gov/grants-funding/active-funding/shmhp/docs/2018InitialSHMHPApplicationsandSelf-Scores.pdf>.

HCD has implemented the No Place Like Home (NPLH) program to provide development financing, including capitalized operating subsidy reserves, for rental housing serving extremely low-income individuals, including children and youth, with a serious mental illness who are Chronically Homeless, Homeless, or At-Risk of Chronic Homelessness. In particular, persons At-Risk of Chronic Homelessness will include persons discharged from various institutional settings. Under the program, counties are required to provide mental health services and to coordinate the provision or referral to other services that NPLH tenants may need, including, but not limited to, health, social services, employment, and education. HCD has released \$390 million in available funding to date.

HCD is offering technical assistance (TA) to enhance, develop, build capacity, or improve the design and the delivery of programs and services for people experiencing homelessness. HCD uses an on-demand response model and will deploy consultants to provide assistance to jurisdictions. Three expert consulting firms were selected to provide assistance; Technical Assistance Collaborative, Inc. (TAC), Corporation for Supportive Housing (CSH), and The Center for Common Concerns (Home Base). Each TA request is evaluated on its unique circumstances and challenges to address the Housing First approach, capacity building, and housing stability. Eligible recipients may receive on-site or in-depth remote assistance from homelessness consultants, information through online resources, toolkits, and interactive training and knowledge-building through online courses or webinars, regional workshops and peer to peer learning.

**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**

For fiscal year 2020, ESG funds allow for SO as a stand-alone project or as an add-on with ES or Rapid Rehousing (RR). These services are intended to reach unsheltered homeless individuals and engage them in eligible activities including case management, emergency health and mental health services, transportation, and services for special populations as defined in the federal regulations.

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

ESG funds may be used for the costs of providing ES as defined by federal regulations 24 CFR §576.102. Pursuant to federal regulations, ESG funds cannot be used for transitional housing. In addition to providing temporary shelter, many programs provide a range of essential services necessary to assist people to access and retain permanent housing. Essential services include, but are not limited to, case management, education, job training, childcare, and mental and medical health services. Shelter operations costs include maintenance, rent, security, equipment, utilities, and food. California Department of Housing and Community Development (HCD) estimates 19,000 persons will receive ES utilizing federal fiscal year 2019 ESG funds.

**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 ESG Program funds RR activities that provide short- and medium-term rental assistance and supportive services to homeless individuals and families, and those at risk of homelessness so that they can access and maintain affordable, suitable permanent housing. In the coming year, ESG anticipates that a minimum of 40 percent of its awards will go toward RR activities.

**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**

In administering all of its housing programs, HCD continues to assist persons who are being discharged from publicly funded institutions and systems of care or are receiving assistance from other public or private agencies. Particular focus on assisting persons exiting institutional care is made through the Section 811 Project Rental Assistance (PRA) program. This program provides rental assistance for non-elderly disabled individuals who are exiting long-term care facilities, as well as developmentally disabled persons and others at-risk of institutionalization due to housing instability or homelessness.

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

HOPWA provides Tenant-based Rental Assistance (TBRA), Short Term Rent, Short-term Rent Mortgage and Utility (STRMU) Assistance, housing placement assistance, and supportive services to people living with HIV (PLWH) who are homeless or at risk of homelessness. In addition to homelessness prevention, HOPWA funds may be used to provide temporary shelter (emergency shelter or hotel/motel vouchers) to homeless PLWH while helping them to locate stable housing.

Housing assistance and supportive services allow residents to achieve or maintain housing stability. The prevention of homelessness is an essential component of state HOPWA, as housing is increasingly identified as a strategic point of intervention to address HIV/AIDS and overlapping vulnerabilities (such as age, race, mental illness, drug use, or chronic homelessness). The National AIDS Housing Coalition reports that housing assistance has been shown to decrease health disparities while reducing overall public expense and/or making better use of limited public resources.

**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.**

Homelessness often creates an institutional circuit, where those experiencing it long enough cycle through living on the streets, emergency room visits, inpatient admission, incarceration, and often nursing home stays. In 2017, Assembly Bill 74 (AB 74) established the Housing for a Healthy California (HHC) program, funded through the NHTF, to help with coordinating delivery services between the health and housing systems to further California's goal of eliminating homelessness.

HCD has implemented HHC that creates supportive housing for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services, Medi-Cal program. The goal of the HHC program is to reduce the financial burden on local and state resources due to the overutilization of emergency departments, inpatient care, nursing home stays and use of corrections systems and law enforcement resources as the point of health care provision for people who are Chronically homeless or Homeless and a High-cost health user.

The HHC program is designed to reduce the financial burden on local and state resources due to the overutilization of emergency departments, inpatient care, nursing home stays and other resources as the point of health care provision for people for people who are Chronically homeless or Homeless and a High-cost health user. HCD released the draft guidelines for HHC in December 2018 and released two NOFAs for a combined total of \$93 million in May 2019.

The HHC program fills a critical and necessary gap in overall state housing assistance programs by offering long-term housing assistance to support innovative health care programs targeting California's most vulnerable persons experiencing homelessness. Research suggests that individuals experiencing homelessness, particularly those individuals with multiple chronic conditions, often struggle to receive appropriate health care services and are disproportionately likely to be high utilizers of the health care safety net. For this population, targeted case management services can play an instrumental role in obtaining and maintaining housing and reducing health care utilization while improving health outcomes. The homeless population often has complex medical and behavioral health conditions, high rates of disability, multiple untreated health conditions, and early mortality. Recent data demonstrates that helping

## State of California Draft 2020-2024 Federal Consolidated Plan

to secure permanent housing with targeted case management services for this population not only results in improved health for those individuals, but also results in significant cost savings for programs such as Medi-Cal and Medicaid.

With the creation of the HHC program, HCD initially plans to use appropriated revenues from National Housing Trust Fund (NHTF) allocations for years 2018 to 2021 to provide supportive housing opportunities through operating reserve grants and capital loans to developers to create affordable housing for those experiencing frequent homelessness. Furthermore, this assistance will complement existing supportive housing production resources at HCD such as NPLH, Multifamily Housing Program-Supportive Housing, and Veterans Housing and Homelessness Prevention programs. The ability to pair this resource will accelerate the time it takes to secure all financing to build supportive housing faster to serve homeless and extremely low-income households.

**AP-70 HOPWA Goals – 91.320(k)(4)**

One-year goals for the number of households to be provided housing through the use of Housing Opportunities for Persons with AIDS for:	Number of Households
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	815
Tenant-based rental assistance	52
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	82
Total	949

See attached HOPWA 2020-2024 Consolidated Plan.

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction:**

Barriers affecting housing in California communities range from nongovernmental to governmental. Nongovernmental barriers include issues such as land, financing availability, and the cost of construction. Governmental barriers can be at various levels of government and include potential constraints such as land-use controls, fees, and exactions; processing and permit procedures; and on/off-site improvement standards. The cumulative impact of these public policies negatively affects housing supply, choices, location, and affordability. California will continue to prioritize and pursue a variety of strategies to address barriers to 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

In 2017, former Governor Brown signed a 15-bill housing package designed to mitigate the effects of public policies that create barriers to affordable housing production. The housing package, designed to provide critical funding for new affordable housing, accelerates development to increase housing supply, holds cities and counties accountable for addressing housing needs in their communities, and preserves the existing affordable housing stock. In Fiscal Year (FY) 2019-20, the California Department of Housing and Community Development (HCD) will continue conducting outreach, development, and implementation of the housing package, for example:

Senate Bill (SB) 2 (2017) directs HCD to administer over-the-counter planning grants to local governments for the preparation and adoption of land use plans and strategies that streamline and accelerate affordable housing production. After releasing a notice of funding availability in March 2019, HCD, in conjunction with the Governor's Office of Planning and Research (OPR), will make technical assistance available to local governments to aid their planning efforts and begin making awards through FY 2019-20.

HCD is also preparing to implement SB 540 (2017) and Assembly Bill (AB) 73 (2017), which are designed to offer incentives to local governments to streamline approvals. SB 540 authorizes the state to provide planning funds to a city or county to adopt a specific housing development plan that minimizes project-level environmental review, and AB 73 provides financial incentives to cities and counties that create zoning overlay districts with streamlined zoning. HCD will be conducting outreach and drafting guidelines to implement both SB 540 and AB 73 during FY 2019-20.

Several provisions in the housing package impose more stringent accountability regarding housing element law and standards of performance by local governments. State law requires each city and county to adopt a general plan containing at least seven mandatory elements, including housing. The housing element contains information about the availability of sites and infrastructure to accommodate new housing needs and requires an analysis of governmental constraints to the production and preservation of housing. It is required to be updated every five to eight years and is subject to detailed statutory requirements and mandatory review by HCD.

AB 72 (2017) now requires HCD to review any action inconsistent with housing element laws and allows HCD to de-certify housing elements and refer violations to the Attorney General. AB 879 (2017) mandated updates to the housing element and annual report requirements to provide data on project approvals, processing times, and processes, and requires HCD to produce a study with findings and recommendations regarding impact fees that would reduce costs and barriers to housing development. HCD plans to release the study in late 2019. Furthermore, HCD released guidelines in 2018 for streamlined ministerial approval processes (SB 35, 2017) for developments in localities that have not yet met their housing targets as provided for in the housing element and will be monitoring local efforts during FY 2019-20.

Other efforts to reduce barriers include AB 678, SB 167 and AB 1515 (2017: aka the Housing Accountability Act), which strengthens the state's legal authority by establishing legal parameters to constrict the denial of affordable housing projects to more objective criteria and limits impacts of local opposition, and requires the courts to impose a fine of \$10,000 or more per unit on local agencies failing to legally defend their denial. HCD will provide technical assistance to all local governments regarding this matter throughout FY 2019-20.

## **AP-80 Colonias Actions – 91.320(j)**

### **Introduction**

According to the Cranston-Gonzalez Act of 1990, a “Colonia” is any identifiable community that: 1) is located within 150 miles of the border between the United States and Mexico, except within any standard metropolitan statistical area that has a population exceeding 1,000,000; 2) is designated by the state or county in which it is located as a Colonia; 3) determined to be a Colonia on the basis of objective criteria, including the lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe and sanitary housing; and 4) was generally recognized as a Colonia before the enact of the National Affordable Housing Act of 1990. HUD mandates that estate invest up to 10 percent of its CDBG allocation for activities in Colonias. California has elected to set-aside 5 percent of its funding for use in Colonias. California has the

following designated Colonias located in unincorporated Imperial County: Bombay Beach, Poe, Heber, Ocotillo, Palo Verde, Salton Sea, Winterhaven, Niland, and Seeley. Areas in the following cities have also been designated: Brawley, Calexico, El Centro, and Imperial. California sets aside 5 percent of its CDBG allocation for use in the Colonias.

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

Lack of funding is a major obstacle to meeting needs in the Colonias. To address that 5 percent of the CDBG allocation is set aside for the Colonias and in addition the county frequently accesses additional funding through the regular competitive NOFA process. California has redesigned the CDBG program to make it much easier to co-fund projects with other state and federal funders. This is newly implemented in 2020 so we will be able to assess its success in attracting additional funding to the area.

### **Actions the state plans to take to reduce the number of poverty-level families**

State CDBG Colonia set-aside funds are used primarily for water, sewer, public facilities and housing rehabilitation within Colonia communities. Addressing these issues improves sustainability and quality of life for the residents. The safe environment and stable housing then allow families to focus on other areas such as education where there is the potential to improve their incomes and reduce poverty.

### **Actions the state plans to take to develop the institutional structure**

California provides significant outreach, technical assistance and training in Imperial County to assist the communities in accessing CDBG and other funding sources. Onsite visits have been made to most of the communities that have Colonias. In addition, substantial training has been added to the state CDBG website to allow these communities to access training without traveling.

### **Specific actions the state plans to take to enhance coordination between public and private housing and social service agencies**

All State CDBG-eligible jurisdictions must follow CDBG citizen participation requirements, including outreach to housing and social service agencies serving the affected jurisdiction. Imperial County and other jurisdictions with Colonias are responsible for ensuring that housing and social service agencies are aware of available State funds to serve Colonias and can assist agencies in working together to better serve Colonias communities.

## **Discussion**

The state has worked closely with Imperial County throughout the planning, application, and implementation process to allow the county to successfully implement CDBG funding for work in Colonias. Substantial training has been provided to the county and other communities. The state has determined that the approach has been successful and plans to continue it into the future.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction**

While there are several constraints to meeting the needs of target-income residents, the primary obstacle is that there is a lack of funding to fully address all needs. Economic challenges in recent years forced many nonprofits to cut services. Lack of funding to address the huge amount of unmet need that exists for affordable housing, infrastructure and facility improvements and social services; People experiencing homelessness and other vulnerable populations face additional barriers to obtaining housing in California.

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

Vulnerable populations, including people experiencing homelessness, people with disabilities, seniors, farmworkers, and tribal populations, tend to have unique housing needs and low incomes. Additional barriers to obtaining housing can include the need for additional services, accommodations, and/or physical accessibility features, a lack of resources or credit history, discrimination by housing providers, criminal background histories, serious health problems/conditions, or a recent history of substance abuse, among other barriers. Absence of service providers: the geographically expansive service areas in rural California make it nearly impossible for providers to maintain a consistent, physical presence in most communities; this is further complicated by the limited ability of many low-income residents to travel for services.

Lack of capacity in existing agencies: many service providers experience higher than average attrition rates among their employees; recruitment and retention of staff continues to be a challenge; and lack of consensus: stakeholders within a particular jurisdiction often do not agree on priority needs and this can lead to little action.

HCD will continue to provide technical assistance to increase capacity of agencies or local governments implementing programs funded by HUD. HCD holds numerous workshops throughout the year to provide assistance with preparing for an application or to administer a grant in accordance with federal requirements. Additionally, HCD will continue to be the lead agency to encourage and develop the capacity of service

providers in the rural parts of the State. Finally, HCD will encourage its funded agencies and units of local government to seek other private or public funding opportunities to leverage sufficient funds to complete projects or provide services to a greater number of eligible beneficiaries.

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

In addition to implementation of housing assistance activities under the federal CDBG, HOME, NHTF, ESG and HOPWA programs, the HCD has a number of state-funded housing programs in place to foster and maintain affordable housing. For a listing of current NOFAs, see <http://www.hcd.ca.gov/grants-funding/active-funding/index.shtml>. HCD released NOFAs in 2019-20 for the following state programs designed to foster and/or maintain affordable housing: Affordable Housing and Sustainable Communities (AHSC) program, Supportive Housing Multifamily Housing program (SHMHP), Mobile home Park Rehabilitation and Resident Ownership Program (MPRRP), Veterans Housing and Homelessness Prevention (VHHP) program, and No Place Like Home Program (NPLH).

On November 1, 2018, HCD issued a NOFA under the AHSC program for approximately \$395 million. Administered by California's Strategic Growth Council (SGC) and implemented by HCD, the AHSC program funds land-use, housing, transportation, and land preservation projects to support infill and compact affordable housing developments that reduce greenhouse gas ("GHG") emissions. The AHSC program is funded by the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds. The AHSC program also helps further HCD's climate change priority by incentivizing developments that reduce GHG, Vehicle Miles Traveled (VMT), as well as many other climate goals. See <http://www.hcd.ca.gov/grants-funding/active-funding/ahsc.shtml> for more information. Applications were due on February 11, 2019 and HCD received 47 applications requesting \$673,741,832.

HCD released a NOFA in November 2018 for SHMHP. This program provides low-interest loans to developers of permanent affordable rental housing that contain supportive housing units. The application deadline was February 8, 2019. For the approximately \$155 million available, HCD received 20 applications requesting approximately \$142 million. An application log and self-score report is located on HCD's website at <https://www.hcd.ca.gov/grants-funding/active-funding/shmhp.shtml>.

HCD's MPRROP provides financing to mobile home park resident organizations, qualified nonprofit housing sponsors, or to local public entities to purchase a mobile home park in order to preserve it as a source of affordable housing. MPRROP also provides loans to park resident organizations and qualified nonprofit housing sponsors

to assist residents with needed repairs or accessibility upgrades to the mobile homes if specified criteria are met. In October 2017, the Governor approved Senate Bill 136 allowing HCD to use MPRROP funds to provide technical assistance (TA) to mobile home park residents and/or community based nonprofit corporations for acquiring, financing, operating and improving mobile home parks occupied by low- and moderate-income households. HCD drafted guidelines for the technical assistance component of the program and plans to release a request for proposal in spring 2019.

In June 2014, voters approved bonds for the Veterans Housing and Homeless Prevention (VHHP) Program that provided \$600 million for veterans housing. At least 50 percent of capital development funding must be used for housing for extremely low-income, and at least 60 percent of the units assisted must be permanent supportive housing. In 2018, HCD issued the round four VHHP NOFA for \$75 million. HCD released a round five VHHP NOFA for approximately \$75 million in September 2019. <http://www.hcd.ca.gov/grants-funding/active-funding/vhhp.shtml> for more information.

NPLH program's purpose is to acquire, design, construct, rehabilitate, or preserve permanent supportive housing for seriously mentally ill persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness. In August 2018, HCD released a NPLH NOFA of \$190 million in non-competitive funds. Every County is eligible for NPLH Noncompetitive Allocation funds. Counties whose Noncompetitive Allocation has not already been fully awarded to them by August 19, 2019 must submit the County Noncompetitive Allocation Acceptance Form and an executed copy of the Authorizing Resolution Template for Acceptance Form no later than August 15, 2019. Counties must submit one or more project applications utilizing Noncompetitive Allocation funds no later than February 15, 2021. In October 2018, HCD released a NOFA of \$400 million in competitive funds. The application due date was January 30, 2019. HCD received 45 applications requesting approximately \$194 million of the approximately \$178 million available for counties that were not designated as Alternative Process Counties. An application log and self-score report is located on HCD's website at <http://www.hcd.ca.gov/grants-funding/active-funding/nplh/docs/Applications-Received-2018-NPLH-NOFA.pdf>. HCD anticipates awarding these funds in June 2019. HCD designated four counties (Los Angeles, San Diego, Santa Clara, and San Francisco) to administer their own NPLH allocation. In March 2019, HCD awarded three of the four Alternative Process Counties their Noncompetitive Allocation funds and Round 1 competitive funds for approximately \$300 million. Approximately \$27.7 million in funds available to San Francisco was awarded.

## State of California Draft 2020-2024 Federal Consolidated Plan

The state was also awarded nearly \$24 million in HUD five-year renewable project-based Section 811 Project Rental Assistance Program (PRA) funds. Round one funding, which was made available to the state in June 2014, provides five-year renewable rental assistance to affordable housing projects serving Medicaid beneficiaries with disabilities, ages 18-61, who have resided in a long-term health care facility for at least 90 days and desire to return to community living, or are at risk of placement in an inpatient facility because of loss of housing. The round one NOFA was issued in August 2014 and these funds have been fully awarded. Round two Section 811 funds awarded are now at Fair Market Rent and most of these funds have been committed to date. For NOFA and application materials, see the following link: <http://www.calhfa.ca.gov/multifamily/section811/nofa/index.htm>. State agency partners for round one and two include HCD, the California Housing Finance Agency (CalHFA), the California Department of Health Care Services (DHCS), California Department of Developmental Services (DDS), and the California Tax Credit Allocation Committee (TCAC).

SB 2 (2017), the Building Homes and Jobs Act, establishes a permanent source of funding through a variety of real estate transactions, intended to increase the affordable housing stock in California. Seventy percent of these collected on and after January 1, 2019 will be allocated to local governments through the Permanent Local Housing Allocation (PLHA). PLHA funds will be available for eligible housing-related projects and programs to assist in addressing the unmet housing needs of local communities. HCD plans to release funding for local governments through the Permanent Local Housing Allocation Program in 2019-20. Ten percent of these funds will be used to address affordable homeownership and rental housing opportunities for agricultural workers and their families. HCD plans to include these funds in the Joe Serna, Jr., Farmworker Housing Grant Program NOFA that will be released in May 2019.

Proposition 1 passed by voters in November 2018 approved \$3 billion in bond funds for the following HCD programs: Multifamily Housing Program, CalHome, Local Housing Trust Fund, Transit Oriented Development Housing Program, Infill Infrastructure Grant, and Joe Serna, Jr., Farmworker Housing Grant. HCD plans to release NOFAs for these programs in calendar year 2019.

### HOME Program Value Limit Waivers

Current federal HOME regulations require participating jurisdictions to use the HOME Value limits provided by HUD for existing and newly constructed single-family housing. In lieu of the current federal HOME Value limits, the State has solicited from grantees that reported inadequate and thus infeasible Value Limits their sales price information and requests for Value Limits increases, based upon the State's prescribed

methodology, per the requirements of 92.254(a)(2)(iii) of the HOME Final Rule. In 2019, the State verified the submitted requests, based on 95 percent of the median area purchase price for single family housing, for each of the grantees listed in Appendix E. The median purchase price was determined using a minimum of 100 sales for at least a two-month period. The HOME Program Value Limit Waivers will increase potential homebuyers' access to local housing inventory and assist existing homeowners with Owner-Occupied Rehabilitation loans, and in many cases remedy infeasible programs that have had no existing housing stock below the current HOME Value Limits. The waivers were approved by HUD and are effective from March 28, 2019 through June 30, 2020. Please see Appendix E for the Summary of 2018 HOME Value Limit Waiver Requests.

- Consider ways to increase applications ongoing from inactive jurisdictions, including but not limited to individual meetings to discuss what particular barriers to participation exist for the locality.
- Provide technical assistance for anti-displacement strategies and efforts to increase or preserve affordability in existing neighborhoods and neighborhoods at risk of gentrification.
- Increase training on fair housing issues for HCD program and policy staff to strengthen general knowledge for all staff and expertise for designated fair housing specialists.
- Make funds available to benefit low- and moderate-income households for construction, rehabilitation, preservation and rental and mortgage subsidies

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

The Lead Renovation, Repair and Painting (RRP) rule specifically focuses on the renovation of homes built before 1978, where work might disturb lead-based paint. The rule was first established in 2008 and requires workers to be certified in lead-safe practices and certified by the EPA.

All HCD recipients that are awarded federal funds (CDBG, HOME or other HUD programs) are required to follow the regulations and statutes pertaining to lead-paint hazards. Specific requirements depend on the type and amount of federal financial assistance, the age of the structure, and whether the dwelling is rental or owner-occupied. HCD recipients are responsible for informing residents of the potentials of lead-based paint hazards in their home, evaluating the degree of lead-based paint hazards, mitigating these hazards, providing clearance on the rehabilitated areas affected by HCD will work together with the lead-based paint work, and providing all appropriate notices.

Lead regulations include (but are not limited to) the HUD Lead Safe Housing Rule, as listed in 24 CFR Part 35, Public Law 102-550 (Residential Lead-Based Paint Hazard Reduction Act of 1992), Title X, Sections 1012 and 1023 (requirement for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance), and Title X, Section 1018 (requirements for Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards in Housing) when implementing these activities: Housing Rehabilitation activities (whether operated as a single family residential (one-four units) program, or a multifamily (five or more units) project, Homebuyer Assistance Programs and Tenant-based Rental Assistance. HCD includes these requirements in standard agreements with grantees and verifies compliance when the grantees are monitored.

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

In addition to CDBG's economic development activities (discussed in CDBG's Method of Distribution in Section AP-30), the ESG and HOPWA program's funded case management services may help poverty-level households link to mainstream education and employment opportunities and assist them in increasing their income.

Other state housing programs seek to reduce the housing cost burden on families who are considered extremely low income, many of whom have incomes at or below the poverty level, by developing housing units at 30 percent AMI or below, and/or by providing rent or operating subsidies that will assist families at this income level to afford housing. The Supportive Housing Multifamily Housing Program (SHMHP), NHTF, VHHP, NPLH, CalWORKs Housing Support Program, and the Section 811 PRA program specifically target households at 30 percent AMI or below. Other state programs such as HOME, AHSC, and 9 percent and 4 percent tax credit programs provide application rating points and/or additional dollars for providing rents to individuals and families at 30 percent AMI or below.

Established in 2018, the California Emergency Solutions and Housing (CESH) program utilizes a portion of the first year's revenues from Senate Bill (SB) 2 (2017) to provide funding to Continuums of Care (CoCs) for housing relocation and stabilization services, operating subsidies for permanent housing, flexible housing subsidies, shelter operations, and capacity building. In August 2018, HCD released the first California Emergency Solutions and Housing (CESH) NOFA, making \$53 million available using a portion of SB 2 funds and remaining California Emergency Solutions Grant program funds. All California CoCs applied and were awarded the first round of CESH funds. Please go to HCD's website to see the award list, <http://www.hcd.ca.gov/grants-funding/active-funding/cesh/docs/2017-2018-CESH-Awards-List.pdf>. HCD released another CESH NOFA on March 29, 2019 for approximately \$29 million.

The state's Homeless Coordinating and Financing Council (HCFC) released a NOFA for Homeless Emergency Aid Program (HEAP) grant funding on September 5, 2018 for \$500 million. Eligible uses for these funds include, but are not limited to:

1. Services: Street outreach, health and safety education, criminal justice diversion programs, prevention services, navigation services, and operating support for short-term or comprehensive homeless services.
2. Rental assistance or subsidies: Housing vouchers, Rapid Re-housing programs, and eviction prevention strategies.
3. Capital improvements: Emergency shelter, transitional housing, drop-in centers, permanent supportive housing, small/tiny houses, and improvements to current structures that serve homeless individuals and families.

HCD will also convene working group of local jurisdictions and developers in rural areas to address improving the siting of housing and access to jobs, transportation, and social services.

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

The 2018-19 budget included significant investments and policy changes to address homelessness. These investments included over \$700 million to address homelessness. This large infusion of homelessness funding provides HCD with an opportunity to support local and regional efforts to build or improve system capacity, develop or implement Housing First policies, and improve efforts around housing stability for people experiencing homelessness. HCD is offering technical assistance to California CoCs to enhance, develop, build capacity, or improve the design and the delivery of programs and services for people experiencing homelessness. Eligible recipients may request technical assistance in the following categories: Building Capacity, Housing First, and Housing Stability. HCD will evaluate each technical assistance request based on its unique circumstances and challenges. Types of assistance offered and activities supported, at no cost to the jurisdictions, include analysis assistance, stakeholder-convened discussions, tool kits, education and training through workshops and webinars, onsite or remote consultations with technical experts.

Additionally, pursuant to HUD's Community Planning and Development Notice 18-09, HCD will develop and disseminate homebuyer policies and procedures including homebuyer underwriting standards, responsible lending standards, and standards for refinancing and subordination of the HOME loan via a policy memorandum in FY 2019-20 and require State Recipients and Subrecipients to apply those policies to all homebuyers for whom HOME funds were committed on or after January 24, 2014.

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

Through the VHHP, Section 811 PRA, NPLH, HHC, HCD continues to work with other state departments to assist housing providers serving homeless and other low-income households to supportive services offered or funded through partner agencies for these programs. See <http://www.hcd.ca.gov/grants-funding/active-funding/vhhp.shtml> for more information on VHHP, <http://www.hcd.ca.gov/grants-funding/active-funding/section-811.shtml> for more information on Section 811 PRA, <http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml> for more information on NPLH, and <http://www.hcd.ca.gov/grants-funding/active-funding/hhc.shtml> for more information on HHC.

In addition to the programs discussed above, the California Department of Public Health, Office of AIDS (CDPH/OA) is the state agency that administers statewide programs and activities that pertain to HIV/AIDS and is statutorily responsible for coordinating all state programs, services, and activities relating to HIV/AIDS. State HOPWA is situated in CDPH/OA to ensure that all HIV/AIDS service programs, including housing assistance, are coordinated at state and local levels.

CDPH/OA emphasizes inclusion of representatives of various HIV/AIDS service agencies, other State of California departments (such as Corrections and Rehabilitation, HCD, Rehabilitation, Health Care Services, and Developmental Services), local health departments, and others, in information gathering, research, and decision-making processes.

CDPH/OA convenes the California Planning Group (CPG) to assist in the development, implementation, and revision of the Integrated Plan. The Integrated Plan responds to the National HIV/AIDS Strategy that includes housing goals and objectives related to prevention efforts and improved access to HIV/AIDS care and treatment. CPG also informs CDPH/OA about local trends or newly emerging populations in the epidemic, and successes and challenges in accessing HIV care and prevention services in the community. The CPG includes representatives from local HIV/AIDS planning groups as well as consumers, local health departments, and other statewide experts in the field.

Activities from the Integrated Plan to identify unstably housed persons include developing a system for routinely screening AIDS Drug Assistance Program (ADAP) clients for unstable housing situations and homelessness during the annual ADAP re-enrollment, encouraging housing evaluation as a routine part of medical assessment, and establishing a CPG subcommittee to address housing services. Project sponsors are required, to the extent possible, to participate in local HIV/AIDS planning groups and the HIV/AIDS service delivery and needs assessment processes within their community.

## State of California Draft 2020-2024 Federal Consolidated Plan

Local participation assists project sponsors in linking clients to necessary services and establishing collaborative relationships with other local government and private service agencies.

Encourage city and county planning departments to implement land use policies which encourage fair housing and the construction of housing affordable to lower-income families and workers through the administration of State housing element law.

Provide technical assistance and enhance available resources for local governments and individuals on State planning laws promoting the siting of and zoning for a variety of housing types including multifamily housing, emergency shelters, residential care facilities and accessible housing and land use related impediments to fair housing.

**AP-90 Program Specific Requirements – 91.320(k)(1,2,3)**

**Introduction**

Projects planned with all the California Department of Housing and Community Development (HCD) Community Development Block Grant (CDBG) funds expected to be available during the year are identified in the Projects Table.

The U.S. Department of Housing and Urban Development (HUD) changed its CDBG and Home Investment Partnerships (HOME) program requirements for reporting Program Income (PI) (24 Code of Federal Regulations CFR), Parts 91 and 92). CDBG information required by 24 CFR 91.320(k)(1)(iv) includes the following: a description of each of the local accounts, including the name of the local entity administering the funds, contact information for the entity administering the funds, the amounts expected to be available during the program year, the eligible activity type(s) expected to be carried out with the program income, and the national objective(s) served with the funds. In addition, the HOME Interim Rule (12/2/16) requires that uncommitted program income, repaid funds, or recaptured funds received during the previous program year must be described in the Annual Plan (AP). Pursuant to 24 CFR 91.320(k)(2)(i) for the HOME program, the state may choose to include program income funds that are expected to be received during the program year if the state plans to commit these funds during the program year. As part of the CDBG program redesign, HCD will be implementing new program income (PI) reuse agreements with new PI reporting requirements intended to meet HUD’s requirements and to encourage PI expenditures on eligible activities. The new agreements are currently in development and will be rolled out with the new method of distribution, Notice of Funding Availability (NOFA), and applications.

**Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(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	5,000,000
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

State of California Draft 2020-2024 Federal Consolidated Plan

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:	5,000,000

**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 percent 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 percent

**HOME Investment Partnership Program (HOME) Reference 24 CFR 91.320(k)(2)**

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

None. HOME funds are allocated in the form of grants and deferred payment loans.

**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:**

Pursuant to 24 CFR §92.254(a)(5) and state HOME regulations §8206.1, the state HOME program will utilize the recapture option in its homeownership programs and projects, but may utilize the resale option for limited equity forms of ownership, such as cooperatives and community land trusts. Due to reductions in HOME funding and staffing levels, HOME will be unable to administer First Time Home Buyer (FTHB) activities proposing use of resale controls; therefore, no activities proposing use of resale controls will be approved in the coming fiscal year.

Recapture loans: Where the local jurisdiction or the Community Housing Development Organization (CHDO) is not imposing its own resale controls, the method used is to recapture the entire amount of the loan to the homebuyer. The assistance provided to the homebuyer may include down-payment assistance, closing costs, and/or the difference between the appraised home sales price and the amount of the first mortgage for which the low-income homebuyer can qualify, plus closing costs. The home sales price cannot exceed the appraised value of the home. If HCD provides funds for homeowner new construction or rehabilitation, and total project costs exceed appraised value, the development subsidy is not subject to recapture.

Pursuant to 24 CFR §92.254, when recapture is triggered by a sale (voluntary or involuntary) of the housing unit and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, only the net proceeds can be recaptured, if any. Net proceeds are the sales price minus superior loan repayments (other than HOME funds) and any closing costs. HOME loans made under the recapture option may be assumed by subsequent HOME-eligible purchasers.

For loans held by state recipients, the local jurisdiction may impose equity sharing provisions on the appreciation in home value proportionate to the share of the HOME assistance provided, less the homeowner investment in the property. Equity sharing would only apply if the sales price is sufficient to repay the HOME loan and the loan is not assumed by another HOME-eligible purchaser.

The captured appreciation may also be reduced proportionate to the number of years during which the homebuyer has owned the home. The captured appreciation may also be subject to restrictions by other public lenders such as the United States Department of Agriculture (USDA) or California Housing Finance Agency (CalHFA).

Applicants requesting funding for Owner Occupied Rehabilitation (OOR), First Time Home Buyer (FTHB) projects, and FTHB programs must submit documentation (i.e. – promissory note, deed of trust, regulatory agreement, etc.) showing specific recapture provisions per HUD’s recapture requirements established in 24 CFR 92.254(a)(5)(ii). These documents will be sent to HUD for approval prior to awarding funds for these activities.

Typically, the appreciation is calculated as follows:

Gross appreciation is calculated by subtracting the original sales price from the current sales price or the current appraised value if the loan-accelerating event is other than sale of the property.

Net appreciation is calculated by subtracting the seller’s applicable closing costs, seller’s cash contribution in the original purchase transaction, value of seller’s sweat

equity, if applicable, and documented value of capital improvements from the gross appreciation amount.

The state recipient only claims repayment of the HOME principal and a portion of the net appreciation. That maximum portion of the net appreciation that is claimed by the state recipient is equal to the percentage of the value of the home financed by the HOME loan. That is, if the loan equals 20 percent of the initial value of the home, the state recipient claims a maximum of 20 percent of the net appreciation.

**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:**

Pursuant to state HOME regulations Section 8206.1, HOME loans may be made in the form of resale loans on projects involving limited equity forms of ownership. In other situations, although the HOME loan remains a recapture loan, a state recipient or CHDO may impose its own resale controls when there is a subsidy other than state HOME funds. The subsidy need not be an actual loan; it may be in the form of an inclusionary ordinance that requires homes to sell below fair market value.

**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:**

None. The state HOME program does not use its funds for refinancing of existing HOME debt.

**Emergency Solutions Grant (ESG) Reference 91.320(k)(3)**

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

HCD requires applicants to submit written standards for each funded activity. All written standards must comply with written standards identified in the NOFA which is included as an attachment. NOFA written standard language is paraphrased below.

Funded activities must operate consistently with the written standards currently adopted by the CoC and applicable to all similar activities. In general, written standards address such things as policies and procedures for evaluating eligibility, targeting and prioritizing of services, length and terms of assistance, coordination among services, and participation in HMIS. Applicants should consult the federal regulations for what should be addressed in written standards for each activity.

In addition, state regulations require that written standards reflect the state's Core Practices<sup>10</sup>, including:

- Protocols for use of coordinated entry to promote comprehensive and coordinated access to assistance and prioritized while prioritizing access to assistance for people with the most urgent and severe need;
  - Use Housing First and progressive engagement practices; and
  - Consistent program requirements governing decisions around type, duration, and amount of assistance provided if multiple RR or HP programs are operated within the same Service Area.
- 2. If the CoC has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

The state has approximately 40 Continuums of Care (CoC) potentially eligible to access federal ESG funds. Individual CoC Coordinated Assessment descriptions are not available; however, all Coordinated Assessment systems of Service Areas (SA) funded by ESG in a given year must meet the requirements of Section 8409(a) of the ESG state regulations, as well as the HUD requirements.

- 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).**

See ESG's Method of Distribution in AP-30.

- 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.**

This requirement does not apply to states

#### **National Housing Trust Fund (NHTF) Reference 24 CFR 91.320(k)(5)**

- 1. How will the grantee distribute its HTF funds? Select all that apply:**

Applications submitted by eligible recipients: HCD will distribute funds to eligible recipients, as defined in 24 CFR § 93.2, through a competitive application process. A NOFA will be issued, and applications will be rated and ranked.

- 2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter “N/A”.**

N/A

- 3. If distributing HTF funds by selecting applications submitted by eligible recipients,**
  - a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

To be eligible, a recipient may be an organization, agency, or other entity (including a public housing agency, or a for-profit entity or a nonprofit entity) that receives National Housing Trust Fund (NHTF) assistance from a grantee as an owner or developer to carry out an NHTF-assisted project, which meets the requirements of 24 CFR §93.2 of the recipient. A recipient must:

- Make acceptable assurance they will comply with all NHTF requirements during the entire affordability period;
- Demonstrate ability and financial capacity to undertake, comply, and manage the eligible activity;
- Demonstrate familiarity with requirements of federal, state and any other housing programs used in conjunction with NHTF funds to ensure compliance; and
- Demonstrate experience and capacity to conduct the eligible NHTF activity in questions as evidenced by relevant history.

- b. Describe the grantee’s application requirements for eligible recipients to apply for NHTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

HCD will issue a NOFA and require eligible recipients to submit applications that contain a description of the eligible activities to be conducted with NHTF funds as required in CFR 24 §93.200. The NOFA shall specify the maximum amount of project funds available, any restrictions on uses of funds, general terms and conditions of funding allocations, threshold requirements, timeframe for submittal of applications, application requirements, and rating metrics. Application requirements include, but are not limited to, the following:

## State of California Draft 2020-2024 Federal Consolidated Plan

- Identification of applicants;
- Information of proposed project;
- Adequate information to determine applicant's eligibility;
- Adequate information to determine project's eligibility;
- Certification of compliance with federal and state requirements;
- Resolution by the governing board authorizing the application and execution of all documents;
- Adequate information to determine applicant's experience;
- Site control;
- Compliance with the state's policy on Housing First;
- Project readiness to proceed; and
- Adequate information to determine project's feasibility.

Each eligible recipient will be required to certify that housing assisted with NHTF funds will comply with federal and state NHTF requirements.

- c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".**

The California State Legislature passed Assembly Bill (AB) 74, which subsequently was signed into law by Governor Brown. AB 74 directs the state to use NHTF resources for the newly established Housing for a Healthy California program.

The application selection criteria will also consist of requirements specifically mandated in the Housing for a Healthy California, AB 74 statute. HCD will apply the AB 74 requirements in a manner consistent with the rules of the NHTF funds. Eligible projects will receive points for the following:

- Development team experience, measured amongst the developer, applicant ownership and operations, property manager, and lead service provider.
- Percentage of assisted units restricted for supportive housing, with a minimum of at least 5 percent.
- Supportive services plan including clear description of services, resident involvement, and budget information.
- Utilization of other funding sources to offset requests.
- Leverage of rental or operating subsidies available for the project.
- Readiness to proceed with documented project milestones completed.
- Need, which includes consideration of the number of individuals experiencing homelessness in the geographic jurisdiction.

State of California Draft 2020-2024 Federal Consolidated Plan

- Location efficiency and reasonable access to destinations for participating tenants.
- d. Describe the grantee’s required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

NHTF funding will be available to all jurisdictions in California. However, HCD will allocate at least 20 percent of the funding for projects located in rural areas as defined by §50199.21 of the California Health and Safety Code (HSC). In the event no projects target the 20 percent allocation for projects located in rural areas, funds will be distributed according to the Distribution Methods identified in AP-30 in the Consolidated Plan (ConPlan). (This is to address meeting the benchmark goal of increasing the supply of affordable rental housing for extremely low- and very low-income individuals.)

- e. Describe the grantee’s required priority for funding based on the applicant’s ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

HCD will determine the applicant’s capacity to obligate NHTF funds based on experience. Applicants must demonstrate the successful implementation of federal, state, or local affordable housing or community development projects within the last five years.

- f. Describe the grantee’s required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

The state’s required priority to fund projects based on leveraged rental subsidies will be met by establishing a rating and ranking methodology that awards points for projects leveraging project based rental subsidies such as Housing Choice Vouchers (HCV), Veterans Affairs Supportive Housing (VASH) vouchers, and Sponsor-based Rental Assistance (SRA). To a lesser extent, rental assistance provided through Homeless Prevention and Rapid Re-housing (HPRP), Tenant-based Rental Assistance (TBRA) made available through the Shelter Plus Care (S+C), and local subsidy pools, or similar programs may receive incentive points. Other local commitments will also count towards this rating factor, such as state funds from Senate Bill (SB) 2 for rental assistance.

- g. Describe the grantee’s required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

Pursuant to CFR 24 §93.302(d), the federal affordability period is 30 years commencing upon project completion; however, HCD imposes a 55-year state affordability period. In order for projects to be eligible for funding, developers must enter into regulatory agreements that requires them to serve the target population and maintain project affordability for 55 years. Projects located on Native American Lands will have a 50-year affordability period. These affordability periods are required and do not result in any additional points for eligible applications.

- h. Describe the grantee’s required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

HCD will include the Location Efficiency and Access to Destination as part of the rating and ranking criteria. This pertains to reasonable access and proximity to amenities, services and public transportation.

HCD may also include state objective points for its three housing and community development priorities: (1) homelessness; (2) access to opportunity; and (3) climate change, including adaptation and hazard mitigation. Further information and guidance on these additional state objective factors is in the NOFA.

- i. Describe the grantee’s required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.**

HCD will examine the project development plan, as well as the status of local government approvals, design progress, and financing commitments. Financing commitments will include the leveraging of non-federal development funding sources and the extent to which the project has federal, state, or local project based rental assistance.

- 4. Does the grantee’s application require the applicant to include a description of the eligible activities to be conducted with NHTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.**

Yes, HCD requires the applicant to thoroughly describe eligible activities that will be funded utilizing NHTF funds.

- 5. Does the grantee’s application require that each eligible recipient certify that housing units assisted with HTF funds will comply with NHTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.**

Yes, HCD requires a certification by each eligible recipient that housing units assisted with the NHTF will comply with NHTF federal regulations for development of multifamily rental housing.

- 6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee’s goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.**

HCD has met the performance goals and benchmarks requirement by including the goal of increasing the supply of rental housing as a priority in the state’s ConPlan. The goal is to increase the supply of affordable rental housing by providing NHTF assistance to units for tenants at or below 30 percent Area Median Income (AMI) or below the poverty line; whichever is greater. HCD included NHTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

- 7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with NHTF Funds. Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.**

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must

## State of California Draft 2020-2024 Federal Consolidated Plan

include a description of how the NHTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for NHTF meet the HTF requirements specified above.

HCD will adopt maximum per-unit development subsidy limits similar to the limits established by the state's No Place Like Home (NPLH) program, as follows:

1. Maximum per-unit loan amounts shall not exceed the total eligible costs required, when considered with other available financing and assistance, in order to:
  - a) Enable the funds to be used for eligible uses;
  - b) Ensure that rents for Assisted Units comply with program requirements; and
  - c) Operate in compliance with all other program requirements.
2. The capital portion of the loan amount is further limited to the sum of a base amount per unit, plus the amount per unit required to reduce rents from 30 percent of the 30 percent of the (AMI) level to the actual maximum restricted rent for the unit, with loan limits increasing based on the level of affordability provided.
3. For loan limit calculations, HCD shall include the number of units within a Rental Housing Development and the number of bedrooms per unit.
4. For units receiving rental assistance, the loan amount will be based on the most restrictive level of income restriction that will apply following the closing of the program loan.
5. Initial base amounts for the portion of the loan that does not include rental assistance are set at:
  - a. \$125,000 per unit for projects using 9 percent low-income housing tax credits.
  - b. \$175,000 per unit for all other projects.
6. The amounts in subparagraph (e) above will be adjusted annually based upon increases in the Consumer Price Index.

Maximum per-unit loan amounts for loans underwritten by HCD shall be updated annually and published in the NOFA.

- 8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee’s description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below. In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).**

Although rehabilitation is allowed by HUD, HCD will not use NHTF funds for rehabilitation of housing.

- 9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.**

N/A

- 10. NHTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.**

N/A

**11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter “N/A.” Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.**

HCD will limit beneficiaries and/or give preference to segments of the extremely low-income population as identified in the HCD AP.

**12. Refinancing of Existing Debt. Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”**

HCD will not permit NHTF funds to be used to refinance existing long-term debt.

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<sup>1</sup> Zillow study/California Policy Lab study

<sup>2</sup> EMAD Special Tabulations of 2017 ACS 5-year Survey Data

<sup>3</sup> Explain difference between non-metropolitan counties and entitlement areas in a “Definitions and Acronyms” section.

<sup>4</sup> TAC “Priced Out” study, 2016

<sup>5</sup> DRC Fact Sheet “Disability Discrimination and HUD Section 8 Vouchers”

<sup>6</sup> CA-OAG, “Crime in California – 2018”

<sup>7</sup> CDC-NISVS 2010-2012 state-level report

<sup>8</sup> California PIT Count 2019, HUD.

<sup>9</sup> CDC study *ibid*.

<sup>10</sup> Richard Rothstein, “The Color of Law”

<sup>11</sup> In this Plan, we will refer to non-White racial populations and non-European ancestry ethnic populations as “minorities” where referenced by the Plan template provided by HUD. Whenever possible, we will refer to these groups using the most specific and accurate identifiers possible (e.g. “Mexican Americans” rather than “Hispanics” or “minorities”).

<sup>12</sup> “Homelessness Prevention: A Review of the Literature”, Center for Evidence-Based Solutions to Homelessness provides a recent review of key studies on this topic.

<sup>13</sup> “Preventing Homelessness In Alameda County, CA and New York City, NY: Investigating Effectiveness And Efficiency”, Vanderbilt U.

<sup>14</sup> See also “Efficient Targeting of Homelessness Prevention Services for Families”, *Am J Public Health*; “Targeting Services to Individuals Most Likely to Enter Shelter: Evaluating the Efficiency of Homelessness Prevention”, *Social Service Review*.

<sup>15</sup> Zillow study

<sup>16</sup> Sacramento Bee/CalMatters article on homelessness in Oakland vs. housing in Stockton

<sup>xvii</sup> <https://www.hudexchange.info/hdx/guides/pit-hic/>

<sup>xviii</sup> See, for example, “Is Counting the Homeless a Useful Exercise? Enumeration Methods Past and Present: A Review of the Literature”. Jennifer Lee-Anderson, Portland State University Homelessness Research and Action Collaborative. Available at <https://www.pdx.edu/homelessness-collaborative/sites/www.pdx.edu/homelessness-collaborative/files/Homeless%20Count%20Methods%20lit%20review.pdf>

<sup>xix</sup> <https://ee.caeconomy.org/content/landing-page/elevate-rural-ca>

<sup>xx</sup> IGS/CETF 2019 survey and press release

<sup>xxi</sup> <https://broadbandcouncil.ca.gov/task-forces/>, <https://broadbandcouncil.ca.gov/resources/>

<sup>xxii</sup> CA Wildfire Crisis FINAL Call To Action 10\_18\_19 - California Forward

<sup>xxiii</sup> Portrait of Rural California Resources Needs Opportunity - Elevate Rural CA

<sup>xxiv</sup> California-Forest-Carbon-Plan-Final-Draft-for-Public-Release-May-2018

<sup>xxv</sup> <https://www.gov.ca.gov/wp-content/uploads/2019/06/6.10.19-Master-Plan-for-Aging-EO.pdf>

<sup>xxvi</sup> [https://www.chhs.ca.gov/wp-content/uploads/2020/01/MP4A\\_LTSS-Stakeholder-Report\\_FirstDraft.pdf](https://www.chhs.ca.gov/wp-content/uploads/2020/01/MP4A_LTSS-Stakeholder-Report_FirstDraft.pdf)

xxvii California Department of Housing and Community Development. February 2018. California's Housing Future: Challenges and Opportunities, Final Statewide Housing Assessment 2025. Available at [https://www.hcd.ca.gov/policy-research/plans-reports/docs/SHA\\_Final\\_Combined.pdf](https://www.hcd.ca.gov/policy-research/plans-reports/docs/SHA_Final_Combined.pdf)

xxviii Construction Industry Research Board/California Homebuilding Foundation Reports 2005, 2013, 2015, 2018.

xxix California Housing Partnership, "California's Affordable Rental Homes At-Risk, 2019". February 2019. Available at <https://chpc.net/policy-research/preservation/>.

xxx California Housing Partnership, *ibid*.

xxxi Statewide Housing Assessment, *ibid*.

xxxii National Law Center on Homelessness & Poverty. 2014. "No Safe Place: The Criminalization of Homelessness in U.S. Cities,". Available at [https://nlchp.org/wp-content/uploads/2019/02/No\\_Safe\\_Place.pdf](https://nlchp.org/wp-content/uploads/2019/02/No_Safe_Place.pdf)

xxxiii For a complete exploration of these statistics comparing California to the rest of the nation, please refer to "California's Future 2020 – Housing", Public Policy Institute of California. Available at <https://www.ppic.org/publication/californias-future/>. Also see the PPIC Statewide Survey: Californians and Their Government, September 2019 and January 2020, available at <https://www.ppic.org/publications/?topic=ppic-statewide-survey>.

xxxiv U.S. Census Bureau, "The Supplemental Poverty Measure: 2018". Available at <https://www.census.gov/content/dam/Census/library/publications/2019/demo/p60-268.pdf>.

xxxv RealtyTrac/ATTOM Data Solutions, "California Real Estate Trends and Market Info". Available at <https://www.realtytrac.com/statsandtrends/foreclosure trends/ca/>

xxxvi For an overview of these proposals, please refer to an analysis by California Forward, <https://www.cafwd.org/reporting/entry/newsom-budget-points-to-a-regional-inclusive-way-forward>.

xxxvii Brian Uhler and Justin Garosi, California Legislative Analyst's Office. "California Losing Residents Via Domestic Migration." Available at <https://lao.ca.gov/LAOEconTax/Article/Detail/265>.

xxxviii California Department of Public Health, Office of Health Equity, Healthy Communities Data and Indicators Project. "Housing Overcrowding Narrative". Available at <https://data.chhs.ca.gov/dataset/housing-crowding>.

xxxix HUD definition available in the technical memo "AFFH Data Documentation", available at [https://www.huduser.gov/portal/publications/pdf/FR-5173-P-01\\_AFFH\\_data\\_documentation.pdf](https://www.huduser.gov/portal/publications/pdf/FR-5173-P-01_AFFH_data_documentation.pdf).

xl The following data are summarized from the State of California 2020 Analysis of Impediments to Fair Housing, a draft of which will be available at <https://hcd.ca.gov/> in April 2020.

xli UC Davis Center for Regional Change, "California's San Joaquin Valley: A Region and its Children Under Stress". January 2017. Available at [https://regionalchange.ucdavis.edu/sites/g/files/dgvnsk986/files/inline-files/CA%20San%20Joaquin%20Valley%20Jan%202017%20-1\\_0.pdf](https://regionalchange.ucdavis.edu/sites/g/files/dgvnsk986/files/inline-files/CA%20San%20Joaquin%20Valley%20Jan%202017%20-1_0.pdf).

<sup>xlii</sup> For detailed information on the proposal, please refer to the “State of California Budget Change Proposal, 8570-050-BCP-2020-GB, Fresno-Merced Food Innovation Corridor”, available at [https://esd.dof.ca.gov/Documents/bcp/2021/FY2021\\_ORG8570\\_BCP3690.pdf](https://esd.dof.ca.gov/Documents/bcp/2021/FY2021_ORG8570_BCP3690.pdf).

<sup>xliii</sup> Institute for Governmental Studies, University of California, Berkeley. “Internet Connectivity and the ‘Digital Divide’ in California – 2019”.

<sup>xliiv</sup> California Advanced Services Fund – Broadband Adoption Account. “Broadband Adoption Gap Analysis.” California Public Utilities Commission. Available at [https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Communications/Reports\\_and\\_Presentations/CDVideoBB/BAGapAnalysis.pdf](https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Communications/Reports_and_Presentations/CDVideoBB/BAGapAnalysis.pdf)

<sup>xliv</sup> The SHMP is available at <https://www.caloes.ca.gov/cal-oes-divisions/hazard-mitigation/hazard-mitigation-planning/state-hazard-mitigation-plan>.

<sup>xlvi</sup> MyPlan is available at <https://www.caloes.ca.gov/cal-oes-divisions/hazard-mitigation/myplan-internet-mapping-tool>, and MyHazards is available at <http://myhazards.caloes.ca.gov/>.

<sup>xlvii</sup> SHMP

<sup>xlviii</sup> California Department of Public Health press release, “State and Emergency Health Officials Ramp up Response”. Available at <https://www.cdph.ca.gov/Programs/OPA/Pages/NR20-009.aspx>.

**State of California Draft 2020-2024 Housing Opportunities for  
Persons with AIDS Consolidated Plan**

Plan begins on next page at Page 1.

**Housing Opportunities for Persons with AIDS Program  
2020-2024 Consolidated Plan and  
Fiscal Year 2020-2021 Annual Action Plan  
Public Comment Draft**

2020-2024 CONSOLIDATED PLAN ..... 2

    ES-05 Executive Summary..... 2

    PR-05 Lead & Responsible Agencies - 24 CFR Part 91.300(b)..... 2

    PR-10 Consultation - 24 CFR Part 91.110, 91.300(b); 91.315(l) ..... 3

    PR-15 Citizen Participation – 24 CFR Part 91.115, 91.300(c) ..... 4

    NA-45 Non-Homeless Special Needs Assessment - 24 CFR Part 91.305 (b,d) ..... 5

    MA-35 Special Needs Facilities and Services – 24 CFR Part 91.310(c)..... 8

    SP-10 Geographic Priorities – 24 CFR Part 91.315(a)(1) ..... 9

    SP-35 Anticipated Resources – 24 CFR Part 91.315(a)(4), 91.320(c)(1,2)..... 10

    SP-40 Institutional Delivery Structure – 24 CFR Part 91.315(k) ..... 12

    SP-45 Goals Summary – 24 CFR Part 91.315(a)(4)..... 17

    SP-60 Homelessness Strategy – 24 CFR Part 91.315(d) ..... 18

    SP-80 Monitoring – 24 CFR Part 91.330..... 18

2020-2021 ANNUAL ACTION PLAN ..... 19

    AP-15 Expected Resources – 24 CFR Part 91.320(c)(1,2)..... 19

    AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)Goals Summary Information..... 22

    AP-25 Allocation Priorities – 24 CFR Part 91.320(d) ..... 23

    AP-30 Methods of Distribution – 24 CFR Part 91.320(d)&(k) ..... 23

    AP-50 Geographic Distribution – 24 CFR Part 91.320(f) ..... 25

    AP-55 Affordable Housing – 24 CFR Part 91.320(g)..... 26

    AP-65 Homeless and Other Special Needs Activities – 24 CFR Part 91.320(h)..... 27

    AP-70 HOPWA Goals – 24 CFR Part 91.320(k)(4)..... 27

    AP-85 Other Actions – 24 CFR Part 91.320(j)..... 27

# 2020-2024 CONSOLIDATED PLAN

## ES-05 Executive Summary

Page 80 The Executive Summary serves as an introduction and summarizes the key points of the plan. It should be written in a manner so that readers will understand it without reading the remainder of the plan. For the Consolidated Plan, a good Executive Summary will describe the process of developing the plan, the key findings of the Needs Assessment as the basis for the priorities selected, and how the proposed goals and objectives will address those priorities. Because the summary pulls highlights from the rest of the plan, grantees many want to consider writing the Executive Summary last.

### ***Introduction***

The purpose of the Housing Opportunities for Persons With AIDS (HOPWA) program is to provide housing assistance and supportive services to prevent or reduce homelessness for persons living with HIV (PLWH). The California Department of Public Health, Office of AIDS (CDPH/OA) is statutorily responsible for coordinating all state programs, services, and activities pertaining to HIV/AIDS (California Health & Safety Code 131019). State administered HOPWA (State HOPWA) is situated in CDPH/OA to ensure that all HIV/AIDS service programs, including housing assistance, are coordinated at state and local levels.

State HOPWA coordinates with other HIV programs and encourages collaboration amongst HIV service agencies to ensure that PLWH have access to services critical for improving housing stability and overall health outcomes.

To develop this plan, CDPH/OA consulted with the Housing and Community Development Department and CDPH/OA staff to coordinate the fiscal, program, and surveillance data components of this Consolidated Plan.

## PR-05 Lead & Responsible Agencies - 24 CFR Part 91.300(b)

Page 84 The jurisdiction must identify the lead agency or entity for overseeing the development of the Consolidated Plan and the major public and private agencies that administer programs covered by the plan. The Quality Check will provide a warning if the Consolidated Plan Public Contact is left blank.

### ***Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source***

The CDPH/OA is the state agency that administers statewide programs and activities that pertain to HIV/AIDS, and is statutorily responsible for coordinating all state programs, services, and activities relating to HIV. The State HOPWA program is situated in CDPH/OA to ensure that all HIV service programs, including housing assistance, are coordinated at state and local levels.

### ***The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.***

Agency Role	Name	Department/Agency
Lead Agency	State of California	Housing and Community Development Department

Agency Role	Name	Department/Agency
Contributing Agency for HOPWA Program	State of California	California Department of Public Health/Office of AIDS (CDPH/OA)

**PR-10 Consultation - 24 CFR Part 91.110, 91.300(b); 91.315(I)**

Page 86 - The consolidated planning process requires jurisdictions to reach out to and consult with other public and private agencies when developing the plan. The plan itself must include a summary of the consultation process, including identification of the agencies that participated in the process. Jurisdictions also are required to summarize their efforts to enhance coordination between public and private agencies.

***Provide a concise summary of the state’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies.***

Page 88 Provide a summary of the grantee’s coordination efforts in general. Coordination regarding homelessness will be addressed in the fields below. With respect to economic development, the grantee should describe their efforts to enhance coordination with private industry, businesses, developers, and social service agencies.

CDPH/OA solicits input from HIV/AIDS service agencies, other state departments (such as Corrections and Rehabilitation, Housing and Community Development (HCD), Mental Health Services, and Developmental Services), local health departments, to inform program development and implementation. For example, in CDPH/OA’s support of Ending the HIV Epidemic in America (EtHE), the federal plan to decrease new HIV infections by 75 percent in the next five years, CDPH/OA has, and will continue to support, convene, and engage stakeholders at the state and at the local levels in each of the designated EtHE jurisdictions in their EtHE planning efforts.

CDPH/OA convenes the California Planning Group (CPG) to assist in the development, implementation, and revision of California’s Integrated HIV Surveillance, Prevention, and Care Plan (Integrated Plan). The current Integrated Plan responds to the National HIV/AIDS Strategy and includes housing goals and objectives related to improved access to HIV/AIDS care and treatment. CPG also informs CDPH/OA about local trends or emerging populations in the epidemic, and successes and challenges in accessing HIV care and prevention services in the community. The CPG includes representatives from local HIV/AIDS planning groups as well as consumers (including those who have experienced homelessness and housing instability), local health departments, and other statewide experts in the field.

CDPH/OA is currently developing a new Integrated Plan to address the syndemic of HIV, Sexually Transmitted Diseases (STDs), and Hepatitis C and their common populations and their common social determinants of health impacting infection rates. CDPH/OA will be gathering input from various stakeholders at the state and local levels to develop the plan. State HOPWA staff will be involved in this process, along with the CPG and HOPWA project sponsors. In addition, CDPH/OA is integrating with the STD Control Branch estimated to be effective 2021. CDPH/OA and the STD Control Branch are currently collaborating to share program information and data during monthly meetings. Combining these two divisions will improve coordination of care for those who are co-infected.

State HOPWA project sponsors are required to participate in local HIV/AIDS planning/advisory groups to provide input into the HIV/AIDS service delivery and needs assessment processes within their community. Local participation assists project sponsors in linking clients to necessary services and conversely allows the HIV providers and agencies a direct link to housing services for their clients.

***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.***

Page 88 This summary must address the jurisdiction's efforts to coordinate with the Continuum of Care, housing providers, and other agencies in regard to housing assistance and services for homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) and persons who were recently homeless but now live in permanent housing. Use this field to describe coordination with systems of care that may discharge persons into homelessness, such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions.

All State HOPWA project sponsors are encouraged to participate in local Continuum of Care (CoC) Planning Groups to ensure representation of the HIV/AIDS community in the housing continuum. Most State HOPWA project sponsors participate in their local CoC Planning Group, including assisting with the homeless counts each year, which has improved their knowledge and collaborative efforts to provide housing and supportive services to PLWH in their community. By federal regulation, homeless service agencies that receive HOPWA funding must include HOPWA clients in the local Homeless Management Information System (HMIS). State HOPWA includes this requirement in the HOPWA-grant scope of work and assists project sponsors in accessing local HMISs, if needed.

## **PR-15 Citizen Participation – 24 CFR Part 91.115, 91.300(c)**

Page 94 Grantees are required to provide opportunities for the public to participate in the development of the Consolidated Plan. The plan must provide a summary of the citizen participation efforts made, including efforts to broaden public participation, a summary of citizen comments or views on the plan, and a written explanation of comments not accepted and the reasons why these comments were not accepted.

The plan should highlight efforts to encourage participation from the following populations:

- Low- and moderate-income persons
- Residents of slum and blighted areas, predominantly low- and moderate-income neighborhoods, and in areas where CDBG funds are proposed for use
- Minorities
- Non-English speaking persons
- Persons with disabilities
- Public housing residents and other low-income residents of targeted revitalization areas in which public housing developments are located
- Local and regional institutions, including the Continuum of Care, businesses, developers, nonprofit organizations, philanthropic organizations, and community-based and faith-based organizations

The plan must describe the process undertaken to allow citizens to review the plan and submit their comments. At a minimum, this includes:

- How the plan (or a summary of the plan) was published for review
  - Dates, times, and locations of public hearings
  - When and how citizens were notified of the hearings
  - Dates of the 30-day citizen comment period
  - Summary of any technical assistance provided to groups seeking funding assistance
- The plan should also note any alternative public involvement techniques, such as the use of focus groups and the Internet

### ***Summary of citizen participation process and consultation process***

Page 81 This is a summary from the Citizen Participation and Consultation sections of the plan.

In 2019, State HOPWA staff collaborated with HCD in some of its citizen participation efforts. State HOPWA staff participated in planning discussions, and provided feedback on the statewide Consolidated Plan Community Needs and Priority Survey and focus group questions to ensure the survey addressed PLWH's needs appropriately. State HOPWA included information about the survey in its monthly newsletter that was distributed to its comprehensive stakeholder list statewide and encouraged stakeholders to share the survey link with their networks and clients. State HOPWA and Ryan White HIV/AIDS Program Part B, also known as HIV Care Program (HCP) staff shared the focus group announcements with their grantees and encouraged their participation. As a result, some State HOPWA

project sponsors did attend the focus groups. State HOPWA staff also attended two of the focus groups, which they found very informative on the housing challenges and barriers in the different regions.

CDPH/OA also convenes the California Planning Group (CPG) to assist in the development, implementation, and revision of the Integrated Plan. The current Integrated Plan responds to the National HIV/AIDS Strategy and includes housing goals and objectives related to prevention efforts and improved access to HIV care and treatment. CPG also informs CDPH/OA about local trends or newly emerging populations in the epidemic, and successes and challenges in accessing HIV care and prevention services in the community. The CPG includes representatives from local HIV planning groups as well as consumers (including those who have experienced homelessness and housing instability), local health departments, and other statewide experts in the field.

## **Needs Assessment**

### **NA-45 Non-Homeless Special Needs Assessment - 24 CFR Part 91.305 (b,d)**

Page 99 To the extent practicable, the plan should describe the level of housing need for persons who are not homeless but require supportive housing, including the elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, public housing residents, and any other categories the jurisdiction may specify.

For HOPWA grantees, the plan must identify the size and characteristics of the population with HIV/AIDS and their families within the eligible metropolitan statistical area it will serve.

#### ***Introduction***

Use the Introduction to preface and summarize the information that will be included in the remaining sections of the non-homeless special needs assessment.

Since State HOPWA is the dedicated HUD funding source for assisting PLWH with housing and support services, this Consolidated Plan focuses on PLWH as a special needs population.

While California accounts for 12 percent of the U.S. population, it has 25 percent of the people experiencing homelessness (Point-in-time Homeless Count, 2018). In addition, more than 40 percent of California residents pay over 30 percent of their income on housing (American Housing Survey, 2017). In the 40 counties that State HOPWA serves, there are 10,461 PLWH.

In accordance with the objectives of the Integrated Plan to reduce the percentage of PLWH who are homeless to less than five percent. State HOPWA provides Tenant-Based Rental Assistance (TBRA), Short-Term Rent, Mortgage, and Utility (STRMU), housing placement assistance (PHP), housing information, and supportive services to PLWHs who are at risk of becoming homeless. HOPWA also assists PLWH who are homeless through temporary shelter (emergency shelter or hotel/motel vouchers), PHP, housing information, and supportive services.

#### ***HOPWA Table***

Page 131 - Default Data Source: Centers for Disease Control and Prevention HIV Surveillance

<b>Current HOPWA formula use:</b>
Cumulative cases of AIDS reported
Area incidence of AIDS
Number of new cases prior year (3 years of data)
Rate per population
Rate per population (3 years of data)
<b>Current HIV surveillance data:</b>
Number of Persons living with HIV (PLWH)
Area Prevalence (PLWH per population)
Number of new HIV cases reported last year

**Data Source:**

### ***HIV Housing Need (HOPWA Grantees Only)***

Page 133: Default Data Sources: HOPWA Performance Data based on the HOPWA Consolidated Annual Performance and Evaluation Report (CAPER) and the HOPWA Beneficiary Verification Worksheet submitted by the grantee 90 days following the end of the operating year.

<b>Type of HOPWA Assistance</b>	<b>Estimates of Unmet Need</b>
TBRA	
PH in facilities	
STRMU	
ST or TH facilities	
PH Placement	

**Data Source:**

### ***What are the housing and supportive service needs of this population and how are these needs determined?***

Page 134 Provide a narrative summary of the housing and supportive service needs of special needs populations.

According to the California Legislative Analyst’s Office (2019), California’s average monthly rent is about 50 percent higher than the rest of the county. Households with low income spend disproportionately more on housing. Over 1.5 million low-income renter households in California report spending more than half of their income on housing. According to CDPH/OA’s Medical Monitoring Project, 13 percent of PLWH in California (excluding Los Angeles and San Francisco) in 2017 experienced homelessness within the previous 12 months.

State HOPWA determines unmet housing and supportive service needs of PLWH through collaboration with the Ryan White Part B (HCP) program at both the state and local level. State HOPWA project sponsors are encouraged to participate in the development of local HIV/AIDS needs assessment and service delivery plans that identify unmet housing needs.

In addition, State HOPWA encourages project sponsors to participate in local Continuum of Care Planning Groups to ensure representation of the HIV/AIDS community. Most State HOPWA project sponsors participate in their local CoC Planning Group, including assisting with the homeless counts each year, which has improved their knowledge and collaborative efforts to provide housing and supportive

services to PLWH in their community. By federal regulation, homeless service agencies that receive HOPWA funding must include HOPWA clients in the local Homeless Management Information System (HMIS). State HOPWA includes this requirement in the HOPWA grant scope of work and assists project sponsors in accessing local HMISs, if needed. Local HMIS is another means of identifying the number of PLWH that are homeless or at risk of homelessness in a community.

***Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area (EMSA):***

Page 134 Provide a narrative summary identifying the size and characteristics of the population with HIV/AIDS and their families that will be served in the metropolitan area. Required for HOPWA grantees.

State HOPWA allocates funds to project sponsors in the 40 non-Eligible Metropolitan Statistical Areas (EMSAs) that provide housing assistance and support services to PLWH who are experiencing homelessness or at risk of experiencing homelessness.

CDPH/OA HIV Reporting System surveillance data from December 2017 indicates that there were 10,461 people living with HIV/AIDS in the California non-EMSAs in 2017 (including those in prison). Whites represent the largest racial group of PLWH at 46.8 percent, while Hispanic/Latino represent 35 percent, Black/African Americans represent 12.1 percent, and 6.1 percent are listed as other race.

Household Area Median Income (AMI) data collected on the 2018-2019 CAPER indicate that for the households who received HOPWA assistance during fiscal year 2018-2019: 42 percent had incomes at or below 30 percent AMI (extremely low), 17 percent were at 31-50 percent of AMI (very low), and 41 percent were at 51-80 percent of AMI (low) which demonstrates low income rates among PLWH and high housing need.

According the Public Policy Institute of California (2019), among homeowners with mortgages, median monthly housing costs are 50 percent higher in California than in the nation as a whole. California renters pay 43 percent above the nationwide median—while California’s median household income is only 19 percent higher than the nationwide median. This means that the share of Californians with excessive housing costs is high.

According to the California Legislative Analyst’s Office (2019), California’s average monthly rent is about 50 percent higher than the rest of the country. Households with low income spend disproportionately more on housing. Over 1.5 million low-income renter households in California report spending more than half of their income on housing. Considering that California’s average rent is almost 1.5 times higher than the national average, the level of HOPWA funding is not sufficient to assist every household in maintaining stable housing without collaborative efforts with other HIV/AIDS and community housing and service programs. HOPWA funding has remained relatively stable over the past few years.

Among the 40 counties assisted with State HOPWA funds, most are rural with very limited affordable housing and housing resources. The Housing Choice Voucher Program (HCV) or other rental subsidies are scarce, with closed waiting lists in most counties. In California, there is an average of four or more households per HCV. In addition, clients requesting STRMU often have multiple barriers to obtaining mainstream rental subsidies such as poor credit history, criminal records, mental health issues, and substance abuse. With an approximate three million dollars annual HOPWA grant and 40 counties to serve, it is not possible to provide TBRA to every household in need. Although STRMU is not meant to be a permanent rental subsidy, it often prevents these households from becoming homeless during the program year, but is not sufficient to resolve the crisis that created the housing emergency.

***Discussion***

Page 134 Use this field to provide additional narrative regarding the information provided on this page.

California’s average rent is almost 1.5 times higher than the national average (California Legislative Office, 2015). As discussed in previous sections, 48.8 percent of PLWH in California are people of color and are often underserved, unstably housed, and have a higher risk of experiencing homelessness and poorer health outcomes compared to those who are stably housed. CDPH/OA’s goal is to allocate funds using a method that equitably distributes funds based on the level of need in each jurisdiction. State HOPWA allocates funds to all 40 non-EMSA counties based on reported HIV cases, and low-income PLWH are encouraged to apply for housing and supportive service assistance. State HOPWA project sponsors must collaborate with other housing and care service agencies to assist clients with long-term housing and care needs. This is important, especially considering HOPWA serves as a payer of last resort when other housing assistance resources has been exhausted or not available. CDPH/OA is currently revising its HOPWA allocation formula to align with HUD’s revised HOPWA allocation formula that was authorized under the Housing Opportunity Through Modernization Act (HOTMA), Public Law 114-201. The new allocation formula will not only take into account HIV surveillance data, but also poverty and Fair Market Rent rates and is expected to be implemented in FY 2021.

## Market Analysis

Page 137 The purpose of the Market Analysis is to provide a clear picture of the environment in which the grantee must administer their programs over the course of the Consolidated Plan. In conjunction with the Needs Assessment, the Market Analysis will provide the basis for the Strategic Plan and the programs and projects to be administered.

Most of the data tables in this section will be pre-populated with a default data set based on the most recent data available. Grantees can replace or supplement these data with alternative data sources. Grantees also can support the data tables they present with GIS maps, GIS data sets, images, and custom data tables.

## MA-35 Special Needs Facilities and Services – 24 CFR Part 91.310(c)

Page 159 The plan must describe, to the extent information is available, facilities and services that assist persons who are not homeless but require supportive housing and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.

### HOPWA Assistance Baseline Table

Type of HOPWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	40
Permanent Housing Facilities	0
STRMU	636
Short Term or Transitional Facilities	82
PHP	75

Data Source: HOPWA CAPER 2018-2019

***Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs.***

Page 160 For each special needs group, provide a brief narrative that describes the supporting housing and related supportive services available to each group and how well the current level of need is satisfied by existing services. Identify any gaps in services and/or unmet need.

PLWH enrolling in the HIV Care Program or State HOPWA, including those exiting from institutions, are screened for housing needs at intake and periodically thereafter. Case managers create comprehensive care plans which encompass linkage to healthcare and supportive services. If housing assistance is

provided, comprehensive housing plans are also included as part of case management services. In FY 2018-19, the State HOPWA program provided 783 PLWH housing subsidy assistance, including TBRA, STRMU, PHP, and facility-based housing (e.g., hotel/motel). These clients received case management and other supportive services through HOPWA or other sources such as HCP. Project sponsors have reported several barriers that limit their ability to provide housing assistance to PLWH, including lack of affordable housing and housing availability, mental health issues, substance use issues, poor credit and/or rental history, criminal record history, natural disasters, and W-9 tax requirements for landlords.

***Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.***

Page 160 Provide a brief narrative identifying the supportive housing programs specifically designed for persons returning from mental and physical health institutions.

PLWH enrolling in HCP or State HOPWA, including those exiting from an institution, are screened for housing needs at intake and periodically thereafter. Some State HOPWA project sponsors own or operate transitional supportive housing for PLWH, including PLWH exiting institutions.

State HOPWA do not have dedicated supportive housing for persons exiting mental and physical health institutions per se. However, all PLWH entering into a State HOPWA or HCP program, including those exiting a mental or physical health institution, are screened for housing and service needs, and linked to available housing and care service agencies.

***Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals.***

Page 161 Summarize the actions that the grantee will undertake to serve special needs populations. The grantee may need to revisit this field after writing their Strategic Plan and Action Plan.

During the next year, State HOPWA project sponsors will continue activities to address the housing and supportive needs for PLWH, including: TBRA, STRMU, PHP, hotel/motel voucher assistance, housing information services and other supportive services. In addition, to assist clients in becoming more independent, one State HOPWA project sponsor provides life skills, which includes training household budgeting, good tenancy, improvement of credit scores, and avoidance of credit scams.

Currently, State HOPWA and HCP are coordinating its HOPWA and HCP's Housing Plus Project (HPP) services to improve coordination of care for PLWH. Clients may receive rental assistance through HPP and employment services through HOPWA. This coordination maximizes resources from both grants and provides the best care for clients.

## **Strategic Plan**

### **SP-10 Geographic Priorities – 24 CFR Part 91.315(a)(1)**

Page 176 At a minimum, grantees must use this screen to discuss how investments are allocated geographically. Grantees are encouraged to identify any locally designated areas where geographically targeted revitalization efforts are carried out through multiple activities in a concentrated and coordinated manner. For the purpose of the Consolidated Plan, local target areas are loosely defined and do not need to conform to a set of standards. Target areas allow grantees to communicate a higher priority for one or more areas over the jurisdiction as a whole and to call out priority needs and goals for specific geographic areas. Local target areas include but are not limited to redevelopment areas, Neighborhood Stabilization Program (NSP) target areas, and transit-oriented development areas.

In addition, CDBG entitlement grantees may elect to designate a Neighborhood Revitalization Strategy Area (NRSA). If HUD approves such a strategy, the jurisdiction can obtain greater flexibility in the use of the CDBG funds in the revitalization area(s) as described in 24 CFR part 570,

subpart C. Similarly, CDBG grantees can receive greater regulatory flexibility by working with Community Development Financial Institutions (CDFIs) within their target areas.

***Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)***

Page 179

State HOPWA provides funds to HIV, housing, and homeless service providers in the 40 non-EMSA that do not receive funds directly from HUD. By excluding HUD-funded Eligible Metropolitan Statistical Areas (EMSA), the State HOPWA \$3.73 million annual allocation is available to assist PLWH in the unfunded and underserved, outlying regions of California. CDPH/OA allocates HOPWA funds through a formula process based on the most recent reported HIV cases by county through surveillance. This allocation formula was originally developed to ensure equity of funding to all non-EMSA of California, while allocating proportionately larger amounts to the communities most impacted by HIV. CDPH/OA is currently revising its HOPWA allocation formula to align with HUD's revised HOPWA allocation formula that was authorized under the Housing Opportunity Through Modernization Act (HOTMA), Public Law 114-201. The new allocation formula will not only take into account HIV surveillance data, but also poverty and Fair Market Rent rates and is expected to be implemented in FY 2021. To promote the use of HOPWA funds for housing assistance activities, CDPH/OA has limited supportive services activities to 20 percent of a State HOPWA project sponsor's allocation.

CDPH/OA is currently working with the City of Bakersfield for CDPH/OA to resume the administration of the HOPWA funds for the County of Kern. The County of Kern and the City of Bakersfield have indicated this would be optimal because CDPH/OA already has HCP grants administered by the County. If CDPH/OA administers the HOPWA funds as well, this would result in more comprehensive coordination of housing services for clients in Kern County.

**SP-35 Anticipated Resources – 24 CFR Part 91.315(a)(4), 91.320(c)(1,2)**

CDPH/OA receives federal and state funds to administer several programs that provide HIV services to PLWH or those at risk for acquiring HIV. Please note HCP is the only funding source that can pay for housing and housing-related services.

- Ryan White Part B, HIV Care Program (HCP), funded through the Health Resources and Services Administration (HRSA), provides primary medical care and essential support services for PLWH who are low-income and uninsured or underinsured.
- Ryan White Part B, AIDS Drug Assistance Program (ADAP), funded through HRSA, helps ensure that eligible PLWH who are uninsured or underinsured have access to HIV-related medication, by paying their prescription costs. ADAP can also pay for health insurance premiums, employer-based insurance premiums, Part D and Medigap insurance premiums, and medical out-of-pocket costs for eligible ADAP clients.
- Ryan White Part B, Minority AIDS Initiative, funded through HRSA, seeks to reduce health disparities by providing outreach to link people of color living with HIV to medical care and treatment.
- AIDS Medi-Cal Waiver Program, funded through the Centers for Medicare and Medicaid, provides comprehensive case management and direct care services to PLWH as an alternative to nursing facility or hospitalization.

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: \$		
HOPWA	Public Federal	TBRA STRMU Permanent Housing Facilities Short term or transitional housing facilities PHP Housing Information Services Supportive Services	\$3,732,882		\$401,806	\$4,134,688	\$14,931,528	The State HOPWA allocation for FY 2019-20 is \$3,732,882. This is a placeholder amount until the funding is announced for FY 2020-21  Prior Year Resources include uncommitted FY 2019-20 funding of \$401,806.

Table 1 - Anticipated Resources

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

Page 190 Describe how federal funds will leverage additional resources (private, state, and local funds) and how the matching requirements of HOME and ESG will be satisfied, if applicable.

There is no federal match requirement for State HOPWA, however, State HOPWA project sponsors report leveraged funds. On an annual basis, CDPH/OA allocates funding through the HIV Care Program (Ryan White Part B) for HIV/AIDS care and treatment services to California counties. Based on prior year data, CDPH/OA anticipates approximately \$5.1 million in leveraged funds by HOPWA project sponsors, including Ryan White Part B and other federal, state, local, and private resources for the provision of HIV/AIDS housing and services to HOPWA clients based on the FY 2018-2019 CAPER.

## **SP-40 Institutional Delivery Structure – 24 CFR Part 91.315(k)**

Page 191

The plan must provide a concise summary of the organizations that will carry out the objectives outlined in the Strategic Plan. This group of organizations, known as the jurisdiction's **institutional structure**, may include, but is not limited to:

- Departments of the jurisdiction
- Other government agencies, such as Consortia members
- Nonprofit organizations
- Community and faith-based organizations
- Philanthropic organizations
- Private industry
- Continuum of Care that serve the grantee's jurisdiction

The plan should also include a brief assessment of the strengths and gaps of the institutional structure in terms of its ability to carry out the Strategic Plan and any actions that the jurisdiction will undertake to overcome gaps and weaknesses in the institutional structure.

***Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.***

State HOPWA has issued grants to 20 existing project sponsors through June 30, 2023, to provide housing assistance and supportive service programs to PLWH throughout 40-non-Eligible Metropolitan Statistical Areas (EMSAs) counties. Every project sponsor provides direct client services, and one subcontracts with another local agency to provide housing.

In the case of loss of a project sponsor or a change in program delivery for a specific county or counties, CDPH/OA solicits project sponsors through a Request for Award (RFA) process that allows equal access to all grassroots, faith-based, and community-based organizations, and governmental housing agencies in that jurisdiction. Project sponsors that subcontract with other agencies must also use a selection process that provides full access to all grassroots, faith-based, and community-based organizations.

### ***Assessment of Strengths and Gaps in the Institutional Delivery System.***

Page 191 Provide a summary of the organizational capacity of the grantee and its partners to address the needs of the community. For HOME participating jurisdictions, address the capacity of Community Housing Development Organizations (CHDOs).

State HOPWA has well-established partnerships with its project sponsors, and encourages project sponsor coordination with other local HIV services programs, which ensure continuity of housing and supportive services to PLWH. State HOPWA is also housed in the same branch as HCP. Therefore, a coordinated delivery system of HIV services and Housing services is more easily achieved.

The allowable three percent HOPWA grant administration fee does not even fund one full-time CDPH/OA staff position, which impacts grantee oversight, prevents State HOPWA from expanding HIV housing activities, and delays HIV/AIDS housing-related planning and integration activities.

As fundraising, private donations, grants, and other sources of funding have declined, nonprofit HIV service and housing organizations are experiencing financial crises and reduced capacity to provide services. Several State HOPWA projects sponsors have experienced organizational change and/or downsizing over the past few years due to decreased funding available through public and private resources. Although the project sponsors continue to provide housing and supportive services to PLWH with the greatest need in their communities, there have been challenges in meeting HOPWA performance goals and administrative deadlines. Some project sponsors have also reduced their level of participation in the HOPWA program, due in part to the low sponsor administration fee.

In California, the lack of affordable housing is the biggest gap in providing stable housing for PLWH. Other reported barriers to stable housing include mental health and substance abuse issues, poor credit and/or rental history, criminal record history, natural disasters, and W-9 tax requirements for landlords.

***Availability of services targeted to homeless persons and persons with HIV and mainstream services.***

State HOPWA must ensure that its project sponsors provide all clients that are receiving HOPWA housing assistance with access to supportive services, whether funded through HOPWA or other resources such as HCP. Project sponsors are responsible for developing a comprehensive housing plan for all clients receiving any housing service. State HOPWA project sponsors may use HOPWA funds to ensure PLHWH receive case management services or other supportive or mainstream services such as mental health, meals/nutrition, substance use treatment, resource identification, life skills, employment assistance services, and transportation services; however, only as payor of last resort State HOPWA project sponsors are encouraged to link clients to other local agencies if additional mainstream services are needed.

There are geographical barriers to accessing HIV care and treatment in rural areas of California. Due to the lack of affordable housing in urban areas, clients move to rural areas where they face increased difficulty in obtaining specialized HIV medical care, social support networks, access to transportation, as well as appropriate and affordable housing.

**Homeless Services Table**

<b>Homelessness Prevention Services</b>	<b>Available in the Community</b>	<b>Targeted to Homeless</b>	<b>Targeted to People with HIV</b>
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy			X
Legal Assistance			X
Mortgage Assistance			X
Rental Assistance			X
Utilities Assistance			X
<b>Street Outreach Services</b>			
Law Enforcement			
Mobile Clinics			
Other Street Outreach Services			
<b>Supportive Services</b>			
Alcohol & Drug Abuse			
Child Care			
Education			
Employment and Employment Training			X
Healthcare			
HIV/AIDS			X
Life Skills			X
Mental Health Counseling			
Transportation			X
Other			
If Other Specify...			

***Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction.***

Page 194 Provide a brief summary of the institutional structure that serves homeless persons and persons with HIV. Include mainstream services (those designed to serve all people) in this discussion as well.

Approximately 80 percent of the annual State HOPWA grant is allocated for homeless and homelessness prevention services for PLWH, including the chronically homeless, families with children, and veterans. Homeless and homelessness services include TBRA, STRMU, PHP, facility-based housing operational subsidies, hotel/motel voucher assistance, housing information services. In addition, supportive services such as case management, employment assistance training, life skills management, transportation, and meals/ nutrition services are funded. Specific homeless services provided to PLWH varies by State HOPWA project sponsor depending on funding availability and community needs.

State HOPWA also facilitates the integration of State HOPWA resources with HCP service agencies, homeless service providers, and other mainstream services through its HOPWA funding application process and through technical assistance, to maximize the services made available to PLWH who are homeless or unstably housed.

***Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above.***

Page 194 Provide a summary of the organizational capacity of the grantee and its partners to address the needs of the community's homeless population and persons with special needs.

CDPH/OA has HOPWA grants with eight county health departments, 11 community-based nonprofit organizations, and one housing authority to carry out HOPWA housing and supportive service activities. Most of the 20 project sponsors provide direct client services. San Joaquin County subcontracts with another service agency to assist in providing HOPWA services within their jurisdiction.

Fifteen of the 20 HOPWA project sponsors are also HCP (Ryan White Part B) service providers and the majority of the remaining five project sponsors have established partnerships with HCP providers. This collaboration strengthens service delivery by ensuring that PLWH are provided an initial intake screening and linked to the appropriate agencies for healthcare, housing, and other necessary services. Based on the housing stability outcomes documented in the 2018-2019 CAPER, 85 percent of HOPWA clients are also Ryan White Part B clients.

At the state level, CDPH/OA continues to improve program data systems to identify trends, disparities, and improved program implementation. State HOPWA and HCP HIV collaborate to minimize service duplication ensure resources are used most effectively. In addition, CDPH/OA is looking at housing performance measures to improve the provision of housing services and data collection.

***Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs.***

Page 194 Provide a summary of how the gaps identified above will be addressed.

CDPH/OA has begun revising several processes to overcome gaps in the institutional structure and improve service delivery overall. First, CDPH/OA has revised the invoice process by adopting standardized tracking systems across all HIV programs to improve coordination, maximize resources, and improve timeliness of payment to project sponsors. Second, State HOPWA has begun to update the monitoring tool used to assess project sponsors in order to streamline the monitoring process, and potentially combine monitoring visits with the CDPH/OA State HCP. Finally, State HOPWA has instituted quarterly calls with each State HOPWA project sponsor to improve communication, ensure oversight, and provide timely technical assistance.

**SP-45 Goals Summary – 24 CFR Part 91.315(a)(4)**

<b>Sort Order</b>	<b>Goal Name</b>	<b>Start Year</b>	<b>End Year</b>	<b>Category</b>	<b>Geographic Area</b>	<b>Needs Addressed</b>	<b>Funding</b>	<b>Goal Outcome Indicator</b>
	Homelessness Assistance and Prevention	2020	2024	Homeless Non-Homeless Special Needs	Non-EMSAs	Homelessness Assistance and Prevention	\$18,664,410	Housing Information & Supportive Services: 8,160 households  Tenant-based rental Assistance/ Rapid re-housing: 260 households  Homeless Person Overnight Shelter: 410 households  Homelessness Prevention: 4,075 households  HIV/AIDS Housing Operations: 210 households

## **SP-60 Homelessness Strategy – 24 CFR Part 91.315(d)**

***Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs.***

Page 202 Describe the jurisdiction's strategy for homelessness prevention.

Low-income PLWH who are homeless, or at risk of experiencing homelessness, are assisted with various housing and supportive services, which may include: PHP, TBRA, housing information and referral services, hotel/motel voucher, case management, meal assistance, or transportation vouchers. At the initial intake appointment, State HOPWA project sponsors prepare a client service plan, and refer the client to other agencies that provide additional services not offered by the HOPWA project sponsor. Specific housing and supportive services available to PLWH varies by county and depends on funding availability and service need.

## **SP-80 Monitoring – 24 CFR Part 91.330**

***Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.***

Page 210 The monitoring plan must describe:

- The standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan, incorporating the HOME program emphasis if applicable.
- What defined efforts the jurisdiction will utilize to ensure long-term compliance with requirements of the programs. This includes minority business outreach and the comprehensive planning requirements

State HOPWA staff conduct monitoring visits of State HOPWA project sponsors every other year and monitor program compliance and planning requirements through regular communication, including: progress reports, program guidance, webinars, and e-mail and phone correspondence. Any deficiencies identified during monitoring visits are discussed on-site with State HOPWA project sponsors. Technical assistance is provided to assist in the remediation of identified deficiencies to ensure long-term compliance with federal and state requirements.

CDPH/OA has implemented joint monitoring visits for HOPWA and the Ryan White HIV Care Program. Joint site visits allow for enhanced collaboration between the two programs and provides a comprehensive picture of resource utilization. Furthermore, joint site visits minimize disruption of project sponsor service delivery as requests for documentation are coordinated to ensure the requirements for both programs are met, including those that overlap and those that are specific to each program.

## **2020-2021 ANNUAL ACTION PLAN**

Page 211 - In the Action Plan, the jurisdiction must provide a concise summary of the actions, activities, and programs that will take place during the program year to address the priority needs and goals identified by the Strategic Plan. In the template, the information collected for the first-year Action Plan will differ slightly from other years in that some of the sections have been integrated into the Consolidated Plan and are not repeated in the Year 1 Action Plan. These include the Executive Summary, Consultation, and Citizen Participation sections.

### **AP-15 Expected Resources – 24 CFR Part 91.320(c)(1,2)**

#### ***Introduction***

Page 212 Provide a short summary of the anticipated resources that the jurisdiction will have at its disposal over the course of the program year.

The annual allocation estimate below is based on HUD's formula allocation for Federal Fiscal Year 2019. The State HOPWA FY 2019-2020 allocation was \$3,732,882. The funding for FY 2020-2021 has not yet been announced, so the FY 2019-2020 allocation amount of \$3,732,882 is used as a placeholder amount for the Annual Plan until the FY 2020-2021 allocation is announced by HUD.

CDPH/OA is currently working with the City of Bakersfield for CDPH/OA to resume the administration of the HOPWA funds for the County of Kern. The County of Kern and the City of Bakersfield have indicated this would be optimal because CDPH/OA already has HCP grants administered by the County. If CDPH/OA administers the HOPWA funds as well, this would result in more comprehensive coordination of housing services for clients.

The expected amount available in year one includes the \$3,732,882 annual allocation place holder amount, and the \$401,806 prior year resources, which include \$41,726 of uncommitted FY 2019-2020 funds and \$360,080 of unspent FY 2018-2019 funds, for a total of \$4,134,688.

The expected amount available in the remainder of Consolidated Plan is \$14,931,528, which includes the \$3,732,882 annual allocation place holder amount multiplied by four, for the remaining four years of the Consolidated Plan.

**Anticipated Resources**

Program	Source of Funds	Use of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	Public Federal	Permanent Housing Facilities  PHP  Short term or transitional housing facilities  STRMU  Supportive Services  TBRA	\$3,732,882		\$401,806	\$4,134,688	\$14,931,528	The State HOPWA allocation is \$3,732,882  Prior Year Resources include uncommitted FY 2019-20 funding of \$401,806.

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

Page 213 Describe how matching (HOME and ESG) requirements will be satisfied and how federal funds will leverage those additional resources (private, state, and local funds).

There is no federal match requirement for State HOPWA; however, State HOPWA project sponsors report their leveraged funds. On an annual basis, CDPH/OA allocates funding through the HIV Care Program (Ryan White Part B) for HIV/AIDS care and treatment services to California counties. Based on prior year data, State HOPWA anticipates approximately \$5.1 million in leveraged funds by HOPWA project sponsors including Ryan White Part B and other federal, state, local, and private resources for the provision of HIV/AIDS housing and services to HOPWA clients based on the FY 2018-19 Consolidated Annual Performance and Evaluation Report (CAPER) reported number.

**AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)Goals Summary Information**

<b>Sort Order</b>	<b>Goal Name</b>	<b>Start Year</b>	<b>End Year</b>	<b>Category</b>	<b>Geographic Area</b>	<b>Needs Addressed</b>	<b>Funding</b>	<b>Goal Outcome Indicator</b>
	Provide homeless assistance & prevention services	2020	2021	Homeless Non-Homeless Special Needs	Non-EMSAs	Homelessness Assistance and Prevention	\$4,134,688	Housing Information and Supportive Services: 1,632  Tenant-based rental Assistance/Rapid re-housing: 52 households  Homeless Person Overnight Shelter: 82 households  Homelessness Prevention: 815 households  HIV/AIDS Housing Operations: 42 households

**AP-25 Allocation Priorities – 24 CFR Part 91.320(d)**

Page 218 For state grantees, the plan must describe the reasons for its allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the Strategic Plan. In the template, a state will be asked to express its allocation priorities by assigning a percentage of each CPD grant to each goal. The level of detail in these sections does not have to be extensive as long as the details are contained in other readily available state documents.

**Funding Allocation Priorities**

	Goals							
Program	Increase the supply of affordable rental housing (%)	Expand homeownership and improve existing housing (%)	Provide homeless assistance & prevention services (%)	Increase economic development opportunities (%)	Maintain or increase public services (%)	Maintain or increase public facilities (%)	Colonias Set-Aside (%)	Total (%)
HOPWA			100				0	100%

**Reason for Allocation Priorities**

Page 219 Provide a narrative that describes the rationale for assigning the percentages listed in the table above. States may reference other state documents.

A statutory goal of HOPWA is to prevent or alleviate homelessness among persons living with HIV. State HOPWA allocates funds to HOPWA project sponsors through a formula process based on the most recent reported HIV cases by county. This allocation formula was developed to ensure equity of funding to all non-Eligible Metropolitan Statistical Areas (EMSA) of California while allocating proportionately larger amounts to the communities most impacted by HIV/AIDS. To promote the use of HOPWA funds for housing assistance activities, CDPH/OA has limited supportive services activities to 20 percent of a project sponsor’s allocation.

**AP-30 Methods of Distribution – 24 CFR Part 91.320(d)&(k)**

Page 220 For state grantees, the plan must include a description of its method(s) for distribution.

**State Programs Addressed**

Page 220 Distribution Methods Table - Describe the state program addressed by the Method of Distribution.

State HOPWA serves counties that do not qualify to receive HOPWA grant funds directly from HUD.

**Criteria and their relative importance**

Page 220 Distribution Methods Table - Describe all the criteria that will be used to select applications and the relative importance of these criteria

Beginning in fiscal year 2019, State HOPWA started funding project sponsors through grants instead of cooperative agreements. Criteria for selection will remain the same.

Program Description Supportive Service Plan/Client Accessibility to Supportive Services

Ability to assess organizational performance and client outcomes 5 points  
Ability to report in the AIDS Regional Information and Evaluation System 5 Points

#### Program Staffing

Appropriate staff qualifications for HOPWA services to be performed:

Fiscal (3 points)

Administrative (3 points)

Information Management (3 points)

Client Services (e.g., case management) (3 points) 12 points

Logical and achievable program implementation and timeline 12 points

#### Agency Capacity and Experience:

Experience with and focus on serving clients with HIV/AIDS 12 points

Success in managing similar program(s) 12 points

Organization's cultural competency to work with target population(s) 5 points

Experience managing inter-disciplinary programs (e.g., housing/health care or mental health service/substance abuse services) 10 points

Fiscal capacity to provide housing assistance payments 10 points

#### Budget Detail:

Satisfactory audited financial report 12 points

Evidence of satisfactory accounting system 5 points

For project sponsors applying for a renewal to continue operating existing programs, the application process includes state HOPWA approval of a detailed budget and program work plan prior to the beginning of FY 2019-20.

### **Method of selecting project sponsors**

Page 220 Distribution Methods Table- Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)

CDPH/OA issued grant to 20 existing project sponsors through June 30, 2020, to provide housing assistance and supportive service programs to PLWHs throughout 40-non-EMSAs. Every project sponsor provides direct client services, and one subcontracts with a community based organization to provide housing services.

In the case of loss of a project sponsor or a change in program delivery for a specific county or counties, CDPH/OA solicits project sponsors through a Request for Award (RFA) process that allows equal access to all grassroots, faith-based and community-based organizations, and governmental housing agencies in that jurisdiction. Project sponsors that subcontract with other agencies must also use a selection process that provides full access to all grassroots, faith-based and community-based organizations.

### **Resource Allocation among Funding Categories**

Page 220 Distribution Methods Table - Describe how resources will be allocated among funding categories.

State HOPWA project sponsors participate in local HIV/AIDS needs and service planning efforts and prioritize the HOPWA allocation to fill local HIV/AIDS housing and supportive service gaps. To address the most urgent needs of PLWH, and to assist in meeting the goal of the National HIV/AIDS Strategy to reduce the percentage of persons in HIV medical care who are homeless to no more than five percent by 2020, project sponsors may select from the following eligible HOPWA activities:

- Tenant based rental assistance
- Short term rent, mortgage and utility assistance
- Facility based housing operations of existing permanent or transitional HIV/AIDS housing programs
- Facility based housing – hotel/motel voucher assistance
- Housing Placement Assistance
- Housing Information Services
- Supportive Services

State HOPWA Project sponsors may also use funds for eligible resource identification activities if justified in the program work plan, and no more than seven percent of the allocation for grant administration.

State HOPWA established the following caps to ensure prioritization of funds for direct client housing assistance:

- 20% of a project sponsor’s allocation may be used for supportive service activities.
- 15% of a project sponsor’s budget for housing assistance activities may be used for activity delivery costs.
- 5% of supportive service and housing information service budgets may be used for activity delivery costs.

State HOPWA may waive the 20 percent cap on supportive services if the proposed supportive services assist clients in overcoming barriers to housing stability.

Pursuant to HOPWA regulation, grantees must identify how the rent standard will be set for a tenant-based rental assistance program within a jurisdiction. In most instances, State HOPWA adopts the published Fair Market Rent as the rent standard for the grant area.

### ***Threshold Factors and Grant Size Limits***

Page 220 Distribution Methods Table - Describe threshold factors and grant size limits.

For FY 2020-21, the HOPWA allocation will be distributed through a formula process based on the reported HIV case data excluding prison numbers. State HOPWA will continue to include a funding stability method using prior year funds to hold those counties harmless at a percentage of their prior year allocation.

### ***Outcome Measures expected as results of Distribution Method***

Page 220 Distribution Methods Table - What are the outcome measures expected as a result of the Method of Distribution?

The outcome measures expected are that low-income PLWH will have increased housing stability, access to care, and viral suppression. The distribution method affords counties with larger populations of PLWH to access more funding for supportive services and housing subsidy. In addition, the weighted criteria ascertain the levels of organizational stability and capacity to reach diverse groups of PLWH.

## **AP-50 Geographic Distribution – 24 CFR Part 91.320(f)**

Page 230

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

Page 230 Field - Description of the geographic areas of the jurisdiction (including areas of low-income and minority concentration) where assistance will be directed; Description - If the jurisdiction used geographic target areas as a basis for funding allocation priorities, describe the target areas that will receive assistance

Pursuant to eligibility requirements for HOPWA formula awards, changes in eligible jurisdictions for HOPWA may occur if a Metropolitan Service Area (MSA) reaches more than 500,000 in population and has more than 2,000 persons living with HIV or AIDS annually. Entitlement MSAs annually receive approximately \$36 million in HOPWA funds directly from HUD. State HOPWA currently funds non-EMSA only, unless there is a compelling reason to assume oversight of a particular MSA's funding for a limited time period.

### **Geographic Distribution**

Page 230

<b>Target Area</b>	<b>Percentage of Funds</b>
All Non-EMSAs	100%

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

Page 231 Summarize or refer to the information included on SP-10 Geographic Priorities in the Strategic Plan. If the rationale has changed from that described in the Strategic Plan, describe what has changed.

State HOPWA provides funds to HIV, housing, and homeless service providers in the 40 non-EMSA that do not receive funds directly from HUD. By excluding HUD-funded EMSA, the State HOPWA \$3.73 million annual allocation is available to assist PLWH in the underserved, outlying regions of California. CDPH/OA allocates HOPWA funds through a formula process based on the most recent reported HIV and AIDS cases by county through surveillance. This allocation formula was originally developed to ensure equity of funding to all non-EMSA of California while allocating proportionately larger amounts to the communities most impacted by HIV/AIDS. CDPH/OA is currently revising its HOPWA allocation formula to align with HUD's revised HOPWA allocation formula that was authorized under the Housing Opportunity Through Modernization Act (HOTMA), Public Law 114-201. The new allocation formula will not only take into account HIV surveillance data, but also poverty and Fair Market Rent rates and is expected to be implemented in FY 2021. To promote the use of HOPWA funds for housing assistance activities, CDPH/OA has limited supportive services activities to 20 percent of a State HOPWA project sponsor's allocation.

### **AP-55 Affordable Housing – 24 CFR Part 91.320(g)**

<b>One Year Goals for the Number of Households to be Supported</b>	<b>Total FY 2019-20 AP</b>	<b>Total FY 2018-19 CAPER</b>
<b>Homeless</b>	0	0
<b>Non-Homeless</b>	0	0
<b>Special-Needs</b>	949	833
<b>Total</b>	949	833

*Table 9 - One Year Goals for Affordable Housing by Support Requirement*

<b>One Year Goals for the Number of Households Supported Through</b>	<b>Total FY 2019-20 AP</b>	<b>Total FY 2018-19 CAPER</b>
<b>Rental Assistance</b>	949	833

<b>Production of New Units</b>	<b>0</b>	<b>0</b>
<b>Rehab of Existing Units</b>	<b>0</b>	<b>0</b>
<b>Acquisition of Existing Units</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>949</b>	<b>833</b>

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

## AP-65 Homeless and Other Special Needs Activities – 24 CFR Part 91.320(h)

Page 235 The Action Plan must describe the jurisdiction’s one-year goals and the specific actions steps it will undertake in the program year to carry out the homeless strategy outlined in SP-60 Homelessness Strategy. The Action Plan must also describe the jurisdiction’s one-year goals and specify the activities it will undertake to serve the housing and supportive service needs of non-homeless populations who require supportive housing. While this screen does not have fields that specifically address special needs goals, this information can be included in the Introduction and/or the Discussion narratives.

### **Other Special Needs Activities - HIV/AIDS**

Page 235 Description - Provide a short overview of the jurisdiction’s planned actions and to emphasize key points regarding the topics listed on the page. If the jurisdiction’s Strategic Plan includes goals and objectives that will serve the needs of special needs populations who require supportive housing, include a description of the proposed actions.

State HOPWA project sponsors provide TBRA, STRMU, housing placement assistance, and supportive services to PLWH who are homeless or at risk of experiencing homelessness. In addition to homelessness prevention, State HOPWA funds may be used to provide temporary shelter (emergency shelter or hotel/motel vouchers) to homeless PLWH while assisting them to locate stable housing.

Through the combination of detailed housing plans, coordination with Ryan White service agencies, and connection to local housing authorities and other special population programs (e.g., veterans housing, senior housing) HOPWA housing case managers assist in guiding clients to stable housing depending on their needs and eligibility for other programs. The prevention of homelessness is an essential component of State HOPWA, as housing is increasingly identified as a strategic point of intervention to address HIV/AIDS and overlapping vulnerabilities (such as age, race, mental illness, drug use, or chronic homelessness). The National AIDS Housing Coalition reports that housing assistance has been shown to decrease health disparities while reducing overall public expense and/or making better use of limited public resources.

## AP-70 HOPWA Goals – 24 CFR Part 91.320(k)(4)

Page 237

<b>One year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	815
Tenant-based rental assistance	52
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds (including hotel/motel voucher assistance)	82
<b>Total</b>	<b>949</b>

## AP-85 Other Actions – 24 CFR Part 91.320(j)

Page 241 The plan must describe the jurisdiction’s planned actions to carry out the following strategies outlined in the Consolidated Plan:

- Foster and maintain affordable housing
- Evaluate and reduce lead-based paint hazards
- Reduce the number of poverty-level families
- Develop institutional structure
- Enhance coordination

In addition, the jurisdiction must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles.

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

Page 241 Field - Describe actions planned to address obstacles to meeting underserved needs. Description - Identify specific obstacles to meeting underserved needs and propose actions to overcoming those obstacles. Obstacles can be any issue that is preventing a jurisdiction from realizing a goal. These issues are often identified through the monitoring and performance evaluation of each program. Examples of specific obstacles include:

- Lack of landlord participation in rental assistance and rental rehabilitation programs
- Lack of lender participation in homebuyer programs

CDPH/OA is the state agency that administers statewide programs and activities that pertain to HIV/AIDS, and is statutorily responsible for coordinating all state programs, services, and activities relating to HIV. The State HOPWA program is situated in CDPH/OA to ensure that all HIV service programs, including housing assistance, are coordinated at state and local levels.

State HOPWA staff will provide technical assistance to project sponsors to address barriers such as potentially identifying more low-income housing for their service area. In addition, collaboration with local HCP in leveraging funding sources to provide supportive services will address some of the other barriers such as mental health and substance abuse. Finally, services such as life skills, employment training, and legal services are being investigated as best practices for sustained stable housing for PLWH in California.

Project sponsors are required to participate in local planning and advisory groups to represent the HIV and housing needs of their clients and participate in the community needs assessment processes. Most project sponsors participate in their local Continuum of Care Planning Group, including assisting with the homeless counts each year, which has improved their knowledge and collaborative efforts to provide housing and supportive services to PLWH in their community. Local participation assists project sponsors in linking clients to necessary services and establishing collaborative relationships with other local government and private service agencies.