



**Community Development Block Grant  
2020-2024 Consolidated Plan  
&  
2020-2021 Annual Action Plan**

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## **Executive Summary**

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

#### **1. Introduction**

The City of Monterey (City) has the goal of creating a community that effectively invests in their residents as recipients of the Community Development Block Grant (CDBG) from the US Department of Housing and Urban Development (HUD). The Consolidated Plan (Consolidated Plan) is a five-year strategic plan to address community development and housing needs that are specific to the City. The City utilizes the Consolidated Plan to allocate maximum efforts, including programming and funds, towards housing and community development goals. These priorities are established through careful and considerate analysis by researching demographics of the City, housing affordability and purchasing rates, economic standards, and other important factors.

An Annual Action Plan is developed every year to implement strategies to address community needs and goals developed in the Consolidated Plan process. This yearly plan describes the City's CDBG-related projects and activities for the upcoming Program Year (PY). The Action Plan includes proposed actions to address the objectives and needs identified in the Consolidated Plan. The City reports on accomplishments and progress of Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report (CAPER) at the end of each year during the five-year Consolidated Plan cycle.

The Consolidated Plan and Annual Action Plan are both required by federal law to receive grant funding. Additionally, as part of the Consolidated Plan, as a grantee, the City will submit a certification to Affirmatively Further Fair Housing, (AFFH), which requires undertaking Fair Housing Planning through the completion of 1) an Analysis of Impediments to Fair Housing, 2) Actions to eliminate any identified impediments, and 3) Maintenance of AFFH records. Finally, accomplishments and progress of meeting the goals of the Consolidated Plan are reported yearly in the Consolidated Annual Performance and Evaluation Report (CAPER).

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

The analysis of data identified needs for vulnerable populations including the significant number of low-income households and the need for affordable housing units. The strategy for community improvement using CDBG funds will focus on the following five broad goals:

1. Improve housing opportunities for 0-80 percent AMI households through new construction and preservation of existing affordable housing stock;
2. Provide for a suitable living environment for all residents and income levels;
3. Creating affordability;

4. Public Infrastructure;
5. Economic development;
  
6. Provide optimal program administration and oversight of the CDBG program to continue planning efforts to address the needs of extremely low, very low, and low-income households and areas.

Details of the plan to meet these goals can be found in the Strategic Plan of this document.

### **3. Evaluation of past performance**

The City accomplished many of the goals of the 2015-2020 Consolidated Plan:

- Completed homeowner housing rehabilitation for approximately 90 low- to moderate-income households through the Home Accessibility Grant, the Home Safety Grant, and the Mr. Fix-It Grant programs
- Completed three public infrastructure projects in low-income census tract block group areas (127-01, 133-03, and 133-04) to improve parks, streets, and ADA accessibility, and assist low-income homeowners with bringing properties into code compliance
- Provided funding for people experiencing homelessness through rehabilitation of properties owned and operated by the Veteran’s Transition Center (VTC), Interim, Inc. (Interim), and Community Human Services (CHS)
- Purchased three housing units for rehabilitation and resale to income-eligible low-income, first-time homebuyers
- Continued CDBG allocation of funding to public service organizations to assist extremely low- and moderate-income individuals

Through the goals to implement the strategies of the 2015 to 2019 Consolidated Plan, the City was able to provide funding to assist residents experiencing homelessness, public services to assist low income and special needs populations with basic life necessities, and other low- and moderate-income City residents. The City was able to meet spending goals and avoid buildup of any unspent income and funding.

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

To encourage broad and meaningful community participation, the City used several community outreach methods: public meetings, a survey, and stakeholder consultations.

Four publicly noticed community meetings were held; a community meeting on October 17, 2019 a technical workshop for sub-grantees on November 13, 2019, a housing meeting on December 9, 2019 of 2019, and an application review for sub-grantees on January 9, 2020. The meetings were designed to solicit public input. The meetings were legally noticed in English and Spanish through the Monterey Herald newspaper and the City’s website. Engagement activities at the meetings were used to gather input and prioritize the highest community and housing needs.

A community outreach survey asked questions designed to elicit feedback about needs for housing, community facility needs, special needs services, homeless, economic development, and other supportive

community programs; the survey also included questions related to housing, designed to gain input on the community's experience with housing discrimination, awareness of tenant housing rights, home lending, housing affordability, and information related to home maintenance and condition. The surveys were open to the public from October 14, 2019 to November 15, 2019; 138 people responded to the Community Outreach survey. The survey was publicized on City's website.

Efforts to reach populations underrepresented in the planning process included discussions regarding the survey with various housing, social service, faith based, and other organizations that provide services to the disabled, special needs, low income, and homeless population community. The surveys were provided in both English and Spanish translations.

From October to December of 2019, several stakeholders were consulted in person during public workshops and over the phone. Such stakeholders included, but were not limited to, housing providers, health services, social services, organizations representing protected classes, fair housing, broadband internet providers, emergency management organizations, and City of Monterey Departments. The purpose of the consultations, or interviews was to carry out a needs assessment for determining needs for housing, homelessness services, and disproportionate need, as well as to assist in a market analysis to locally determine the number of units, special needs services available, non-housing community resources, and barriers to affordable housing.

Additionally, City staff reached out to businesses and rental groups to obtain input on the emergency housing assistance program, a new program for the City to provide emergency housing assistance due to impacts of the COVID-19 emergency to help prevent further homelessness.

## **5. Summary of public comments**

A summary of all comments received and staff's response to those comments can be found in Appendix A.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

Not applicable. All comments were accepted.

## **7. Summary**

The City conducted several public meetings and hearings to gather input and review the 2020-2024 Consolidated Plan. In addition, the City held stakeholder meetings with multiple community and regional organizations and agencies providing services to low income and homeless populations. The City has consulted several plans to inform the development of this Plan that has included the City of Monterey 2015-2023 Housing Element, and the Lead Me Home Plan developed by the Coalition of Homeless Service Providers. Please see section PR-10 of this Consolidated Plan for other plans consulted.

Public meetings, community and housing need surveys, stakeholder consultation, and hearings, have been the significant contributors to the development of Plan goals and strategies to address needs. Additionally, data gathered has also greatly supported the input from the engagement process.



## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

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

The following agency/entity is responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MONTEREY	Housing Programs Office

**Table 1 – Responsible Agencies**

### Narrative

#### Consolidated Plan Public Contact Information

Grant Leonard  
City of Monterey - Housing Programs Office  
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Monterey, CA 93940  
831-646-5614

## PR-10 Consultation - 91.100, 91.200(b), 91.215(l)

### 1. Introduction

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

It is the City's policy, as referenced in the Housing Element of the General Plan, to assist the Housing Authority, nonprofit agencies, and private developers in providing housing opportunities to extremely low-, low-, and very low-income households when such an opportunity is identified. To address homelessness, since 2013, the City has participated in the Coalition of Homeless Service Providers (CHSP) Leadership Council's oversight of the Lead Me Home Plan.

**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**

The Coalition of Homeless Service Providers (CHSP) is the Continuum of Care (CoC) for Monterey and San Benito Counties. The City of Monterey Planning staff regularly attend monthly meetings held by the CHSP, which include the CHSP Board meeting, the Housing Pipeline meeting, the Leadership Council meeting, and the meeting of the CHSP Executive Committee, all held once per month.

The May 2019 Lead Me Home Update to the 10-year Plan dated October 11, 2011, was developed in collaboration with Monterey County Board of Supervisors and San Benito County Board of Supervisors. The plan builds upon the successful relationships developed during the creation of the original plan. These relationships are multi-organizational, multi-governmental, and multi-sectoral. Collaboratively, an approach has begun to identify successful practices, organize resources, scale up to the size of the problem, and produce public value by delivering meaningful results. This will require continued innovation by community-based organizations, advances in government policy practices, and meaningful private sector investment.

Lead Me Home Plan Update is founded on a new vision of a system that starts with stabilizing existing tenancies to prevent homelessness, re-housing people before they enter shelter, and linking people to appropriate community supports so that they may find and keep stable housing, as well as improve their economic position.

Lead Me Home Plan Update seeks to use housing opportunity as a vehicle to link families & individuals with employment or income programs.

The Lead Me Home 10-Year Plan for housing the homeless in Monterey and San Benito Counties was developed to meet the requirements of the Federal Government's Homeless, Emergency Assistance & Rapid Transition to Housing Act. The Plan lays out the priorities, strategies, and action steps for ending homelessness in the two counties. The City of Monterey's Housing Programs Office is working to implement many of the key strategies identified in the Plan.

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

Not applicable. The City does not receive ESG funds.

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

Please see Table 2.

<b>Agency/group/organization</b>	<b>Agency/group/Organization type</b>	<b>What section of the Plan was addressed by Consultation?</b>	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>
Interim, Inc	Housing Services- Persons with Disabilities	Needs Assessment, Strategic Plan, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness strategy	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Salvation Army of the Monterey Peninsula	Services – Homeless Services – Housing	Needs Assessment, Strategic Plan, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness strategy	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.

Community Human Services	Services – Housing Services – Homeless Services – Children	Needs Assessment, Strategic Plan, Homelessness Needs (Chronically homeless, homelessness needs, Unaccompanied youth), Homelessness strategy	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Legal Services for Seniors	Services – Fair Housing Services – Elderly Persons	Needs Assessment, Housing, Economic Development, Non-homeless special needs, Strategic Plan	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Alliance on Aging	Services – Elderly Persons	Needs Assessment, Economic Development, Non-homeless special needs, Strategic Plan	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Veterans Transition Center	Services – Housing Services – Economic development Services – Homeless	Needs Assessment, Strategic Plan, Homelessness Needs (Chronically homeless, Families with children, Veterans), Homelessness strategy	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.

Food Bank of Monterey County	Services – Health	Needs Assessment, Strategic Plan, Homelessness Needs (Chronically homeless, Families with children), Homelessness strategy	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Meals on Wheels	Services – Health Services – Persons with Disabilities Services – Elderly Persons	Needs Assessment, Strategic Plan, Non-homeless Special needs	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.
Josephine Kernes Memorial Pool	Services – Health Services – Persons with HIV/AIDS Services – Elderly Persons	Needs Assessment, Strategic Plan, Non-homeless special needs	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Monterey Police Department	Other government – Local	Needs Assessment, Housing, Homelessness, Non-homeless special needs, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.
City of Monterey Public Works Department	Other government – Regional	Needs Assessment, Strategic Plan, Public facility needs	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.
City of Monterey Parks & Recreation Department	Other government – Regional	Needs Assessment, Strategic Plan, Public facility needs	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.

Coalition of Homeless Services Providers	Services – Housing  Services – Homeless  Regional organization	Needs Assessment, Economic Development, Non-homeless special needs, Housing need assessment, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness Strategy, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.
Housing Authority of the County of Monterey	Services – Housing  Services-Homeless  Regional	Housing need assessment, Needs Assessment, Economic Development, Non-homeless special needs, Homelessness Needs (Chronically homeless, Families with children, Veterans), Homelessness Strategy, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.

ECHO Fair Housing Support Services	Education  Services – Fair Housing	Needs Assessment, Economic Development, Non- homeless special needs, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness Strategy, Strategic Plan	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Gathering for Women	Services – Homeless	Needs Assessment, Homelessness Needs (Chronically homeless), Homelessness Strategy, Strategic Plan	Representative(s) attended at least one community forum and provided input to help prioritize the City’s community needs.
Interfaith Homeless Emergency Lodging Program (I-HELP) Monterey Bay	Services – Health  Services – Homeless	Needs Assessment, Homelessness Needs (Chronically homeless, Families with children, Veterans, Unaccompanied youth), Homelessness Strategy, Strategic Plan	Representative(s) contributed narrative and data to answer questions relevant to the Consolidated Plan.

**Table 2 – Agencies, groups, organizations who participated**

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

The Community Hospital of Monterey Peninsula (CHOMP) was not consulted regarding the 2020-2024 Consolidated Plan. However, the Coalition of Homeless Service Providers (CHSP) was consulted regarding the provision of temporary shelter needs of homeless individuals following release from CHOMP. Specifically, the Salvation Army Monterey Peninsula Corps works in partnership with CHOMP to create housing plans and provide temporary shelter for homeless individuals. The City consulted with the Salvation Army of the Monterey Peninsula, Interim, Inc., and Community Human Services, all of whom assist in the process of placing homeless individuals after local medical or mental health facility discharge using vouchers and temporary housing.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Lead Me Home 2019	Coalition of Homeless Service Providers (CHSP)	<p>The City of Monterey attends all monthly meetings held by the Coalition of Homeless Service Providers and has been a contributor to the Lead Me Home Plan. Traditionally, the City has supported agencies and organizations the CHSP regular partner with to carry out the vision of the Plan by providing services to all homeless populations. The City will also comply with the Housing First approach, which requires removing barriers homeless individuals and families have faced in obtaining housing, such as income requirements. Additionally, as part of the Plan, training will be enhanced and replicated by Community Action officers in the City of Monterey to train other jurisdictions' police/law enforcement officers on homeless outreach strategies and goals of discharge planning policies.</p>
Emergency Shelter Overlay District	City of Monterey	To reference areas ideal for emergency shelters and supportive services.

General Plan's and Housing Element	City of Monterey	The General Plan's Housing Element is the City's policy guide to meeting the community's housing needs. The Strategic Plan aligns with the goals and policies for implementation of the City's Housing Element.
City of Monterey, 2016 Climate Action Plan	City of Monterey	Development, as related to the Consolidated Plan, that occurs shall be primarily in the areas where environmental hazards can be properly mitigated.
Parks & Recreation Master Plan	City of Monterey	To reference the most ideal areas in need of improvement according to City plans with a focus on low to moderate CDBG target areas.
Lead Me Home	Coalition of Homeless Service Providers	To address the prevention of homelessness in the Monterey County region. The City aligns the Lead Me Home plan with the Strategic Plan's goal to support activities that assist the prevention of homelessness.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))**

Additionally, the City recognizes the important role County government and adjacent local governments play in implementing the Consolidated Plan. The public service and housing providers represent, provide services, and are physically based in other areas of the region. These service organizations' comment during public hearings and needs assessment meetings identify important regional approaches to address homelessness and affordable housing. The City will use their input and work with adjacent local governments to setup a homeless facility and develop new affordable housing when appropriate sites can be identified.

The Housing Authority of the County of Monterey (HACM) is a public agency that provides rental assistance and develops and manages affordable housing throughout Monterey County. HACM is in the

process of updating its Five-Year Annual Agency Plan (Agency Plan). In accordance with the Housing and Urban Development Code of Federal Regulations, Section 903.15(a), HACM submits its plan to the City for certification that the plan is consistent with City plans. Housing staff reviewed the HACM plan and determined that they are consistent with the City's Consolidated Plan planning efforts.

## **PR-15 Citizen Participation**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation**

#### **Summarize citizen participation process and how it impacted goal setting**

To gather input on the Consolidated Plan, three publicly noticed meetings were held as follows:

- October 17, 2019 @ El Estero Park Center, Monterey, California
- November 13, 2019 @ Few Memorial Hall, Monterey California
- January 9, 2019 @ Few Memorial Hall, Monterey, California

Engagement activities were used to gather input on the highest community and housing needs. The results of the input were narrowed to the three highest priorities:

1. Affordable housing
2. Homelessness services- prevention and housing
3. Community outreach

The meetings were legally noticed in English and Spanish through the Herald, publicized through the City's website, and notices were emailed to the organizations from the contact list of partners and service organizations the City has compiled from past stakeholder and community meetings related to grant funding from HUD.

#### *Housing 2020 Community Workshop & Open House*

In addition to the meetings described above, a Housing 2020 Community Workshop & Open House was held December 9, 2019 from 6 to 8 pm at the Monterey Conference Center. The purpose of the Housing Workshop was to provide updates on plans for new affordable housing and new laws affecting renter protections as well as for accessory dwelling units. Additionally, this meeting was meant to encourage residents to connect with City staff as well as the City's community partners and to share their perspective on the challenges for housing in the City of Monterey. The meeting included an open house where residents could engage with the City's community partners working on housing inventory improvements, partners which included the United Way, ECHO Housing, and Community Human Services (CHS).

Specific topics included:

- New renter protections (AB 1482) (also available in Spanish)
- New rules for building an ADU (granny flat)
- Increasing density for housing
- Garden Road rezoning for housing
- Analysis of City-owned property for housing

To publicize the Housing 2020 Community Workshop & Open House, dynamic bilingual outreach in English and Spanish was conducted to reach a large audience, which included public noticing in the Monterey

Herald, publicizing the event on social media (Nextdoor, Twitter, Facebook), traditional media, and Podcasting with a local non-profit media company.

City staff also reached out to business and rental groups to obtain input on the rental assistance program, a new program for the City to provide rental assistance during the COVID-19 emergency to help prevent further homelessness.

The Draft 2020-2025 Consolidated Plan was made available for review and comment by the public from March 13, 2020 to April 12, 2020. See attachment for comments.

Finally, on March 24, 2020, a Planning Commission Hearing was held to review and make a recommendation to City Council regarding the 2020-2024 ConPlan. On April 21, 2020, the City Council adopted the 2020-2024 ConPlan.

**Citizen Participation Outreach**

<b>Mode of Outreach</b>	<b>Target of Outreach</b>	<b>Summary of response/ attendance</b>	<b>Summary of comments received</b>	<b>Summary of comments not accepted and reasons</b>	<b>URL (If applicable)</b>
Survey	Individuals and families facing homelessness	Point-in-Time count revealed decrease in number of homeless in the City. Most of the homeless population is unsheltered .	N/A	N/A	N/A
Community Survey	Non-targeted/broad community; made available in both English and Spanish	132 responses to the survey	Survey results provided input regarding needs for public services, facilities, infrastructure, and housing needs.  See attached Community Engagement Summary	N/A	N/A

**Table 4 – Citizen Participation Outreach**

<p>Newspaper ad and email to advertise public meetings</p>	<p>Non-targeted/ broad community</p> <p>Providers of services to community citizens</p> <p>Noticed in both English and Spanish</p>	<p>Representatives from community service organizations attended public meetings.</p>	<p>Housing is the largest need; Service needs for homeless-shelters, mental health, substance abuse; services for an aging population; Americans with Disability Act (ADA) accessibility; Growing needs for seniors and youth</p> <p>See attached Community Engagement Summary</p>	<p>Need housing to attract teachers (land is infeasible for this development- because of a lack of and adequate supply of water and land); transportation is needed for getting people to the services and back home so services are accessible (transportation needs have been addressed); children with autism (provided by the State); need more medical care for homeless at shelters (Community Hospital of Monterey Peninsula (CHOMP) coordinates with Salvation Army and Interim); need for project based vouchers</p>	<p>N/A</p>
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Public Meetings	Non-targeted/ broad community	Public outreach meetings held to gather input on community needs	See Community Engagement summary, attached.	N/A	N/A
Public Hearing	Non-targeted/ broad community	Planning Commission meeting March 24, 2020  City Council hearing April 21, 2020 to adopt Consolidat-ed Plan	See attached.	N/A	N/A

## Needs Assessment

### NA-05 Overview

#### Needs Assessment Overview

The Needs Assessment provides details on housing needs, needs of groups that are experiencing problems disproportionately as compared to other groups, needs of residents of public and assisted housing, needs of homeless, needs of special needs populations, and community development needs that are not related to housing. Comprehensive Housing Affordability Strategy (CHAS) data is provided by HUD for different income brackets. For example, for cost burden and severe cost burden, as well as crowding information by tenure, data is only provided for households with incomes between 0-80 percent HAMFI. Other tables include data for households with incomes between 0-100 HAMFI as well as all incomes.

Housing problems are defined by HUD as:

- Housing unit lacking complete kitchen facilities
- Housing unit lacking complete plumbing facilities
- Overcrowded with more than 1 person per room not including bathrooms, porches, foyers, halls, or half-rooms.
- Cost burdened, with household paying more than 30 percent of income toward housing costs (including utilities)

Severe housing problems include all of the above, except

- Overcrowded households with more than 1.5 persons per room, not including bathrooms, porches, foyers, halls, or half-rooms
- Households with cost burdens of more than 50 percent of income

The data in this section include basic information about households by income as well as the number of renters and homeowners who experience various types of housing distress at various income levels. The following outlines income categories used in this report:

- Area median income (AMI):
  - Extremely Low-income: 0-30% AMI
  - Very Low-income: 30-50% AMI
  - Low-income: 50-80% AMI
  - Moderate-income: 80-120% AMI
  - Median Income: 100% AMI
- HUD adjusted median family incomes (HAMFI):
  - Extremely low-income: 0-30% HAMFI
  - Very low-income: 30-50% HAMFI

- Low-income: 50-80% HAMFI
- Middle-income: 80-100% HAMFI
- Upper income 100% HAMFI and above

Note: Area Median Income (AMI) and HUD Adjusted Median Family Income (HAMFI) are functionally the same when referring to lower-income populations. However, HUD uses HAMFI to determine Fair Market Rents, which guides eligibility for many of its programs including Housing Choice Vouchers (i.e. Section 8). AMI is an industry term used more generally, but often refers to income limits for income-restricted affordable housing. The use of each term is noted throughout the Consolidated Plan.

The following is a summary of findings.

### *Housing Needs Assessment*

Of total households in the City, 34.1 percent are owner-occupied. Nearly one-quarter, 24.4 percent, of owner-occupied households are low to moderate income, which could indicate a need for homeowner rehabilitation, further supported by the finding that 33.7 percent of owner-occupied units have housing problems.

Renter-occupied households account for 65.9 percent of total occupied units; 35.3 percent are low to moderate income, and more than half (51.8 percent) experience one or more housing problems.

### *Disproportionately Greater Need*

The data in this section determines whether a racial or ethnic group in an income category experiences greater need disproportionately as compared to the jurisdiction as a whole in that same income category. For example, assume that 60% of all low-income households within a jurisdiction have a housing problem and 70% or more of low-income Hispanic households have a housing problem, the need would be disproportionate for that group.

- For housing problems, disproportionate need was found only in the 50-80 percent AMI category: Black/African American, Asian, and Hispanic residents in this income category experience disproportionately greater housing problems by 100 percent, 92.59 percent, and 100 percent respectively, exceeding the baseline of 79.67 percent of the jurisdiction as a whole by more than 10 percent.
- For severe housing problems, Asian and Hispanic residents in the 50-80 percent income category experience a disproportionately greater share- 63.64 percent and 55.10 percent, respectively, exceeding the baseline percentage of 42.06 percent of the jurisdiction as a whole.

For cost burden only:

- As a whole, 43 percent of households in the City are cost burdened, paying more than 30 percent of their income toward housing costs.

- 22 percent of households in the City are severely cost burdened, paying more than 50 percent of their income toward housing costs.
- 32 percent of Black/African American households, and 31 percent of Hispanic households are disproportionately cost burdened and paying more than 30 percent of their income toward housing costs, compared to 21 percent of the jurisdiction as a whole.

### *Public Housing*

The Housing Authority of the County of Monterey (HACM) administers the Housing Choice Voucher Section 8 Program- a federal program for assisting very low-income households. Through HACM, the federal program pays a housing subsidy to the landlord on behalf of the low-income household. HACM has a current allocation of 4,335 Housing Choice Vouchers (HCV) and 199 vouchers through the HUD Veterans Affairs Supportive Housing (VASH) for veterans. However, due to federal budget reductions, only 3,235 HCVs are available for use in the County; 184 are in use in the City, alone. HACM's public housing has been converted to Project-Based Rental Assistance where tenants utilize the HCV. The conversion of HACM properties to Project-Based Rental Assistance could offer the City an opportunity to collaborate with the Housing Authority to provide funding assistance for rehabilitation and repair of HACM units.

### *Homeless Needs Assessment*

A total of 2,422 persons were counted in the County of Monterey's Point-in-Time homeless count in January of 2019. In the City of Monterey, a total of 204 were counted as homeless<sup>1</sup>, a 40 percent decrease from the count in 2017. The number of sheltered was 37 and 167 unsheltered.

The numbers show that the City is home to the third highest homeless population in Monterey County.

### *Non-Homeless Special Needs Assessment*

There are a significant number of seniors in the community in need, according to census data as well as the community outreach. Households containing at least one person 62 years of age and older account for 38 percent of total low-income households. Additionally, nine percent of the City's population has a disability. Housing for seniors was reported as the highest housing need, second to affordable housing, in the community survey.

### *Non-Housing Community Development Needs*

The community survey asked respondents to prioritize non-housing community development needs. Parks and Recreational Facilities received the highest weighted score at 2.4. The following community development needs received the highest weighted scores:

- Parks and Recreational Facilities 2.4
- Services for homeless 2.39

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<sup>1</sup> Monterey County Homeless PIT Census & Survey Comprehensive Report 2019, page 12.

- Youth Centers 2.22
- Senior Centers 2.12
- Street Improvements 2.11
- Landlord tenant counseling 1.93

Priority community development needs were identified by stakeholder interviews as the following:

- Homeless prevention
- Youth services and daycare
- Emergency shelter and mental health services
- Fair housing counseling and legal services
- Services for seniors and special needs populations
- Economic development- job training

## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

The demographic data for the City, Table 5, shows slow population growth (only a two percent increase). A trend of slowed growth can indicate several causes, such as less births or families, individuals relocating, and high housing costs due to high demand. While the data in Table 5 shows there has been a small increase in population growth, the number of households has decreased. Possible causes for the decrease in the number of households are changes in household structures. During the mid-20<sup>th</sup> century, most households (90 percent) contained families—two or more persons who were related to each other—by 2010, this share had dropped to 66 percent.<sup>2</sup>

Demographics	Base Year: 2009	Most Recent Year: 2015	% Change
Population	27,810	28,285	2%
Households	12,320	11,785	-4%
Median Income	\$60,581.00	\$66,166.00	9%

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

According to Table 6, approximately 10 percent of the City’s households earn 0-30 Area Median Income (AMI), or are extremely low income. Of households in the 0-30 AMI income category, nearly half, 43 percent, are households that contain at least one person 62 years or older. A very small percentage, .13 percent, are extremely low-income households containing one or more children that are 6 years old or younger.

Approximately, 8.7 percent of households earn 30-50 AMI. Of the 30-50 income category, 41 percent of households contain at least one person 62 years or older. Five percent are households with one or more children 6 years old or younger in this income category.

In the 50-80 AMI category, small family households accounted for the highest numbers at 24 percent of total households in this income category.

For households 100 percent AMI or below, households with one or more children 6 years old or younger accounts for four percent of households at, Small Family households account for nine percent of households in this income bracket, and households that contain at least one person 62 years or older account for 17 percent of total households.

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<sup>2</sup> Population Reference Bureau, “Household Change in the United States,” <https://www.prb.org/us-household-change/> [accessed February 27, 2020].

Overall, households with incomes at or below 80 percent of AMI, account for approximately 34 percent (4,007 households) of all households in the City. Of low-income households between 0-80 percent AMI, 13 percent contain at least one person 62 years or older and 1.7 percent contain one or more children 6 years old or younger, six percent are small family households, and .7 percent are large family households.

**Number of Households Table**

	<b>0-30% HAMFI</b>	<b>&gt;30-50% HAMFI</b>	<b>&gt;50-80% HAMFI</b>	<b>&gt;80-100% HAMFI</b>	<b>&gt;100% HAMFI</b>
Total Households	1,150	1,030	1,795	1,160	6,650
Small Family Households	100	190	435	360	2,615
Large Family Households	0	20	65	120	255
Household contains at least one person 62-74 years of age	259	174	250	215	1,485
Household contains at least one person age 75 or older	235	250	365	130	750
Households with one or more children 6 years old or younger	15	53	170	203	840

**Table 6 - Total Households Table**

**Data Source:** 2011-2015 CHAS

**Housing Needs Summary Tables**

According to Tables 7 through 11, renters experience housing problems more so than owners. Most renters that are extremely low to low income (0-80 percent AMI) experience severe cost burden—three and a half times as much as owners in the same income categories. According to Table 7, of extremely low-income renters, 40 percent experience severe cost burden, where 17 percent of owners in this income bracket experience severe cost burden.

Overall, severe cost burden is experienced by 19 percent of total households in the 0-100 AMI brackets; 11 percent of households experience cost burden in the 0-100 AMI brackets. Further, in the same income brackets, renters experience cost burden cost three times that of owners. According to Table 7, only renters experience substandard housing (lacking complete plumbing or kitchen facilities), most of whom are in the 0-30 income bracket. Also, only renters experience severe overcrowding (greater than 1.51 people per room); there are only 25 and they are in the 50-80 AMI bracket. Overcrowding (1.01-1.5 people per room) is experienced by both renters and owners, though more by renters and in all income

categories.

1. Housing Problems (Households with one of the listed needs)

	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	75	0	25	30	130	0	0	0	0	0
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	0	0	25	0	25	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	0	20	45	90	155	0	0	0	20	20

	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)	650	480	410	125	1,665	95	105	245	115	560
Housing cost burden greater than 30% of income (and none of the above problems)	0	120	580	360	1,060	30	125	95	35	285
Zero/negative Income (and none of the above problems)	210	0	0	0	210	10	0	0	0	10

**Table 7 – Housing Problems Table**

**Data Source:** 2011-2015 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden. The Housing Problems 2 table displays the number of households with no housing problems, one or more housing problems, and negative income by tenure and HUD Adjusted Median Family Income (HAMFI). This table aggregates the data

from the previous table, showing the total number of households that have any housing problem.)

	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										
Having 1 or more of four housing problems	720	495	510	245	1,970	95	105	245	135	580
Having none of four housing problems	45	245	715	690	1,695	65	190	325	90	670
Household has negative income, but none of the other housing problems	210	0	0	0	210	10	0	0	0	10

**Table 8 – Housing Problems 2**

**Data Source:** 2011-2015 CHAS

3. 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	55	130	285	470	0	60	75	135
Large Related	0	20	35	55	0	0	0	0
Elderly	275	200	225	700	80	120	190	390
Other	390	270	505	1,165	40	45	70	155

	Renter				Owner			
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total
Total need by income	720	620	1,050	2,390	120	225	335	680

**Table 9 – Cost Burden > 30%**

**Data Source:** 2011-2015 CHAS

4. 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
NUMBER OF HOUSEHOLDS								
Small Related	55	110	175	340	0	15	75	90
Large Related	0	0	10	10	0	0	0	0
Elderly	275	130	125	530	50	70	95	215
Other	390	240	150	780	40	15	70	125
Total need by income	720	480	460	1,660	90	100	240	430

**Table 10 – Cost Burden > 50%**

**Data Source:** 2011-2015 CHAS

5. 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	0	20	45	40	105	0	0	0	0	0
Multiple, unrelated family households	0	0	0	55	55	0	0	0	20	20
Other, non-family households	0	0	25	0	25	0	0	0	0	0
Total need by income	0	20	70	95	185	0	0	0	20	20

Table 11 – Crowding Information – 1/2

Data Source: 2011-2015 CHAS

	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	4	100	215	319	0	0	15	15

Table 12 – Crowding Information – 2/2

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

Data regarding single person households was gathered from the 2013-2017 American Community Survey (ACS) 5-year estimates. The data shows 4,478 single, 1-person households in the City, accounting for 38 percent of total households (11,726, a .05 percent decrease since the 2011-2015 ACS data). The age cohort with the highest number of single person households is 35 to 64 years, totaling 16 percent of total

households, or 1,916 persons. Additionally, the data also shows a large share of seniors living alone- 14 percent (1,641) of total households. Though it is unknown whether these householders are single, unmarried, or without caretakers, this data finding could indicate a need in the community. For example, seniors are more likely to have mobility limitations and require services to assist them in their daily lives.

**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.**

According to the Monterey County Homeless Census & Survey Comprehensive Report for 2019, four percent of 450, sheltered and unsheltered, survey respondents reported that they were currently experiencing domestic/partner violence.

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

Of total households in the City, 34.1 percent are owner-occupied. Nearly one-quarter, 24.4 percent, of owner-occupied households are low to moderate income; 33.7 percent of owner-occupied units have housing problems. Renter-occupied households account for 65.9 percent of total occupied units, 35.3 percent are low to moderate income, and more than half (51.8 percent) experience one or more housing problems. Housing problems include (1) the number of households that are paying too much for housing; (2) the number of households living in overcrowded units; and (3) the number of households living in substandard housing conditions (lacking plumbing or complete kitchen facilities).

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

According to Table 6, households earning low to moderate incomes include households that

- Contain at least one person 62 years or older, accounting for 17 percent of total households;
- Small Family households accounting for nine percent of households;
- Are households with one or more children 6 years old or younger account for four percent of households.

Overall, renter occupied households experience housing problems more than owner occupied households. As mentioned in the overview, more than 60 percent of the housing units in the City are occupied by renters and more than a third are low to moderate income. Among low to moderate income households, renters are cost burdened four times more than owners. In addition, substandard housing is experienced only by renters.

**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). 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**

The 2010 US Census counted 12,184 total households in the City. Of the total households in the City, 18.8 percent are families with children; 17.6 percent of families with children are female-headed households. The Census also revealed the City had 560 single-parent households.

Nationally, most homeless families are households headed by single women and families with children under the age of six. On the night of the Monterey Homeless Census in late January of 2019, there was a total of 150 families consisting of 596 individual family members experiencing homelessness in Monterey County in 2019. The primary cause of homelessness is financial issues, followed by drug use. Also, on the night of the count, 324 individuals were counted who were unaccompanied children and transitional-age youth; 91 percent were unsheltered, and nine percent were staying in shelters.

In addition to the Homeless Census, data from HACM demonstrates a need for low-income housing for families with children. Most households on the waiting list for the County's Housing Choice Vouchers (HCV) and Public Housing are families with children, 82 percent for HCVs and 76 percent for Public Housing.

The 2013-2017ACS 5-year estimates, reports that there are 5,633 households made up of families in the City. The data shows several families living below poverty level. Nearly four percent (3.8 percent) of families in the City are living below the poverty level; three percent are families with children under 18 years old. For families with a female head of household with children under 18 years old, 8.5 percent are living below poverty level.

**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:**

Not applicable.

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

Due to low incomes and possible unforeseen events that create financial challenges, renters who are experiencing cost burden are the most at-risk of becoming homeless.

### **Discussion**

Households with incomes below 80 percent of AMI, between zero and 80 percent of the AMI, account for approximately 34 percent of all households. Approximately 1,178 households in the City are extremely low income, between zero and 80 percent of the AMI. Of low-income households, between 0-100 percent HAMFI, 34 percent contain at least one person 62 years or older. Of low-income households, between 0-80 percent AMI, 13 percent contain at least one person 62 years or older. Households with one or more children 6 years old or younger account for four percent of households at 100 percent AMI or below. Small Family households account for nine percent of households that are 100 percent AMI or below.

The causes of households experiencing low incomes and cost burden can be the result of several factors. However, the primary cause of low income and poverty is under-employment or unemployment.<sup>3</sup>

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<sup>3</sup> Basic Facts about Low-Income Children, Children under 6 Years, 2014, [http://www.nccp.org/publications/pub\\_1149.html](http://www.nccp.org/publications/pub_1149.html).

## **NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)**

This section assesses the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category for the jurisdiction as a whole.

### **Introduction**

A key task of the Consolidated Plan is identification of racial or ethnic groups that may experience a disproportionately greater extent of housing problems in the community. A disproportionately greater housing problem or need exists when the numbers of a racial or ethnic group at a given income level experience housing problems at a rate greater than 10 percent or more than the income level as a whole.

HUD identifies four housing problems:

1. Housing unit lacking complete kitchen facilities
2. Housing unit lacking complete plumbing facilities
3. Overcrowded with more than 1 person per room not including bathrooms, porches, foyers, halls, or half-rooms.
4. Cost burdened, with household paying more than 30 percent of income toward housing costs (including utilities)

To enable an analysis of “Disproportionately Greater Need” a baseline has been established to show the percent of households in the community experiencing housing problems. The number of households that have one or more of the four housing problems in the jurisdiction as a whole, divided by the total number of people in that jurisdiction as a whole (Tables 13–16) was used to establish baseline percentages for those experiencing housing problems by income category. These baseline percentages are:

- 73.80 percent for 0% - 30% of AMI (ex. 845/1,145)
- 81.64 percent for 30% - 50% of AMI
- 79.67 percent for 50% - 80% of AMI
- 66.38 percent for 80% - 100% of AMI

These baseline percentages have been used to assess whether any racial ethnic group shown in the following Disproportionately Greater Need Tables (Tables 13–16) are experiencing disproportionately greater housing problems/needs. As previously indicated the greatest contributor to the City’s documented housing problems relates to lack of affordable housing and high cost burden.

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

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	845	80	220	73.80%
White	580	60	100	78.38%
Black / African American	20	0	10	66.67%
Asian	75	10	25	68.18%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%
Hispanic	130	0	55	70.27%

**Table 13 - Disproportionally Greater Need 0–30% AMI**

**Data Source:** 2011-2015 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

**30%-50% of Area Median Income**

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	845	190	0	81.64%

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
White	575	110	0	83.94%
Black / African American	0	0	0	0.00%
Asian	80	25	0	76.19%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%
Hispanic	180	40	0	81.82%

**Table 14 - Disproportionally Greater Need 30–50% AMI**

**Data Source:** 2011-2015 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

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

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	1,430	365	0	79.67%
White	1,060	345	0	75.44%
Black / African American	55	0	0	100.00%

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Asian	50	4	0	92.59%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%
Hispanic	250	0	0	100.00%

**Table 15 - Disproportionally Greater Need 50–80% AMI**

**Data Source:** 2011-2015 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30 percent

**80%-100% of Area Median Income**

<b>Housing Problems</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	770	390	0	66.38%
White	575	225	0	71.88%
Black / African American	10	20	0	33.33%
Asian	20	55	0	26.67%
American Indian, Alaska Native	0	0	0	0.00%

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	Percentage experiencing housing problems
Pacific Islander	0	0	0	0.00%
Hispanic	150	75	0	66.67%

**Table 16 - Disproportionally Greater Need 80–100% AMI**

**Data Source:** 2011-2015 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30 percent

**Discussion**

Black/African American, Asian, and Hispanic residents in the 50-80 percent income category are the racial groups that are experiencing disproportionately greater housing problems. The percentages of these residents experiencing housing problems were 100 percent, 92.59 percent, and 100 percent respectively. These percentages exceed the baseline percentage of 79.67 percent reported in the 50-80 percent income bracket by more than 10 percent, therefore indicating that they're experiencing a disproportionately greater need.

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (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 as a whole.

### Introduction

A disproportionately greater need exists when the numbers of a racial or ethnic group at a given income level experience housing problems at a rate greater than 10 percent or more than the income level as a whole. Severe housing problems are those related to housing cost burden and overcrowding.

HUD identifies four severe housing problems:

1. Housing unit lacking complete kitchen facilities
2. Housing unit lacking complete plumbing facilities
3. Severely overcrowded, with more than 1.5 persons per room not including bathrooms, porches, foyers, halls, or half-rooms
4. Severely cost burdened families paying more than 50 percent of income toward housing costs (including utilities)

Based on the number of total households reporting cost burden greater than 50 percent and more than 1.5 persons per room, baseline percentages for these severe housing problems by income category have been calculated. These baseline percentages are:

- 71.18 percent for 0% - 30% of AMI
- 57.97 percent for 30% - 50% of AMI
- 42.06 percent for 50% - 80% of AMI
- 32.76 percent for 80% - 100% of AMI

These baseline percentages have been used to assess whether any racial ethnic group is experiencing a disproportionately greater severe housing problem need.

### 0%-30% of Area Median Income

Severe 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	Percentage experiencing housing problems
Jurisdiction as a whole	815	110	220	71.18%

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
White	550	90	100	74.32%
Black / African American	20	0	10	66.67%
Asian	75	10	25	68.18%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%
Hispanic	130	0	55	70.27%

**Table 17 – Severe Housing Problems 0–30% AMI**

**Data Source:** 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

**30%-50% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	600	435	0	57.97%
White	400	285	0	58.39%
Black / African American	0	0	0	0.00%

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Asian	55	50	0	52.38%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%
Hispanic	135	85	0	61.36%

**Table 18 – Severe Housing Problems 30–50% AMI**

**Data Source:** 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

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

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	755	1,040	0	42.06%
White	545	855	0	38.93%
Black / African American	20	35	0	36.36%
Asian	35	20	0	63.64%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Hispanic	135	110	0	55.10%

**Table 19 – Severe Housing Problems 50–80% AMI**

**Data Source:** 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

**80%-100% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>	<b>Percentage experiencing housing problems</b>
Jurisdiction as a whole	380	780	0	32.76%
White	250	550	0	31.25%
Black / African American	0	25	0	0.00%
Asian	20	55	0	26.67%
American Indian, Alaska Native	0	0	0	0.00%
Pacific Islander	0	0	0	0.00%
Hispanic	90	135	0	40.00%

**Table 20 – Severe Housing Problems 80–100% AMI**

**Data Source:** 2011-2015 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent

### **Discussion**

Based on the data presented, Asian and Hispanic residents in the 50-80 percent income category are the racial groups that are experiencing a disproportionately greater share of severe housing problems. The percentages of these residents experiencing housing problems were 63.64 percent and 55.10 percent respectively. These percentages exceed the baseline percentage of 42.06 percent reported in the 50-80 percent income bracket by more than 10 percent, therefore indicating that they're experiencing a disproportionately greater severe housing need.

**NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (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 as a whole.

**Introduction:**

Per HUD definitions, a disproportionate need exists when any racial or ethnic group has a housing need that is 10 percent or higher than the jurisdiction as a whole. A household is considered cost burdened when paying more than 30 percent of its income toward housing costs, including utilities, and is severely cost burdened when paying more than 50 percent of its income toward housing costs, including utilities. This section analyzes the extent of cost burden and identifies populations that have a disproportionately greater need.

**Housing Cost Burden**

<b>Housing Cost Burden</b>	<b>&lt;=30%</b>	<b>30-50%</b>	<b>&gt;50%</b>	<b>No / negative income (not computed)</b>
Jurisdiction as a whole	6,585	2,480	2,495	220
White	5,070	1,795	1,765	100
Black / African American	110	85	70	10
Asian	475	115	200	25
American Indian, Alaska Native	0	0	0	0
Pacific Islander	10	0	0	0
Hispanic	650	455	375	55

**Table 21 – Greater Need: Housing Cost Burdens AMI**

**Data Source:** 2011-2015 CHAS

**Discussion:**

Below is a summary of the disproportionate cost burden experienced by households in the City:

- As a whole, 43 percent of households in the City are cost burdened and paying more than 30 percent of their income toward housing costs.

- Twenty-two percent of households in the City are severely cost burdened and paying more than 50 percent of their income toward housing costs.
- Thirty-two percent of Black/African American households, and 31 percent of Hispanic households are disproportionately cost burdened and paying more than 30 percent of their income toward housing costs, compared to 21 percent of the jurisdiction as a whole.

Note: Households with no/negative income are not considered in the analysis as they cannot, by definition, have a cost burden, although they still may require housing assistance.

## **NA-30 Disproportionately Greater Need: Discussion – 91.205(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?**

Black/African American, Asian, and Hispanic residents in the 50-80 percent income category are the racial groups that are experiencing disproportionately greater housing problems. The percentages of these residents experiencing housing problems were 100 percent, 92.59 percent, and 100 percent respectively. These percentages exceed the baseline percentage of 79.67 percent reported in the 50-80 percent income bracket by more than 10 percent, therefore indicating that they're experiencing a disproportionately greater need.

Based on the data, Asian and Hispanic residents in the 50-80 percent income category are the racial groups that are experiencing a disproportionately greater share of severe housing problems. The percentages of these residents experiencing housing problems were 63.64 percent and 55.10 percent respectively. These percentages exceed the baseline percentage of 42.06 percent reported in the 50-80 percent income bracket by more than 10 percent, therefore indicating that they're experiencing a disproportionately greater severe housing need.

Thirty-two percent of Black/African American households, and 31 percent of Hispanic households are disproportionately cost burdened and paying more than 30 percent of their income toward housing costs, compared to 21 percent of the jurisdiction as a whole.

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

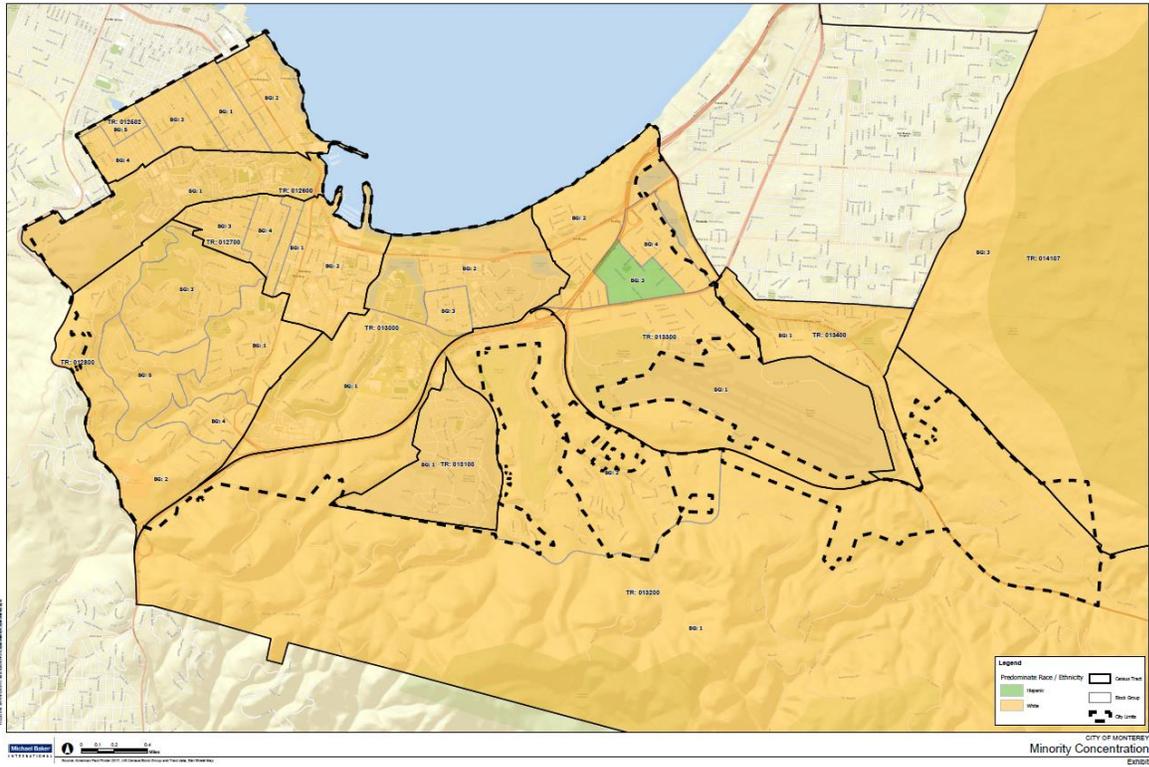
Households that are low income and experiencing housing problems, such as cost burden, are vulnerable. The data from the 2019 Monterey County Homeless Census & Survey reported that fifty-nine percent of survey respondents self-reported financial issues (job loss, eviction, etc.) as the primary cause of their homelessness, a significant increase in economic-related causes from previous years.<sup>4</sup>

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

Forty-five percent of the population in Block group 3 in Census Tract 13300 is of Hispanic/Latino origin, according to 2013-2017 ACS data (See Map 1). Block group 3 in Census Tract 13300 is the only area of the City with a significant minority concentration.

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<sup>4</sup> Monterey County Homeless Census & Survey Comprehensive Report 2019, Applied Survey Research.



Map 1: City of Monterey, Minority Concentration, 2013-2017 ACS.

## **NA-35 Public Housing – 91.205(b)**

### **Introduction**

The Housing Authority of the County of Monterey (HACM) is a public agency that provides rental assistance and manages affordable housing throughout Monterey County. HACM administers Housing Choice Vouchers (Section 8). The Housing Choice Voucher is a rent subsidy program that helps lower-income (up to 50 percent AMI) families and seniors pay rents in private units. Voucher recipients pay a minimum of 30 percent of their income toward their contract rent, and the local housing authority pays the difference through federal funds up to the payment standard (fair market rent) established by the HACM.<sup>5</sup>

HACM currently has an allocation by HUD of 4,335 Housing Choice Vouchers (HCV) and 199 vouchers through the HUD Veterans Affairs Supportive Housing (VASH) for veterans. However, due to fiscal budgetary cuts to HUD's HCV program by the federal government, only 3,235 HCVs are in use in the County; 184 HCVs are in use in the City. The City will continue to coordinate with HACM as the regional housing authority and public housing provider whenever possible.

Currently there are 168 assisted housing units in the City of Monterey managed by HACM. HACM has converted all its public housing units to Project-Based Rental Assistance. The conversion of HACM properties to Project-Based Rental Assistance might offer the City an opportunity to collaborate with the Housing Authority to provide funding assistance for rehabilitation and repair of HACM units. These units are in five separate projects:

- Portola Vista at 20 Del Monte Avenue 64 units
- Casanova Plaza at 800 Casanova Avenue 86 units
- Montecito Apartments at 242 Montecito Street 8 units
- Watson Apartments at 531 Watson Street 5 units
- Oak Grove Apartments at 1100 Second Street 5 units

Of HACM's total inventory of affordable housing in the City, 81 of the units are designated affordable to very low-income households. The remainder of the units are designated affordable to low- and moderate-income households. In the City, project-based units represent 43 percent of the 189 units that are designated very low income and 32 percent of the 268 total of low- and moderate-income rental units. The remainder of the very low-income rental units had been developed by other non-profit housing developers (MidPen Housing, CHISPA or Interim, Inc.) or by the City. The remainder of the low- and moderate-income rental units had been developed by private for-profit developers. The for-profit low- and moderate-income units were required as a condition of entitlement approval pursuant to City Ordinance No. 3344 C.S. Low and Moderate-Income Housing Ordinance.

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<sup>5</sup> County of Monterey, Analysis of Impediments, 2019.

**Totals in Use**

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	184	18	166	0	0	0

**Table 22 - Public Housing by Program Type (City of Monterey)**

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition\*Note: The number of project-based vouchers are included in the number of tenant-based vouchers.

**Data Source:** Housing Authority of the County of Monterey, January 2019.

**Characteristics of Residents**

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	0	0	0	15,467	15,365	0	0	0
Average length of stay	0	0	0	n/a	n/a	0	0	0	0

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project-based	Tenant-based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
Average Household size	0	0	3	2	1	0	0	0
# Homeless at admission	0	0	0	29	0	0	0	0
# of Elderly Program Participants (>62)	0	0	0	166	17	0	0	0
# of Disabled Families	0	0	0	138	8	0	0	0
# of Families requesting accessibility features	0	0	0	0	0	0	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

**Table 23 – Characteristics of Public Housing Residents by Program Type**

**Data Source:** Housing Authority of the County of Monterey, January 2019.

**Race of Residents**

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	0	17	161	0	0	0
Black/African American	0	0	0	0	0	12	0	0	0
Asian	0	0	0	0	0	5	0	0	0
American Indian/Alaska Native	0	0	0	0	0	5	0	0	0
Pacific Islander	0	0	0	0	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0
total	0	0	0	0	0	0	0	0	0
includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

**Table 24 – Race of Public Housing Residents by Program Type**

**Data Source:** Housing Authority of the County of Monterey, January 2019.

**Ethnicity of Residents**

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	34	2	34	0	0	0

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Not Hispanic	0	0	0	150	15	150	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

**Table 25 – Ethnicity of Public Housing Residents by Program Type**

**Data Source:** Housing Authority of the County of Monterey, January 2019.

**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

Not applicable. There are no longer public housing units in the City or County.

**Most immediate needs of residents of Public Housing and Housing Choice voucher holders**

The HACM establishes a Payment Standard for participation in the Section 8 Housing Choice Voucher (HCV) program. The standard is not set high as a strategy to keep housing costs low for households in need by not competing with the market. The standards are as follows: studio for \$283- \$683; 1-Bedroom for \$828; 2-Bedroom for \$1,000; 3-Bedroom for \$1,235; and 4+Bedrooms for \$1,350-\$1,700. Because the HACM standard is far less than market rents, landlords may preclude accepting the HCV and, further, the availability of units affordable to low- income households. However, the HACM conducts a significant amount of outreach to inform and educate property owners and managers on the benefits of the Section 8 HCV.

**How do these needs compare to the housing needs of the population at large?**

There is a substantial need for affordable housing in the City. Of the County as a whole, over 100 developments offer 4,400 units affordable to households earning 80 percent AMI. Of this total, 296 are in the City, accounting for seven percent of affordable housing units in the County.<sup>6</sup> Overall, households with

<sup>6</sup> Monterey County Analysis of Impediments to Fair Housing Choice, 2019, 73.

incomes below 80 percent of AMI, between zero and 80 percent of the AMI, account for approximately 34 percent of all households within the City. Also, of total households in the City, 34 percent are owner-occupied. Nearly one-quarter, 24 percent, of owner-occupied households are low to moderate income, which could potentially indicate the need for homeowner rehabilitation. Rehabilitation is a tool for preserving existing housing stock.

Renter-occupied households account for 65.9 percent of total occupied units; 35.3 percent are low to moderate income and more than half (51.8 percent) experience one or more housing problems. Renter households in the 0-30 AMI bracket experience the most severe cost burden at 43 percent of all renter households that are low income and below; 55 percent owners experiencing severe cost burden were in the 50-80 AMI bracket. Renters also experience crowding more than owners, indicating a need for larger units, as substantiated by survey results.

### **Discussion**

Public housing units have been converted to project-based housing and Rental Assistance Demonstration projects (RAD). RAD projects in the City of Monterey are located at Montecito Avenue, and Watson and consist of 13 units. The City will continue to work with HACM to encourage the development of affordable housing in the City.

## NA-40 Homeless Needs Assessment – 91.205(c)

### Introduction:

The Coalition of Homeless Service Providers (CHSP) is the Continuum of Care (CoC) for the Counties of Monterey and San Benito and includes the City of Monterey. Every two years, in the month of January, communities across the United States conduct a Point-in-Time (PIT) count of the local population experiencing homelessness. For 2019, the CoC conducted its PIT county on January 31. These counts collect information on individuals and families residing in temporary shelters and places not meant for human habitation, and ultimately help the federal government to better understand the nature and extent of homelessness nationwide. As required by the HUD, jurisdictions receiving federal funding to provide homeless services, CoCs must report the findings of their local PIT count to HUD. Information gathered through the PIT survey is used by the CHSP to understand the issues associated with homelessness, including causes of homelessness, service needs of the homeless, the region's unmet housing needs, and trends over time of homelessness in the region.

A total of 2,422 persons were counted in the County of Monterey. In the City, a total of 204 were counted as homeless, a 40 percent decrease from the count in 2017. The number of sheltered was 37 and 167 unsheltered. The numbers show that the City is home to the third highest homeless population in Monterey County.

**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):**

Of the 2,422 persons found to be homeless in the County,

- 562 reported being chronically homeless, close to the national average (14 percent were sheltered and 86 percent unsheltered); 72 percent of chronically homeless survey respondents identified as male, 45 percent identified as Hispanic or Latinx, White accounted for 50 percent and Black/African American for 10 percent;
- 172 homeless persons were veterans (41 percent sheltered and 59 percent unsheltered) and 90 percent were male, and 21% identified as Hispanic or Latinx ethnicity, and in terms of racial identity, 43% identified as White, while 26% identified as Black/African American and 28% as multi-race or other; the number of homeless veterans has increased by 56 percent since 2017;
- 150 families with 596 members were counted (49 percent were sheltered, and 51 percent were unsheltered);
- 324 Unaccompanied Children & Transitional-Age Youth were counted (9 percent were sheltered, and 91 percent were unsheltered).

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

The Coordinated Entry System (CES) is a program that allows individuals and families to access services needed to move them out of a state of homelessness as quickly as possible. CES uses the Homeless Outreach Engagement (HOME) Application.<sup>7</sup> The HOME application is loaded with the VI-SPDAT (Vulnerability Index-Service Prioritization Decision Assistance Prescreen Tool). From any location, a trained user is able to administer the vulnerability survey from a SMARTphone, laptop, tablet, or desktop computer and place a homeless person on the Master List making them eligible for homeless housing programs.<sup>8</sup> According to the current CES data, 41 percent of the total number of families who are waiting for homeless housing assistance should be referred to permanent supportive housing, 32 percent for transitional housing, and 38 percent for rapid re-housing. Fifty percent of veteran families qualify for referral to rapid re-housing, while the other 50 percent for transitional housing.

## **Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

Significant racial disparities exist within the Counties of Monterey and San Benito Continuum of Care (CoC) with regards to which racial and ethnic groups are counted in the PIT Census and enrolled in HMIS. The disparities are particularly striking when comparing the African American population to the White population. The per capita population of African Americans in the PIT Census was 12.1 times greater than the per capita of Whites in the PIT Census. However, of those represented in the PIT Census, African Americans were enrolled in HMIS one third as much as Whites. However, when compared to the overall population, African Americans are enrolled in HMIS 3.5 times more than Whites. This discrepancy is likely due to the overrepresentation of African Americans in the PIT Census. On the other hand, Asians are the only racial/ethnic group represented in the data to be counted less in the PIT census than Whites and are also enrolled in HMIS less than Whites.

Once engaged with homeless services providers, the data—in this case, HMIS exit destinations—shows much less racial stratification. African Americans and American Indians or Alaska Natives are the only two racial/ethnic groups that exit less to positive destinations when compared to Whites (0.859 and 0.781 times less). Asians and Native Hawaiian or Other Pacific Islanders exit slightly more to positive destinations than Whites (1.022 and 1.104).

The narrowing of racial disparities in service provider outcomes is even more apparent when considering negative exit destinations. When taking negative exit destinations as an aggregate, minority racial/ethnic categories exit to negative destinations between 0.889 and 0.949 less than Whites, except for Native Hawaiian or Other Pacific Islanders who exit a third less to negative destinations. However, African Americans exit to a jail, prison, or juvenile detention facility nearly one and a half times more than Whites, while no other minority ethnic/racial group exited to a correctional facility.

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<sup>7</sup> Coalition of Homeless Service Providers, *Lead Me Home, The Game Plan for Housing Homeless Persons in Monterey and San Benito Counties*, May 2019, 7.

<sup>8</sup> *Ibid*, 39.

Nearly every racial and ethnic group experiences homelessness more than Whites and seeks assistance less (as determined by the PIT Census and HMIS enrollment data). However, if HMIS exit data is taken as a measure of utilization of homeless services, then the racial/ethnic disparity report for Monterey and San Benito Counties shows that when people receive homeless services the racial/ethnic gap of homeless experiences narrows. This is a positive reflection of the work of homeless services providers in the CoC.

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

Most (76 percent) individuals experiencing homelessness in Monterey County were unsheltered, sleeping on the streets, in abandoned buildings, vehicles, and encampment areas and in other places deemed unfit for human habitation. The remaining 24 percent of the population resided in shelters, either emergency shelters or transitional housing. Permanent supportive housing and rapid rehousing shelter data is not included in the PIT data reporting per HUD.

**Discussion:**

Though the number of homeless in the County for 2019 represents a 15 percent decrease from 2017 and is the second lowest PIT count in the last decade, the homelessness problem persists. An average of eighty percent of both the County and the City of Monterey's homeless populations are unsheltered; though 49 percent were found to be sheltered, one quarter of the County's total homeless count consisted of families.

## **NA-45 Non-Homeless Special Needs Assessment - 91.205 (b, d)**

### **Introduction:**

Persons with special needs, such as the elderly and those with disabilities, must also have access to housing in a community. Community care facilities provide a supportive housing environment to persons with special needs in a group situation. Restrictions that prevent this type of housing represent a fair housing concern.

As of 2020, according to the California Department of Social Services, Community Care Licensing Division, there are 84 residential elder care facilities and 53 adult residential facilities, 3 continuing care retirement communities, and 3 social rehabilitation facilities located in all of Monterey County. Adult day care facilities in the County have the capacity to serve 651 elderly persons, while residential care facilities have the capacity to serve 1,206 persons.

In the City alone, there are nine licensed community care facilities with 513 beds and zoning is compliant with the Lanterman Act. Assisted housing projects located in the City that accommodate special needs households include Interim Inc. at 604, 606, and 608 Pearl Street (19 units), Community Human Services at 544 Pearl Street (12 units), Sunrise Assisted Living 1125 Cass Street, Senior Inclusionary (12 units), six of which are affordable to 80 percent AMI and below; also, Van Buren Senior Housing at 613 Van Buren Street, (18 affordable to 80 percent AMI and below); El Estero Senior Apartments, 151 Park Avenue, (26 units affordable to 80 percent AMI and below).

### **Describe the characteristics of special needs populations in your community:**

Nine percent of the City's population has a disability. There is a total of 2,583 disabled persons in the community, out of a total population of 28,671. Below is a breakdown by type:

Hearing- 3.5 percent (13.9 percent over age 65)

Vision- 1.6 percent (5.3 percent over age 65)

Cognitive- 4.1 percent (7.5 percent over age 65)

Ambulatory- 6.4 percent (23.7 percent of which are over age 65)

Self-care difficulty- 2.8 percent (10.2 percent over age 65)

Independent living difficulty- 5.1 percent (14.8 percent over age 65)

## **What are the housing and supportive service needs of these populations and how are these needs determined?**

### *Housing*

There are a significant number of seniors in the community in need, according to census data as well as from the community outreach. Housing for seniors was reported as the highest housing need, second to affordable housing, in the community survey. Of non-family households over 65 years, 250 live below the poverty level. Other data reports that 20 percent of seniors in the City have a disability (ACS, 2013-2017). Of total households, 14 percent (1,641) are seniors (persons 65 years and older) living alone. Households containing at least one person 62-74 years of age account for 17 percent of total low-income households. Households that contain at least one-person age 75 or older accounts for 21 percent of low-income households.

Housing for the disabled was reported as the third highest housing need according to the survey. As previously stated, nine percent of the City's population has a disability. ADA accessibility was also listed as a top community facility need. Also, out of six choices, units with ADA accessible kitchens and bathrooms were reported as the third highest need in the community survey. The most challenging aspect of home maintenance on the survey was the cost.

### *Services*

Also related to the needs of the disabled, the survey identified outreach and education regarding reasonable accommodation as a need in the City. Reasonable accommodation is a change in a rule, policy, practice, or service that may be necessary to allow a person with a disability equal opportunity in the use of a residential dwelling.<sup>9</sup> Only 44.78 of residents in the City that responded to the survey are aware of a tenant's right to request, from a landlord, a physical change to make a home more accessible due to a disability (reasonable accommodation).

Health care services and facilities were ranked as the top need on the community survey in response to needs for Community Programs and Service Needs.

## **Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

The Monterey County Homeless PIT Census and Survey for 2019 reported that there were 10 unsheltered and 7 sheltered homeless adults with HIV/AIDS, an increase of 100 percent for sheltered and a 130 percent

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<sup>9</sup> Hud.gov, "Reasonable Accommodations and Modifications" under FHEO Home, [https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/reasonable\\_accommodations\\_and\\_modifications# Reasonable Accommodations](https://www.hud.gov/program_offices/fair_housing_equal_opp/reasonable_accommodations_and_modifications# Reasonable Accommodations) [accessed February 1, 2019].

decrease for unsheltered from the 2017 results. According to the County of Monterey Health Department, the number and rate of new HIV diagnoses among Monterey County residents was 22 for 2019.<sup>10</sup>

According to the California HIV Surveillance Report for 2017, the number of persons living with diagnosed HIV infection in Monterey County totaled 730; the rate was 163.0.<sup>11</sup>

Below is a breakdown by characteristic for the County:

Rate of new HIV diagnoses among Monterey County residents by gender and age group: 2016-2018

<b>Age Group (Years)</b>	<b>Male Rate per 100,000 Population</b>	<b>Female Rate per 100,000 Population</b>
<1	0.0	0.0
1 to 14	0.0	0.0
15 - 24	25.5	2.3
25 - 34	28.7	6.4
35 - 44	28.2	4.9
45 - 54	27.3	2.8
55 - 64	14.1	1.4
65+	5.2	0.0
<b>Total</b>	<b>17.7</b>	<b>2.4</b>

**Table 26 – Rate of HIV**

**Data Source:** County of Monterey Health Department, HIV - Local Data.

Rate of new HIV diagnoses among Monterey County residents by racial and ethnic group: 2016-2018:

<b>Racial and Ethnic Group</b>	<b>Rate per 100,000 Population</b>
Asian & Pacific Islander, Non-Hispanic	5.4
Black or African-American, Non-Hispanic	24.8
Hispanic, Any Race	11.1
Multi-Racial & Other, Non-Hispanic	2.8

<sup>10</sup> County of Monterey, under *HIV-Local Data*, <https://www.co.monterey.ca.us/government/departments-a-h/health/diseases/hiv-aids/hiv-local-data>.

<sup>11</sup> California HIV Surveillance Report — 2017, California Department of Public Health, Office of AIDS.

White, Non-Hispanic	8.3
<b>Total</b>	10.2

**Table 27 –HIV by Race**

**Data Source:** County of Monterey Health Department, HIV - Local Data.

**Discussion:**

As discussed in this section, the CHAS, as well as the data from the ACS for 2013 to 2017 report that there is a significant percentage of seniors who live alone, are disabled, and live below the poverty level or are low income. These factors indicate a need for services for seniors. Households that earn 0-80 percent AMI account for 34 percent of total households; of 0-80 percent AMI households, 38 percent contain at least one person 62 years or older. Supportive services and housing needs for seniors have also been substantiated by the community outreach process.

## **NA-50 Non-Housing Community Development Needs – 91.215 (f)**

### **Describe the jurisdiction’s need for Public Facilities:**

Community outreach revealed a need for the prevention of homelessness and other social problems. Public facilities can address prevention by providing a place where populations in need, such as at-risk youth, low-income seniors, and the homeless, can obtain important supportive services that improve everyday life. According to the Community Outreach survey, respondents identified the following public facility needs in order of importance (numbers represent weighted averages):

- Parks and Recreational Facilities 2.4
- Youth Centers 2.22
- Senior Centers 2.12
- ADA Accessibility Improvements to public roads/facilities 2.06
- Neighborhood Community Center 1.98

According to the public meeting, participants identified the following public facility needs:

- Facilities for homeless- use underutilized sites as homeless support centers
- Senior centers for counseling, mental health, homeless prevention
- Low barrier shelters for homeless
- Childcare

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

Community input was provided through a community survey, stakeholder meetings, and publicly noticed community meetings.

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

According to the Community Outreach survey, respondents identified the following public improvement needs in order of importance (numbers represent weighted averages):

- Sewer/street improvements (2.15)
- Street Improvements 2.11
- Attract Job Generating 2.09
- Safe Routes to School 2.09
- Sidewalk/Curb Improvements 1.98

Stakeholder input was important to learning the needs of public infrastructure because many of them operate facilities and/or work in construction or building development. As such, they have firsthand knowledge of needs of the built environment According to stakeholder meetings:

- Infrastructure supportive of new housing
- Utility extensions

According to public meetings:

- Affordable public transportation
- ADA
- Bike lanes with lighting

**How were these needs determined?**

Community engagement.

**Describe the jurisdiction’s need for public services:**

The City’s support of public service providers is one of the most effective and efficient ways of serving those in need because small amounts of assistance help these populations exponentially. According to the Community Outreach survey, respondents identified the following public services needs in order of importance (numbers represent weighted averages):

- Health care services & facilities 2.4
- Homeless counseling/outreach services 2.39
- Program for at-risk youth 2.3
- Children after- school/summer camp programs & services 2.26
- Disaster and emergency preparedness services 2.24

According to meetings with stakeholders that provide services to homeless and low-income populations:

- Homeless prevention
- Youth services and daycare
- Emergency shelter and mental health services
- Fair housing counseling and legal services
- Services for seniors and special needs populations
- Economic development- job training

According to input provided at public community meetings:

- Funding for operations for homeless shelters
- Landlord/ tenant counseling

**How were these needs determined?**

Community engagement.

## Housing Market Analysis

### MA-05 Overview

#### Housing Market Analysis Overview:

The City's housing market is competitive and costly for many reasons. The limited availability of land with adequate utilities makes it expensive and infeasible for residential development. Restrictions on water due to limited water supply prevents residential development. To identify ways to develop, the City has identified underutilized sites with water credits and the location of these areas are mapped in the City's specific plans.

Additionally, the City is viewed as a very desirable place to live due to the coastal environment and other fine amenities. In November 2017, the median sale price was \$792,500, In November 2018, the median sale price had decreased by 9 percent to \$726,500. The median rent was \$1,625. The affordable rent for a Low Income (31-50 percent) 4-person household is \$834 based upon the standard of 30 to 35 percent of household income. For a moderate-income household, the affordable rent is \$827. Approximately, 4,000, or 34 percent of the City's households have incomes that are low to moderate, making the cost of housing burdensome to these residents. Of total housing units in the City, 36 percent are owned units and 64 percent are rental, a possible result of the high price of purchasing a home in the City combined with other economic factors specific to the area, such as the jobs market.

As discussed in the Needs Assessment, the data in this section also includes information about households by income as well as the number of renters and homeowners at various income levels. The income levels and definitions are broken down as follows:

- Area median income (AMI):
  - Extremely Low-income: 0-30% AMI
  - Very Low-income: 30-50% AMI
  - Low-income: 50-80% AMI
  - Moderate-income: 80-120% AMI
  - Median Income: 100% AMI
  
- HUD adjusted median family incomes (HAMFI):
  - Extremely low-income: 0-30% HAMFI
  - Very low-income: 30-50% HAMFI
  - Low-income: 50-80% HAMFI
  - Middle-income: 80-100% HAMFI
  - Upper income 100% HAMFI and above

Note: Area Median Income (AMI) and HUD Adjusted Median Family Income (HAMFI) are functionally the same when referring to lower-income populations. However, HUD uses HAMFI to determine Fair Market Rents, which guides eligibility for many of its programs including Housing Choice Vouchers (i.e. Section 8).

AMI is an industry term used more generally, but often refers to income limits for income-restricted affordable housing. The use of each term is noted throughout the Consolidated Plan.

## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

The number of housing units in the City grew by two percent, from 13,382 in 2000 to 13,650 in 2015, according to Table 28. Fifty-two percent of units are single-family and structures with 5 or more units account for 32 percent of housing stock. Recent data shows that 12.3 percent of housing units are vacant,<sup>12</sup> but many vacant units have been used for seasonal use only. Due to the City’s short supply of rental housing, the City has placed a ban on short-term rentals.

California has required that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. The California Housing and Community Development Department (HCD) oversees this process for all regions throughout the state. The Association of Monterey Bay Area Governments (AMBAG) is the regional agency that prepares the Regional Housing Need Assessment (RHNA) plan for jurisdictions of Monterey County.

An objective of the RHNA process is to ensure jurisdictions have the capacity to increase the housing supply and mix of housing types and affordability in an equitable manner.<sup>13</sup> RHNA allocates a share of units that are affordable to households that are very low, low, moderate, and above moderate so that each jurisdiction is required to accommodate, through zoning, permits for this type of development. For the 2015 to 2023 RHNA, the City was allocated 157 very low, 102 low, 119 moderate, and 272 above moderate for a total of 650 housing unit allocation. The City has only constructed 213 units since 2010.

In addition, 36.8 percent of units are owner occupied, whereas 63.2 percent are renters. The high number of renters in the City indicates the high price of homeownership as well as problems experienced in the overall housing market in the last decades, such as the great recession of 2008.<sup>14</sup>

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	6,325	46%
1-unit, attached structure	845	6%
2-4 units	2,095	15%
5-19 units	2,335	17%

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<sup>12</sup> 2013-2017 American Community Survey 5-Year Estimates.

<sup>13</sup> Association of Monterey Bay Area Governments, Regional Housing Planning, <https://ambag.org/programs-services/planning/regional-housing-planning> [accessed February 2, 2020].

<sup>14</sup> IProperty Management, under “Homeowners vs Renters Statistics,” <https://ipropertymanagement.com/renters-vs-homeowners-statistics>.

Property Type	Number	%
20 or more units	1,985	15%
Mobile Home, boat, RV, van, etc	65	0%
<b>Total</b>	<b>13,650</b>	<b>100%</b>

**Table 28 – Residential Properties by Unit Number**

**Data Source:** 2011-2015 ACS

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	30	1%	470	6%
1 bedroom	195	5%	2,635	34%
2 bedrooms	965	24%	2,780	36%
3 or more bedrooms	2,860	70%	1,845	24%
<b>Total</b>	<b>4,050</b>	<b>100%</b>	<b>7,730</b>	<b>100%</b>

**Table 29 – Unit Size by Tenure**

**Data Source:** 2011-2015 ACS

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

Traditionally, the City has targeted direct federal, state and local program assistance toward the development of very low-, low- and moderate-income households. Assistance has consisted of the provision of land, reduced interest rate loans, and rehabilitation grants. During the 2015-2019 Consolidated Plan cycle, the Van Buren Street affordable housing project was developed and 18 one-bedroom units for extremely low, very low and low-income seniors were constructed on City-owned land. Additionally, the Monterey Hotel affordable rental project was completed and includes 18 units in a City-owned condominium airspace unit.

Additionally, CDBG funds have been used to support the City’s low and moderate-income affordable ownership housing programs. Housing units in this ownership program include studio, one-bedroom, two-bedroom, and three-bedroom size units in a variety of condominium, duplex and single-family dwellings.

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

The inventory of very low and low-income housing is not sufficient to meet the needs of the community’s low-income or below residents. At 6 percent vacancy rate, the rental market is insufficient for the demand. Reservation of housing supply for seasonal/occasional use further restricts supply. Constraints on development of new supply due to lack of water and land create severely limited development of new units, including market rate units in the City. Together these factors limit the total supply of housing and this lack of supply creates upward pressure on rents.

As discussed above, City’s housing market is primarily rental. The median rent is \$1,625 (\$2,503 for a three-bedroom).<sup>15</sup> The affordable rent for a low-income 30-50 percent AMI 4-person household is \$1,123 based upon the standard of 30 percent of household income; for households earning 80 percent AMI, affordable rent is \$1,796. Approximately, 4,000, or 34 percent of the City’s households have incomes that are between zero and 80 percent AMI, making the cost of housing burdensome to these residents.

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

There are 550 total affordable deed restricted units in the City. The very low and low-income units identified on the chart, below, make up most of the very low and low-income housing supply in the City. The total number of very low units is 170 and 119 units are for low. The remainder of the units are at a total of 251 units affordable to moderate-income households; 410 of these units are rental units and 130 of the units are ownership units. While these represent the units that the City will concentrate on preserving, it is anticipated that approximately 10 percent are to be lost over the next 5 years as restrictions sunset.

Also, there are currently 14 units considered to be at risk of converting to market rate (see Table 31). The deed restrictions on all the identified units are scheduled to expire within 10 years. They are all ownership units.

<b>Project Address</b>	<b>Total Units</b>	<b>Extremely Low</b>	<b>Very Low</b>	<b>Low</b>	<b>Mod</b>	<b>Rental</b>	<b>Owner</b>
<b>20 Del Monte Avenue</b>	64	0	20	22	22	64	0
<b>606 Pearl Street</b>	8	0	8	0	0	8	0

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<sup>15</sup> United States Census Bureau, 2013-2017 American Factfinder.

<b>604 Pearl Street</b>	3	0	3	0	0	3	0
<b>355 Calle Principal</b>	30	0	0	6	24	30	0
<b>1280 Del Monte Avenue</b>	3	0	0	0	3	3	0
<b>541 Wave Street</b>	21	0	0	4	17	21	0
<b>608 Pearl Street</b>	8	0	8	0	0	8	0
<b>406/410 Alvarado Street</b>	18	0	3	9	6	18	0
<b>544 Pearl Street</b>	6	0	6	0	0	6	0
<b>800 Casanova Avenue</b>	86	0	43	43	0	86	0
<b>13 Sites Citywide</b>	46	0	0	0	46	46	0
<b>Various @ Yerba Buena Ct</b>	12	0	0	0	12		12
<b>242 Montecito Street</b>	8	0	8	0	0	8	0
<b>531 Watson Street</b>	5	0	5	0	0	5	0
<b>565 English Avenue</b>	17	0	0	5	12	0	17
<b>1100 Second Street</b>	5	0	5	0	0	5	0
<b>57 Soledad Drive</b>	9	0	0	0	9	9	0
<b>151 Park Avenue</b>	26	0	26	0	0	26	0
<b>Various @ Dela Vina Ave</b>	2	0	0	0	2		2

<b>420 Estrella Avenue</b>	8	0	8	0	0	8	0
<b>Various @ Laguna Grande Ct</b>	19	0	0	9	10		19
<b>504 W. Franklin Street</b>	8	0	8	0	0	8	0
<b>1098 Fifth Street</b>	1	0	0	1	0		1
<b>345 Dela Vina Avenue</b>	14	0	14	0	0	14	0
<b>501 Lighthouse Avenue</b>	2	0	0	0	2	2	0
<b>399 Drake Avenue</b>	6	0	2	2	2	6	0
<b>108 McNear Street</b>	1	0	0	0	1	1	0
<b>675 Lighthouse Avenue</b>	3	0	0	1	2	3	0
<b>400 Drake Street</b>	2	0	0	0	2	0	2
<b>300 Glenwood Circle</b>	24	0	0	9	15	0	24
<b>585 Laine Street</b>	4	0	0	1	3	0	4
<b>820 Casanova Avenue</b>	29	0	0	0	29	0	29
<b>116 Mar Vista Drive</b>	8	0	0	2	6	0	8
<b>1125 Cass Street</b>	12	0	3	3	6	12	0
<b>131 Lighthouse Avenue</b>	2	0	0	0	2	2	0

<b>1330 Skyline Drive</b>	8	0	0	2	6	8	0
<b>Van Buren Senior Housing</b>	18	3	12	3	0	18	0
<b>230 Lighthouse Avenue</b>	2	0	0	0	0	0	2
<b>Total City Wide</b>	548	3	182	122	239	428	120

**Table 30 – Assisted Units**

**Data Source:** City of Monterey Housing Element, 2015-2023.

Projects at risk of conversion include the following:

City of Monterey Affordable Housing at Risk of Conversion		
Project	Date of Agreement Expiration	Number of Units
Ocean Harbor House	7/15/2023	12
Villa Rose Houses at 423 & 427 Dela Vina Avenue	8/10/2023	2
<b>Total at Risk</b>		<b>14</b>

**Table 31 – Assisted Units**

**Data Source:** City of Monterey Housing Element, 2015-2023.

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

There is a total of 13,371 total housing units in the City with an average of 2.19 persons per owner occupied unit and 2.23 persons per renter occupied unit, according to the 2013-2017 ACS. The population during this time period is 28,671, an increase from 27,810, or 3 percent, since 2010. As mentioned, housing units have increased by 1.6 percent during the same time period.

Cost burden can be an indication of a need for more affordable housing. As discussed in the Needs Assessment, overall, 30 percent of households are cost burdened. Further, renters experience cost burden three times more than owners.

Findings show an indication of crowding as a response to housing costs for households. Of household type in the 80-100 percent AMI bracket, multiple, unrelated family households experienced the most crowding for both renters and owners. This was the only household type experiencing crowding for owners.

Overall, single family households experience the most crowding for renters at 57 percent. For owners, crowding was only experienced by the multiple, unrelated family household type.

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

Based upon the results of the Community Survey, respondents identified the housing types needed are single-family homes, multi-family housing, and senior housing.

Generally, the priority housing needs identified are affordable rental units, housing for seniors, and housing for the disabled. Additionally, respondents identified the City needs homeless shelters and permanent supportive housing for the homeless, housing for people that work in Monterey, and moderate-income workforce housing for police, teachers, firemen, and city workers.

According to public community meetings, the housing types most needed are higher density with smaller units that is multi-generational housing, senior housing, and more affordable rental housing.

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

As discussed in the overview, because there is no water for new development, residential development is challenging, creating a lack of housing and a resulting strong demand for housing and an expensive housing market. Additionally, the City continues to be a very desirable place.

The cost of buying a home in the City has decreased from \$793,500 in 2009 to \$628,500 in 2015, as shown in Table 32. The Monterey County Association of Realtors reports different sales prices and a 17 percent reduction in value, as reported in Table 37. Such a decrease in the cost of purchasing a home at market rate can be an indication of an increase in supply and decrease in demand. Both of which could be caused by the high housing costs and changing market conditions.

Fair Market Rents established by HUD tend to be exceeded by the real cost of rental housing in the City. As discussed, the City's desirability as a place to live due to the coastal environment and amenities combined with a severe lack of developable land keeps the cost of housing too costly for low- to moderate-income households.

According to HUD's income limits for fiscal year 2019, the median family income is \$74,100 for the Salinas Metropolitan Statistical Area. The affordable monthly cost of housing for a household earning the median family income is \$1,852. The actual market costs exceed this amount by 35 percent (\$2,503-the median gross rent for a three-bedroom, according to the 2013-2017 American Community Survey), making the City unaffordable to a household earning the median family income.

### Cost of Housing

	Base Year: 2009	Most Recent Year: 2015	% Change
Median Home Value	\$793,500	\$628,500	(21%)
Median Contract Rent	\$1,168	\$1,402	20%

**Table 32 – Cost of Housing**

**Data Source:** 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	329	4.2%
\$500-999	1,540	19.9%
\$1,000-1,499	2,665	34.5%

<b>Rent Paid</b>	<b>Number</b>	<b>%</b>
\$1,500-1,999	1,515	19.6%
\$2,000 or more	1,685	21.8%
<b>Total</b>	<b>7,734</b>	<b>100%</b>

**Table 33 - Rent Paid**

**Data** 2011-2015 ACS

**Source:**

**Housing Affordability**

<b>% Units affordable to Households earning</b>	<b>Renter</b>	<b>Owner</b>
30% HAMFI	95	No Data
50% HAMFI	280	70
80% HAMFI	1,289	100
100% HAMFI	No Data	195
<b>Total</b>	<b>1,664</b>	<b>365</b>

**Table 34 – Housing Affordability**

**Data Source:** 2011-2015 CHAS

**Monthly Rent**

<b>Monthly Rent (\$)</b>	<b>Efficiency (no bedroom)</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
Fair Market Rent	\$1089	\$1240	\$1540	\$2219	\$2378
High HOME Rent	\$1001	\$1074	\$1292	\$1484	\$1635
Low HOME Rent	\$786	\$842	\$1011	\$1167	\$1302

**Table 35 – HUD Fair Market Rent and HOME Rents**

**Data Source:** 2019 HUD FMR and HOME Rents for the Salinas Metropolitan Statistical Area.

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

As illustrated in Table 36, affordable units are needed across all income categories for which data is available. The most need is for households in the 0-30 percent HAMFI category with a need of 1,055 more affordable units, followed by households in the 80-100 percent HAMFI category at 965 affordable units. Total units needed according to the data is 3,106.

Households earning	Affordable Units - Renter and Owner	Households	Units Needed
30% HAMFI	95	0-30% HAMFI 1,150	1,055
50% HAMFI	350	>30-50% HAMFI 1,030	680
80% HAMFI	1,389	>50-80% HAMFI 1,795	406
100% HAMFI	195	>80-100% HAMFI 1,160	965

**Table 36 – Monthly Rent**

**Data Source:** 2011-2015 CHAS.

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

As discussed in the overview, because there is no water for new development, the area is expensive and infeasible for substantial residential development. Additionally, the City continues to be a very desirable place to live. According to the ACS data presented in Table 32, the median home sale price had decreased by 21 percent to \$628,500. However, according to the Monterey County Association of REALTORS®, median home sale prices decreased by 17 percent to \$768,500 for a single-family home. Rents have not decreased. The affordable rent for a Very Low Income (30-50 percent) 4-person household is \$1,123 and \$1,796 for a Low-Income household earning 80 percent AMI.<sup>16</sup> However, the Fair Market Rent is \$2,219,<sup>17</sup> which is not affordable to a very low-income or low-income household. Approximately, 4,000, or 34 percent of the City’s households have incomes that are low to moderate, making the cost of housing burdensome to these residents.

City of Monterey	Units Sold in 2018	Units Sold in 2019*	Average Sale Price April 2018	Median Sale Price April 2018	Average Sale Price April 2019	Median Sale Price April 2019	Percent Change in Average Price	Percent Change in Median Price

<sup>16</sup> HUD User, under “2019 Income Limits,” <https://www.huduser.gov>.

<sup>17</sup> 2019 HUD FMR and HOME Rents.

<b>Single Family Homes</b>	211	182	\$989,667	\$925,000	\$920,879	\$768,500	-7%	-17%
<b>Condo/Townhomes</b>	86	86	\$529,500	\$452,250	\$622,625	\$627,000	18%	39%

**Table 37- Home Price**

**Data Source:** Monterey County Association of REALTORS®. Note: 2019 data is YTD as of 12/16/2019.

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

According to the most recent 2013-2017 ACS data on median rent, local rental housing exceeds the HUD’s Fair Market Rent by between 36 percent and eight percent for efficiency through four-bedroom units (Table 34). Data revealing the actual cost of rental housing in the local market as compared to HUD’s fair market rent highlights the lack of housing affordable to LMI households and the need for a provision of affordable housing programs in the City through new construction, purchase and resale of affordable units, and preservation of existing housing stock through rehabilitation.

**Discussion**

The cost of buying a home in the City has decreased substantially by 17 percent but continues to hover around \$726,500. More than half of the City residents earn more than 100 percent AMI, however, purchasing a home in the City is out of reach of many households. Renting may be the only option and contributes to the high number of renter tenured households in the City. Renting is also a challenge for many households in the City. As shown in Table 35, Fair Market Rents established by HUD tend to be exceeded by the real cost of rental housing in Monterey.

## MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

### Introduction

According to the City's 2015-2023 Housing Element, there are approximately 880 housing units experiencing serious deterioration, 2,140 in decline, and 4,830 will require maintenance, though not immediately urgent. Aging housing stock and homeowners unable to afford repairs contribute to housing unit decline. The proportion of older housing units in the City is slightly higher than in the County as a whole. Approximately 75 percent of all units in the City built before 1979 could potentially contain lead-based paint. Housing constructed prior to 1979 is likely to contain lead-based paint, which must be addressed before Federal programs can fund rehabilitation to such units.<sup>18</sup>

### Definitions

The accepted standard for major rehabilitation is after 50 years. Approximately 52 percent of the City's housing stock is 50 years old and older. Lead-based paint and asbestos remediation are two critical concerns that identify housing as substandard in the community.

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	1,280	32%	3,830	50%
With two selected Conditions	15	0%	155	2%
With three selected Conditions	0	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	2,760	68%	3,745	48%
<b>Total</b>	<b>4,055</b>	<b>100%</b>	<b>7,730</b>	<b>100%</b>

Table 3258 - Condition of Units

Data Source: 2011-2015 ACS

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<sup>18</sup> Center for Community Progress, Increasing Neighborhood Stability, <https://www.communityprogress.net/increasing-neighborhood-stability-pages-240.php>.

### Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	105	3%	655	8%
1980-1999	610	15%	1,605	21%
1950-1979	2,260	56%	4,110	53%
Before 1950	1,080	26%	1,365	18%
<b>Total</b>	<b>4,055</b>	<b>100%</b>	<b>7,735</b>	<b>100%</b>

**Table 39– Year Unit Built**

**Data Source:** 2011-2015 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	3,340	82%	5,475	71%
Housing Units built before 1980 with children present	514	13%	40	1%

**Table 40 – Risk of Lead-Based Paint**

**Data Source:** 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

## Vacant Units

	<b>Suitable for Rehabilitation</b>	<b>Not Suitable for Rehabilitation</b>	<b>Total</b>
Vacant Units	1,645	0	1,645
Abandoned Vacant Units	0	0	0
REO Properties	5	0	0
Abandoned REO Properties	0	0	0

**Table 41 - Vacant Units**

**Data Source:** 2013-2017 ACS; BankownedProperties.org.

## Need for Owner and Rental Rehabilitation

Renters experience unsuitable housing conditions more than owner households. Of those with selected conditions, renters experienced one selected condition by three times more than owner households. Additionally, most of the older housing stock, built before 1980, is occupied by renters, though more housing, in general, is occupied by renters in the City (64 percent).

## Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with Lead Based Paint (LBP) Hazards

As mentioned, the proportion of older housing units in the City is slightly higher than in the County as a whole, about 75 percent of all units in the City were built before 1979. The City's rehabilitation project protocols account for lead-based paint testing (LBP) and remediation. LBP testing protocols will be followed, and remediation required in compliance with requirements for any CDBG funded rehabilitation project.

The City's experience in past years, in combination with the City's aging population, suggest that most low-income owner-occupied housing units that will qualify for rehabilitation will be occupied by seniors and/or frail elderly.

Rehabilitation assistance to preserve existing low-income rental housing is also a need. Rental housing provides most of the affordable housing in the community.

## Discussion

The most significantly negative housing conditions in the City are related to the age of housing units and the cost of rehabilitation. Specific housing rehabilitation programs have been implemented in past years to address housing repair for low-income households and these programs will be continued in this Consolidated Plan. Additional programs will be included with the objective of adding low-income units to the existing housing stock in the community.

## **MA-25 Public and Assisted Housing – 91.210(b)**

### **Introduction**

The Housing Authority of the County of Monterey (HACM) provides rental assistance and manages affordable housing throughout Monterey County. The HACM no longer owns public housing. HACM administers Housing Choice Vouchers (Section 8). HACM currently administers a total of 184 Housing Choice Vouchers in the City of Monterey. The City will continue to coordinate with HACM as the regional housing authority. For the County, HACM administers 3,235 HCVs, 437 of which are Project Based Vouchers, 173 are HUD's Veterans Affairs Supportive Housing (HUD-VASH) vouchers, and 26 are vouchers for the Family Unification Program (FUP).

Currently, there are 168 assisted housing units in Monterey managed by HACM. HACM has converted all of its public housing units to Project Based Rental Assistance and units are also a part of the Rental Assistance Demonstration program developed by HUD to preserve and improve public housing properties and address the backlog of deferred maintenance.<sup>19</sup> These units are located at five separate projects in the City:

- Portola Vista at 20 Del Monte Avenue 64 units (assisted but not a RAD property)
- Casanova Plaza at 800 Casanova Avenue 86 units
- Montecito Apartments at 242 Montecito Street 8 units
- Watson Apartments at 531 Watson Street 5 units
- Oak Grove Apartments at 1100 Second Street 5 units

As of July 2015, 1,459 households were on the Housing Choice Voucher waiting list; the number of families on the waiting list for public housing far exceeds current capacity, resulting in long wait periods.<sup>20</sup>

As described in the succeeding section, the HACM is represented on the Boards for the Community Alliance for Safety and Peace, Children's Council for Monterey County, Coalition of Homeless Service Providers and the Leadership Council for the Continuum of Care. HACM also participates as a board member in the Housing Alliance for Persons with Disabilities to further the development of accessible units in the region.

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<sup>19</sup> HUD.gov, under "Rental Assistance Demonstration," <https://www.hud.gov/RAD>.

<sup>20</sup> Monterey County Analysis of Impediments to Fair Housing Choice, 2019.

**Totals Number of Units**

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	0	0	3,235	437	2,461	173	26	138
# of accessible units	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

**Table 42 – Total Number of Units by Program Type**

**Data Source:** PIC (PIH Information Center)

**Describe the supply of public housing developments:**

As previously discussed, HACM has converted public housing properties to project based assisted and Rental Assistance Demonstration (RAD) units. RAD is a tool to preserve and improve public housing properties and address a backlog of deferred maintenance. Public stewardship of properties is maintained through the ongoing ownership by a public or non-profit entity. The RAD program shifts funds from public housing to make more Section 8 vouchers available.

**Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:**

As mentioned above, the HACM no longer owns public housing and nor is information supplied on the condition of units that are formerly public housing. However, RAD gives owners of RAD converted units (formerly public housing units) three HUD "legacy" programs (Rent Supplement, Rental Assistance Payment, and Section 8 Moderate Rehabilitation), offering them the opportunity to enter into long-term contracts that facilitate the financing of improvements to housing units.

**Public Housing Condition**

Public Housing Development	Average Inspection Score
N/A	N/A

**Table 43 - Public Housing Condition**

**Describe the restoration and revitalization needs of public housing units in the jurisdiction:**

Not applicable. There are no public housing units in the County or the City.

**Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:**

The HACM is represented on the Boards for the Community Alliance for Safety and Peace, Children’s Council for Monterey County, Coalition of Homeless Service Providers and the Leadership Council for the Continuum of Care.

In addition, HACM coordinates activities with public service providers to serve populations and households with special needs including the elderly and disabled. HACM also collaborates with non-profit organizations and local governments in the County on specialized vouchers, for example, Voucher for Family Unification. HACM also has transitional housing programs for homeless families that are recovering from alcohol or drug abuse.

HACM assists HCV users or households in need in other ways including using marketing strategies to reach out to low income and special needs populations; HACM ensures compliance with reasonable accommodation to disabled households; and works to make HCVs portable so that HCV users can move to areas of opportunity and avoid concentrations of poverty.

**Discussion:**

Though the HACM no longer owns public housing, the City will continue to coordinate with HACM as the regional housing authority in the administration of rental assistance at RAD and project-based housing properties, as well as the Housing Choice Vouchers (Section 8).

## **MA-30 Homeless Facilities and Services – 91.210(c)**

### **Introduction**

The homeless population has decreased for both the City and the County. In the City, a total of 204 were counted as homeless, a 40 percent decrease from the count in 2017.<sup>21</sup> However, the numbers show that the City is home to the third highest homeless population in Monterey County. The number of sheltered was 37 and 167 unsheltered. Two of the City's partners that support the homeless populations, Community Human Services (CHS) and Gathering for Women, have received funding from the Homeless Emergency Aid Program (HEAP) that will be used for providing a shelter in the City of Seaside to serve the entire peninsula. The City will continue to support CHS and Gathering for Women. Additionally, the City will continue to explore opportunities for additional homeless response and services. The City is fully prepared to continue to cooperate and coordinate with other jurisdictions and public service organizations to address the homeless need in the community.

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<sup>21</sup> Monterey County Homeless Census & Survey Comprehensive Report, 2019.

## Facilities and Housing Targeted to Homeless Households

	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)	86	0	338	53	0
Households with Only Adults	242	0	161	218	90
Chronically Homeless Households	0	0	0	271 <i>* All PSH beds are for CH in our CoC</i>	90 <i>* All PSH beds are for CH in our CoC</i>
Veterans	10	0	20 <i>* included in 338 above</i>	10	0
Unaccompanied Youth	12	0	6 <i>* included in 161 above</i>	0	0

**Table 44 - Facilities and Housing Targeted to Homeless Households**

**Data Source:** Facilities and Housing Targeted to Homeless Households, Coalition of Homeless Services Providers (CHSP), October 2019.

**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**

Mainstream services, benefits, and employment can contribute to maintaining housing and assisting homeless persons with attaining such services is a primary goal of the of the CoC.

The Continuum of Care has implemented numerous activities to educate organizations and case managers on the network of services in the community. This year, the CoC has:

- Built partnerships with the Workforce Development Board and Goodwill to coordinate job fairs and prioritize the homeless population;
- Provided CoC-wide training on mainstream benefits and increasing employment in partnership with Monterey County Children’s Health Outreach for Insurance, Care and Enrollment (MC-CHOICE) Program and Goodwill;
- Will host our first case management fair in early 2020 as an educational event for all social workers, case managers, and peers in Monterey and San Benito counties.

**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.**

The homeless count has decreased from 2,837 in 2017 to 2,422 in 2019. Homeless in the City has decreased from 338 in 2017 to 204 in 2019. The number of homeless in the City now accounts for eight percent of total homeless persons in the County, a 15 percent decrease. However, the 2019 count also identified that a large majority homeless in the County were unsheltered at 76 percent. For the City of Monterey, of homeless counted, 81 percent were unsheltered at the time of the count.

An ongoing homeless assistance strategy has been the provision of financial assistance for community organizations that provide services that connect both those at risk of becoming homeless and currently homeless to housing, shelter, and other services. Community organizations that were assisted in this manner include Community Human Services, Interim, Inc., the Salvation Army, and Gathering for Women. These organizations provide sheltered bed at night, outreach, case management, counseling, and other support services. Through the City’s continued CDBG funding to these organizations, services and outreach are directed to those at risk of becoming homeless or are experiencing homelessness.

Additionally, the City continues to fund the Veterans Transition Center (VTC) in rehabilitating existing uninhabitable units on land owned by VTC to provide 18 permanent supportive housing units in the City of Marina for homeless veterans and their families.

The City funded four subrecipients CDBG during the 2015-2019 Consolidated Planning cycle that serve homeless and at-risk persons in different ways. Community Human Services’ Safe Place program in the City provides counseling, family reunification, temporary shelter and street outreach for homeless youth. Interim, Inc. provides homeless services, emergency and temporary housing outreach, and case management for any persons with mental illnesses. Interim’s Sandy Shores, adjacent to Shelter Cove, provides permanent, affordable housing for 28 people and Interim’s Shelter Cove in the City of Marina provides transitional housing for 32 people. Interim’s Community Housing program offers permanent,

affordable supportive housing in a variety of locations for over 150 residents. Salvation Army Homeless Support Services provides case management, voucher assistance, and homeless outreach services in the City. Funding for Gathering for Women provided case management and day-center services to homeless women in the City.

The City will continue to allocate CDBG public service funds to community service organizations providing direct services to the homeless. Specifically, public services funding has been provided to Interim, CHS, and Salvation Army for programs that offer emergency overnight shelter, counseling and outreach. The City has also supported Gathering for Women that provides services, including referrals to shelters, to women experiencing homelessness.

CHS and Gathering for Women, have received funding from the Homeless Emergency Aid Program (HEAP) that will be used for providing a shelter in the City of Seaside to serve the entire peninsula. The City will continue to support CHS and Gathering for Women. Additionally, the City will continue to explore opportunities for additional homeless response and services. The City is fully prepared to continue to cooperate and coordinate with other jurisdictions and public service organizations to address the homeless need in the community.

Since 2013, the City has participated in the Coalition of Homeless Services Providers (CHSP) (lead agency for the Continuum of Care in Monterey County) Leadership Council's oversight of the "Lead Me Home" plan. Representatives from Monterey County Behavioral Services, Monterey County Social and Employment Services, and Natividad Hospital are other participants in the Coalition's plan for addressing homelessness. The CHSP's plan includes strategies for enhancing and formalizing existing processes to facilitate transition from institutions through the development of effective and universal discharge policies.

Objectives and priorities for addressing homelessness in the *Lead Me Home* plan are, and will continue to be, incorporated into the City's Consolidated Plan. Additionally, the Coalition works closely in coordination with the CDBG subrecipients receiving allocations listed in the City's plan: Community Human Services' program, Safe Place in Monterey, that provides counseling, family reunification, temporary shelter and street outreach for homeless youth; Interim Inc. that provides homeless services, emergency and temporary housing outreach, and case management for persons with mental illnesses; the Salvation Army Homeless Support Services that provides case management, voucher assistance, and homeless outreach services; and the Veterans Transition Center that provides services for homeless Veterans and their families.

Additionally, Interim, Inc. added a second crisis residential facility in the City, Manzanita Monterey, which opened July of 2018. Interim's Manzanita Monterey provides short-term residential services to stabilize persons experiencing a mental health crisis so that they may return to independent living. The new facility has a 13-bed capacity and is staffed 24 hours a day, seven days a week. The Manzanita residential programs accept clients based on referrals from the Monterey County Behavioral Health Bureau.

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

The City has continued to support service organizations that assist the homeless and populations at risk of homelessness with CDBG funding.

The Veterans Transition Center (VTC) provides services for homeless veterans and their families by providing veterans with transitional housing and case management programs to assist them in becoming employable and avoid homelessness. The City assisted VTC in PY 2018 by allocating public facility grant funding for the rehabilitation of three uninhabitable duplexes to provide 18 units of permanent supportive housing in the City of Marina for homeless veterans and their families. In PY 2017, VTC also received grants for rehabilitating four transitional housing units and provided eight beds for homeless veterans and families.

In addition to VTC, Interim, Inc. provides wellness programs, affordable supportive housing, crisis residential services, homeless services, employment and education services, and consumer empowerment and outreach. In PY 2016, Interim, Inc. received funding for a project that converted a facility to a 13-bed short-term care crisis center to accommodate homeless or low-income individuals with mental illness. The City continued to support Interim, Inc. in providing services in PY 2019.

Community Human Services (CHS) continues to be supported through the City's CDBG program. CHS addresses underlying conditions or root causes of personal, family, and community problems, whether it's addiction, domestic violence, mental illness, emotional health, homelessness, child abuse, or any number of problems that people have trouble solving on their own. Also, CHS provides temporary shelter and street outreach for homeless youth. CHS was granted CDBG funding in PY 2017 to upgrade and rehabilitate its homeless and runaway youth counseling and outreach center in the City. The project continued into and was completed in PY 2018. CHS's services have been supported by additional grants from the City in PY 2019.

The Salvation Army of Monterey County is a continued subrecipient of the City's CDBG program. The Salvation Army provides case management services, rental and utility assistance, drug and alcohol treatment services, food, showers, laundry, day laborer services, phone and fax services, and lockers. The Salvation Army Monterey Peninsula Corps also partners with Community Hospital of the Monterey Peninsula (CHOMP) to create housing plans and provide temporary shelter for homeless individuals. In PY 2018, the City provided grants to the Salvation Army.

Gathering for Women is a new subrecipient for the City and was first funded in PY 2018's CDBG from the City. Gathering for Women provides homeless women food, free clothing, emergency assistance,

connects homeless women to health, mental health, and other service providers, as well as to housing providers that can screen and place homeless women into permanent housing.

In addition to those previously mentioned, the City provided grants in PY 2019 to service organizations that included the Monterey Food Bank, Legal Services for Seniors, Meals on Wheels for seniors and the disabled, Alliance on Aging that provides tax assistance to low-income seniors, Josephine Kernes Memorial Pool's therapy program for low-income seniors and disabled persons, and ECHO (Eden Council for Hope and Opportunity) Fair Housing Support Services for fair housing support services to low-income households. These organizations provide important supportive services to low-income populations that assist in improving their quality of life.

## **MA-35 Special Needs Facilities and Services – 91.210(d)**

### **Introduction**

There is careful coordination among health providers when discharging patients from medical and mental health treatment. Interim, Inc. works in partnership with Monterey County Behavioral Health Department to prevent discharge into homelessness; Monterey County Children’s Health Outreach for Insurance, Care and Enrollment (MC-CHOICE) Program provides discharge-planning activities for homeless individuals with mental illness but does not have the capacity to provide these services to all clients.

**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**

Vulnerable populations, including elderly, medically frail, or those in recovery, often require additional supportive services to sustain their housing and possibly avoid the declination of their circumstances. For those with mental illness or who are elderly, assistance with reminders to pay rent, take medicine, go to appointments, or comprehending the rights and responsibilities outlined in a lease can be the difference of being housed versus homeless.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

Per the Discharge Plan of Monterey and San Benito Counties, social workers in health institutions, like hospitals, will administer Coordinated Assessment and Referral System (CARS) assessments and input clients into the local CoC coordinated entry queue. Upon entry onto the master list, the CoC will start directly working with clients to locate appropriate housing interventions through a network of providers in the region.

There is careful coordination among health providers when discharging patients from medical and mental health treatment. Central Coast HIV/AIDS Services work in partnership with the Outpatient Immunology Services (OPIS) Clinic at Community Hospital and the Natividad Immunology Division Outpatient (NIDO) Clinic at Natividad Medical Center to create housing plans for homeless individuals with HIV/AIDS; the Salvation Army Monterey Peninsula Corps works in partnership with Community Hospital of the Monterey Peninsula (CHOMP) to create housing plans and provide temporary shelter for homeless individuals. Further, Interim, Inc. works in partnership with Monterey County Behavioral Health Department to prevent discharge into homelessness; MCHOME provides discharge-planning activities for homeless individuals with mental illness but does not have the capacity to provide these services to all clients. When there is available space, Interim’s Manzanita House provides short-term crisis services as well as emergency placement.<sup>22</sup>

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<sup>22</sup> Lead Me Home, The Game Plan for Housing Homeless Persons in Monterey and San Benito Counties, May 2019.

**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. 91.315(e)**

The activities the City plans to undertake during the next year to address housing and supportive services for the special needs population are:

- Continue support for the development of affordable rental housing through density bonuses and inclusionary zoning (projects are: the approved project at 595 Munras, 2200 N. Fremont, 300 Cannery Row and the Garden Road Rezone which is under preliminary review for multi-family projects), and by identifying City-owned sites for opportunities (Madison Street Buildings, Adams Street Parking Lot, Calle Principal, and Harbor Yard);
- Continue to provide housing rehabilitation grants and loans to assist low-income senior and disabled households to remain in their homes;
- Determining the funding strategies to develop new Low- and Moderate-Income (LMI) rental housing units with an emphasis on units for Extremely Low-Income, Very Low-Income and Low-Income individuals and households;
- Support emergency rental assistance and the fair housing service provider to allow households experiencing financial emergencies to remain in their homes;
- Support, through grant funding, non-profit community service organizations to address the supportive services needs of LMI individuals, including families, elderly and disabled; and
- Continue to coordinate and collaborate with the local Continuum of Care organizations.

**For entitlement/consortia grantees:**

**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. (91.220(2))**

The City continues to support the Van Buren Senior Housing project (developed on City-owned land), the Monterey Hotel Apartments (a project solely funded with former redevelopment agency housing funds), and Estrella Apartment (funded by HOME grant), all of which provide affordable housing for low-to moderate-income households.

The City has traditionally provided and will continue to provide grants to service organizations providing other types of important supportive and preventative services to low-income populations to assist in improving the quality of life for the populations they serve. These organizations include the Monterey Food Bank, Legal Services for Seniors, Meals on Wheels for seniors and the disabled, Alliance on Aging that provides tax assistance to low- income seniors, Josephine Kernes Memorial Pool's therapy program

for low-income seniors and disabled persons, and Eden Council for Hope and Opportunity (ECHO) Fair Housing Support Services for fair housing support services to low-income households.

## **MA-40 Barriers to Affordable Housing – 91.210(e)**

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

A potential barrier to housing opportunities can be related to public policies. Such policies include tax policy, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and other policies that affect the return on residential investment. Amending local zoning and land use laws or allocating funding for affordable housing through grants are mechanisms that can support the development of affordable units. Changes in policies can also help a community to overcome disparities in access to opportunity by the implementation of plans that will revitalize areas with existing affordable housing by improving services, schools and other community assets, sidewalks, and other infrastructure.

Policies to guide future development and achieve a vision for the community are contained in the City's General Plan. Two of the seven State mandated General Plan elements—Housing and Land Use Elements—have direct impact on the local housing market in terms of the amount and range of housing choice. The Zoning Ordinance, which implements the Land Use Element, is an important document that influences the amount and type of housing available in a community—the availability of housing choice.

A Housing Element that complies with State law is presumed to have adequately addressed its policy constraints. According to HCD, as of January 2019, the City of Monterey's Housing Element was found to be in compliance.

Specific to the City, a primary barrier continues to be a shortage of developable land with adequate utilities. A limited availability of land without utilities makes it expensive and infeasible for an affordable residential development. There is no water for new development. Due to limited regional water supply, residential development is prevented. All of the City's water supply has already been allocated to projects. However, some existing properties have water credits that can be allocated to new housing development. The City has also identified underutilized sites with water credits and the location of these areas are mapped in the City's specific plans.

Other factors make residential development a challenge, such as land feasible for development due to financing.

The City's policies allow for the following types of housing for low income and special needs populations:

- Emergency shelters
- Accessory Dwelling Unit
- Transitional Housing
- Supportive Housing
- Residential Care Facilities
- Single Room Occupancy
- Reasonable Accommodation

## **MA-45 Non-Housing Community Development Assets – 91.215 (f)**

### **Introduction**

The City has qualities that are unique, making for a distinctive local economy. The City is rich in cultural resources because of its historically significant sites, such as the Cannery Row. It is also endowed with natural resources, which includes the marine sanctuary, a location of intense scientific research. The City is also considered the "Language Capital of the World", because the Monterey Institute of International Studies and the Defense Language Institute Foreign Language Center are located in the City. Both cultural and natural resources in the City attract visitors and a professional workforce—two economic drivers in the City. Services related to tourism host the most jobs.

Monterey has a highly educated workforce; 80 percent of workers over age 18 possess education that is college level and higher. However, a significant number of non-City residents commute to jobs in the City. On average, only 17 percent of City residents are employed in the most active business sectors within the City's jurisdiction. The City has large assets in terms of human resources and knowledge, and business parks, and infrastructure that attract visitors and workers alike.<sup>23</sup>

### **Need for Economic Development**

Households that earn incomes that are 0-80% AMI account for 34 percent (3,975) of the City's total households; the total of households in the City is 11,785 (see Tables 5 and 6). Households containing at least one person 62 years of age or older, and earning 0-80% AMI, accounts for 13 percent of total households in the City. To boost income earning capacity of low-income City residents, there is a need for economic development and job training programs.

According to Tables 7 through 11, renters experience housing problems more so than owners. Most renters that are extremely low to low income (0-80 percent AMI) experience severe cost burden—three and a half times as much as owners in the same income categories. Homeownership is low in the City. Renter-occupied households account for 65.6 percent of total occupied units (Table 29). Of total households in the City, 34.3 percent are owner-occupied.

Low homeownership could be the result of the high price of purchasing a home in the City combined with other economic factors specific to the area, such as the jobs market.

Additionally, for private and for-profit business need support through loans and rehabilitation and improvements.

### *Community Input*

The data from the 2019 Monterey County Homeless Census & Survey reported that fifty-nine percent of survey respondents self-reported financial issues (job loss, eviction, etc.) as the primary cause of their

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<sup>23</sup> *Capitalizing on the Broad-Based Asset Inventory Prototype for the City of Monterey: Next Steps*, Middlebury Institute of International Studies at Monterey, February 19, 2019.

homelessness, a significant increase in economic-related causes from previous years.<sup>24</sup> Additionally, according to meetings with stakeholders that provide services to homeless and low-income populations, a priority need is economic development through job training.

## Economic Development Market Analysis

### Business Activity

<b>Business by Sector</b>	<b>Number of Workers</b>	<b>Number of Jobs</b>	<b>Share of Workers %</b>	<b>Share of Jobs %</b>	<b>Jobs less workers %</b>
Agriculture, Mining, Oil & Gas Extraction	364	98	4	0	-4
Arts, Entertainment, Accommodations	2,432	6,117	27	26	-1
Construction	336	558	4	2	-1
Education and Health Care Services	1,514	5,676	17	24	7
Finance, Insurance, and Real Estate	458	1,180	5	5	0
Information	182	544	2	2	0
Manufacturing	331	870	4	4	0
Other Services	419	858	5	4	-1
Professional, Scientific, Management Services	889	2,427	10	10	0
Public Administration	0	0	0	0	0
Retail Trade	943	1,819	11	8	-3
Transportation and Warehousing	160	303	2	1	-1
Wholesale Trade	265	314	3	1	-2
<b>Total</b>	<b>8,293</b>	<b>20,764</b>	<b>--</b>	<b>--</b>	<b>--</b>

**Table 45 - Business Activity**

<sup>24</sup> Monterey County Homeless Census & Survey Comprehensive Report 2019, Applied Survey Research.

**Data Source:** 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

\*Note: Jobs Less Workers- refers to the percentage of jobs less the percentage of workers. A negative number reflects an oversupply of labor for the sector (more workers than jobs) and a positive number reflects an undersupply of labor (more jobs than workers).

**Labor Force**

Total Population in the Civilian Labor Force	13,285
Civilian Employed Population 16 years and over	12,620
Unemployment Rate	5.15
Unemployment Rate for Ages 16-24	17.18
Unemployment Rate for Ages 25-65	3.08

**Table 46 - Labor Force**

**Data Source:** 2011-2015 ACS

<b>Occupations by Sector</b>	<b>Number of People</b>
Management, business and financial	4,190
Farming, fisheries and forestry occupations	445
Service	1,580
Sales and office	2,205
Construction, extraction, maintenance and repair	600
Production, transportation and material moving	270

**Table 47 – Occupations by Sector**

**Data Source:** 2011-2015 ACS

**Travel Time**

<b>Travel Time</b>	<b>Number</b>	<b>Percentage</b>
< 30 Minutes	12,460	88%
30-59 Minutes	1,395	10%
60 or More Minutes	330	2%
<b>Total</b>	<b>14,185</b>	<b>100%</b>

**Table 48 - Travel Time**

**Data Source:** 2011-2015 ACS

**Education:**

Educational Attainment by Employment Status (Population 16 and Older)

<b>Educational Attainment</b>	<b>In Labor Force</b>		<b>Not in Labor Force</b>
	<b>Civilian Employed</b>	<b>Unemployed</b>	
Less than high school graduate	525	0	280
High school graduate (includes equivalency)	1,390	135	405
Some college or Associate's degree	3,375	55	985
Bachelor's degree or higher	4,990	275	1,495

**Table 4926 - Educational Attainment by Employment Status**

**Data Source:** 2011-2015 ACS

Educational Attainment by Age

	<b>Age</b>				
	<b>18–24 yrs.</b>	<b>25–34 yrs.</b>	<b>35–44 yrs.</b>	<b>45–65 yrs.</b>	<b>65+ yrs.</b>
Less than 9th grade	45	55	195	220	120

	Age				
	18–24 yrs.	25–34 yrs.	35–44 yrs.	45–65 yrs.	65+ yrs.
9th to 12th grade, no diploma	135	45	40	250	225
High school graduate, GED, or alternative	625	530	360	1,050	865
Some college, no degree	1,630	1,140	405	1,555	1,175
Associate's degree	300	360	405	845	465
Bachelor's degree	760	1,975	1,145	1,320	795
Graduate or professional degree	10	1,005	930	1,430	1,295

**Table 50 - Educational Attainment by Age**

**Data Source:** 2011-2015 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	\$23,618
High school graduate (includes equivalency)	\$32,013
Some college or Associate's degree	\$37,072
Bachelor's degree	\$52,493
Graduate or professional degree	\$66,335

**Table 51 – Median Earnings in the Past 12 Months**

**Data Source:** 2011-2015 ACS

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

The Business Activity table, Table 45, is to be understood as follows:

- Number of Workers -the number of workers within the business sector.

- Number of Jobs- the number of jobs within the sector.
- Share of Workers- the percentage of local workers within the sector
- Share of Jobs- the percentage of jobs within the sector.
- Jobs Less Workers- the percentage of jobs less the percentage of workers. A negative number reflects an oversupply of labor for the sector (more workers than jobs) and a positive number reflects an undersupply of labor (more jobs than workers).

According to the 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs) data, the major employment sectors in the City are 1) Arts, Entertainment, Accommodations, 2) Education and Health Care Services, 3) Professional, Scientific, Management Services, and 4) Retail Trade. There are more workers than jobs in both the Arts, Entertainment, Accommodations sector and Retail Trade sector. There are more jobs than workers in the Education and Health Care Services sector. Professional, Scientific, Management Services are stable.

Within the Arts, Entertainment, Accommodations sector, 27 percent of workers are local; for Education and Health Care Services, 17 percent of workers are local; Professional, Scientific, Management Services, 10 percent of workers are from the local workforce; and for Retail Trade, 11 percent of workers are local (Table 45). There could be several contributing factors to the low percentage of local workers filling the top business sectors. First, there may be a lack of jobs in other parts of the region. The second factor could be caused by a local work force lacking the skills needed for local jobs in top sectors. Third, there is a lack of affordable housing due to the high cost of housing. Studies show that most workers in areas with expensive housing markets experience the longest commute times.<sup>25</sup> Additionally, low- to moderate-income households experience the most stress from housing costs in expensive housing markets, potentially driving them to live far from job markets.

Further, there are 20,764 jobs in the City in the 13 sectors in Table 45 and the Civilian Employed Population 16 years and over totals 12,620 or 44 percent of the total population (28,671).

**Describe the workforce and infrastructure needs of the business community:**

The City is unique in several ways. The City is an extremely popular tourist destination, attracting an estimated four million visitors to the area each year. The tourist industry in the City requires accommodation services, the top business sector in the City. The tourist industry requires soft skills, for example, skills in customer service, working flexible hours. The data shows that there are more workers available to work in the accommodations services sector than there are jobs available though many come from outside the City to work at these jobs (see Table 45).

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<sup>25</sup> Cost, crowding, or commuting? Housing stress on the middle class, Jenny Schuetz· Tuesday, May 7, 2019, Brookings.

The City is home to 16 research centers and many educational institutions, particularly ocean marine science, which results in a population that is more educated than the average American city.<sup>26</sup> In addition, the Monterey Peninsula has a wealth of natural resources including a Marine Sanctuary, proximity to Fort Ord National Monument, Big Sur, and Pinnacles National Park, which will require development of new jobs related to eco-tourism and continued need of jobs in the future.<sup>27</sup>

The total population of the City of Monterey is 28,512, according to the 2018 American Community Survey. Further, 69 percent of the population over 16 years old (24,457) are in the labor force and 53 percent are employed; persons living in the City of Monterey are employed mostly in Educational Services (3,444 people), Arts/Entertainment and Accommodation (2,750 people) Professional, Scientific, and Management positions (1,751 people), Education Instruction, & Library Occupations (1,292 people), and Retail Trade (1,232 people)-accounting for 43 percent of the total workforce in the City. Other industries employing the workforce include public administration (6.9 percent), finance-insurance- real estate (5.4 percent), construction (3.8 percent), manufacturing (3.3 percent), agriculture and forestry (2.2 percent), wholesale trade (1.6 percent), transportation and warehousing (1.6 percent), and “other services” (3.4 percent).

**Describe any major changes that may have an economic impact, such as planned local or regional 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.**

As mentioned above, the Monterey Peninsula has a wealth of natural resources Marine Sanctuary, proximity to Fort Ord National Monument, Big Sur, and Pinnacles National Park, which will require the development of new jobs and a continued need of jobs in the future.

As for tourism, the Cannery Row area is a major tourist destination because of the Monterey Bay Aquarium along with the numerous hotels, restaurants, art galleries and gift stores, that have created a wide variety of shopping and entertainment opportunities.

Additionally, many specific plans have been developed.

- The Downtown Specific Plan - adopted in October 2013 and amended on September 2015 and April 2017, envisions improvement to Downtown Monterey, the economic hub of the City, by improving transit networks to attract visitors to retail and amenities and will encourage mixed-use and economic development.
- Lighthouse Area Specific Plan - adopted November 2016, brings revitalization to the corridors connecting New Monterey to Downtown Monterey.

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<sup>26</sup> *Broad Based Asset Inventory for the City of Monterey*, Institute for Innovation and Economic Development of the College of Business, CSU Monterey Bay (CSUMB) and the Graduate School of International Policy and Management of the Middlebury Institute of International Studies at Monterey (MIIS), April 2018.

<sup>27</sup> Ibid.

- Fort Ord Property Development - goal of economic development that will create jobs to support the housing and support new business and industry and reuse the closed military base.
- North Fremont Specific Plan - amended in August 2016 has the goal of creating a pedestrian environment amongst both residential and new retail and services that would create new jobs.

## **Potential Anchor Sites**

### *Fort Ord*

Fort Ord Property Development - goal of economic development that will create jobs to support housing and new business and industry and reuse the closed military base. According to the Fort Ord Reuse Authority, when Fort Ord closed, half of a billion dollars left the community and probably another half billion in secondary and tertiary impacts. Education uses will replace Fort Ord. Reuse embraces recreation and species preservation. Housing is being built along with commercial development.

The local economy near Fort Ord is growing by focusing on the environment and education. The vision is to be the California's premier mixed-use, sustainable coastal community with housing, business, and recreational opportunities. California State University-Monterey provides talent to support local economic development, for example, marine sciences technology and design. Additionally, the VA Hospital is on old Fort Ord. The University was set up as a replacement for a major army base in the country- the changes created new community.

The City developed the Fort Ord Property Development Plan with the goal of economic development that will create jobs to support the housing and support new business and industry and reuse the closed military base. The areas of the City near Fort Ord are near the Monterey Regional Airport and are zoned Planned Community, Open Space, and Industrial.

### *North Fremont*

There are the tracts that low- to moderate- income located in the eastern portion of the City between the North Fremont Street commercial corridor and Highway 1; the area is zoned Planned Community and Visitor Accommodate and Facility. During the 2020 to 2024 Consolidated Plan period these areas will be the locations of CDBG targeted funding for public facility and infrastructure improvements. However, with the City's North Fremont Specific Plan, there is a vision for the corridor for mixed use development along North Fremont to serve the neighborhood as well as visitors. Possible uses are for retail, services, and new jobs, as well as new residential development. Current uses there include Montecito Park, Monterey Fire Department, Walmart, Big Five sporting goods, a Dollar Tree, hotels, CVS Pharmacy, and economy restaurants and hotels.

The North Fremont Specific Plan area includes underutilized lots. Because most of the City's residential districts are built out and the City has a limited water supply, most of the City's recent affordable housing

development has resulted from the redevelopment of underutilized sites in the commercial neighborhoods where high water uses are replaced with mixed use projects.<sup>28</sup>

Redevelopment sites in the North Fremont Specific Plan area that were identified as feasible for redevelopment have the following features:

- Common ownership patterns
- Underdeveloped sites
- Existing host for uses with water

The mixed-use development at 2200 North Fremont Street (located within the North Fremont Specific Plan area) was evaluated by MBEP where they decided the project meets the nonprofit's goals, which is to construct high-density projects near jobs and services and be affordable.<sup>29</sup>

### *Downtown*

Another low- to moderate- income tract is in downtown, which is within a commercial area. The area is zoned Planned Community. The Downtown Specific Plan - adopted in October 2013 and amended on September 2015 and April 2017, envisions improvement to Downtown Monterey, the economic hub of the City, by improving transit networks to attract visitors to retail and amenities and will encourage mixed-use and economic development. Recent development includes a museum, restaurants, meeting space, and other commercial uses. Downtown is also the site of the Master Plan for the Middlebury Institute of International Studies. Other uses include restaurants, hotels, the Monterey Sports Center, Trader Joes, Alvarado Street Brewery, Monterey State Historic Park Office, and the San Carlos Cathedral.

### *Wharf and Waterfront Master Plan*

The Waterfront Master Plan area is the site of Fisherman's Wharf and includes many uses: commercial, open space/recreation, public facilities. Fisherman's Wharf is one of the City's primary commercial areas. Businesses in Fisherman's Wharf include fishing and boating enterprises, fish markets, retail shops, restaurants, and a theater. Additionally, Tall Ship berthing and cruise ship shuttle landings occur on City-owned piers. Up to 20,000 persons visit Fisherman's Wharf on peak days. The Waterfront Master Plan envisions the site as a world class scenic destination for recreation and gathering at its many harbor uses that integrates the waterfront with Downtown Monterey. It is anticipated that revenue from commercial activities there will fund improvements that can enhance the experience of visitors. Current and existing attractions include Old Fisherman's Wharf, Old Fisherman's Grotto, Benihana, Robbies's Ocean Fresh Seafood, and Monterey Bay Whale Watch, and many more.

## **Job Generating Development**

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<sup>28</sup> City of Monterey, North Fremont Specific Plan, April 1, 2014, 28.

<sup>29</sup> Dennis L. Taylor, "Monterey green lights 40-unit apartment project," Monterey Herald, May 29, 2019.

New development in the City that will generate jobs includes the following:

- Monterey Bay Aquarium Education Center, 625 Cannery Row, New 25,500 square foot commercial space
- Garage Unlimited, 12 Lower Ragsdale Drive Ryan Court Investors, Constructed 108,000 square-foot automobile storage facility and a 9,800 square-foot office space
- Montage Health Medical Building A, 2 Upper Ragsdale Drive, Bldg. A, Community Hospital Properties, 66,173 square foot medical office building
- Cooper Molera Adobe, 502 Munras Avenue, Foothill Partners/National Trust, Museum, restaurant, bakery, meeting space
- 2200 North Fremont Street Mixed Use Building, 2200 North Fremont Street Paul Davis Partnership, 40 new residential units (including eight affordable units) and 6,000 square feet of commercial space

There is also the new Middlebury Institute of International Studies at Monterey 20-year Master Plan that allows for new development. Other projects that would encourage job growth include the Del Monte Center, a regional shopping center with more than 90 businesses including retail and services and Heritage Harbor located on Monterey's Downtown Waterfront that provides development opportunities for professional and service-based businesses.

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

According to the data in Table 49, of persons over age 18, 80 percent possess education that is college level and higher, which could account for data showing that most of the population in the labor force have attained some college and a bachelor's degree or higher. Only 4 percent of the labor force is unemployed.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

The Monterey County Workforce Development Board (WDB) integrates private and public partners to train and place individuals with the skills that employers need. Through their America's Job Center of California<sup>SM</sup> service sites in Monterey County located in Salinas, Marina, and Greenfield, job seekers connect to the services, resources, and labor market information they need to prepare for middle-skill jobs in growing industry sectors such as Agriculture, Tourism and Hospitality, Health and Social Assistance, Logistics and Transportation, and Construction. The job center connects job seekers to valuable services that include the use of resource room and computers, job search skills workshops, information on training and education, referrals to partner agencies and community resources and labor market information on growth industries in Monterey County.

The WDB also assists adult and dislocated (displaced) workers. The Adult Program's emphasis is on serving a wide range of individuals. The program provides adult individuals with workforce preparation, career services, training services, and job placement assistance needed to increase occupational skill

attainment, obtain industry-recognized credentials, and secure a good job that provides earnings that lead to self-sufficiency. The program serves individuals and helps employers meet their workforce needs.

The WDB also collaborates with schools and businesses to prepare youth for the workforce. Services include the following:

- Access to Resource Room/Equipment (computers, printer, fax machine)
- Assessment of skills and abilities
- Career guidance, counseling and planning
- Development of employment plans and strategies
- Individual and group counseling
- Job fair, job listings, and recruitment information
- Job search, referrals and placement assistance
- Labor market research and information
- Mentorship and leadership development services
- Networking groups
- Information and referral to partner services and community resources
- Self-service job search through the CalJOBS system:
- Skills upgrade, classroom & on-the-job training (as needed)
- Tutoring, study skills training and instruction
- Work experience - paid and un-paid (youth)
- Workshops (Job Search, Resume, Interview, Networking)
- Youth employment services

The City supports the Monterey Bay Economic Partnership (MBEP), which has over 80 members that are the largest employers in the region. MBEP has several initiatives to boost workforce and economic development regionally, including:

- Addressing climate change and its impact on workforce development;

- Increasing quality of life through improvements in transportation
- Affordable housing
- Helping local business hire local talent and providing resources to residents
- Developing a technology “ecosystem” in the Monterey Bay Region

Members of MBEP are from various industries, primarily from the agriculture, banking and finance, building development and construction, local governments and public agencies, education, and several non-profit organizations. MBEP considers workforce development critical in ensuring workers have the skills necessary to obtain jobs with these employers. A goal of MBEP is to source the workforce from the local population.

In general, for the modern workforce, there is a need for more mechanic and maintenance positions to have more computer/electrical maintenance skills due to increased automation of processes and increased data collection demands. Additionally, general labor positions, not just in distribution centers/warehouses but in retail and other entry level positions, are increasingly demanding a broader understanding of basic computer skills as many involve interfacing with robotics and handheld computer devices.

The City of Monterey is in Monterey County where agriculture is the primary industry. Monterey County is also within the Central Valley of California. A recent study from the Brookings Institute indicates that automation is a threat to inland California workers primarily due to higher concentrations of lower skilled/wage occupations and lower educational attainment. In response, efforts should be made to assist potentially displaced workers in acquiring the skills to operate and maintain these types of technology. Efforts must also be made to assist displaced workers to create their own small businesses or become entrepreneurs.

The study gives several recommendations on how to adjust for these upcoming changes, including:

1. Investing in reskilling incumbent workers through continuous input from industry to ensure training keeps up with changing demands
2. Making skill development more financially accessible, for example through high school and college coursework, internships and job shadowing, apprenticeship programs
3. Aligning and expanding traditional education
4. Maximize hiring through a subsidized employment program
5. Embracing transformative technology to power growth especially through needed support from corporate businesses

Additionally, several outreach meetings are held in Monterey County to promote employment such as Prison to Employment Initiative and the Prison to Employment and Regional Plan.<sup>30</sup> The outreach is in support of the Prison to Employment Initiative, a grant program that included in the Governor’s 2018 Budget proposal and includes \$37 million over three budget years for the integration of workforce and reentry services in the state’s 14 labor regions. The goal is to improve labor market outcomes by creating a systemic and ongoing partnership between rehabilitative programs within California Department of Corrections and Rehabilitation (CDCR) and the state workforce system by bringing CDCR under the policy umbrella of the State Workforce Plan.<sup>31</sup>

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

No.

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

Please see discussion above regarding the City’s specific plans.

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<sup>30</sup> Monterey County Workforce Investment Board, <https://www.montereycountywdb.org/> [accessed February 2, 2020].

<sup>31</sup> California Workforce Development Board, “Corrections-Workforce Partnership & Prison to Employment Initiative” under Initiatives, <https://cwdb.ca.gov/partnerships/workforce-corrections-partnership/>, [accessed February 3, 2020].

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

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

For purposes of discussion, concentration will be defined as a census tract where 55 percent or more households are experiencing any of the four housing problems (1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50 percent). According to HUD's data and mapping tool, the only area in the City experiencing a high rate of multiple housing problems is located in census tract 012600, which is south of Prescott Avenue and northwest of Old Fisherman's Wharf; 71.43 percent of households in this area experience any of the four housing problems.

Additionally, there are the City's tracts that low- to moderate- income. These tracts are in the eastern portion of the City between North Fremont Street and Highway 1; the other is located near the downtown core. During the 2020 to 2024 Consolidated Plan period these areas will be the locations of CDBG targeted funding for public facility and infrastructure improvements.

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

A concentration is defined as a non-White population of 50 percent or more. The area in the City with the highest racial or ethnic minority concentration is Block Group 3, in Census Tract 013300, where Hispanic/Latino makes up 45 percent of the population. See Map 1.

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

The area north of Old Fisherman's Wharf, in the northwest part of the City, has many cultural and educational centers including Cannery Row and the Defense Language Institute for Foreign Language. There are only 70 households in the area.

The low- to moderate- income tract in downtown is near educational institutions and high-density commercial uses. In the low- to moderate- income tract on the east side of the City, commercial uses are nearby and adjacent and include hotels and retail stores.

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

Assets in the area north of Old Fisherman's Wharf include institutions of higher education, public offices, hotels, and the Monterey Conference Center, all within a commercial area.

The low- to moderate- income tract in downtown is within a commercial area near many hotels and restaurants. The low- to moderate- income tract on the east side of the City, is located near Montecito Park, which has been improved with CDBG funding during the 2015-2019 Consolidated Plan period. Montecito Park has been an asset to the community.

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

As described above in the area north of Old Fisherman's Wharf, in the northwest part of the City is an intense commercial area where there are many cultural and educational centers including the Monterey Bay Aquarium, Cannery Row and the Defense Language Institute for Foreign Language and a significant number of educational institutions.

The low- to moderate- income tract in downtown is within a commercial area as well as within the City's Downtown Specific Plan area- a plan adopted by the City to improve the Downtown as Monterey's City center.

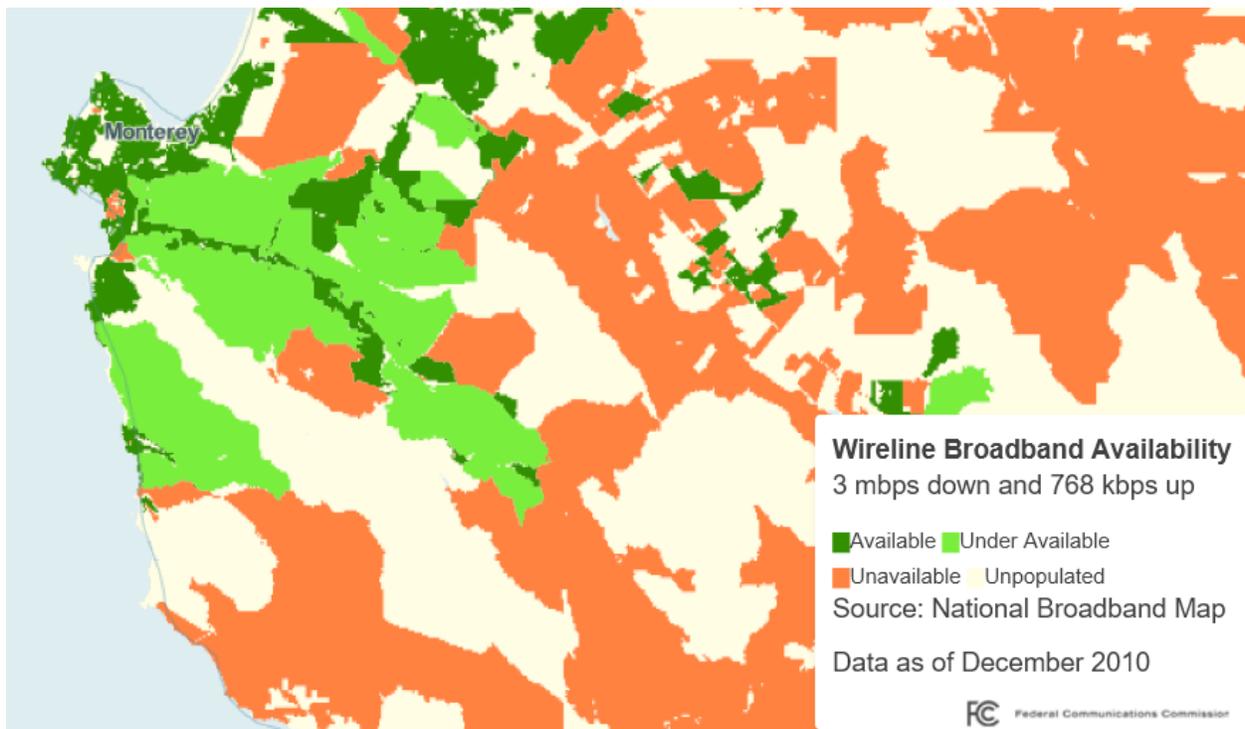
The low- to moderate- income tract on the east side of the City, is located within the Villa Del Monte Neighborhood Plan area. The vision and goals of the Plan are to revitalize the neighborhood as well as improve and maintain the neighborhood's historic character. The residents of the Villa Del Monte Neighborhood Plan area were included in the planning process through their input at community outreach meetings.

**MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)**

**Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.**

Broadband is the common term used to refer to a very fast connection to the Internet. Such connections are also referred to as high-speed. Wireless broadband is widely available in the City of Monterey according to the Federal Communications Commission’s Broadband Availability data.<sup>32</sup> All residential areas in the City are served by providers offering download speeds ranging from as low as two Mbps (megabits per second) by VSAT Systems and as high as 987 Mbps by Comcast.

In general, purchasing internet with higher speeds is more expensive and may not be affordable to low income households. According to broadbandnow.com, 30 percent of Monterey County does not have high-speed internet (defined by the FCC as 25 Mbps or faster).<sup>33</sup>



**Map 3. Broadband Availability in Monterey, California. Source: Federal Communications Commission, fcc.gov.**

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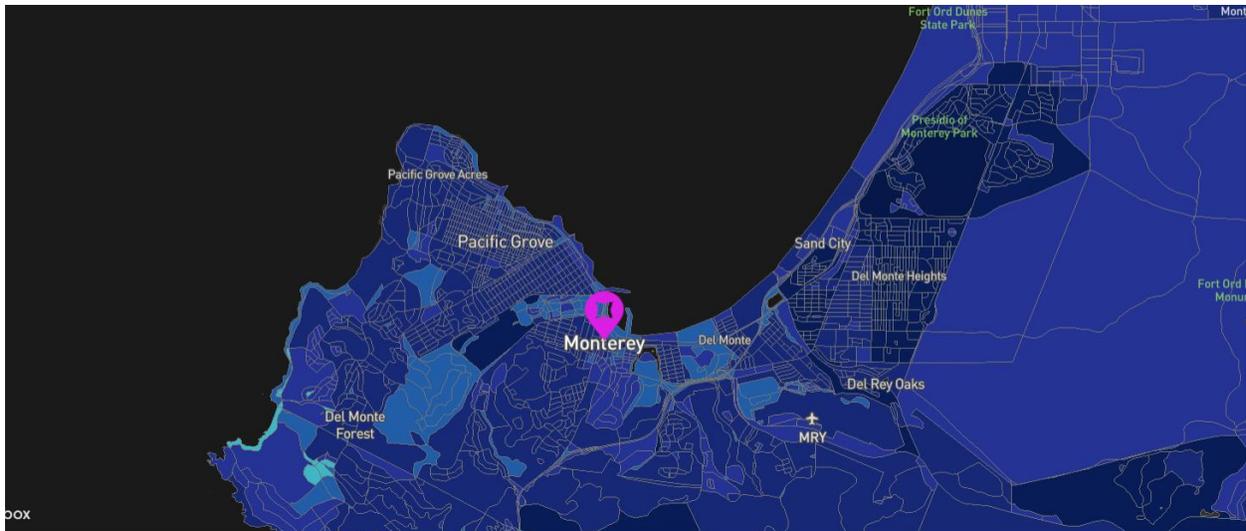
<sup>32</sup> Federal Communications Commission, “Broadband Availability,” under “Maps,” <https://www.fcc.gov/reports-research/maps/broadband-availability/> [accessed February 10, 2020].

<sup>33</sup> *The Great Divide*, Monterey County Now, March 1, 2018, [https://www.montereycountyweekly.com/news/cover/about-percent-of-monterey-county-doesn-t-have-high-speed/article\\_4d23b65a-1ce6-11e8-bcde-87000d561763.html](https://www.montereycountyweekly.com/news/cover/about-percent-of-monterey-county-doesn-t-have-high-speed/article_4d23b65a-1ce6-11e8-bcde-87000d561763.html).

The Monterey Public Library’s public computer network includes 13 Internet workstations that are free and accessible to the public. Public Wi-Fi is provided by the City of Monterey as an additional service for residents and visitors to City facilities and is provided on a best effort basis with support provided only during regular business hours.<sup>34</sup>

**Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.**

Monterey is saturated with many fixed residential broadband providers. Providers include AT&T Inc., Comcast Corporation, Razzo Link Inc., ViaSat Inc., Hughes Network Systems, LLC, and VSAT Sys, and smaller, lesser known companies.<sup>35</sup> The local providers offer a range of consumer WiFi internet plans that encompass different speed levels and price points. Currently, 100% of Monterey’s municipal jurisdiction has access to the internet through at least one local provider.



**Map 4. Fixed Broadband Deployment in Monterey, California. Source: Federal Communications Commission, [fcc.gov](https://broadbandmap.fcc.gov).**

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<sup>34</sup> City of Monterey, “Guest Wireless Internet Service,” <https://monterey.org/Services/Guest-Wireless-Internet-Service> [accessed February 13, 2020].

<sup>35</sup> Federal Communications Commission, “Fixed Broadband Deployment,” under Location Summary, <https://broadbandmap.fcc.gov> [accessed February 13, 2020].

## **MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)**

### **Describe the jurisdiction's increased natural hazard risks associated with climate change.**

Due to its location on the Pacific Ocean and Monterey Bay, as temperatures increase, the City would be most impacted by natural hazards that include sea level rise.<sup>36</sup> In addition to sea level rise, the City is also at an increased risk of fire in the area. Map 5, below, shows locations most at risk of fire hazards.

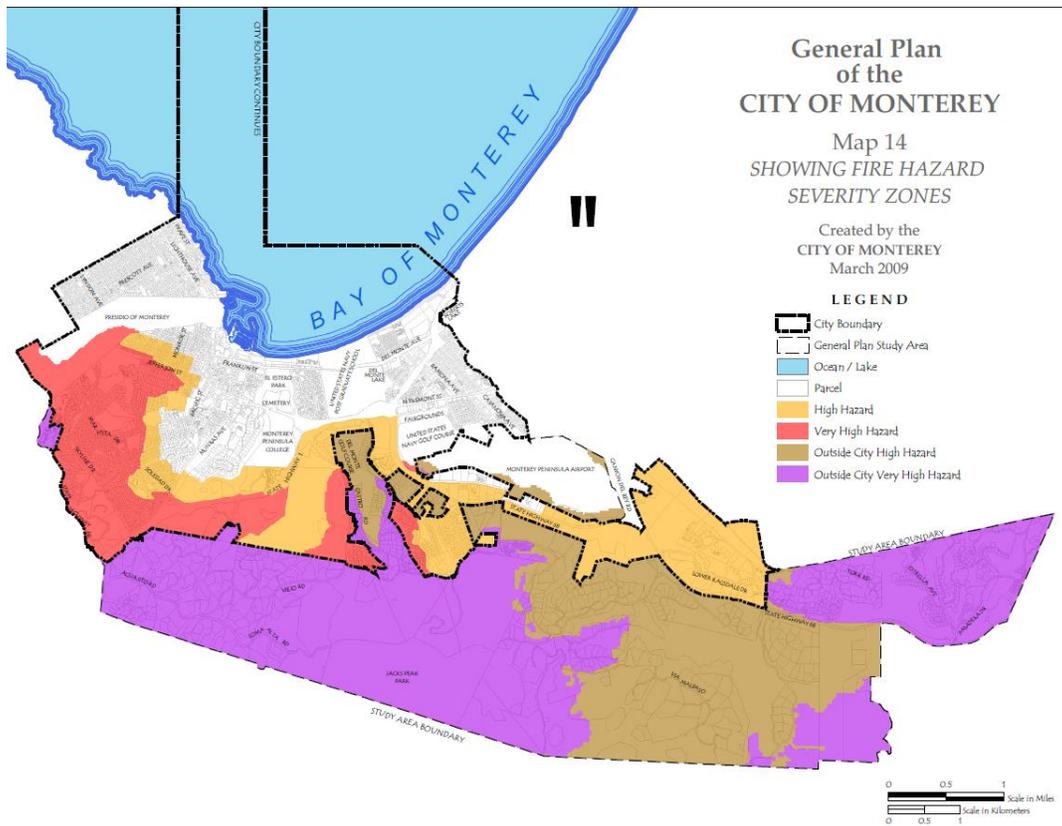
In March of 2016, the City of Monterey developed a Climate Action Plan (CAP). The CAP lays out actions that can be taken to reduce greenhouse gas emissions so the City may be a contributor to greenhouse gas reduction by 2020, 2030, and 2050 according to AB 32. The CAP identifies activities that contribute to local climate adaptation and priority steps for planning.

Based upon findings from the City's Climate Action Plan, due to its location near the ocean and forest, Monterey will be at a greater risk of the following effects from climate change:

- Sea-level rise and loss of beach sand
- Risk of wildfire
- Acidification and warming of the oceans affecting the Monterey Bay marine life with impacts to the tourism and fishing industries.
- Warming of the submarine canyon under Monterey Bay will lead to warmer nights and hotter summers, impacting the agricultural industry.
- Saltwater intrusion into the region's potable groundwater basins will continue to increase, affecting agricultural activities
- Rainfall is likely to increase to the north of Monterey County and decrease to the south; it is unclear how the City of Monterey will be affected.

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<sup>36</sup> City of Monterey, Climate Action Plan, March 2016, 3.



**Map 5. Fire Hazard Severity Zones, Source: City of Monterey, General Plan, 2009.**

**Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.**

Being located immediately adjacent to the Monterey Bay, a portion of Monterey’s downtown, a low to moderate income target area, would be most impacted by sea level rise, in the near future. Local level impacts will include shoreline erosion, coastal inundation, storm and wave damage, and saltwater intrusion; as California is susceptible to earthquakes, seismic activity can also have a large impact on sea level and, consequentially, to coastal land.<sup>37</sup>

The State of California has begun to be impacted by climate change due to drought and a resulting intensity of wildfires. The City’s two low- to moderate-income target areas Del Monte-Laguna Grande and a portion of Downtown are not located in the areas estimated to be at imminent risk of fire hazards, as shown in Map 5.

<sup>37</sup> City of Monterey, *Climate Action Plan*, March 2016, 8.

## Strategic Plan

### SP-05 Overview

#### Strategic Plan Overview

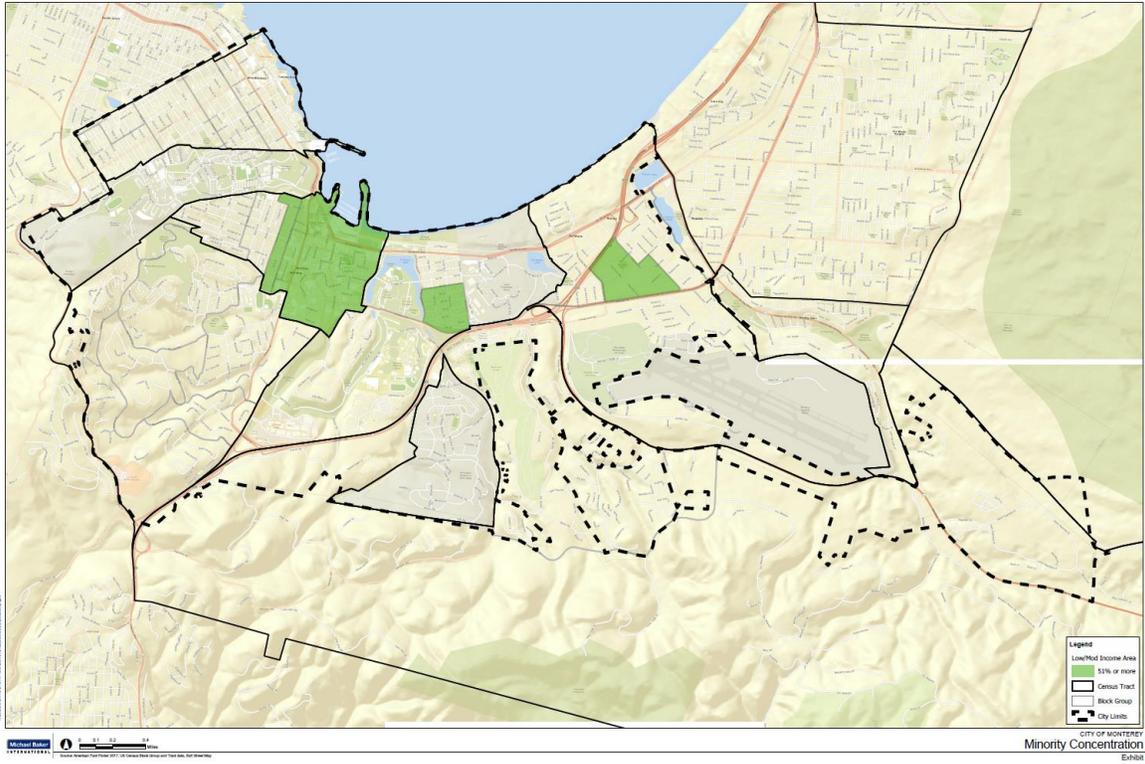
The City's strategy for community improvement using CDBG funds will focus on five broad goals. These goals are:

1. Improve housing opportunities for 0-80 percent AMI households through new construction and preservation of existing affordable housing stock;
2. Provide for a suitable living environment for all residents and income levels;
3. Creating affordability;
4. Public Infrastructure;
5. Economic development;
6. Provide optimal program administration and oversight of the CDBG program to continue planning efforts to address the needs of extremely low, very low, and low-income households and areas.

The geographic priorities will continue to be in the CDBG target areas, which are the Del Monte-Laguna Grande and a portion of the Downtown areas (see Map 2, below). Funded services requiring income eligibility will be provided city-wide.

Priority needs were identified in the community outreach process, which included public meetings, stakeholder meetings, and a community survey. Needs were prioritized according to most urgent needs through activities at each meeting as well as the most highly ranked needs in the Community Survey.

Constraints on new housing development continue due to a lack of water resources and shortage of developable land in the City. However, new City policies, local, and State legislation is paving the way for additional affordable units, including accessory dwelling units and tax initiatives. The City supports the development of affordable rental housing through density bonuses (the approved project at 595 Munras, 2200 N. Fremont, and 300 Cannery Row, and the Garden Road Rezone under preliminary review for multi-family projects) and inclusionary zoning and by identifying City-owned sites for opportunities (Madison Street Buildings, Adams Street Parking Lot, Calle Principal, and Harbor Yard). The City also continues to work closely with the CoC and its partners to provide much needed services and shelter to populations experiencing or at risk of homelessness.



Map 2. Low to moderate income target areas, 2013-2017 ACS.

**SP-10 Geographic Priorities – 91.215 (a)(1)**

**Geographic Area**

<b>1</b>	<b>Area Name:</b>	Del Monte-Laguna Grande
	<b>Area Type:</b>	CDBG Target Area
	<b>Revital Description:</b>	Public Infrastructure-Park upgrades, accessibility
	<b>Identify the neighborhood boundaries for this target area.</b>	Census Block Group areas 133-03 and 133-04. Generally located between Casa Verde Avenue to the west, Laguna Grande Lake to east, North Fremont Street to the south and Highway 1 to the north.
	<b>Include specific housing and commercial characteristics of this target area.</b>	A mixture of multi-tenant apartments, condominiums and single-family homes. A significant portion of City's affordable housing is in this area. Two significant affordable deed restricted ownership projects are located within the boundaries of the target area.
	<b>How did your consultation and citizen participation process help you to identify this neighborhood as a target area?</b>	Percentage of Low-Income households allows the area to qualify as a Low-Mod area. Residents desire to have the City target funding in the area to provide opportunity for overall upgrade in the area.
	<b>Identify the needs in this target area.</b>	Public infrastructure street and accessible sidewalk improvements.
	<b>Are there barriers to improvement in this target area?</b>	Area is generally built out with minimal opportunities to add new housing. Sites that are underutilized are constrained by lack of water.
<b>2</b>	<b>Area Name:</b>	Portion of Downtown
	<b>Area Type:</b>	Local Target area

<b>Revital Description:</b>	Public Infrastructure-street upgrades, accessibility
<b>Identify the neighborhood boundaries for this target area.</b>	Census Block Group area 127-01. Generally, between Van Buren Street and Larkin Street. This area qualifies as a Low-Mod area and public infrastructure improvements will achieve a National Objective.
<b>Include specific housing and commercial characteristics of this target area.</b>	Predominantly multifamily residential. The Middlebury Institute of International Studies (MIIS) is in and adjacent to the area. A 64-unit Portola Vista for senior and disabled, a Housing Authority County of Monterey rental project, is located adjacent to the target area. The Van Buren Senior Housing project is also located in this area.
<b>How did your consultation and citizen participation process help you to identify this neighborhood as a target area?</b>	The percentage of Low-Income households allows the area to qualify as a Low-Mod area. Residents desire to have the City target funding in the area to provide the opportunity for overall upgrade in the area.
<b>Identify the needs in this target area.</b>	Public infrastructure street and accessible sidewalk improvements.
<b>Are there barriers to improvement in this target area?</b>	Area is generally built out with minimal opportunities to add new housing. Sites that are underutilized are constrained by lack of water.

**Table 52 - Geographic Priority Areas**

**General Allocation Priorities**

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

Most of the projects and programs receiving funding will benefit income-eligible City of Monterey residents citywide for qualified LMI clientele populations for public supportive services. For example,

services for qualified LMI clientele include housing support and minor repairs and services to LMI senior and/or disabled population City wide.

The only geographic area allocations that will focus funds towards public facility infrastructure projects in three LMI residential Census Tract Block Groups 127-01 and 127-02, 130-03, 133-03, and 133-04. Census Block Group 127-01 and 127-02 is in a portion of Downtown and is a Local Target Area. Census Block Groups 133-03 and 133-04 are identified as Del Monte-Laguna Grande Local Target Area.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

1	<b>Priority Need Name</b>	Homelessness Prevention
	<b>Priority Level</b>	High
	<b>Population</b>	Homeless families and individuals and populations at risk of homelessness
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services to increase oversight of homeless service providers and other services to prevent homelessness including seniors at risk of homelessness
	<b>Basis for Relative Priority</b>	Community assessment identifies prevention of homelessness as a high priority.
2	<b>Priority Need Name</b>	Emergency housing assistance
	<b>Priority Level</b>	High
	<b>Population</b>	LMI households
	<b>Geographic Areas Affected</b>	City wide
	<b>Associated Goals</b>	Creating affordability; assist residents and workers in retaining adequate housing.
	<b>Description</b>	Public services to provide emergency housing rental assistance to households in need.
	<b>Basis for Relative Priority</b>	High number of low-income households combined with impacts of the recent COVID-19 health crisis and accompanying economic downturn.
3	<b>Priority Need Name</b>	Economic development
	<b>Priority Level</b>	High
	<b>Population</b>	LMI households; small businesses
	<b>Geographic Areas Affected</b>	City wide
	<b>Associated Goals</b>	Economic development; provide services and projects that support economic opportunity.
	<b>Description</b>	This program will provide assistance to private and for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and providing economic development services in connection with economic development activities.

	<b>Basis for Relative Priority</b>	High number of low-income households combined with impacts of the recent COVID-19 health crisis and accompanying economic downturn.
<b>4</b>	<b>Priority Need Name</b>	Low Barrier Homeless Shelters
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Homeless facilities accepting of all homeless populations has been identified as a community need.
	<b>Basis for Relative Priority</b>	Homeless facilities have been identified as a significant need in the community.
<b>5</b>	<b>Priority Need Name</b>	Public Services: Homeless counseling
	<b>Priority Level</b>	High
	<b>Population</b>	Homeless individuals and families Chronically homeless
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance to community service organizations providing assistance to homeless populations.
<b>6</b>	<b>Priority Need Name</b>	Landlord Tenant Counseling/Legal Assistance/Fair Housing
	<b>Priority Level</b>	High
	<b>Population</b>	Low Moderate Middle Large Families Families with Children Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment; Efficient administration and oversight
	<b>Description</b>	Public services to educate owners and renters

	<b>Basis for Relative Priority</b>	Community outreach identifies Landlord Tenant Counseling, Legal Assistance, and Fair Housing counseling as priority community needs.
<b>7</b>	<b>Priority Need Name</b>	Production of New Rental Units for extremely low-income households
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Housing opportunities; Suitable living environment
	<b>Description</b>	Improve housing opportunities and provide a suitable living environment for LMI households.
	<b>Basis for Relative Priority</b>	The supply of affordable housing in the community is a significant need. This program is intended to add to the supply of LMI housing.
<b>8</b>	<b>Priority Need Name</b>	Production of New Very Low-Income Rental Units
	<b>Priority Level</b>	High
	<b>Population</b>	Very Low
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Housing opportunities; suitable living environment
	<b>Description</b>	Improve housing opportunities and provide a suitable living environment for LMI households.
	<b>Basis for Relative Priority</b>	The supply of affordable housing in the community is a significant need. This program is intended to add to the supply of LMI housing.
<b>9</b>	<b>Priority Need Name</b>	Production of New Low-Income Rental Units
	<b>Priority Level</b>	High
	<b>Population</b>	Low income
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Housing opportunities; suitable living environment
	<b>Description</b>	Improve housing opportunities and provide for suitable living environment for LMI households.
	<b>Basis for Relative Priority</b>	The supply of affordable housing in the community is a significant need. This program is intended to add to the supply of LMI housing.
<b>10</b>	<b>Priority Need Name</b>	Production of New Moderate-Income For sale and Rental Units
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Housing opportunities; suitable living environment

	<b>Description</b>	Improve housing opportunities and provide a suitable living environment for LMI households.
	<b>Basis for Relative Priority</b>	The supply of affordable housing in the community is a significant need. This program is intended to add to the supply of LMI housing.
<b>11</b>	<b>Priority Need Name</b>	Rehabilitate LMI Rental Housing Units
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Elderly Residents of Assisted Housing
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande Downtown target areas
	<b>Associated Goals</b>	Housing opportunities; suitable living environment
	<b>Description</b>	Improve housing opportunities and provide a suitable living environment for LMI households.
	<b>Basis for Relative Priority</b>	Maintaining LMI housing is a high priority because the amount of LMI housing in the community is small. Housing affordability is a community need.
	<b>12</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		High
<b>Population</b>		Low Families with Children Elderly
<b>Geographic Areas Affected</b>		Citywide
<b>Associated Goals</b>		Housing opportunities; suitable living environment; Efficient Administration and Oversight
<b>Description</b>		Improve housing opportunities and provide a suitable living environment for LMI households.
<b>Basis for Relative Priority</b>		Preserving existing designated LMI ownership units assists in maintaining existing inventory of affordable ownership units in the community.
<b>13</b>		<b>Priority Need Name</b>
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Residents of Assisted Housing
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs

	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance to community service organizations providing assistance low income households.
<b>14</b>	<b>Priority Need Name</b>	Public Service: Job generating activities
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Residents of Assisted Housing
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment; economic development
	<b>Description</b>	Public services to address need for economic development
	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance to community service organizations providing assistance low income households.
	<b>15</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		High
<b>Population</b>		Extremely Low Low Moderate At-risk youth
<b>Geographic Areas Affected</b>		Citywide
<b>Associated Goals</b>		Suitable living environment
<b>Description</b>		Public services needs
<b>Basis for Relative Priority</b>		Community needs assessment supports funding assistance to community service organizations providing assistance at-risk youth.
<b>16</b>		<b>Priority Need Name</b>
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate At-risk youth
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance to community service organizations providing assistance to at-risk youth.
	<b>17</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		High

	<b>Population</b>	Extremely Low Low Moderate Homeless
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance to community service organizations providing assistance for emergencies and natural disasters.
<b>18</b>	<b>Priority Need Name</b>	Public Services: Transportation
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Homeless Elderly
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance for transportation for low income, homeless, and elderly.
	<b>19</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		High
<b>Population</b>		Extremely Low Low Moderate Homeless Elderly
<b>Geographic Areas Affected</b>		Citywide
<b>Associated Goals</b>		Suitable living environment
<b>Description</b>		Public services needs
<b>Basis for Relative Priority</b>		Community needs assessment supports funding assistance to community service organizations providing healthcare services.
<b>20</b>		<b>Priority Need Name</b>
	<b>Priority Level</b>	High
	<b>Population</b>	Homeless At-risk youth
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment

	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessment supports funding assistance to community service organizations providing assistance for emergencies and natural disasters.
<b>21</b>	<b>Priority Need Name</b>	Public Services: Homeless mental health
	<b>Priority Level</b>	Medium
	<b>Population</b>	Homeless
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessments have demonstrated a need for funding assistance to provide the homeless with mental health services. Housing for this population is a higher priority need.
<b>22</b>	<b>Priority Need Name</b>	Public Services: Homeless substance abuse
	<b>Priority Level</b>	Medium
	<b>Population</b>	Homeless
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public services needs
	<b>Basis for Relative Priority</b>	Community needs assessments have demonstrated a need for funding assistance to provide the homeless with services to help them overcome substance abuse. Housing for this population is a higher priority need.
<b>23</b>	<b>Priority Need Name</b>	Permanent and Supportive Housing
	<b>Priority Level</b>	High
	<b>Population</b>	Homeless individuals and families Chronically homeless
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Improve housing opportunities and provide for a suitable living environment for extremely low-income households.
	<b>Basis for Relative Priority</b>	Improve housing opportunities and provide for a suitable living environment for LMI households. Target is permanent housing for homeless individuals.
<b>24</b>	<b>Priority Need Name</b>	Emergency Shelters
	<b>Priority Level</b>	Medium
	<b>Population</b>	Homeless individuals and families Chronically homeless
	<b>Geographic Areas Affected</b>	Citywide

	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Homeless facilities such as emergency shelters have been identified as a community need.
	<b>Basis for Relative Priority</b>	Homeless facilities have been identified as a significant need in the community. Homeless prevention has been identified as a higher priority need.
<b>25</b>	<b>Priority Need Name</b>	Preserve LMI Deed Restricted Ownership Units
	<b>Priority Level</b>	High
	<b>Population</b>	Low Families with Children Elderly
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande
	<b>Associated Goals</b>	Housing opportunities Suitable living environment Efficient Administration and Oversight
	<b>Description</b>	Improve housing opportunities and provide for a suitable living environment for LMI households.
	<b>Basis for Relative Priority</b>	Preserving existing designated LMI ownership units, and assists in maintaining existing inventory of affordable ownership units in the community.
<b>26</b>	<b>Priority Need Name</b>	Public Facilities: Parks
	<b>Priority Level</b>	Low
	<b>Population</b>	Extremely Low Low Moderate Middle Large Families Families with Children Individuals Elderly
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande Downtown target area
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public facility needs (projects)
	<b>Basis for Relative Priority</b>	The community supports a network of parks and recreation centers. In respect to priorities, the community will focus on programs specifically intended to improve housing opportunities and ADA improvements in Low-Mod Income areas.
<b>27</b>	<b>Priority Need Name</b>	Public Facilities: recreational facilities
	<b>Priority Level</b>	Low

	<b>Population</b>	Extremely Low Low Moderate Middle Large Families Families with Children Individuals Elderly
	<b>Geographic Areas Affected</b>	Del Monte -Laguna Grande Downtown target area
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public facility needs (projects)
	<b>Basis for Relative Priority</b>	The community will focus on programs specifically intended to improve public services for seniors, youth, and to prevent homelessness.
<b>28</b>	<b>Priority Need Name</b>	Public Facilities: Youth centers
	<b>Priority Level</b>	Low
	<b>Population</b>	Low Moderate Large Families Families with Children Unaccompanied Youth Other
	<b>Geographic Areas Affected</b>	Citywide
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public facility needs (projects)
	<b>Basis for Relative Priority</b>	Services for youth are identified as a need, however, the community is currently well served with youth-oriented recreation activities funded by the City of Monterey.
	<b>29</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		Low
<b>Population</b>		Elderly Frail Elderly
<b>Geographic Areas Affected</b>		Del Monte-Laguna Grande Downtown target area
<b>Associated Goals</b>		Suitable living environment
<b>Description</b>		Public facility needs (projects)
<b>Basis for Relative Priority</b>		There is an existing senior center in the community. Focus of this plan is to assist funding of services and not construction of new facilities.
<b>30</b>	<b>Priority Need Name</b>	Public Facilities: neighborhood community centers
	<b>Priority Level</b>	Low

	<b>Population</b>	Low Moderate Middle Large Families Families with Children Elderly Chronic Homelessness Individuals Elderly Frail Other
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande Downtown target area
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public facility needs (projects)
	<b>Basis for Relative Priority</b>	The community already supports community centers. In respect to priorities, the community will focus CDBG and housing funds on programs specifically intended to improve housing opportunities and ADA accessible improvements in Low-Mod Income areas.
<b>31</b>	<b>Priority Need Name</b>	Public Facilities: Healthcare facilities
	<b>Priority Level</b>	Low
	<b>Population</b>	Extremely Low Low Large Families Families with Children Elderly Chronic Homelessness Individuals Mentally Ill Chronic Substance Abuse Veterans Frail Elderly Persons with Mental Disabilities
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande; Downtown target area
	<b>Associated Goals</b>	Suitable living environment
	<b>Description</b>	Public facility needs (projects)
	<b>Basis for Relative Priority</b>	The community has access to a well-established network of urgent care facilities and Community Hospital of the Monterey Peninsula.
<b>32</b>	<b>Priority Need Name</b>	Infrastructure improvements: Sewer/street improvements
	<b>Priority Level</b>	Low
	<b>Population</b>	Low Moderate

		Large Families Families with Children Elderly Other
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande Downtown target areas
	<b>Associated Goals</b>	Public Infrastructure
	<b>Description</b>	Public improvement tracts 13300-3, 13300-4 and 12700-1
	<b>Basis for Relative Priority</b>	The Consolidated Plan provides funding, as available for infrastructure projects, in Low-Mod Census Tract Block Group areas. The priority infrastructure projects are accessible sidewalks, which aligns well with the projected increase in population experiencing mobility difficulties.
<b>33</b>	<b>Priority Need Name</b>	Infrastructure improvements: Street Improvements
	<b>Priority Level</b>	Low
	<b>Population</b>	Low Moderate Large Families Families with Children Elderly Other
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande Downtown target area
	<b>Associated Goals</b>	Public Infrastructure
	<b>Description</b>	Public improvement tracts 133.00-3, 133.00-4 and 127.00-1
	<b>Basis for Relative Priority</b>	The Consolidated Plan provides funding, as available for infrastructure projects in Low-Mod Census Tract Block Group areas. The priority infrastructure projects are accessible sidewalks, which aligns well with the projected increase in population experiencing mobility difficulties.
	<b>34</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		Low
<b>Population</b>		Low Moderate Large Families Families with Children Elderly Other
<b>Geographic Areas Affected</b>		Del Monte-Laguna Grande Downtown target area
<b>Associated Goals</b>		Public Infrastructure

	<b>Description</b>	Public improvement tracts 133.00-3, 133.00-4 and 127.00-1
	<b>Basis for Relative Priority</b>	The Consolidated Plan provides funding, as available for infrastructure projects in Low-Mod Census Tract Block Group areas. The priority infrastructure projects are accessible sidewalks, which aligns well with the projected increase in population experiencing mobility difficulties.
<b>35</b>	<b>Priority Need Name</b>	Infrastructure improvements: Sidewalk/Curb Improvements
	<b>Priority Level</b>	Low
	<b>Population</b>	Low Moderate Large Families Families with Children Elderly Other
	<b>Geographic Areas Affected</b>	Del Monte -Laguna Grande Downtown target areas
	<b>Associated Goals</b>	Public Infrastructure
	<b>Description</b>	Public improvement tracts 13300-3, 13300-4 and 12700-1
	<b>Basis for Relative Priority</b>	The Consolidated Plan provides funding, as available for infrastructure projects in Low-Mod Census Tract Block Group areas. The priority infrastructure projects are accessible sidewalks, which aligns well with the projected increase in population experiencing mobility difficulties.
	<b>36</b>	<b>Priority Need Name</b>
<b>Priority Level</b>		Low
<b>Population</b>		Low Moderate Large Families Families with Children Elderly Other
<b>Geographic Areas Affected</b>		Del Monte-Laguna Grande Downtown target areas
<b>Associated Goals</b>		Public Infrastructure
<b>Description</b>		Public improvement tracts 13300-3, 13300-4 and 12700-1
<b>Basis for Relative Priority</b>		The Consolidated Plan provides funding, as available for infrastructure projects in Low-Mod Census Tract Block Group areas.
<b>37</b>		<b>Priority Need Name</b>
	<b>Priority Level</b>	Low

	<b>Population</b>	Low Moderate Large Families Families with Children Elderly Other
	<b>Geographic Areas Affected</b>	Del Monte-Laguna Grande Downtown target areas
	<b>Associated Goals</b>	Public Infrastructure
	<b>Description</b>	Public improvement tracts 13300-3, 13300-4 and 12700-1
	<b>Basis for Relative Priority</b>	The Consolidated Plan provides funding, as available for infrastructure projects in Low-Mod Census Tract Block Group areas. The priority infrastructure projects are accessible sidewalks, which aligns well with the projected increase in population experiencing mobility difficulties.
<b>38</b>	<b>Priority Need Name</b>	Infrastructure improvements: Bike lanes with lighting
	<b>Priority Level</b>	Low
	<b>Population</b>	Low Moderate Large Families Families with Children Elderly Other
	<b>Geographic Areas Affected</b>	Del Monte -Laguna Grande Downtown target areas
	<b>Associated Goals</b>	Public Infrastructure
	<b>Description</b>	Public improvement tracts 13300-3, 13300-4 and 12700-1
	<b>Basis for Relative Priority</b>	The Consolidated Plan provides funding, as available for infrastructure projects in Low-Mod Census Tract Block Group areas.

**Table 53 – Priority Needs Summary**

**Narrative**

The priority needs above were identified in the community outreach process, which included public meetings, stakeholder meetings, and a community survey. Needs were prioritized according to most urgent needs through activities at each meeting. The survey results also ranked needs according to importance.

**SP-30 Influence of Market Conditions – 91.215 (b)**

**Influence of Market Conditions**

<b>Affordable Housing Type</b>	<b>Market Characteristics that will influence the use of funds available for housing type</b>
Tenant Based Rental Assistance (TBRA)	<p>1. The number and quality of competing TBRA projects proposed in the County.</p> <p>2. Success of Veteran’s Transition Center and Housing Resource Center in securing rental units in the region to accept rental assistance for veteran’s experiencing homelessness.</p>
TBRA for Non-Homeless Special Needs	The number and quality of competing TBRA projects proposed in the County.
New Unit Production	<p>Though need exists, water resources continue to constrain new development. A water credit plan is in place to mitigate the lack of water resources.</p> <p>Constraints on developable land at prices feasible for producing affordable housing.</p>
Rehabilitation	Willingness of multi-family residential unit owners to accept housing funds for rehabilitation in exchange for dedication of low-income or below housing units.
Acquisition, including preservation	Opportunities to purchase ownership units as current owners inform City of intent to sell deed restricted units.

**Table 5427 – Influence of Market Conditions**

## **SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c) (1,2)**

### **Introduction**

The City's CDBG entitlement allocation of funding requires addressing the ratio of program income to entitlement that the City receives each year. While entitlements have been stable, the amount of program income received is unpredictable and has ranged from less than \$500,000 to more than \$1,000,000. The average program income received over the last 10 years is about \$677,000; however, due to rising housing costs, many loans are being repaid to the CDBG fund. To meet CDBG expenditure timeliness requirements and comply with HUD's program funding reporting and public outreach requirements, it is important to make the best estimate regarding the total funding expected to roll over from the prior year and the amount of program income to be received. The City is budgeting for about \$1 Million in program income for the 2020–21 program year.

In 2017, the City established and contributed to a CDBG Revolving Loan Fund, which is made up of Program Income funds that are set-aside for specific housing acquisition and rehabilitation programs. The revenues of the Revolving Loan Fund are included in the total Program Income (PI) estimates for planning and budgeting purposes as estimated Revolving Loan Fund receipts can be difficult to project both in timing and in total amount. Revolving Loan Fund funds will be used as a resource for the City's single-family housing acquisition, rehabilitation, and resale program that makes housing ownership available to qualifying low-income households. It may also be used for housing rehabilitation loans that address health and safety repairs for low-income homeowners, including seniors and persons with disability. The Revolving Loan Fund is budgeted in the Housing Programs project.

The table below includes the estimated CDBG revenues for the coming year. It includes the Former Redevelopment Agency Housing funds and the Revolving Loan Fund income that the City typically receives each year. These funds are used to help support affordable housing in the City and are reported or regulated like CDBG funds and are therefore included in the CDBG budget. They are included in this table for reference only.

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Consolidated Plan \$	Narrative Description
			Annual Allocation	Program Income	Prior Year Resource	Total		
CDBG	public - federal	Acquisition  Admin and Planning  Economic Development  Housing  Public Improvements  Public Services	\$250,000	\$800,000			\$4,200,000	Program Income includes former Redevelopment Agency Housing funds and the Revolving Loan Fund that the City typically receives each year.

**Table 55 - 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 City’s current housing resources do not have matching fund requirements. However, the City will be using CDBG and federal funds to leverage other resources, including repayment of housing loans made by the redevelopment agency. These resources are dedicated to affordable housing activities, while the City’s CDBG allocation provides support through infrastructure, public facility, and public services.

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

The City will be providing technical assistance from the City’s CDBG planning and administration funds for City-sponsored parks projects in CDBG targeted low to moderate areas. Additionally, the City has a program to purchase and rehabilitate deed restricted affordable homes and then resell them to low-income first-time homeowners, to ensure that no inventory is lost. There are currently 540 Deed Restricted Affordable Units in the City. The budget allows for the purchase of up to three units should they come available. The City also will continue outreach efforts and technical assistance to service

providers and other jurisdictions in the area to identify new affordable housing projects and additional homeless services or facilities.

There are several projects under development which will include affordable units through the inclusionary zoning ordinance. Ten units are under construction, on City leased property at 595 Munras and two of the units will be affordable through the inclusionary zoning ordinance. Other projects include 2200 North Fremont that will include 40 Dwelling Units with eight affordable units through a seven percent Density Bonus and Inclusionary Housing. Also, eight Dwelling Units with two affordable units with Inclusionary Housing at 300 Cannery Row has been approved. The City also has four sites that are up for consideration for affordable housing: Madison Street Buildings-29 units, Calle Principal Garage-50 units, Adams Street Parking Lot-12 units, and Harbor Yard-6 to 19 units.

**SP-40 Institutional Delivery Structure – 91.215(k)**

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

The City coordinates and works closely with the agencies and organizations in Table 56 to deliver services to LMI households, special needs populations, and homeless families and individuals. Objectives and priorities for addressing homelessness in the Lead Me Home plan are, and will continue to be, aligned with the City's Consolidated Plan. As described, the CHSP works closely in coordination with the CDBG subrecipients receiving allocations listed in the City's plan: Community Human Services' program, Safe Place in Monterey, that provides counseling, family reunification, temporary shelter, and street outreach for homeless youth; Interim Inc. that provides homeless services, emergency, and temporary housing outreach, and case management for persons with mental illnesses; the Salvation Army Homeless Support Services that provides case management, voucher assistance, and homeless outreach services; and the Veterans Transition Center that provides services for homeless Veterans and their families.

Additionally, Interim, Inc. added a second crisis residential facility in the City, Manzanita Monterey, which opened July of 2018. Interim's Manzanita Monterey provides short-term residential services to stabilize persons experiencing a mental health crisis so that they may return to independent living. The new facility has a 13-bed capacity and is staffed 24 hours a day, seven days a week. The Manzanita residential programs accept clients based on referrals from the Monterey County Behavioral Health Bureau.

<b>Responsible Entity</b>	<b>Responsible Entity Type</b>	<b>Role</b>	<b>Geographic Area Served</b>
City of Monterey	Government	Economic development; Non-homeless special needs; Ownership; Planning; Rental neighborhood improvements; public facilities; public services	Jurisdiction
Housing Authority County of Monterey	PHA	Public Housing Rental	Region
ALLIANCE ON AGING	Non-profit organizations	Non-homeless special needs	Region
COMMUNITY HUMAN SERVICES	Non-profit organizations	Homelessness Non-homeless special needs	Region
FOOD BANK OF MONTEREY COUNTY	Non-profit organizations	Homelessness	Region
Interim Inc.	Non-profit organizations	Homelessness	Region
JOSEPHINE KERNES MEMORIAL POOL	Non-profit organizations	Non-homeless special needs	Region
LEGAL SERVICES FOR SENIORS	Non-profit organizations	Non-homeless special needs	Region
MEALS ON WHEELS - MONTEREY PENINSULA	Non-profit organizations	Non-homeless special needs	Region
SALVATION ARMY OF THE MONTEREY PENINSULA	Non-profit organizations	Homelessness	Region
I-HELP	Faith-based organizations	Homelessness	Region

ECHO FAIR HOUSING	Fair Housing Provider	Landlord/Tenant Counseling Services for Low-income households	Region
VETERANS TRANSITION CENTER	Veterans	Homeless veterans and their families	Region

**Table 56 - Institutional Delivery Structure**

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

The strengths of this institutional delivery system include:

- Significant annual Program Income revenue
- Well established and popular ownership housing rehabilitation grant and loan program
- Services and programs for elderly special needs population
- Community leadership commitment to addressing homelessness

Gaps in the institutional delivery system include:

- Availability of transitional and permanent supportive housing for homeless and Extremely Low-Income households
- Availability of affordable housing for Very Low-Income and Low-Income households
- Lack of shelters and adequate transportation to services

**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
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	X

<b>Street Outreach Services</b>			
Law Enforcement	X	X	X
Mobile Clinics	X	X	X
Other Street Outreach Services	X	X	X
<b>Supportive Services</b>			
Alcohol & Drug Abuse	X	X	X
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
<b>Other</b>			
Other	N/A	N/A	N/A

**Table 57 - Homeless Prevention Services Summary**

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

The City of Monterey Planning staff regularly attend monthly meetings held by the Coalition of Homeless Service Providers (CHSP), the region’s Continuum of Care (CoC), which include the CHSP Board meeting, the Housing Pipeline meeting, the Leadership Council meeting, and the meeting of the CHSP Executive Committee, all held once per month.

In May 2019, the Lead Me Home 10-year Plan was updated. The plan builds upon the successful relationships that are multi-organizational, multi-governmental, and multi-sectoral. Collaboratively, an approach has begun to identify successful practices, organize resources, scale up to the size of the problem, and produce public value by delivering meaningful results.

The Lead Me Home Plan aligned with the City's 2020-2024 Consolidated Plan, which involves stabilizing existing tenancies to prevent homelessness through work with Fair Housing as well as non-profit housing providers and linking people to appropriate service providers that the City has traditionally supported through grant funding.

The City will continue to work with the Continuum of Care (CoC) and the providers it has traditionally funded to deliver services to LMI households, homeless families and individuals, and special needs populations.

**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**

*Strengths*

As mentioned above, the City works with a network of providers to provide the following services:

- Services to homeless families and individuals, women, veterans
- Legal services for LMI seniors
- Landlord/tenant counseling and mediation for victims of housing discrimination
- At-risk youth services for trouble youth at risk of homelessness
- Family re-unification
- Services for disabled persons
- New zoning for affordable housing and homeless shelters: ADUs, Emergency Overlay District

*Gaps*

Due to a lack of resources and funding, the City is challenged in delivering the following:

- An adequate supply of housing affordable to ELI, VLI, LI, and moderate-income households
- Adequate shelter for the local and regional homeless population
- Lack of personnel to administer public service agencies and non-profit organizations
- Lack of developer incentive: costly land prices; lack of water resources
- Adequate transportation for special needs populations and homeless
- Lack of funding resources for housing and services

**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**

The City is in the process of developing implementation of plans for the Senate Bill 2 (SB2) grant. The SB2 grant will help the City to do the following:

- Accelerate housing production
- Streamline the approval of housing development affordable to owner and renter households at all income levels
- Facilitate housing affordability, particularly for lower- and moderate-income households

- Promote development consistent with the State Planning Priorities (Government Code Section 65041.1)
- Ensure geographic equity in the distribution and expenditure of the funds

The City will utilize funding from the Homeless Emergency Aid Program (HEAP) to provide the following:

- Emergency housing vouchers
- Rapid rehousing
- Emergency shelter construction, and
- Use of armories to provide temporary shelters, among other activities

In addition to these efforts, the City will continue to work closely and collaborate with Coalition of Homeless Service Providers, the Continuum of Care, to implement the Lead Me Home Plan. The Coalition of Homeless Service Providers partners with a wide-range of public and private entities that include CA-506—Salinas/Monterey and San Benito Counties CoC, affordable housing developers, community clinics and health centers, other health care providers, educational institutions, faith-based organizations, housing and homeless services providers, health plans, local government, probation/criminal justice, non-profit agencies, private foundations, public housing authorities, people with lived experience of homelessness, and service providers for families, seniors, survivors of domestic violence, veterans, and youth.<sup>38</sup> Many of these partners mentioned are traditional recipients of the City's CDBG program. The City continues to work closely and on a regular basis with these providers through the CDBG program's yearly activities.

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<sup>38</sup> Lead Me Home.

**SP-45 Goals Summary – 91.215(a)(4)**

**Goals Summary Information**

Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1) Housing opportunities	2020	2024	Affordable Housing	City wide	Rehabilitate LMI Rental Units Production New VL and L-I Rental Units Production New EL-I Preserve LMI Deed Restricted Ownership Units Monitoring Rehabilitate LMI Ownership Housing Units	CDBG: \$1,850,000	Rental units rehabilitated: 13  Homeowner Housing Added: 8  Production New VL and L-I: 50  Homeowner housing rehabilitation: 45

2) Suitable living environment	2020	2024	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Del Monte -Laguna Grande; Downtown target areas; City wide	Senior Center Handicapped Center / Facility Homeless Facilities Youth Centers Child Care Center Health Facilities Neighborhood Facilities Parks and/or Recreation Facilities Safe Parking Facilities Non-Residential Historic Preservation Senior Services Handicapped Services Youth Services Child Care Services Transportation Services	CDBG: \$690,000	Public service activities other than Low/Moderate Income Housing Benefit: 5,655 Persons Assisted  Homelessness assistance and Prevention: 1,130 Persons Assisted
3) Creating affordability	2020	2024	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	City wide	Impacts of the health crisis and accompanying economic downturn	\$649,841	Emergency Housing Assistance: 230

4) Public Infrastructure	2020	2024	Non-Housing Community Development	Del Monte -Laguna Grande Downtown target areas	Water/Sewer Improvements Street Improvements Sidewalks - Accessibility Solid Waste Disposal Improvements Flood Drain Improvements Other Infrastructure Needs Comm/Industrial Infrastructure Development Monitoring	CDBG: \$999,364	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 5,000 Households Assisted
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5) Economic Development	2020	2024	Economic Development	City wide	Support to small businesses; business retention; Job training; commercial rehabilitation and construction; Assisting private, for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and; providing economic development services in connection economic development activities; Avoid job loss caused by business closures related to social distancing (due to the health crisis) by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and	\$75,000	Businesses assisted: 100
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					moderate- income persons.		
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6) Efficient Administration and Oversight	2020	2024	Affordable Housing Homeless Non-Housing Community Development	Del Monte -Laguna Grande Downtown target areas	Preserve LMI Deed Restricted Ownership Units Fair Housing Services Planning Monitoring	CDBG: \$1,035,000	Rental units rehabilitated: 13  Homeowner Housing Added: 8  Production New VL and L-I:50  Homeowner housing rehabilitation: 45  Public service activities other than Low/Moderate Income Housing Benefit: 5,655 Persons Assisted  Homelessness assistance and Prevention: 1,130 Persons Assisted  Emergency Housing Assistance: 230  Public Facility or
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							Infrastructure Activities for Low/Moderate Income Housing Benefit: 5,000 Households Assisted Businesses and persons assisted: 100
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**Table 58 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Housing opportunities
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Housing rehabilitation</li> <li>• Support new affordable housing development</li> <li>• Home ownership: First-time homebuyer assistance</li> <li>• Security deposit assistance</li> </ul>
2	<b>Goal Name</b>	Suitable living environment
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Mental health services</li> <li>• Mental health services for youth in the schools</li> <li>• Substance abuse treatment</li> <li>• Domestic violence support</li> <li>• Support services for seniors (meals, transportation)• Homeless prevention               <ul style="list-style-type: none"> <li>• One-time rent/utility payments</li> <li>• Homeless services</li> </ul> </li> </ul>
3	<b>Goal Name</b>	Creating affordability
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Emergency housing assistance</li> <li>• Prevention of homelessness</li> </ul>
4	<b>Goal Name</b>	Public Facilities/Infrastructure
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Infrastructure improvements: streets/safe routes to school/lighting</li> <li>• Public facilities: parks/community centers/youth center</li> <li>• Street and sidewalk rehabilitation</li> <li>• Safe routes to school (explore)</li> <li>• Playground equipment replacement</li> </ul>

<b>5</b>	<b>Goal Name</b>	Economic development
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Support private, for-profit businesses</li> <li>• Provide economic development services in connection economic development activities</li> <li>• Avoid job loss caused by business closures related to social distancing (due to the health crisis) by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons</li> </ul>
<b>6</b>	<b>Goal Name</b>	Program administration
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Administration of CDBG and Housing programs</li> <li>• Fair Housing Program</li> </ul>

**Table 59 – Goal Descriptions**

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

The City of Monterey’s allocation for CDBG will assist members from all low-income categories in several ways. To preserve existing affordable units, grant funding will rehabilitate both owned as well as rental units. The City anticipates purchasing properties to resell to income eligible first-time home buyers. Additionally, projects are proposed for the Veterans Transition Center that would provide rental housing to extremely low-income Veterans through the rehabilitation of four duplexes. Each duplex can house between 6-8 Veterans at any one time and approximately 14-18 homeless Veterans per year.

It is estimated that the number of extremely low-income, low-income, and moderate-income families to whom the City will provide affordable housing is 360 as refers to housing assistance to homeless, 50 to VTC housing, and 10 to the sale of deed-restricted home to low to mod homebuyer as follows:

Extremely low-income: 360

Low-income: 50

Moderate-income: 10

In addition to the above-mentioned projects, the City has identified four sites that are under consideration for the construction of affordable housing over the next five years. In the past, the City has only used CDBG funds for "soft costs", such as acquisition, preparation of legal agreements and site clearance. These potential sites include the following:

- Madison Street Buildings- 29 units
- Calle Principal Garage- 50 units
- Adams Street Parking Lot- 12 units

- Harbor Yard- 6–19 units

## **SP-50 Public Housing Accessibility and Involvement – 91.215(c)**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

The Housing Authority of the County of Monterey (HACM) is not required to increase the number of accessible units by a Section 504 Voluntary Compliance Agreement. HACM does provide reasonable accommodation and modifications for its disabled applicants and residents so that they have equal access to housing and programs. HACM also participates as a board member in the Housing Alliance for Persons with Disabilities to further the development of accessible units in the region.

Additionally, the City will continue to collaborate with the HACM to improve access to available public housing units using Housing Choice Voucher (HCV). The City will also annually review opportunities to provide rehabilitation grant funding to the HACM for upgrading the condition of its project-based rental housing units that are located within the City.

### **Activities to Increase Resident Involvements**

The HACM has developed a plan for self-sufficiency of the households it assists that is part of the Family Self-sufficiency program and continually recruits households. The HACM also coordinates a Welfare to Work program as part of the Housing Choice Voucher program. The HACM also has an HCV Homeownership program that attracts participants. Employment is also encouraged by the HACM through job posting and works with contractors to further employment of its participants.

### **Is the public housing agency designated as troubled under 24 CFR part 902?**

No.

### **Plan to remove the 'troubled' designation**

Not applicable. The HACM is not troubled.

## **SP-55 Barriers to affordable housing – 91.215(h)**

### **Barriers to Affordable Housing**

As presented in MA-40, potential barrier to housing opportunities can be related to public policies, such as tax policies, zoning ordinances, fees and charges, growth limits, and other policies that affect the return on residential investment. Amending local zoning and land use laws or allocating funding for affordable housing through grants are mechanisms that can support the development of affordable units. Changes in policies can also help a community to overcome disparities in access to opportunity by the implementation of plans that will revitalize areas with existing affordable housing by improving services, schools and other community assets, sidewalks, and other infrastructure.

Policies to guide future development and achieve a vision for the community are contained in the City's General Plan. Two of the seven State mandated General Plan elements—Housing and Land Use Elements—have direct impact on the local housing market in terms of the amount and range of housing choice. The Zoning Ordinance, which implements the Land Use Element, is an important document that influences the amount and type of housing available in a community—the availability of housing choice.

A Housing Element that complies with State law is presumed to have adequately addressed its policy constraints. According to HCD, as of January 2019, the City of Monterey's Housing Element was found to comply.

Specific to the City, a primary barrier continues to be a shortage of developable land with adequate utilities. There is no water for new development. Due to limited regional water supply, residential development is restricted. All the City's water supply has already been allocated to projects. However, some existing properties have water credits that can be allocated to new housing development. The City has also identified underutilized sites with water credits and the location of these areas are mapped in the City's specific plans.

Other factors make residential development a challenge, such as financing, wherein the costs are passed to the consumers. Additionally, zoning density limitations and California legal decisions that have prohibited requiring low and moderate-income inclusionary housing as a condition of rental housing entitlement approvals.

The City's policies allow for the following types of housing for low income and special needs populations:

- Emergency shelters
- Accessory Dwelling Unit
- Transitional Housing
- Supportive Housing
- Residential Care Facilities
- Single Room Occupancy
- Reasonable Accommodation

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

### *City Policies*

The City has traditionally acquired deed restricted units to sell to income eligible first-time homebuyers and makes every effort to continue this practice through its purchase and resale housing programs. Currently, there are 540 deed-restricted units in the City—80 percent are rentals and 20 percent are for purchase and resale.

In addition to purchase and resale programs, the City has created policies to implement other tools that foster affordable housing that include:

- Inclusionary Housing Program
- Density Bonus Ordinance
- Accessory Dwelling Ordinance
- Short Term Rental Ban Enforcement

When possible, City owned property will be utilized to accommodate affordable units, for example, 595 Munras will allow for 10 units, two of which will be affordable, using the Inclusionary Housing Program. Other projects include 2200 North Fremont, 40 Dwelling Units with eight affordable units through a 7 percent Density Bonus and Inclusionary Housing; also, eight Dwelling Units with two affordable units with Inclusionary Housing at 300 Cannery Row.

Other measures being undertaken by the City to create affordable housing opportunities includes the Garden Road Rezone, which would potentially allow for 406 units, 81 of which would be affordable. In addition, the Downtown Density Cap Overlay will have the potential to allow for 222 residential units by allowing for increased densities in the Pearl district.

The City is planning to address how the lack of water resources has prevented much needed residential development by requesting additional water district allocations from the Monterey Peninsula Water District. Though California American Water Company (Cal Am) continues to pursue the development of a new water source, at present Monterey Peninsula's water resources are limited and, as a result, the City of Monterey does not have water credits available for allocation for new development. All private property development that requires a water permit is limited to the water credits associated with the specific site.<sup>39</sup>

The City has amended its Zoning Code to implement an Accessory Dwelling Unit (ADU) Ordinance in compliance with State law Government Code Section 65852.2. ADUs are second units that are built on the same lot as a single-family home. Areas in the City will be designated for where ADUs may be located based upon neighborhood character and the availability of water. The purpose of the ADU ordinance is a

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<sup>39</sup> City of Monterey, "Water Availability Status," under Services, <https://monterey.org/Services/Community-Development/Planning/Water-Chart-and-Facts>.

part of the State's effort to increase the supply of much needed affordable housing. Despite these new regulations, water continues to severely constrain housing development.

In addition to zoning amendments, the City has a ban on short-term rental units.

### *Local and State Legislation*

The United Way Monterey County's (UWMC) initiative to increase affordable housing is in the process of conducting outreach on four new propositions meant to fund housing assistance, assist individuals with mental illness, tax modifications, and a proposition to expand government's authority to enact rent control. The UWMC works to engage the community and focus resources to improve lives in Monterey County.

The State of California has already taken other steps towards enacting policies to help ameliorate the barriers to affordable housing. In 2019, the State signed the following bills into effect:

- California SB 330: The Housing Crisis Act of 2019. This bill suspends restrictions on housing developments and provides for expedited permitting for housing construction until January 1, 2025.<sup>40</sup>
- California AB 1763: amending the Density Bonus Law. This bill creates a density bonus and other concessions and incentives for affordable housing developments.<sup>41</sup>
- California AB 13: amending Section 65852.2 of the Government Code, among others, relating to land use. Revising existing legislation that allows ADUs in residential and mixed-use districts, this bill allows more than one ADU per lot.<sup>42</sup>

Another way to help remove barriers to affordable housing, would be to assist households experiencing discrimination when trying to obtain affordable housing. Discrimination, including housing discrimination, because of race, color, national origin, religion, sex, familial status, and disability is a violation of federal law, specifically the Fair Housing Act. The local fair housing service provider, Eden Council for Hope and Opportunity (ECHO Housing), reportedly uncovers increased housing discrimination yearly. Fair housing legal services (mediation and the processing fair housing complaints) and fair housing education can assist in the prevention of discrimination against such households.

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<sup>40</sup> Hud User, California SB 330: The Housing Crisis Act of 2019, <https://www.huduser.gov/portal/rbc/rbcrecord/3102#results-final> [accessed January 6, 2020].

<sup>41</sup> Hud User, California AB 1763: amending the Density Bonus Law <https://www.huduser.gov/portal/rbc/rbcrecord/3100#results-final> [accessed January 6, 2020].

<sup>42</sup> Hud User, California AB 13: amending Section 65852.2 of the Government Code, among others, relating to land use, <https://www.huduser.gov/portal/rbc/rbcrecord/3099#results-final> [accessed January 6, 2020].

## **SP-60 Homelessness Strategy – 91.215(d)**

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

In partnership with jurisdictions, including the City of Monterey, and service providers, the Continuum of Care (CoC) has launched the Coordinated Outreach and Resources for Encampments (CORE) team. This multi-disciplinary team is built of providers that specialize in mentally ill, substance abuse, Veterans, and youth. CORE outreach workers are paired with homeless guides to penetrate the most difficult encampment communities to 1) establish rapport with the inhabitants, 2) assess client needs and provide linkages to services, and 3) administer CARS assessments to those interested in homeless housing programs, like transitional housing or permanent supportive housing.

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

The Continuum of Care allocated over \$7M to the construction of homeless shelters in the two jurisdictions that showed the most increase in homelessness per capita in the 2019 Homeless Census. This dollar amount accounts for over half of the entire CoC's Homeless Emergency Aid Program funding allocation and was used for the two proposed projects that met the immediate needs of our community.

Other strategies the City is using to address homelessness include:

- Safe Parking Ordinance
- Emergency Shelter Overlay District
- New state funding- HEAP

The Homeless Emergency Aid Program (HEAP) is a \$500 million-dollar grant program established by statute designed to provide direct assistance to Continuums of Care throughout California to quickly address local challenges of homelessness. The Leadership Council has designated the Coalition of Homeless Services as the Continuum of Care Coordinator for Monterey County. HEAP funds are considered as a one-time only opportunity and 100 percent of the funds must be expended by June 30, 2021.

In addition, emergency housing assistance will be a new program for the City to provide rental assistance impacted by the COVID-19 emergency.

**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 CHSP CoC coordinates numerous activities to train our service provider network and directly link homeless persons to affordable housing units and prevent formerly homeless persons from recidivism,

like rapid rehousing training, weekly e-newsletters listing open low-income housing wait-lists, prioritizing permanent supportive housing projects in funding rankings, and dedicating rapid re-housing funds to vetted seasoned providers.

**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**

The CoC is currently working to establish diversion programs and best practices among their provider network and are working on streamlining the CARS process to capture those at risk of becoming homeless to provide faster service. Additionally, the City continues to work closely with and provide grant funding to the providers listed in Table 56 to provide an institutional structure, outreach, and support to those most in need and at-risk of homelessness in the community.

## **SP-65 Lead based paint Hazards – 91.215(i)**

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

Eighty-one percent of the City's housing stock was built before 1980. In housing constructed prior to January 1, 1978, there is the possibility that lead-based paint was used. The City is conscious of the potential threat to human health this paint could present. Additionally, the City will conduct lead-based paint assessments as a component of any rehabilitation grant or loan project using CDBG funds.

#### **Information and Education**

Households that participate in housing activities under this plan, including home purchase, rental assistance, or rehabilitation, will be given educational materials regarding the hazards of lead-based paint, signs of lead poisoning, and strategies to reduce exposure. Materials will include the use of HUD/EPA publications such as "Protect Your Family from Lead in Your Home." Information will be provided in English and Spanish. Publications and referral information will be placed on the City's website to educate the public.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

Predominantly the City's programs are designed to reduce potential exposures to LBP by removing it when encountered in a CDBG funded rehabilitation project. If LBP exposure is reported by the County Public Health Department, the City is prepared to allocate CDBG rehabilitation funds to assist remediation for eligible LMI or special needs households.

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

The City's Housing Programs office offers housing rehabilitation programs to eligible owner-occupied households. Rehabilitation programs provide a complete LBP assessment for all housing rehabilitations conducted at a cost of over \$25,000 in accordance with HUD regulations. All CDBG grants for Home Safety or Mr. Fix-it programs, and the Housing Accessibility Grant require a visual lead paint assessment. The loan and grant programs are available to owner-occupied households at or below 80 percent AMI and are frequently used to treat homes with lead-based paint. Additionally, the County provides a Child Lead Poisoning Prevention Program (CLPPP), which provides community and provider education about the dangers of lead poisoning. The Public Health Nurse provides follow-up and case management to lead-poisoned children per State of California guidelines.

## **SP-70 Anti-Poverty Strategy – 91.215(j)**

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

The City's anti-poverty strategy is based on the preservation and repair of existing housing units in the community and attracting a range of businesses to support workforce development to provide jobs for low-income residents. In addition, the City provides support for projects and services to several agencies offering a variety of supportive services to low-income residents.

The provision of social services for the elderly, homeless, veterans, families, and youth will expand opportunities for growth and encouragement. Supportive and legal services for seniors will ensure that these persons are not victims of fraud or abuse and will assist them to live independently in their homes.

As described in MA-45, the Workforce Development Board (WDB) of the County of Monterey and is a one-stop career center concept operating under the state and local Workforce Investment Boards. Membership to WDB requires members to be representative of local businesses, education providers, labor organizations, Community-Based Organizations, Economic and Community Development Entities, State Employment Service office under the Wagner-Peyser Act, and Rehabilitation. Regular WDB meetings are held on the first Wednesday of every other month.

The WDB offers individual training account, access to employment-related services including but not limited to job vacancies, career options, financial aid for education, employment trends, how to conduct a job search, write a resume, interview for a job. The WDB also supports youth programs that target local labor market needs as well as community youth programs and services with emphasis on academic and occupational learning.

Additionally, several outreach meetings are held in Monterey County to promote employment such as Prison to Employment Initiative and Prison to Employment and Regional Plan.<sup>43</sup>

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

The City's Home Purchase and Resale programs for home ownership for LMI households, fair housing and credit counseling, legal counseling, and self-sufficiency education are the focus of many public service providers funded by the City's CDBG. The creation of wealth-building and homeownership opportunities for lower-income families creates wealth and responsible citizenship as well as a better community overall. The City consistently pursues funding sources to develop housing affordable to lower-income households. A mix of unit sizes will be subsidized to assist families with children. Rental subsidies, when available through the Housing Authority Section 8 programs, will be utilized to assist lower-income households so that family resources can be targeted to self-sufficiency. Self-sufficiency and a strengths-

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<sup>43</sup> Monterey County Workforce Investment Board, <https://www.montereycountywdb.org/> [accessed February 2, 2020].

based model of family functioning will be encouraged in service delivery of programs to lower-income households.

According to the 2013-2017 ACS, approximately 11.3 percent of City residents live below the Federal Poverty level, despite the uptick in job growth and the economy. Households at or below the poverty level and possibly on welfare tend to locate in public housing, assisted housing, or special needs group housing. The City will continue to advocate for increased availability of HCVs to help this portion of the City's LMI households.

## **SP-80 Monitoring – 91.230**

**Describe the standards and procedures that the jurisdiction 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**

The City has the following seven step monitoring process for sub-recipients:

- Risk Analysis for 100 percent of sub-recipients
- Pre-monitoring questionnaire for 100 percent of sub-recipients
- Desk review for sub-recipients with a high score on the risk analysis or pre-monitoring questionnaire
- Request for site visit
- Conduct on-site visit to review grant documentation and procedures
- Send monitoring letter with recommendations, findings, and next steps
- Intervention for sub-recipients that do not respond or fail to make corrective actions.

In PY 18, the City conducted risk analyses and pre-monitoring questionnaires for all sub-recipients and conducted one desk review and one on-site visit. No findings or corrective actions were issued.

Additionally, the City follows HUD-approved procurement guidelines and tracks both Section 3 and Minority Owned Business Enterprises (MBE)/Women's Business Enterprises (WBE) participation in all federally funded public contracts. The City also regularly contracts with minority business owners for its small home repair grants program. The City also participates in regional planning efforts, including the regional Assessment of Fair Housing in partnership with the other jurisdictions of Monterey County.

## Expected Resources

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

#### Introduction

The City's CDBG entitlement allocation of funding must address maintaining the ratio of program income to entitlement that the City receives each year. In 2017, the City established and contributed to a CDBG Revolving Loan Fund (RLF), which is made up of Program Income funds that are set-aside for specific housing acquisition and rehabilitation programs. The Former Redevelopment Agency Housing funds are also included in Program income.

CDBG entitlement has been consistent, however the amount of program income received is unpredictable and has ranged from less than \$500,000 to more than \$1,000,000. The average program income received over the last 10 years is about \$677,000; however, due to rising housing costs, many loans are being repaid to the CDBG fund. To meet CDBG expenditure timeliness requirements and comply with HUD's program funding reporting and public outreach requirements, it is important to make a best estimate regarding the total funding expected to roll over from the prior year and the amount of program income to be received. The City is budgeting for about \$1 Million in program income for the 2020–21 program year.

The Revolving Loan Fund will be used as a resource for the City's single-family housing acquisition, rehabilitation, and resale program that makes housing ownership available to qualifying low-income households. It may also be used for housing rehabilitation loans that address health and safety repairs for low-income homeowners, including seniors and persons with disability. The Revolving Loan Fund is budgeted in the Rental Assistance project. The current COVID-19 health crisis has resulted in new allocations in the Consolidated and Action Plans, which includes funding for emergency housing assistance, to prevent further homelessness, and funding to support economic development in the community.

The following table includes the estimated CDBG revenues for the coming year. It includes the Former Redevelopment Agency Housing funds and the Revolving Loan Fund income that the City typically receives each year. These funds are used to help support affordable housing in the City and are reported or regulated like CDBG funds and are therefore included in the CDBG budget. They are included in the table for reference only.

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Consolidated Plan	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$250,000	\$800,000		\$1,050,000	<b>\$4,200,000</b>	Program Income includes former Redevelopment Agency Housing funds and the Revolving Loan Fund that the City typically receives each year.

**Table 60 - 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 City’s current housing resources do not have matching fund requirements. However, the City will be using CDBG and additional federal funds to leverage other resources, including repayment of housing loans made by the redevelopment agency. These resources are dedicated to affordable housing activities, while the City’s CDBG allocation provides support through infrastructure, public facility, and public services. In addition, the City is in the process of developing implementation of plans for the SB2 grant. According to regulations, the SB2 grant will help the City to accelerate housing production, streamline the approval of housing development affordable to owner and renter households at all income levels, facilitate housing affordability, particularly for lower- and moderate-income households, promote development consistent with the State Planning Priorities (Government Code Section 65041.1), and ensure geographic equity in the distribution and expenditure of the funds.

The City will also utilize funding from the Homeless Emergency Aid Program (HEAP) to provide emergency housing vouchers, rapid rehousing, emergency shelter construction, and use of armories to provide temporary shelters, among other activities.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be**

**used to address the needs identified in the plan**

During Program Year 2020-2021, the City will be providing technical assistance from the City's CDBG planning and administration funds for City-sponsored park projects in CDBG targeted low to moderate areas. The City continues its home purchase and resale program to purchase and rehabilitate deed restricted affordable homes and then resell them to low-income first-time homeowners, to ensure that no inventory is lost. There are currently 550 Deed Restricted Affordable Units in the City. The budget allows for the purchase of up to three units should they come available.

Under construction, on City leased property, is 595 Munras for 10 dwelling units, two of which will be affordable through the inclusionary zoning ordinance. The City also has four sites that are up for consideration for affordable housing: Madison Street Buildings-29 units, Calle Principal Garage-50 units, Adams Street Parking Lot-12 units, and Harbor Yard-6 to 19 units.

**Annual Goals and Objectives**

**AP-20 Annual Goals and Objectives**

Goals Summary Information Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing opportunities	2020	2021	Affordable Housing	City wide	Rehabilitate LMI Ownership Housing Units	CDBG: \$50,000	Homeowner housing rehabilitation: 5
2	Suitable living environment	2020	2021	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	City wide	Senior Center Handicapped Center / Facility Homeless Facilities Youth Centers Child Care Center Health Facilities Neighborhood Facilities Parks and/or Recreation Facilities Safe Parking Facilities Non-Residential Historic Preservation Senior Services Handicapped Services Youth Services Child Care Services Transportation Services	CDBG: \$138,000	Public service activities other than Low/Moderate Income Housing Benefit: 1,100 Persons Assisted  Homelessness Prevention: 226 Persons Assisted
3	Creating Affordability	2020	2021	Affordable Housing  Prevention of homelessness	City wide	Impacts of the health crisis and accompanying economic downturn	\$649,841	Emergency Housing Assistance: 230

4	Public Infrastructure	2020	2021	Non-Housing Community Development	Del Monte -Laguna Grande Downtown target areas	Water/Sewer Improvements Street Improvements Sidewalks - Accessibility Solid Waste Disposal Improvements Flood Drain Improvements Other Infrastructure Needs Comm/Industrial Infrastructure Development Monitoring	CDBG: \$0	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 0 Households Assisted
5	Economic Development	2020	2021	Economic Development	City wide	Support to small businesses; business retention; Job training; commercial rehabilitation and construction; Assisting a private, for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and; providing economic development services in connection economic development activities	\$15,000	Businesses assisted: 20

6	Efficient Administration and Oversight	2020	2021	Affordable Housing Homeless Non-Housing Community Development	Del Monte -Laguna Grande Downtown target areas	Preserve LMI Deed Restricted Ownership Units Fair Housing Services Planning Monitoring	CDBG: \$207,000	Homeowner housing rehabilitation: 5  Public service activities other than Low/Moderate Income Housing Benefit: 1,100 Persons Assisted  Homelessness Prevention: 226 Persons Assisted  Emergency Housing Assistance: 230  Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 0 Households Assisted  Businesses and persons assisted: 20
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**Table 61 – Goals Summary**

**Goal Descriptions**

1	<b>Goal Name</b>	<b>Housing opportunities</b>
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Housing rehabilitation</li> <li>• Support new affordable housing development</li> </ul>

		<ul style="list-style-type: none"> <li>• Home ownership: First-time homebuyer assistance</li> <li>• Security deposit assistance</li> </ul>
2	<b>Goal Name</b>	<ul style="list-style-type: none"> <li>• Suitable living environment</li> </ul>
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Mental health services</li> <li>• Mental health services for youth in the schools</li> <li>• Substance abuse treatment</li> <li>• Domestic violence support</li> <li>• Support services for seniors (meals, transportation)</li> <li>• Homeless prevention <ul style="list-style-type: none"> <li>• One-time rent/utility payments</li> <li>• Homeless services</li> </ul> </li> </ul>
3	<b>Goal Name</b>	Creating affordability
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Emergency housing assistance</li> <li>• Prevention of homelessness</li> </ul>
4	<b>Goal Name</b>	Public Facilities/Infrastructure
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Infrastructure improvements: streets/safe routes to school/lighting</li> <li>• Public facilities: parks/community centers/youth center</li> <li>• Street and sidewalk rehabilitation</li> <li>• Safe routes to school (explore)</li> <li>• Playground equipment replacement</li> </ul>
5	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Support private, for-profit businesses</li> <li>• Provide economic development services in connection economic development activities</li> <li>• Avoid job loss caused by business closures related to social distancing (due to the health crisis) by providing short-term working</li> </ul>

		capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons
6	<b>Goal Name</b>	Program administration
	<b>Goal Description</b>	<ul style="list-style-type: none"> <li>• Administration of CDBG and Housing programs</li> <li>• Fair Housing Program</li> </ul>

**Table 62– Goal Descriptions**

**Projects**

**AP-35 Projects – 91.220(d)**

**Introduction**

The Needs Assessment revealed many findings related to the need for affordable housing, services to homeless and special needs populations, and needs for rental assistance to prevent homelessness. The City will continue to collaborate with the public service providers that have been traditionally funded by CDBG.

**Projects**

#	Project Name
1	Planning and Administration
2	Public Services
3	Public Infrastructure Projects
4	Economic Development
5	Housing Preservation

**Table 63 – Project Information**

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

The needs assessment portion of the Five-Year Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water make it very difficult to provide sufficient new housing supply to address the lack of affordable housing. Due to the recent health crisis and resulting economic problems, the City will focus funding on homelessness prevention, economic development, and services to low to moderate households.

AP-38 Project Summary

Project Summary Information

1	<b>Project Name</b>	Planning and Administration
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Efficient Administration and Oversight
	<b>Needs Addressed</b>	Economic Development Housing assistance to LMI households Monitoring providers of services to homeless, youth, and seniors
	<b>Funding</b>	CDBG: \$207,000
	<b>Description</b>	Provide general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) administration, program setup, reporting, planning, and subrecipient training and monitoring. A National Objective designation does not apply to activities completed under this project.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Planning and Administration provides oversight to the CDBG program to ensure compliance with HUD regulations.
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	General Planning and Administration (estimated at \$226,957) HUD Matrix Code 21A General Administration
2	<b>Project Name</b>	Public Services
	<b>Target Area</b>	City wide
	<b>Goals Supported</b>	Suitable living environment; creating affordability
	<b>Needs Addressed</b>	Senior Services Handicapped Services Youth Services Fair Housing Services Homelessness Prevention Emergency housing assistance Other Public Service Needs
	<b>Funding</b>	CDBG: \$787,841

<b>Description</b>	Provide public services to low- and moderate-income households and individuals, including services for seniors, persons with disabilities, and homeless persons, youth, and families.
<b>Target Date</b>	6/30/2021
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	About 1,361 individuals, including seniors, youth, persons with disabilities, homeless and households at risk of homelessness, and low-income households.
<b>Location Description</b>	Citywide

<p><b>Planned Activities</b></p>	<ol style="list-style-type: none"> <li>1. Food Bank of Monterey County: provide nutrition support to an estimated 340 persons (available public services funding @ \$17,000) HUD Matrix Code 05W Food Banks</li> <li>2. Legal Services for Seniors: legal advocacy and support for an estimated 125 low-income seniors (available public services funding @ \$10,000) HUD Matrix Code 05C Legal Services</li> <li>3. Community Human Services: homeless outreach and support to serve an estimated 120 homeless persons and at-risk youth (available public services funding @ \$15,000) HUD Matrix Code 03T Operating Costs of Homeless/AIDS Patients Programs</li> <li>4. Interim, Inc.: homeless services, emergency and temporary housing outreach, and case management for an estimated 27 persons with mental illnesses (available public services funding @ \$20,000) HUD Matrix Code 03T Operating Costs of Homeless/AIDS Patients Programs</li> <li>5. Meals on Wheels: meal delivery to homebound seniors and disabled persons; will serve an estimated 86 persons annually (available public services funding @ \$10,000) HUD Matrix Code 05A Senior Services</li> <li>6. Alliance on Aging: tax assistance and ombudsman services and referrals to assist 172 low-income seniors (available public services funding @ \$13,000) HUD Matrix Code 05A Senior Services</li> <li>7. Josephine Kernes Memorial Pool: warm-water exercise and therapy for 22 senior and disabled persons (available public services funding @ \$9,000) HUD Matrix Code 05B Handicapped Services</li> <li>8. ECHO Fair Housing Support Services: fair housing support services to low-income households in the city for an estimated 25 persons (approximately 7% of available public services funding; may be augmented by funding from Planning and Administration @ \$10,000 from public services) HUD Matrix Code 21D Fair Housing Activities</li> <li>9. Salvation Army Homeless Support Services: case management, voucher assistance, and homeless outreach estimated 185 persons (available public services funding @ \$10,000) HUD Matrix Code 03T Operating Costs of Homeless/AIDS Patients Programs</li> <li>10. Gathering for Women: case management and day-center services to homeless women to assist an estimated 30 persons (available public services funding @ \$14,000). The matrix code will be 03T Operating Costs of Homeless/AIDS Programs.</li> <li>11. Court Appointed Special Advocates (CASA): Court Appointed Special Advocates Program - advocating for children in foster care to assist an estimated 325 persons (available public services funding @ \$10,000) HUD Matrix Code 05N Operating Costs of Abused/Neglected children.</li> </ol>
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12. City of Monterey: Emergency Housing Assistance: emergency grant payments in support of income-eligible households impacted by the severe economic downturn due to the COVID-19 pandemic with an estimate to assist 230 households (available public services funding @ \$649,841) HUD Matrix Code 09.

<b>3</b>	<b>Project Name</b>	Public Infrastructure Projects
	<b>Target Area</b>	Del Monte -Laguna Grande Downtown target areas
	<b>Goals Supported</b>	Suitable living environment Public Infrastructure
	<b>Needs Addressed</b>	Handicapped Center / Facility Homeless Facilities Youth Centers Neighborhood Facilities Parks and/or Recreation Facilities Street Improvements Sidewalks - Accessibility Other Infrastructure Needs
	<b>Funding</b>	CDBG: \$0
	<b>Description</b>	Facility and infrastructure improvements to publicly funded facilities, nonprofit public service facilities, public facilities, parks, and public infrastructure in the CDBG target area.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 1,000 persons will receive benefits, including seniors, youth, homeless persons, and low-income households. Additionally, some neighborhoods will experience area benefits from park and public infrastructure improvements.
	<b>Location Description</b>	Public facilities, parks, public infrastructure in the CDBG target area, publicly funded facilities, and nonprofit public service facilities citywide.

<p><b>Planned Activities</b></p>	<p>Public Infrastructure, Public Park, and Public Facility Improvements: Accessibility and sustainability improvements for park and public facilities located in the CDBG target area or that predominantly serve low-income households; specific projects still to be determined. (See tiering below.) These projects will be funded by both program income and entitlement funds and will be budgeted to meet HUD's expenditure requirements and deadlines.</p> <ol style="list-style-type: none"> <li>1. Tier 1 Improvements: projects that are ready for public bid or that are near shovel-ready and that can be completed prior to the completion of the program year – June 30, 2020 (Tier 1 projects will be recommended for priority funding).</li> <li>2. Tier 2 Improvements: projects that are in development for the following program year or that may be fast tracked for shovel-readiness within the first quarter of the program year and that could be completed prior to the end of the following calendar year – December 31, 2020 (Tier 2 projects will be considered for funding as funding is available, or pending reallocation from delayed or canceled Tier 1 projects).</li> </ol> <p>Community Human Services: \$100,000 for SOP staircase, roof, flooring, exterior paint, metal gate, indirect costs for Safe Place in Monterey, which provides counseling, family reunification, temporary shelter and street outreach for homeless youth, HUD Matrix Code 03K.</p> <p>Interim, INC.: \$22,526 for installation of security cameras at 3 affordable housing projects on Pearl Street where services and affordable housing are provided to support members of our community with mental illness, HUD Matrix Code 03Z Other Public Facilities.</p> <p>Meals on Wheels of MC: \$47,315 for purchase and installation of an expanded freezer to increase the capacity of the home-delivered meals program serving homebound seniors and disabled persons, HUD Matrix Code 03Z Other Public Facilities.</p> <p>Veterans Transition Center (VTC): \$80,000 for HVAC replacement, asbestos remediation, and interior painting for homeless veterans and their families, HUD Matrix Code 03C Homeless Facilities.</p> <p>Josephine Kernes Memorial Pool: \$63,500, ADA improvements to increase facility accessibility, HUD Matrix Code 03Z Other Public Facilities</p>
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		<p>2. Tier 3 Improvements: projects that are in development that may be ready for implementation in the next two to three funding cycles, but that may be fast-tracked for shovel-readiness within the current program year for implementation in the next program year (Tier 3 projects will be considered for funding as funding is available or pending reallocation from delayed or canceled Tier 1 and 2 projects.</p> <p>City Projects: Laguna Grande Park: \$200,000, Replace playground equipment at Laguna Grande Park, enlarge play area, and ADA improvements in a low- and moderate-income (LMI) census tract block group in Monterey, Matrix Code 03F Parks</p>
	<b>Project Name</b>	Economic Development

4	<b>Target Area</b>	City wide
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Businesses
	<b>Funding</b>	CDBG: \$15,000
	<b>Description</b>	Assisting private, for-profit businesses in avoiding job loss caused by business closures by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons. Assistance may include grants, loans, loan guarantees, and technical assistance; and providing economic development services in connection economic development activities.
	<b>Target Date</b>	6/30/2021
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	20
	<b>Location Description</b>	City wide
	<b>Planned Activities</b>	Provide assistance to private, for-profit businesses, which would include grants, loans, technical assistance and other services to allow for economic development (\$15,000) HUD Matrix Code 18A.
5	<b>Project Name</b>	Housing Preservation Programs
	<b>Target Area</b>	Del Monte -Laguna Grande Downtown target areas
	<b>Goals Supported</b>	Housing opportunities Suitable living environment
	<b>Needs Addressed</b>	Rehabilitate LMI Ownership Housing Units Preserve LMI Deed Restricted Ownership Units
	<b>Funding</b>	CDBG: \$50,000
	<b>Description</b>	Emergency housing repairs, minor home repairs, and administration of these activities.
	<b>Target Date</b>	6/30/2021

<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 5 low-income households will be assisted
<b>Location Description</b>	Del Monte -Laguna Grande Downtown target areas
<b>Planned Activities</b>	<p>1. Mr. Fix-It Grants: small grants to low-income households to make minor repairs to improve overall housing quality (estimated \$50,000 in grants) HUD Matrix Code 14A Rehab: Single Unit</p> <p>2. Home Safety Grants: small grants to low-income households to make emergency health and safety repairs to meet code (estimated \$0 in grants) HUD Matrix Code 14A Rehab: Single Unit</p> <p>3. Home Accessibility Grants: small grants to low-income households to make accessibility improvements for disabled household members (estimated \$0 in grants) HUD Matrix Code 14A Rehab: Single Unit</p> <p>4. Lead Paint Testing: Provide funds for testing and clearance testing (including risk assessment) of units constructed prior to 1978 that participate in the City's Owner-Occupied Rehabilitation Program. (\$2,500 in funds)</p> <p>5. Lead Paint Abatement: This program will provide remediation of lead/asbestos hazards of units constructed prior to 1978 that participate in the City's Owner-Occupied Rehabilitation Program.</p> <p>These projects will be funded with both program income and entitlement funds to best meet HUD expenditure requirements and deadlines. (\$2,500 in funds).</p>

**Table 64 – Project Summary**

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

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

CDBG funding will largely be used city-wide for income eligible persons and households. If additional funding becomes available due to unexpected loan payoffs, the City would expect to use CDBG funds in the CDBG target areas. The City has two target areas, Del Monte–Laguna Grande and Downtown target areas. The target areas in downtown are located to the southeast of the City's old town area and includes some of the oldest housing in Monterey. Del Monte Avenue connects the target areas in downtown with the other CDBG target area, which includes a series of neighborhoods to the southeast of Canyon del Rey Blvd. This means that much of the area's housing is older, and vulnerable to the issues that typically face older units, like deferred maintenance, lead-based paint, and inefficient mechanical and building envelopes. The Downtown target areas are one of the most densely populated neighborhoods in the City, and while it does not have a minority concentration, it is 58 percent low- and moderate-income households. The Del Monte area is less dense but has a much larger minority population with 55 percent of the population as low mod. A low- and moderate-income map is included in the attachments that shows the location and low-mod concentrations in the CDBG target areas.

**Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Del Monte-Laguna Grande	<b>15</b>
Downtown target areas	<b>15</b>
Citywide	<b>40</b>

**Table 65 - Geographic Distribution**

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

Traditionally, the City has committed to spending approximately 70 percent of CDBG funds as funding for housing and infrastructure projects in low- and moderate-income (LMI) census tract block groups. This prioritization has included a portion of public services grant activity and public infrastructure funding that is targeted to LMI census tract block groups. The City does not have any racially or ethnically concentrated areas of poverty (R/ECAPS) and only has a handful of census block groups that qualify as low to moderate income according to HUD's income data. The diversified distribution of the low-mod population across the city makes it necessary to split the use of CDBG funds between low-mod neighborhoods and low-mod needs citywide. However, the current COVID-19 health crisis has resulted in changes to the traditional funding of infrastructure and home repair projects in Consolidated and Action Plans. The Action Plan for 2020-2021 includes a large allocation to Emergency Housing Assistance. Additionally, funding shall be

allocated to economic development programs as a result of the crisis.

### **Discussion**

The decision to distribute funding citywide is based on the limited number of low-income census tract block groups that will qualify for HUD's Low-Mod Income Area benefit. Only a handful of census block groups are classified as low income based on the percentage of households with income at or below 80 percent of Area Median Income. For this reason, there is limited ability for the City to target CDBG funds to specific areas and receive Low Mod Area (LMA) benefit. Additionally, City's most significant unmet needs are for affordable housing are generally citywide in geographic distribution. In recognition of this housing need, the City Council has directed that affordable housing and homeless services should be placed above the priority for public infrastructure improvements and home repair programs for homeowners.

## Affordable Housing

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

#### Introduction

Because the City is almost entirely built out and there is no water for new development, the area is infeasible for residential development creating a strong demand and an expensive housing market. Additionally, the City continues to be a very desirable place.

The cost of buying a home in the City has decreased from \$793,500 in 2009 to \$628,500 in 2015, as shown in Table 32, ACS data, as well as from the Monterey County Realtors Association. Such a decrease in the cost of purchasing a home at market rate can be an indication of an increase in supply and decrease in demand. Both of which could be caused by a lack of buyers due to the high housing costs and an increase in the number of homes for sale.

Fair Market Rents established by HUD tend to be exceeded by the real cost of rental housing in the City. As discussed, the City's desirability as a place to live due to the coastal environment and amenities combined with a severe lack of developable land keeps the cost of housing too costly for low- to moderate-income households.

According to HUD User for fiscal year 2019, the median family income is \$74,100 for the Salinas Metropolitan Statistical Area. The affordable monthly cost of housing is \$1,852, and the actual market costs exceed this amount by 18 to 100 percent (depending on unit size), making the City unaffordable to for a household earning the median family income.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	10
Non-Homeless	20
Special-Needs	0
Total	20

**Table 66 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	230
The Production of New Units	0
Rehab of Existing Units	12
Acquisition of Existing Units	2
Total	14

**Table 67 - One Year Goals for Affordable Housing by Support Type**

**Discussion**

Traditionally, the City has allocated CDBG federal funding to homeowner rehabilitation, to preserve existing housing stock, provided rental assistance through services providers, and assistance to income eligible first-time homebuyers. During the 2015-2019 Consolidated Plan cycle, the City also constructed the Van Buren Senior Housing Project. The City will continue making these activities goals when opportunity allows.

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

### **Introduction**

The Housing Authority of the County of Monterey (HACM) is a public agency that provides rental assistance and manages affordable housing throughout Monterey County. The HACM administers Housing Choice Vouchers (Section 8). The Housing Choice Voucher is a rent subsidy program that helps lower income (up to 50 percent AMI) families and seniors pay rents in private units. Voucher recipients pay a minimum of 30 percent of their income toward their contract rent, and the local housing authority pays the difference through federal funds up to the payment standard (fair market rent) established by the HACM.<sup>44</sup>

The HACM currently has an allocation by HUD of 4,335 Housing Choice Vouchers (HCV) and 199 vouchers through the HUD Veterans Affairs Supportive Housing (VASH) for veterans. However, due to budget constraints, only 3,235 HCVs are in use in the County; 184 are in use in the City, alone. The City will continue to coordinate with the HACM as the regional housing authority and public housing provider whenever possible.

Currently there are 168 assisted housing units in the City's managed by HACM. HACM has converted all its public housing units to Project-Based Rental Assistance. The conversion of HACM properties to Project-Based Rental Assistance might offer the City an opportunity to collaborate with the Housing Authority to provide funding assistance for rehabilitation and repair of HACM units. These units are in five separate projects:

- Portola Vista at 20 Del Monte Avenue 64 units
- Casanova Plaza at 800 Casanova Avenue 86 units
- Montecito Apartments at 242 Montecito Street 8 units
- Watson Apartments at 531 Watson Street 5 units
- Oak Grove Apartments at 1100 Second Street 5 units

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

The City will continue to collaborate with the HACM to improve access to available public housing units using HCV. The City will also annually review opportunities to provide rehabilitation grant funding to the HACM for upgrading the condition of its public housing units located in the City.

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

The HACM has developed a plan for self-sufficiency of the households it assists that is part of the Family Self-sufficiency program and continually recruits households. The HACM also coordinates a Welfare to Work program as part of the Housing Choice Voucher program. The HACM also has an HCV

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<sup>44</sup> County of Monterey, Analysis of Impediments, 2019.

Homeownership program that attracts participants. Employment is also encouraged by the HACM through job posting and works with contractors to further employment of its participants.

**If the PHA is designated as troubled, describe the way financial assistance will be provided or other assistance**

Not applicable.

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

### **Introduction**

The Coalition of Homeless Service Providers (CHSP) is the continuum of care for the Counties of Monterey and San Benito and includes the City. Every two years, in the month of January, communities across the United States conduct counts of the local population experiencing homelessness. These Point-in-Time counts collect information on individuals and families residing in temporary shelters and places not meant for human habitation, and ultimately help the federal government to better understand the nature and extent of homelessness nationwide. As required by the US Department of Housing and Urban Development (HUD), jurisdictions receiving federal funding to provide homeless services, Continuums of Care (CoC) must report the findings of their local Point-in-Time count to HUD. Information gathered through the PIT survey is used by the CHSP to understand the issues associated with homelessness, including causes of homelessness, service needs of the homeless, the region's unmet housing needs, and trends over time of homelessness in the region.

A total of 2,422 persons were counted in the County of Monterey. In the City of Monterey, a total of 204 were counted as homeless, a 40 percent decrease from the count in 2017. The number of sheltered was 37 and 167 unsheltered. The numbers show that the City is home to the third highest homeless population in Monterey County.

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

The City continues to work closely and collaborate with the CoC. In partnership with jurisdictions and service providers, the CoC has launched the Coordinated Outreach and Resources for Encampments (CORE) team. This multi-disciplinary team is built of providers that specialize in mentally ill, substance abuse, Veterans, and youth. CORE outreach workers are paired with homeless guides to penetrate the most difficult encampment communities to 1) establish rapport with the inhabitants, 2) assess client needs and provide linkages to services, and 3) administer CARS assessments to those interested in homeless housing programs, like transitional housing or permanent supportive housing.

Additionally, Monterey Police Department's Community Action Team (CAT) consists of a team of officers who patrol the downtown and waterfront areas of the City. This is done to create a closer bond between the community, including unsheltered homeless or persons in need, and officers. The officers patrolling the waterfront and downtown areas typically use bicycles and four-wheel drive beach vehicles to accomplish their duties. Such in-person interactions allow officers to better supply assistance and referrals to the appropriate agencies with the goal of long-term re-entry back to a productive member of society.

The Monterey Police Department seeks to achieve these goals by actively participating in the Multi-Disciplinary Outreach Team (MDOT), which is a new system allowing for collaboration to address community problems, including homelessness, domestic violence, and other chronic life-style challenges. Agencies with which the Monterey Police Department has partnered to implement MDOT include:

- Monterey Police Department

- Adult Protective Services
- Monterey County Behavioral Health
- Montage Health / Community Hospital of the Monterey Peninsula (CHOMP)
- Young Women’s Christian Association (Domestic Violence)
- Interim

A social worker from each of these organizations is assigned a desk at the Monterey Police Department to provide services to MDOT, putting Monterey Police Officers in direct contact with referral services when need arises. Close access to service agencies and organizations allow for direct outreach and intervention efforts with homeless individuals to quickly assist them with access to benefits and housing.

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

The City continues to work closely and collaborate with the CoC. In partnership with jurisdictions and service providers, the CoC has launched the Coordinated Outreach and Resources for Encampments (CORE) team. This multi-disciplinary team is built of providers that specialize in mentally ill, substance abuse, Veterans, and youth. CORE outreach workers are paired with homeless guides to penetrate the most difficult encampment communities to 1) establish rapport with the inhabitants, 2) assess client needs and provide linkages to services, and 3) administer CARS assessments to those interested in homeless housing programs, like transitional housing or permanent supportive housing.

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

The Continuum of Care allocated over \$7M to the construction homeless shelters in the two jurisdictions that showed the most increase in homelessness per capita in the 2019 Homeless Census. This dollar amount accounts for over half of the entire CoC’s Homeless Emergency Aid Program funding allocation and was used for the two proposed projects that met the immediate needs of our community.

Other strategies the City is using to address homelessness include:

- Safe Parking Ordinance
- Emergency Shelter Overlay District
- New state funding- HEAP

The Homeless Emergency Aid Program (HEAP) is a \$500 million-dollar grant program established by statute designed to provide direct assistance to Continuums of Care throughout California to quickly address local challenges of homelessness. The Leadership Council has designated the Coalition of Homeless Services as the Continuum of Care Coordinator for Monterey County. HEAP funds are considered as a one-time only opportunity and 100 percent of the funds must be expended by June 30, 2021.

**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 CoC coordinates numerous activities to train our service provider network and directly link homeless persons to affordable housing units and prevent formerly homeless persons from recidivism, like rapid rehousing training, weekly e-newsletters listing open low-income housing wait-lists, prioritizing permanent supportive housing projects in funding rankings, and dedicating rapid re-housing funds to vetted seasoned providers.

**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**

The City continues collaboration with the regional Continuum of Care (CoC), the Coalition of Homeless Service Providers (CHSP). The CHSP is currently working to establish diversion programs and best practices among their provider network and are working on streamlining the CARS process to capture those at risk of becoming homeless to provide faster service.

In addition, to work with the CHSP, in PY 2020-2021, the City will provide public service grant funding to 11 organizations. Five of these organizations provide direct services to the homeless as well as services for homeless prevention: The Salvation Army, Gathering for Women, Interim, Inc., Community Human Services, and Court Appointed Special Advocates (CASA). The Salvation Army assists a wide range of homeless persons, including single persons and families, and provides a range of services from intake to donated materials and shelter beds. Gathering for Women will aid homeless women, including intake, donated materials, a secure day center, and case management that focuses on the unique challenges facing homeless women. Interim, Inc. focuses services on homeless persons experiencing a mental health crisis and assists with chronic and acute mental illness in the homeless population. Community Human Services focuses efforts on homeless youth with special attention on street outreach, family re-unification, and case management. Court Appointed Special Advocates (CASA) provides advocacy for children in foster care, provides services to move them out of foster care and education on the importance of financial self-sufficiency.

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

### **Introduction:**

A potential barrier to housing opportunities can be related to public policies. Such policies include tax policy, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and other policies that affect the return on residential investment. Amending local zoning and land use laws or allocating funding for affordable housing through grants are mechanisms that can support the development of affordable units. Changes in policies can also help a community to overcome disparities in access to opportunity by the implementation of plans that will revitalize areas with existing affordable housing by improving services, schools and other community assets, sidewalks, and other infrastructure.

Policies to guide future development and achieve a vision for the community are contained in the City's General Plan. Two of the seven State mandated General Plan elements—Housing and Land Use Elements—have direct impact on the local housing market in terms of the amount and range of housing choice. The Zoning Ordinance, which implements the Land Use Element, is an important document that influences the amount and type of housing available in a community – the availability of housing choice.

A Housing Element found by HCD to be in compliance with State law is presumed to have adequately addressed its policy constraints. According to HCD, as of January 2019, the City' Housing Element was found to comply.

Specific to the City, a primary barrier continues to be a shortage of available land with utilities. Restrictions on water due to limited regional water supply also prevents residential development. All of the City's water supply has already been allocated to projects. However, some existing properties have water credits that can be allocated to new housing development. The City has also identified underutilized sites with water credits and the location of these areas are mapped in the City's specific plans.

Other factors make residential development a challenge, such as land feasible due to terrain, presence of endangered species, and financing development, wherein the costs are passed to the consumers. Also, zoning density limitations and California legal decisions that have prohibited requiring low and moderate-income inclusionary housing as a condition of rental housing entitlement approvals.

The City's policies allow for the following types of housing for low income and special needs populations:

- Emergency shelters
- Accessory Dwelling Unit
- Transitional Housing
- Supportive Housing
- Residential Care Facilities
- Single Room Occupancy
- Reasonable Accommodation

**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**

*City Policies*

The City has traditionally acquired deed restricted units to sell to income eligible first-time homebuyers and makes every effort to continue this practice through its purchase and resale housing programs. Currently, there are 550 deed-restricted units in the City- 80 percent are rentals and 20 percent are for purchase and resale.

In addition to purchase and resale programs, the City has created policies to implement other tools that foster affordable housing that include:

- Inclusionary Housing Program
- Density Bonus Ordinance
- Accessory Dwelling Ordinance
- Short Term Rental Ban Enforcement

When possible, City owned property will be utilized to accommodate affordable units, for example, 595 Munras will allow for 10 units, two of which will be affordable, using the Inclusionary Housing Program. Other projects include 2200 North Fremont, 40 Dwelling Units with eight affordable units through a 7 percent Density Bonus and Inclusionary Housing; also, eight Dwelling Units with two affordable units with Inclusionary Housing at 300 Cannery Row, which is currently up for approval.

Other measures being undertaken by the City to create affordable housing opportunities include the Garden Road Rezone, which would potentially allow for 406 units, 81 of which would be affordable. In addition, the Downtown Density Cap Overlay will have the potential to allow for 222 residential units by allowing for increased densities in the Pearl and Island of Adobes districts.

The City has amended its Zoning Code to implement an Accessory Dwelling Unit (ADU) Ordinance in compliance with State law Government Code Section 65852.2. ADUs are second units that are built on the same lot as a single-family home. Areas in the City will be designated for where accessory dwelling units (ADU's) may be located based upon neighborhood character and the availability of water. The purpose of the ADU ordinance is a part of the State's effort to increase the supply of much needed affordable housing. Despite these regulations, water is a substantial barrier for new ADUs.

In addition to zoning amendments, the City has a ban on short-term rental units.

*Local and State Legislation*

The United Way Monterey County's (UWMC) initiative to increase affordable housing is in the process of conducting outreach on four new propositions meant to fund housing assistance, assist individuals with mental illness, tax modifications, and a proposition to expand government's authority to enact rent

control. The UWMC works to engage the community and focus resources to improve lives in Monterey County.

The State of California has already taken other steps towards enacting policies to help ameliorate the barriers to affordable housing. In 2019, the State signed the following bills into effect:

- California SB 330: The Housing Crisis Act of 2019. This bill suspends restrictions on housing developments and provides for expedited permitting for housing construction until January 1, 2025.<sup>45</sup>
- California AB 1763: amending the Density Bonus Law. This bill creates a density bonus and other concessions and incentives for affordable housing developments.<sup>46</sup>
- California AB 13: amending Section 65852.2 of the Government Code, among others, relating to land use. Revising existing legislation that allows ADUs in residential and mixed-use districts, this bill allows more than one ADU per lot.<sup>47</sup>

Further, the City will continue to support the local fair housing service provider, Eden Council for Hope and Opportunity (ECHO Housing) in providing legal services (mediation and the processing fair housing complaints) and fair housing education, both of which can assist in the prevention of discrimination against such households. ECHO Housing reportedly uncovers increased housing discrimination on a yearly basis. Discrimination, including housing discrimination, because of race, color, national origin, religion, sex, familial status, and disability is a violation of federal law, specifically the Fair Housing Act.

#### **Discussion:**

The Needs Assessment and Housing Market Analysis sections of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide enough new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will support the development of housing with a focus to supply needed EL-I, VL-I, and L-I housing units.

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<sup>45</sup> Hud User, California SB 330: The Housing Crisis Act of 2019, <https://www.huduser.gov/portal/rbc/rbcrecord/3102#results-final>.

<sup>46</sup> Hud User, California AB 1763: amending the Density Bonus Law, <https://www.huduser.gov/portal/rbc/rbcrecord/3100#results-final>.

<sup>47</sup> Hud User, California AB 13: amending Section 65852.2 of the Government Code, among others, relating to land use <https://www.huduser.gov/portal/rbc/rbcrecord/3099#results-final>.

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

### **Introduction:**

This section describes the activities that are planned by the City to implement strategies to maintain and increase the supply of affordable housing, reduce lead-based paint (LBP) hazards, reduce the number of families at poverty level, develop institutional structure, and improve coordination among regional agencies and public service organizations so that identified community development needs might be effectively addressed during the five-year term of the Consolidated Plan.

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

The City continues to support the Van Buren Senior Housing project (developed on City-owned land), the Monterey Hotel Apartments (a project solely funded with former redevelopment agency housing funds), and Estrella Apartment (funded by HOME grant), all of which provide housing affordable to low- to moderate-income households. These projects were identified as high priorities in the 2015-2019 Consolidated Plan because they address the goal to improve housing opportunities for low- and moderate-income levels. Additionally, the City continues to fund the Veterans Transition Center (VTC) in rehabilitating existing uninhabitable units on land owned by VTC to provide 18 permanent supportive housing units in the City of Marina for homeless veterans and their families.

As for new residential development in the City, 10 residential units are being developed at 595 Munras and will include two affordable units. Other projects include 2200 North Fremont providing 40 Dwelling Units with eight affordable units through a 7 percent Density Bonus and Inclusionary Housing, and eight Dwelling Units with two affordable units with Inclusionary Housing at 300 Cannery Row. City-owned properties are also sites for opportunities for affordable housing, which include Madison Street Buildings, Adams Street Parking Lot, Calle Principal, and Harbor Yard.

In addition to projects under construction and City-owned sites under consideration, there is also the Garden Road Rezone. The Garden Road Rezone would allow for 405 higher-density housing units. Property owners at properties in this area have initiated preliminary review for future multifamily projects.

As mentioned previously, the City provided grants to service organizations providing other types of important supportive services to low-income populations to assist in improving the quality of life for the populations they serve. These organizations include the Monterey Food Bank, Legal Services for Seniors, Gathering for Women, the Veterans Transition Center, Meals on Wheels for seniors and the disabled, Alliance on Aging that provides tax assistance to low-income seniors, Josephine Kernes Memorial Pool's therapy program for low-income seniors and disabled persons, and ECHO Fair Housing Support Services for fair housing support services to low-income households.

The City can support economic development, which would include providing support to small businesses; business retention, job training, commercial rehabilitation and construction, and assisting private and for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and providing economic development services in connection economic development activities.

The City can also support local resources for unemployed persons. The Monterey County Workforce Development Board (WDB) is a one-stop career center operating under state and local Workforce Investment Boards. Membership to WDB requires members be representatives of local businesses, education providers, labor organizations, community-based organizations, economic and community development entities, state employment service office under the Wagner-Peyser Act, and Rehabilitation. Regular WDB meetings are held on the first Wednesday of every other month.

The WDB offers individual training, access to employment-related services including but not limited to job vacancies, career options, financial aid for education, employment trends, how to conduct a job search, write a resume, and interview for a job. The WDB also supports youth programs that target local labor market needs as well as community youth programs and services with emphasis on academic and occupational learning.

Additionally, several outreach meetings are held in Monterey County to promote employment such as Prison to Employment Initiative and the Prison to Employment and Regional Plan. The outreach is in support of the Prison to Employment Initiative, a grant program that included in the Governor's 2018 Budget proposal and includes \$37 million over three budget years for the integration of workforce and reentry services in the state's 14 labor regions. The goal is to improve labor market outcomes by creating a systemic and ongoing partnership between rehabilitative programs within California Department of Corrections and Rehabilitation (CDCR) and the state workforce system by bringing CDCR under the policy umbrella of the State Workforce Plan.

The City continues to support youths in preparing to enter the workforce through its summer job opportunities and volunteering programs. Youths can gain job skills and customer service experience through different jobs, which includes becoming a playground recreation leader, a day camp counselor, and other such positions.

Leveraging other financial resources is another way the City can support economic development. For example, the remaining tax increment finance tool still available under State law is the creation of Infrastructure Finance Districts. The current statute is difficult to use, involving County and school district concurrence and a vote, although its use has been advocated due to its ability to support local economic development.

The City could also work to leverage grants from Federal, State and Regional Grant Programs. A variety of these grant sources are transportation related and flow to AMBAG and TAMC. With these funds, enhancements can be made to transit, including alternative modes of travel (both bicycle and pedestrian) as well as economic development.

Lastly, the City's CDBG funding through the City's Neighborhood revitalization Strategy Area Plan (NRSA) may be available for façade and site improvements and linked to employee training programs within the specific plan area.

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

As previously mentioned, the City will continue to support the Van Buren Senior Housing project (developed on City-owned land), the Monterey Hotel Apartments (a project solely funded with former redevelopment agency housing funds), and Estrella Apartment (funded by HOME grant), all of which provide housing affordable to low- to moderate-income households.

The City will work to preserve existing housing stock through its Mr. Fix-It grants to low-income households to make minor repairs to improve overall housing quality, Home Safety Grants to income eligible LMI households that apply.

The current COVID-19 health crisis has resulted in housing and economic development needs. The Consolidated Plan and Action Plans include rental assistance and economic development programs to support households in need during and following the crisis.

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

The City actively promotes its Mr. Fix-It grants to low-income households to make minor repairs to improve overall housing quality, Home Safety Grants to low-income households to make emergency health and safety repairs to meet code, and Home Accessibility Grants. Each rehabilitation project is tested for lead-based paint. When lead-based paint is discovered, the City uses the allocated CDBG funds to abate lead-based paint hazard in connection with these CDBG-funded housing rehabilitation projects. The City will continue to allocate CDBG funding to Mr. Fix-it, Home Safety, and Home Accessibility grant programs in Plan Year 2020.

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

The City will provide CDBG grant allocations in PY 20 to service organizations providing important supportive services to homeless and low-income populations to assist in the following:

- Food donation from the Monterey Food Bank,
- Legal Services for low-income seniors in need
- Food delivery by Meals on Wheels for seniors and disabled seniors
- Alliance on Aging that provides tax assistance to low-income seniors
- Josephine Kernes Memorial Pool's therapy program for low-income seniors and disabled persons, and
- Fair housing education and counseling on housing and home lending discrimination
- Acquisition and rehabilitation of ownership units for resale to low-income first-time homebuyers
- Emergency housing assistance
- Outreach and support for homeless persons and at-risk youth by CHS
- Providing homeless services, emergency and temporary housing, and case management for persons with mental illnesses through Interim, Inc.
- Case management, voucher assistance, rental assistance, and homeless outreach services

through the Salvation Army

- Day-center services to homeless women in the city through Gathering for Women
- Home rehabilitation to low- to moderate-income residents in the City
- Park upgrades to improve quality of life for residents in CDBG target areas

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

The City is in the process of developing implementation of plans for the SB2 grant. The SB2 grant will help the City to do the following:

- Accelerate housing production
- Streamline the approval of housing development affordable to owner and renter households at all income levels
- Facilitate housing affordability, particularly for lower- and moderate-income households
- Promote development consistent with the State Planning Priorities (Government Code Section 65041.1)
- Ensure geographic equity in the distribution and expenditure of the funds

In addition to SB2, the City will utilize funding from the Homeless Emergency Aid Program (HEAP) to provide the following:

- Emergency housing vouchers
- Rapid rehousing
- Emergency shelter construction, and
- Use of armories to provide temporary shelters, among other activities

In addition to these efforts, the City will continue to work closely and collaborate with CHSP, the CoC, to implement the Lead Me Home Plan. CHSP partners with include a wide-range of public and private entities that include CA-506—Salinas/Monterey, San Benito Counties CoC, affordable housing developers, community clinics and health centers, other health care providers, educational institutions, faith-based organizations, housing and homeless services providers, health plans, local government, probation/criminal justice, non-profit agencies, private foundations, public housing authorities, people with lived experience of homelessness, and service providers for families, seniors, survivors of domestic violence, veterans, and youth.<sup>48</sup> Many of these partners mentioned are traditional recipients of the City's CDBG program. The City continues to work closely and on a regular basis with these providers through the CDBG program's yearly activities.

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

The City will continue to coordinate and work closely with the agencies and organizations to deliver services to LMI households, special needs populations, and homeless families and individuals. Objectives

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<sup>48</sup> Lead Me Home.

and priorities for addressing homelessness in the Lead Me Home plan are, and will continue to be, aligned with the City's Consolidated Plan. As described, the CHSP works closely in coordination with the CDBG subrecipients receiving allocations listed in the City's plan: Community Human Services' program, Safe Place in Monterey, that provides counseling, family reunification, temporary shelter and street outreach for homeless youth; Interim Inc. that provides homeless services, emergency and temporary housing outreach, and case management for persons with mental illnesses; the Salvation Army Homeless Support Services that provides case management, voucher assistance, and homeless outreach services; Interim's Manzanita House provides short-term crisis services as well as emergency placement in Monterey's Laguna Grande; and the Veterans Transition Center that provides services for homeless Veterans and their families.

Additionally, the City's Housing Programs office is proactive regarding opportunities to acquire new properties for the development of affordable housing. The City has an interest in ensuring that deed-restricted units remain affordable to low-income households.

**Discussion:**

See above.

**Program Specific Requirements**

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

**Introduction:**

**Community Development Block Grant Program (CDBG)**

**Reference 24 CFR 91.220(I)(1)**

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

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

**Other CDBG Requirements**

- 1. The amount of urgent need activities 0
  
- 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 85.00%

## **Appendix - Alternate/Local Data Sources**

### Appendix A: Public Comments