

Executive Summary

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

1. Introduction

The City of Costa Mesa is a recipient of federal Community Development Block Grant (CDBG) and Home Investment Partnerships Grant (HOME) funds; funds are awarded to the City by the U.S. Department of Housing and Urban Development (HUD). As a recipient, the City is required to prepare a five-year strategic plan known as the Consolidated Plan. The Consolidated Plan identifies and prioritizes housing and community needs, and establishes five-year goals and objectives to address these needs. The City's current Consolidated Plan was approved in May 2015, and covers Fiscal Year (FY) 2015-16 through FY 2019-20.

The Annual Action Plan is the component of the Consolidated Plan that is revised annually. It is the link between the goals and objectives identified in the City's 2015-19 Consolidated Plan and the planned annual expenditure of CDBG and HOME funds over a twelve-month period. The time period covered by the 2016-17 Annual Action Plan begins July 1, 2016, and ends June 30, 2017. The City refers to this time frame as a Fiscal Year (FY).

The 2016-17 Annual Action Plan has been prepared utilizing HUD's eConPlan suite, a module of the Integrated Disbursement and Information System (IDIS). The Annual Action Plan includes several HUD required components including:

1. **Resources** – Federal and other public and private funds expected to be available to address priority needs and objectives identified in the Consolidated Plan, leveraging of non-federal funds, and match requirements for HUD programs.
2. **Description of Activities to be Undertaken** – Descriptions and information regarding activities the City will undertake during FY 2016-17 to meet priority needs.
3. **Geographic Distribution** – A description of the geographic distribution of direct CDBG and HOME-funded activities.
4. **Homeless and other Special Needs** – An outline of the activities that will be taken during the fiscal year to address the needs of the City's households at risk of homelessness, those currently homeless, and individuals that are not homeless, but that have special needs.
5. **Other Actions** - How HUD sub-strategies detailed in the Consolidated Plan will be addressed during the fiscal year (including actions to eliminate impediments to fair housing).
6. **Program Specific Requirements** – CDBG and HOME program requirements.
7. **Certifications & Standard Form 424** - HUD certifications related to the implementation of the Consolidated Plan, Action Plan, and the CDBG and HOME programs. Also, the application forms to HUD for FY 2016-17 CDBG (**\$990,347**) and HOME (**\$338,895**) funds.

2. Summarize the objectives and outcomes identified in the Plan

The 2015-19 Consolidated Plan identifies the following goals and objectives to be undertaken during a five-year period:

High Priority Need

- Owner Occupied Housing Rehabilitation: Rehab 50 units - \$1,227,942 (HOME)
- Code Enforcement: Inspect 1,250 Units - \$1,200,000 (CDBG)
- Emergency Shelter: Assist 10 Persons - \$10,000 (CDBG)
- Transitional Housing: Assist 75 Persons - \$50,000 (CDBG)
- Rapid Re-housing: Assist 75 Households - \$50,000 (CDBG)
- Homelessness Prevention: Assist 25 Persons - \$15,000 (CDBG)
- Senior Services: Assist 2,500 Persons - \$125,000 (CDBG)
- Disabled Services: Assist 150 Persons - \$25,000 (CDBG)
- Youth Services: Assist 1,250 Persons - \$50,000 (CDBG)
- Low/Moderate Income Services: Assist 750 Persons - \$115,000 (CDBG)
- Public Facilities: Benefit 2,500 Persons - \$250,000 (CDBG)
- Public Infrastructure: Benefit 7,500 Persons - \$2,382,113 (CDBG)
- Program Admin: 5 Years - \$943,028 (CDBG)/\$152,765 (HOME)

Low Priority Need

- Rental Housing Rehabilitation: Rehab 1 Unit - \$229,149 (HOME)
- Rental Housing Acquisition: Acquire 1 Unit - \$100 (HOME)
- Tenant-Based Rental Assistance: Assist 1 Household - \$50,000 (HOME)

3. Evaluation of past performance

Fiscal Year 2015-16 is the first year of the 2015-19 Consolidated Plan cycle; year-end program accomplishments are not available at this time. This information will be provided in subsequent years as respective program years are completed.

4. Summary of Citizen Participation Process and consultation process

For the preparation of the 2016-17 Annual Action Plan, the following opportunities for public participation were taken:

- Distribution of a Notice of Availability of Funds for outside agencies
- Ad-hoc Committee Resident advisory committee public meeting to receive input regarding public service needs and to prioritize funding for FY 2016-17 public service grants (March 22, 2016).

- Public Notice - 30-day comment period and public hearing
- Public Hearing - City Council Public Hearing to receive additional public input and to approve the FY 2016-17 Annual action Plan (May 3, 2016).

5. Summary of public comments

TO BE ADDED AT END OF PUBLIC COMMENT PERIOD AND PUBIC HEARING

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

TO BE ADDED AT END OF PUBLIC COMMENT PERIOD AND PUBIC HEARING

7. Summary

The 2016-17 Annual Action Plan is the link between the 2015-19 Consolidated Plan and the expenditure of federal CDBG and HOME funds. HUD has notified the City it will receive **\$990,347** in CDBG and **\$338,895** in HOME funds for FY 2016-17. The Action Plan outlines the activities the City plans to undertake to address the priority housing and community needs identified in the Consolidated Plan. The time period covered by the 2016-17 Annual Action Plan begins July 1, 2016, and ends June 30, 2017.

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

1. Agency/entity responsible for preparing/administering the Consolidated Plan

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

Agency Role	Name	Department/Agency
CDBG Administrator	COSTA MESA	Housing & Community Dev/Development Services
HOME Administrator	COSTA MESA	Housing & Community Dev/Development Services

Table 1 – Responsible Agencies

Narrative (optional)

The City’s Housing and Community Development (HCD) Division of the Development Services Department is primarily responsible for the preparation of the Consolidated Plan, Annual Action Plan, and for administration of CDBG and HOME funds.

Consolidated Plan Public Contact Information

Mike Linares, CDBG/HOME Coordinator, 77 Fair Drive, Costa Mesa, CA 92628 (714) 754-5678 – mike.linares@costamesaca.gov.

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The Consolidated Plan/Annual Action Plan process requires jurisdictions to contact and consult with other public and private agencies, and residents when developing respective plans. For the FY 2016-17 Annual Action Plan, the City consulted with the public and private agencies listed below. Also listed below are the steps taken by the City to solicit the input of community residents.

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(I))

The City of Costa Mesa does not own or manage public housing. Similarly, the City does not administer the Housing Choice Voucher or Section 8 Certificate rental assistance programs. The rental assistance voucher/certificate programs are administered in the City of Costa Mesa by the Orange County Housing Authority (OCHA). The City is a member of the OCHA Cities Advisory Committee, which provides OCHA staff with input regarding program policies.

The City's Network for Homeless Solutions (NHS) is a taskforce comprised of representatives of various City departments, other government agencies, nonprofit service agencies, and representatives of faith-based service providers. The main focus of the NHS is to find workable solutions to address the needs of the homeless, especially those with close ties to Costa Mesa. Additionally, the City works closely with other Orange County HUD-grantee communities to develop regional plans and to share program management data.

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.

Since 2014, the Network for Homeless Solutions (NHS) has been in place to directly address homeless issues in Costa Mesa. As outlined above, the NHS is a working group of City staff, representatives of service providers and faith-based organizations. The NHS is focused on establishing direct links to services for the homeless - especially for those with strong ties to Costa Mesa - and facilitating access to services and housing options. Another key element of this working group is the undertaking of a unique count of the City’s homeless with the assistance of local volunteers, churches, and Vanguard University (located in Costa Mesa). The NHS also serves as a liaison to the business community and resident groups.

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

outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City is not a recipient of Emergency Solutions Grant (ESG) funds; therefore, it does not assist the Orange County – Continuum of Care (OC-CoC) with the determination of ESG allocations, nor evaluating outcomes, or developing policies and procedures for the administration of Homeless Management Information System (HMIS).

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities (see Table 2)

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	211 Orange County
	Agency/Group/Organization Type	Services-homeless Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Regional Continuum of Care coordinator and HMIS administrator; provided significant information regarding regional and City homeless population and shelter resources.
2	Agency/Group/Organization	City of Costa Mesa
	Agency/Group/Organization Type	Housing Services-homeless Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Various City departments, commissions and City Council provided a variety of data and information. Also played a key role in identifying priorities and the allocation of HUD funds.
3	Agency/Group/Organization	Orange County Housing Authority
	Agency/Group/Organization Type	PHA Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	OCHA provided information regarding the number of Costa Mesa residents receiving rental assistance and also those who applied for rental assistance. Vouchers/Certificates provided by OCHA are a key component of the City's housing needs strategy for lower income renter households.
4	Agency/Group/Organization	Fair Housing Foundation
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Impediments to fair housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify the needs of lower income families and individuals requiring fair housing services. Also provided consultation on the City's strategy to address impediments to fair housing.
5	Agency/Group/Organization	Mercy House Transitional Living Centers
	Agency/Group/Organization Type	Services-homeless

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency assisted with development of the City's homeless strategy and implementation of service/housing programs to assist the homelessness and those at risk of becoming homeless.
6	Agency/Group/Organization	Families Forward
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify needs and assisted with implementation of the City's homeless service/housing strategy with a focus on homeless families with children.
7	Agency/Group/Organization	Colette's Children's Home
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify needs and assisted with implementation of the City's homeless service/housing strategy with a focus on homeless women and women with children.
8	Agency/Group/Organization	Elwyn California
	Agency/Group/Organization Type	Services-Persons with Disabilities

	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency provided input regarding City's special needs populations, specifically employment opportunities for persons with developmental disabilities.
9	Agency/Group/Organization	Youth Employment Services
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Economic Development Youth services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify needs and provided input regarding the City's youth, specifically employment needs/opportunities for youth age 16 to 24.
10	Agency/Group/Organization	Community SeniorServ
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify needs and provided input regarding the City's special needs populations, specifically seniors and frail elderly.
11	Agency/Group/Organization	Council on Aging Orange County
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify needs and provided input regarding the City's special needs populations, specifically seniors, frail elderly/disabled adults. Also provided data regarding special needs housing resources.
12	Agency/Group/Organization	Vanguard University
	Agency/Group/Organization Type	University
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Annual count and survey of Costa Mesa homeless.

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

The City made an effort to have as open a consultation process as possible; no one agency type was knowingly not consulted.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	211-OC	Helped determine needs and program goals to address homelessness in the City
10-Year Plan to End Homelessness	County of Orange	Helped establish priority homeless housing needs and discharge planning
Regional Analysis of Impediments to Fair Housing	OC HUD Grantee Cities	Identified multi-jurisdictional fair housing impediments that were applicable to the City and which were incorporated into Consolidated Plan/Annual Plan goals

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
5-Yr & 1-Yr Public Housing Authority (PHA) Plan	Orange County Housing Authority (OCHA)	OCHA provided information regarding the housing needs of lower income renter households, which were incorporated into the Consolidated Plan
City of Costa Mesa Capital Improvement Plan	City of Costa Mesa	Identified projects within CDBG-eligible areas and citywide, which were used to establish Con Plan goals
City of Costa Mesa Housing Element	City of Costa Mesa	Identified housing needs, goals, and program for all economic segments of City
2015 Costa Mesa Homeless Count	Vanguard University	Costa Mesa homeless census data was utilized to prioritize use of limited funding and to identify the most vulnerable among the City's homeless

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

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

The City took several steps to obtain the input of community residents and stakeholders in order to develop the 2016-17 Annual Action Plan. Consultation efforts included public meetings (resident advisory committee and City Council) and notices.

Specifically for the 2016-17 planning process, the City utilized its internet webpage and newspaper notices, to inform residents and stakeholders of the opportunity to provide input and to review/comment on the draft Action Plan. All City Council meetings were notices in local newspapers of general circulation. Additionally, the draft 2016-17 Annual Action Plan was posted on the City’s website for public review and comment, and hard copies were made available during the required 30-day public comment period which was held from April 4, 2016, to May 3, 2016 (see **Appendix 1**).

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	Citizen Advisory Committee. 8 committee members discussed priority public service needs (3/22/16)	None	NA	NA
2	Newspaper Ad	Non-targeted/broad community	30-day public comment period (4/4/16 to 5/3/16)	TBD	TBD	NA

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
3	Public Hearing	Non-targeted/broad community	Date: 5/3/16 Regular City Council meeting. _____ individuals spoke during public comments portion of public hearing	TBD	TBD	NA

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

Fluctuations in CDBG and HOME funding make it difficult to estimate the amount that will be available over the five-year time period of the Consolidated Plan. With the loss of redevelopment funding in 2012, the only funds that may be available to implement the Consolidated Plan are General Fund and local housing authority resources for homeless services. Rental assistance voucher and certificate resources may also be available via the Orange County Housing Authority (OCHA). For FY 2016-17, HUD has notified the City it will receive \$990,347 in CDBG and \$338,895 in HOME funds. The City has also identified prior year grant funds that will be available during the fiscal year. The City’s application for CDBG and HOME funds is in the form of the SF 424 (attached).

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	990,347	0	230,000	1,220,347	3,000,000	Annual CDBG allocation from HUD and prior year funds

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	338,895	0	560,608	899,503	900,000	Annual HOME allocation from HUD and prior year funds
General Fund	public - local	Public Services Other	0	0	0	0	0	City General Fund & Housing Authority resources to provide homeless outreach, engagement and case management services. Estimated at \$260,000 per year – subject to annual authorization by the City Council.
Other	public - federal	Other	0	0	0	0	0	The value of 615 rental housing vouchers and certificates assistance is unknown. Program is administered by the OCHA.

Table 5 - Expected Resources – Priority Table
 City of Costa Mesa Annual Action Plan
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Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In past years, the City was able to leverage federal funds with local redevelopment funds. In 2012 the State Legislature and Governor Brown passed legislation to dissolve all redevelopment agencies in the State. As a result, this funding source is no longer available. For the foreseeable future, it appears that the City will continue to allocate limited General Fund and local housing authority resources for homeless services. For FY 2016-17, approximately \$260,000 will be committed for these services. The City has a HOME match surplus available to meet HOME match program requirements.

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

Costa Mesa is considered a built out community with little vacant land available for new development. The City has begun to recycle land to accommodate housing growth. The City's Housing Element identifies City owned properties and considers various options for the sites. Additional development opportunities are identified in the Housing Element and are mirrored in the 2015-19 Consolidated Plan.

Discussion

Funding resources to implement the City's 2016-17 Annual Action Plan are limited. For FY 2016-17, the City received less CDBG funds and slightly more HOME funding compared to FY 2015-16. In recent years, HOME housing rehab loan repayments have provided the City with additional funding; however, this source is susceptible to the fluctuations of the economy and is unpredictable. HUD has invested additional resources into housing assistance vouchers and certificates, and OCHA has aggressively pursued these new resources. The City will continue to support OCHA's efforts to secure new rental assistance resources. For the foreseeable future, the City will continue to support homeless service programs serving individuals with strong ties to Costa Mesa with local funds.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Owner Occupied Housing Rehabilitation	2015	2019	Affordable Housing	Citywide	Owner Occupied Housing	HOME: \$373,217	Homeowner Housing Rehabilitated: 16 Household Housing Unit
2	Rental Housing Acquisition	2015	2019	Affordable Housing	Citywide	Rental Housing Acquisition/Rehabilitation	HOME: \$470,320	Other: 2 Other
3	Program Administration	2015	2019	Administration	Citywide	Program Administration	CDBG: \$198,070 HOME: \$55,966	Other: 1 Other
4	Code Enforcement	2015	2019	Affordable Housing	CDBG Eligible Areas	Housing Code Enforcement	CDBG: \$300,000	Housing Code Enforcement/Foreclosed Property Care: 200 Household Housing Unit
5	Public Facilities	2015	2019	Non-Housing Community Development	Citywide	Public Facilities	CDBG: \$275,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Public Infrastructure Improvements	2015	2019	Non-Housing Community Development	CDBG Eligible Areas	Public Infrastructure	CDBG: \$298,725	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
7	Homeless Services	2015	2019	Social Services	Citywide	Homeless Service Needs	CDBG: \$52,552	Individuals: 49
8	Youth Services	2015	2019	Social Services	Citywide	Youth Service Needs	CDBG: \$15,000	Individuals: 140
9	Senior Services	2015	2019	Social Services	Citywide	Senior/Frail Elderly Service Needs	CDBG: \$60,000	Individuals: 525
10	Low/Moderate Services	2015	2019	Social Services	Citywide	Low and Moderate-Income Service Needs	CDBG: \$21,000	Individuals: 373

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Owner Occupied Housing Rehabilitation
	Goal Description	HOME funds for owner-occupied housing rehabilitation loans and grants.
2	Goal Name	Rental Housing Acquisition
	Goal Description	Funds available to assist CHDO with acquisition and/or rehabilitation of housing - project to be determined.
3	Goal Name	Program Administration
	Goal Description	CDBG and HOME program administrative costs.

4	Goal Name	Code Enforcement
	Goal Description	Housing and building code enforcement to arrest deterioration in eligible residential areas
5	Goal Name	Public Facilities
	Goal Description	ADA Improvements at Jack Hammett Sports Complex
6	Goal Name	Public Infrastructure Improvements
	Goal Description	Roadway rehabilitation and concrete parkway improvements - Bay Street (between Harbor Blvd. and Newport Blvd.)
7	Goal Name	Homeless Services
	Goal Description	Homelessness prevention, transitional housing, and rapid rehousing services for homeless and persons at risk of homelessness
8	Goal Name	Youth Services
	Goal Description	Employment skills and placement services for young adults and teens
9	Goal Name	Senior Services
	Goal Description	Counseling and meal programs for seniors and frail elderly
10	Goal Name	Low/Moderate Services
	Goal Description	Fair housing outreach, education and enforcement services

Table 7 – Goal Descriptions

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

It is estimated that 10 extremely low-income (0%-30%), 5 low-income (a.k.a., very low-income 30%-50%), and 1 moderate-income (a.k.a. low-income 50%-80%) households will benefit from HOME-funded activities during FY 2016-17. If a Community Housing Development Organization (CHDO) project comes to fruition, units would also be for very low-income and extremely low-income households.

AP-35 Projects – 91.220(d)

Introduction

FY 2016-17 CDBG and HOME funding has been allocated for the activities listed below:

#	Project Name
1	Housing Rehabilitation
2	HOME Administration
3	CHDO Housing
4	Special Housing Code Enforcement
5	Jack Hammett Sports Complex ADA Improvements
6	Bay Street Pavement Improvements
7	Senior Social Services Program
8	Congregate Meal Program
9	Home Delivered Meal Program
10	Long-term Care Ombudsman Program
11	Youth Employment Services Program
12	Colette's Children's Home Transitional Housing Program
13	Families Forward Housing Program
14	Mercy House Homelessness Prevention – Rapid Rehousing Program
15	Fair Housing Foundation
16	CDBG Administration

Table 8 – Project Information

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

Activities were selected for funding based on the priority housing and community needs established in the Consolidated Plan. Due to a reduction and/or lack of funding, some needs may not be addressed during FY 2016-17 (e.g., TBRA). Due to public service grant funding policies approved by the Costa Mesa City Council in January 2016, sufficient CDBG funding was not available to fund programs serving all underserved populations.

Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	Housing Rehabilitation
	Target Area	Citywide
	Goals Supported	Owner Occupied Housing Rehabilitation
	Needs Addressed	Owner Occupied Housing
	Funding	HOME: \$373,217
	Description	HOME funds for owner occupied housing rehabilitation loans and grants
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	16 housing units occupied by low and moderate-income homeowners
	Location Description	Citywide
	Planned Activities	Housing rehabilitation loans and grants to address deferred maintenance and building code deficiencies
2	Project Name	HOME Administration
	Target Area	Citywide
	Goals Supported	Program Administration
	Needs Addressed	Program Administration
	Funding	HOME: \$59,966

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	Description	HOME funds for program oversight and coordination.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	77 Fair Drive, Costa Mesa CA
	Planned Activities	HOME program oversight and coordination.
3	Project Name	CHDO Housing
	Target Area	Citywide
	Goals Supported	Rental Housing Acquisition
	Needs Addressed	Rental Housing Acquisition/Rehabilitation
	Funding	HOME: \$470,320
	Description	HOME CHDO funds reserved for eligible housing project (to be determined)
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	TBD
	Location Description	TBD
	Planned Activities	TBD
4	Project Name	Special Housing Code Enforcement
	Target Area	CDBG Eligible Areas
	Goals Supported	Code Enforcement

	Needs Addressed	Housing Code Enforcement
	Funding	CDBG: \$300,000
	Description	Enforcement of housing and building codes to address substandard conditions in residential neighborhoods within eligible Census Tracts and Block Groups
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	200 residential units
	Location Description	Eligible Census Tracts and Block Groups
	Planned Activities	Enforcement of housing and building codes
5	Project Name	Jack Hammett Sports Complex – ADA Improvements
	Target Area	Citywide
	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities
	Funding	CDBG: \$275,000
	Description	Funding to undertake ADA improvements
	Target Date	1/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	15,659 disabled individuals as estimated by HUD
	Location Description	2750 Fairview Road, Costa Mesa CA
	Planned Activities	ADA improvements to public facility

6	Project Name	Bay Street Improvements
	Target Area	CDBG Eligible Areas
	Goals Supported	Public Infrastructure Improvements
	Needs Addressed	Public Infrastructure
	Funding	CDBG: \$298,725
	Description	Funding for street, gutter and crosswalk improvements
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	1,940 residents
	Location Description	CT: 637..02 BG: 1 & 3 – 69.3% Low/Moderate-income
	Planned Activities	Residential street pavement rehabilitation – Bay Street between Harbor Blvd and Newport Blvd
7	Project Name	Senior Social Services Program
	Target Area	Citywide
	Goals Supported	Senior Services
	Needs Addressed	Senior Services
	Funding	CDBG: \$15,000
	Description	Counseling and case management for seniors
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	200 Seniors

	Location Description	Citywide
	Planned Activities	Counseling and case management for seniors
8	Project Name	Congregate Meal Program
	Target Area	Citywide
	Goals Supported	Senior Services
	Needs Addressed	Senior Services
	Funding	CDBG: \$15,000
	Description	Weekday senior lunch program at Costa Mesa Senior Center
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	200 Seniors
	Location Description	Citywide
	Planned Activities	Weekday senior lunch program at Costa Mesa Senior Center
9	Project Name	Home Delivered Meal Program
	Target Area	Citywide
	Goals Supported	Senior Services
	Needs Addressed	Senior Services
	Funding	CDBG: \$15,000

	Description	Meals on wheels program for homebound seniors
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	85 Seniors
	Location Description	Citywide
	Planned Activities	Home delivered meals on wheels program for seniors
10	Project Name	Long-term Care Ombudsman Program
	Target Area	Citywide
	Goals Supported	Senior Services
	Needs Addressed	Senior Services
	Funding	CDBG: \$15,000
	Description	Advocacy services to frail, elderly, dependent adults living in certified long-term care facilities
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	40 Seniors
	Location Description	Citywide
	Planned Activities	Regular unannounced visits to long-term care facilities serving frail/elderly
11	Project Name	Youth Employment Services Program
	Target Area	Citywide

	Goals Supported	Youth Services
	Needs Addressed	Youth Services
	Funding	CDBG: \$15,000
	Description	Comprehensive youth job readiness program
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	140 young adults and teens
	Location Description	114 E. 19 th Street Costa Mesa, CA
	Planned Activities	Pre-employment skills training; finance and money management skills training; mock interviews; job search assistance; employer outreach; and follow-up
12	Project Name	Colette’s Children’s Home Transitional Housing Program
	Target Area	Citywide
	Goals Supported	Homeless Services
	Needs Addressed	Homeless Services
	Funding	CDBG: \$17,552
	Description	Transitional housing and support services for homeless women and homeless women with children
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	18 Homeless individuals
	Location Description	Citywide

	Planned Activities	Transitional housing enriched with outreach, case management, and life skills
13	Project Name	Families Forward Housing Program
	Target Area	Citywide
	Goals Supported	Homeless Services
	Needs Addressed	Homeless Services
	Funding	CDBG: \$15,000
	Description	Assistance for homeless families with minor-aged children to transition from crisis to financial stability and self-sufficiency
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	21 Homeless individuals
	Location Description	Citywide
	Planned Activities	Transitional housing, counseling, career coaching, life-skills education, access to food pantry, and assistance with childcare, healthcare and transportation
14	Project Name	Mercy House Homelessness Prevention – Rapid Rehousing Program
	Target Area	Citywide
	Goals Supported	Homeless Services
	Needs Addressed	Homeless Services
	Funding	CDBG: \$20,000
	Description	Financial assistance to prevent homelessness or rapid rehousing for those already homeless
	Target Date	6/30/2017

	Estimate the number and type of families that will benefit from the proposed activities	10 Homeless or at-risk of homelessness individuals
	Location Description	Citywide
	Planned Activities	Homeless outreach services, housing search and placement assistance, ongoing case management with a focus on housing stabilization, and short-term financial assistance for homeless
15	Project Name	Fair Housing Foundation
	Target Area	Citywide
	Goals Supported	Administration
	Needs Addressed	Fair Housing
	Funding	CDBG: \$21,000
	Description	Fair housing outreach, education and enforcement services
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	373 Individuals
	Location Description	Citywide
	Planned Activities	Community outreach, education and enforcement of fair housing laws
16	Project Name	CDBG Administration
	Target Area	Citywide
	Goals Supported	Program Administration
	Needs Addressed	Program Administration

Funding	CDBG: \$198,070
Description	CDBG program oversight
Target Date	6/30/2017
Estimate the number and type of families that will benefit from the proposed activities	NA
Location Description	Citywide
Planned Activities	Program oversight and coordination

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

Activities slated for CDBG-funding during FY 2016-17 will mainly be available on a citywide basis to income eligible individuals (i.e., limited clientele). The map of the City’s CDBG Eligible Areas provides a view of the areas where CDBG resources may be focused on an “area wide” basis (see **Attachment 2**).

Geographic Distribution

Target Area	Percentage of Funds
Citywide	69
CDBG Eligible Areas	31

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

HUD funding will primarily be allocated on a citywide basis as the City’s primary intent is to serve eligible households that are in need of housing and services regardless of where they live in the City. As the City’s CDBG-eligible areas tend to be older sections of the City, area wide activities will help to improve and sustain these neighborhoods and encourage property owners to also invest in their homes.

Discussion

As indicated above, CDBG and HOME funds will focused on programs that serve eligible residents regardless of where they live. It is also expected that the City’s investment in neighborhoods will create a synergy whereby other property owners will also invest in their home and community.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

During Fiscal Year 2016-17, proposed activities to be funded with CDBG and HOME funds will meet the housing needs of the following households.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	18
Special-Needs	0
Total	18

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	16
Acquisition of Existing Units	2
Total	18

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

Due to limited resources, the City will focus 2016-17 HOME funds on the rehabilitation of existing owner-occupied housing units. While not the primary focus of the program, some special-needs households (senior and disabled) may be assisted during the year via the City's Owner-Occupied Housing Rehabilitation Program. FY 2016-17 (and prior year) HOME CHDO funds are included in the Annual Action Plan; however, no specific CHDO project has been identified at this time.

AP-60 Public Housing – 91.220(h)

Introduction

Costa Mesa does not own or manage public housing.

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

Not applicable

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

Not applicable

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

Not applicable

Discussion

Not applicable

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

Introduction

As outlined in the 2015-19 Consolidated Plan, the City's homeless strategy is to support programs that help prevent homelessness by providing safety net services. These programs will help households, especially extremely low-income households, maximize the amount of income they have available for housing. Additionally, both HUD and City resources will be allocated to provide access to a continuum of services and housing to assist those already homeless and that have strong ties to the community.

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

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

Approximately \$260,000 in General Fund/Housing Authority resources will be allocated to provide direct outreach services for chronic and situational homeless. Services include engagement, assessment and linkages to appropriate services and housing. Services will be provided by City-paid social workers and community volunteers. Coordination of services will also be provided by the City.

Addressing the emergency shelter and transitional housing needs of homeless persons

There is a shortage of year-round emergency shelter beds in the County. The County of Orange and the regional CoC continue to seek ways to create new year-round emergency shelter - the City is supportive of these efforts. In the interim, the City will refer homeless individuals to the Winter Shelter Program and homeless families to the Family Redirection Program. The City has allocated funding toward transitional housing for women and women with children - \$32,552 in CDBG public service grant funds to assist an estimated 39 individuals.

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

As outlined in the City's Consolidated Plan, HUD resources will be allocated for transitional housing and rapid rehousing. Transitional housing provides program participants with housing and support services in a structured environment for up to two years. This setting allows households to achieve educational or employment goals, address personal barriers (such as substance addition or domestic violence), and develop life skills, which ultimately lead to self-sufficiency. Funding will also be allocated for rapid rehousing, which take a homeless household and places them directly into an affordable housing unit, and also provides appropriate supportive services. For FY 2016-17, \$20,000 in CDBG funding will be

allocated to Mercy House - a portion of these funds will be used to rapidly rehouse an estimated four individuals.

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 will continue to support the regional CoC’s efforts to implement Orange County’s Ten-year Plan to End Homelessness. This plan includes a discharge plan for the individuals leaving institutions such as hospitals and jails. The City’s Homeless Outreach Program staff will also continue to work closely with individuals already homeless to assess their specific needs and then link them to appropriate support services, housing, and public assistance programs. For FY 2016-17, \$20,000 in CDBG funding will be allocated to Mercy House to provide homelessness prevention assistance to at-risk households. A portion of these funds will be used to assist an estimated six individuals.

Discussion

The City of Costa Mesa has a well-developed strategy to address homelessness in the community. This strategy includes outreach and assessment services for homeless and chronic homeless individuals. Program staff will attempt to link individuals to appropriate housing, support services, and public-assistance programs (e.g., VA benefits, SSI). To undertake this effort, the City has partnered with local nonprofit service providers and community-based volunteers. Based on assessments, individuals or households will be referred to appropriate housing/service providers. City staff will coordinate the delivery of services and housing with providers in an effort to reduce the number of homeless individuals in the community. Both HUD and City funds will be used to carry out these activities.

Housing Opportunities for Persons With AIDS (HOPWA)

The City is not a recipient of HOPWA funding.

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	NA
Tenant-based rental assistance	NA
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated	NA
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	NA
Total	NA

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

Introduction

A strategy to address barriers to affordable housing and actions to overcome barriers is provided in the City's Consolidated Plan. The City will continue efforts to address these barriers during the 2016-17 Program Year.

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

As outlined in the City's 2013-2021 Housing Element, the following actions will be implemented to remove or ameliorate barriers to affordable housing:

- The City will encourage the joint processing of related applications for a single project. Such procedures save time, money and effort for both the public and private sector.
- The City provides fee credits for existing development against new development. Fee credits are available for park fees, sanitation district fees, and traffic impact fees. Park fees and traffic impact fees can also be deferred until the issuance of Certificates of Occupancy.
- The City will provide incentives (such as density bonus and deferred impact fees) to developers that agree to reserve a portion of project units for lower income households (including extremely low income), moderate income households (common interest developments only), or for seniors and the disabled.
- The City will maintain an inventory of vacant and underutilized sites and provide this inventory to interested developers.
- The City will continue to promote mixed-use development specific plan areas. The City will respond to market conditions and offer appropriate incentives through the Mixed Use Overlay zone. Incentives include; reduced parking standards, reduced open space, increased densities, increased height limit, increased lot coverage; reduced setbacks.

If available, subsidies may also be provided for qualified affordable housing projects (e.g., HOME funds). There is no local tax.

Discussion

The City's 2013-2021 Housing Element outlines the City's plan to address barriers to affordable housing. The Consolidated Plan mirrors this plan, which is to provide incentives to developers willing to dedicate developed units for lower income households.

AP-85 Other Actions – 91.220(k)

Introduction

As outlined in the City's Consolidated Plan, the City will implement the following actions during FY 2016-17 to address the "Other Actions" or sub-strategies identified in the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

The City will allocate a portion of its CDBG and HOME funds for activities that address the housing and service needs of the elderly and lower-income households. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding especially for senior and low-income households. OCHA reports that as of the end of 2015, 618 Costa Mesa households received rental housing assistance (including 140 disabled households and 377 elderly households). The City's housing rehabilitation program will also assist elderly homeowners undertake improvement of respective residences to address specific household needs.

Actions planned to foster and maintain affordable housing

The City of Costa Mesa has identified the actions it will undertake during Fiscal Year 2016-17 to foster and maintain affordable housing. The Annual Action Plan identified programs such as Owner-Occupied Housing Rehabilitation assistance as the means to maintain and improve housing currently available to by low and moderate-income residents. By providing deferred payment loans and grants, lower income households are able to rehabilitate their residence to meet basic housing quality standards and incur zero or minimal additional housing costs. An estimated 16 housing units will be assisted with HOME funds during FY 2016-17. Additionally, the City has allocated current and prior year HOME CHDO funds to accommodate a potential housing project.

Actions planned to reduce lead-based paint hazards

Based on past housing rehabilitation program statistics, only a small percentage of housing units that are rehabilitated with City resources contain lead-paint hazards. To ensure compliance with program regulations, all housing units, that were constructed before 1978, that are rehabbed with HOME resources, will be tested for lead-paint hazards. If needed, additional grant funds can be allocated to a project to ensure all lead-based hazards are mitigated.

Actions planned to reduce the number of poverty-level families

The City will assist programs and services that combat poverty. During FY 2016-17 the City will fund the following activities to support implementation of this strategy:

- Implement housing programs (including housing rehabilitation assistance) for lower income, senior and disabled homeowners.
- Support rental assistance programs provided by the Orange County Housing Authority for very low-income renters. The City will also explore the use of HOME funds for rental housing opportunities.
- Support services for individuals presently housed but at risk of losing their residence. Also, assist those already homeless in need of emergency shelter, transitional housing, or rapid rehousing, and continue to coordinate the delivery of services with nonprofit partners.
- Support safety net public services programs to improve the quality of life seniors, youth, the disabled, and other populations that may be severely impacted by the cost of living in the region.

Actions planned to develop institutional structure

The City has made an effort to develop an institutional structure that will help identify and access resources to improve the community and assist those most in need. The City will continue to work with nonprofit and public entities to deliver public services. As a member of the Orange County Continuum of Care Community Forum, the City will provide critical information to the County of Orange for preparation of the County's Continuum of Care Homeless Assistance grant applications. Costa Mesa will also continue to provide critical information regarding mainstream funds the City will make available to serve the homeless, and assist with identifying and prioritizing gaps and needs in the regional system of care. The City will continue to provide input on the development of the County's ten-year plan to end homeless, and will also participate in the Orange County homeless services Coordinated Entry Process in an effort to remove barriers to housing for at-risk and chronically homeless individuals.

Costa Mesa will continue to assist the Orange County Housing Authority implement its Five-year PHA Plan. Finally, the City will continue to meet with other Orange County HUD grantees to discuss common program issues and to coordinate regional efforts.

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

The City of Costa Mesa does not operate public housing. The Orange County Housing Authority provides rental assistance in the community. Federal legislation requires that the Housing Authority prepare five-year and one-year plans that highlight its mission, goals and objectives as it relates to public and assisted housing programs. The City will review the Authority's plans and provide OCHA the opportunity to review and consult with the City regarding its Consolidated Plan/Annual Action Plan. The goal of this cross-consultation is to provide consistent and coordinated housing services for City residents. Ongoing

consultation with local nonprofits also assists the City to coordinate the efficient and effective use of limited federal resources.

Discussion

HUD regulations require that the City prepare an Analysis of Impediments to Fair Housing choice (AI) every five years. In addition to identifying impediments, a strategy to overcome barriers must be developed and implemented annually. Accomplishments are to also be reported annually. In 2010, the City participated in the development of a sub-regional AI, prepared on behalf of four municipalities. In July 2013, HUD published proposed rules that substantially revamped existing AI rules; however, the implementation date for this new fair housing assessment document was postponed until 2019.

In May 2015, the City of Costa Mesa and 15 other Orange County jurisdictions entered into an agreement with GRC Associates to prepare a new AI that is compliant with existing AI guidelines. This multi-jurisdictional AI evaluates existing demographic data, past fair housing enforcement activity for each partner community, region and city-specific mortgage lender data, and existing housing and land use public policies. Based on an analysis of this data, and the input of residents, a list of impediments to fair housing choice for the 16-city region has been developed. A corresponding set of action steps to ameliorate these barriers has also been prepared. Impediments are summarized in **Attachment 3** – a copy of the draft AI is posted on the City’s website (www.costamesaca.gov/cdbg). **NOTE: not all of the impediments identified in the AI may be present in Costa Mesa.** The action steps the City will undertake during FY 2016-17 are also listed in **Attachment 3**.

Program Specific Requirements

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

Introduction

Each HUD program that is covered by the Consolidated Plan regulations must address certain program specific requirements. Below are the program requirements for the CDBG and HOME programs.

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

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
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.	100.00%

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

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

The City is not proposing to utilize HOME funds in a form that is not delineated in Section 92.205.

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

The City has not, and does not plan to utilize HOME funds for homebuyer assistance; however, if funds were to be redirected to such a program, steps will be taken to ensure program guidelines comply with applicable resale and recapture regulations.

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

If a CHDO project comes to fruition, the applicable loan agreement(s) will be prepared to comply with the resale/recapture requirements delineated in 24 CFR 92.254.

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

If a CHDO project comes to fruition, program staff will ensure that all applicable program policies are followed including establish refinancing guidelines.

Discussion

The City will meet the CDBG Program's overall 70% benefit for low and moderate-income requirement during the one-year **2016** Program Year.

With respect to HOME affordable homeownership limits for the area (i.e., 95 percent of the median area purchase price as set forth in 24 CFR 92.254(a)(2)(iii)), the City will utilize HUD's HOME affordable homeownership limits for its HOME-funded mobile home rehabilitation program. For single-family, owner-occupied housing rehabilitation, the City will conduct a survey in order to establish a maximum property value when the local market median home purchase prices exceeds HUD's published limit,. The most recent survey was conducted by the City in 2014, and was approved by the local HUD Field Office on 3/25/14.