



# City of El Monte HOME-ARP Allocation Plan November 2022





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# Introduction

The American Rescue Plan (ARP) was signed into law on March 11, 2021 and provides federal funding to relieve the continued impact of the COVID-19 pandemic on the economy, public health, state and local governments, individuals, and businesses. Within the ARP, Congress appropriated \$5 billion specifically to address the need for homelessness assistance and supportive services. Intended to be administered through HUD's existing HOME Investment Partnerships Act (HOME) Program, this allocation of ARP funds, known as HOME-ARP, must be used to perform four eligible activities that primarily benefit individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. The four eligible HOME-ARP activities include: (1) development and support of affordable housing; (2) tenant-based rental assistance (TBRA); (3) provision of supportive services; and (4) acquisition and development of non-congregate shelter units.

The City of El Monte has been allocated \$2,413,008 in HOME-ARP funds and has engaged in a consultation and public participation process to develop this HOME-ARP Allocation Plan. In this plan, the City describes how it intends to distribute HOME-ARP funds locally, including how the funds will be used to address the needs of qualifying populations. In accordance with federal regulations and the guidance contained in Community Planning and Development Notice CPD-21-10, the plan will be submitted to HUD as a substantial amendment to the City's Fiscal Year 2021 Annual Action Plan.



# Consultation

Before developing this HOME-ARP Allocation Plan, the City consulted with a variety of agencies and service providers whose clientele include the HOME-ARP qualifying populations to identify unmet needs and gaps in housing or service delivery systems. Input from these providers was also used to determine the HOME-ARP eligible activities currently taking place within the City's jurisdiction and potential collaborations for administering HOME-ARP.

At a minimum, the City is required by HUD guidance to consult with the Los Angeles Homeless Services Authority (as the local Continuum of Care), homeless and domestic violence service providers, veterans' groups, the Los Angeles County Development Authority (in its capacity as a public housing authority), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities. El Monte's HOME-ARP consultations included representatives for each of these organization types and others that serve people experiencing homelessness in El Monte and the surrounding region. These consultations are summarized in the table that follows.

## **Describe the consultation process including methods used and dates of consultation:**

El Monte began its consultation process by identifying organizations and points of contact representing each of the required areas of consultation. Each of these contacts was sent an invitation to participate in an online questionnaire or phone interview. The questionnaire and interview asked detailed questions specifically targeted to the types of input required for the HOME-ARP plan. A total of seven questionnaires and one phone interview were completed between July and September 2022. These responses formed the basis for determining the City's proposed HOME-ARP activities, uses of funds, and the composition of a first draft of the HOME-ARP plan.



List the organizations consulted:

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Baldwin Park Housing Authority	Public housing agency, public agencies that address the needs of qualifying populations	Stakeholder interview	<ul style="list-style-type: none"> <li>• Lack of housing units available for voucher holders</li> <li>• Need for more affordable housing</li> <li>• Need for supportive services for mental health issues</li> <li>• Need for hotel conversions and tiny homes to provide more affordable housing</li> <li>• Need for legal services for people being evicted</li> <li>• Redevelopment of the MacLaren site would help meet the need for affordable units</li> <li>• Units should be targeted to low-income families; units of all sizes are needed but 3-bedroom units are less common</li> <li>• Could apply to the Housing Authority for Project-Based Vouchers</li> <li>• Families on the waiting list with the Baldwin Park Housing Authority could be placed at the MacLaren site</li> </ul>
Foothill Unity Center	Homeless service provider	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• There is a need for emergency housing, rental assistance, and affordable housing.</li> <li>• Potential collaborations that would make the MacLaren project successful include providing landlord engagement and incentives, move-in assistance, and on-site case management services to help residents maintain housing.</li> <li>• There is a need to integrate intensive case management services to assist landlords with property management and assist tenants in staying in their housing.</li> </ul>
Hope House, Inc.	Public or private organizations that address the needs of persons with disabilities	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• Affordable housing is the greatest unmet need in El Monte.</li> <li>• Collaborations with all organizations and governmental agencies in social and mental health services would help make the MacLaren project successful.</li> </ul>



Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Los Angeles County Development Authority (Housing Assistance Division)	Public housing agency, public agencies that address the needs of qualifying populations	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• There is a lack of rental units in which the owner is willing to rent to voucher holders in our various tenant-based rental assistance programs.</li> <li>• The City should consider ways to increase the number of multi-family developments constructed in the city. Higher density developments are needed to reduce the number of unhoused families.</li> <li>• The developer selected to develop MacLaren can apply for funding and Project Based Vouchers (PBVs) through the LACDA’s Notice Of Funding Availability.</li> <li>• PBVs have proven to be a successful model for housing the homeless.</li> <li>• The City of El Monte should commit supportive services dollars to the site for special needs populations such as the homeless.</li> <li>• There is a need for acquisition of land and/or housing and soliciting developers to convert the MacLaren site to Permanent Supportive Housing for extremely vulnerable populations. Housing and services for adults with Intellectual/Developmental Disabilities (I/DD) is lacking all over the County. Using HOME-ARP funding to assist this population would be welcomed by many organizations, including the Los Angeles County Regional Center, which assists this population.</li> </ul>
Los Angeles Homeless Services Authority (LAHSA)	Continuum of Care, public agencies that address the needs of the qualifying populations	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• Similar to the entire CoC, El Monte’s homeless population is mostly unsheltered, which means there is a need to care for people’s wellbeing while unsheltered and invest in solutions to help them move into housing.</li> <li>• There is a need to provide the continuum of housing and services to support people experiencing homelessness, meeting them where they are at through a Housing</li> </ul>



Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
			<p>First/low barrier approach and coordinated through CES. To meet these needs, El Monte and the CoC need to acquire greater access to tenant-based units in the private rental market and support robust housing navigation services to support people moving into housing, as well as provide retention services to help people stay housed.</p> <ul style="list-style-type: none"> <li>• Operating subsidies are needed for site-based housing in El Monte.</li> <li>• El Monte may want to consult with LAHSA and system partners to assess how those experiencing homelessness in the region could be prioritized for access to these new units.</li> <li>• LAHSA would welcome any opportunity to meet with El Monte to learn more about how the investments the City is making can help resolve the homeless crisis in its geographic area when aligned with broader CoC and countywide strategies.</li> </ul>
Neighborhood Legal Services of Los Angeles County	Civil rights and fair housing organizations	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• There is a need for more shelters, especially shelters with supportive services, funding available to help homeless community members in their journey to becoming stably housed, and low-income housing.</li> <li>• Collaborations with organizations that provide supportive services to homeless community members transitioning into stable, permanent housing are pivotal in supporting community members on their road to success. Those collaborations assist community members in being aware of the resources available to them. These may include collaborations with mental health providers, case management workers, and legal service providers.</li> </ul>



Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Rio Hondo Community College District	Veterans service organizations	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• The greatest need is assisting families and those that are single and not transitional age youth (older than 24).</li> <li>• It would be beneficial to be able to place students with rapid rehousing vouchers in some units and to collaborate with wrap-around services to ensure that participants are successful in obtaining permanent housing and able to sustain the payments for their units.</li> </ul>
SPIRITT Family Services	Domestic violence service provider	Homelessness Service Provider Questionnaire	<ul style="list-style-type: none"> <li>• Affordable housing is the greatest unmet need in El Monte.</li> <li>• Collaborations that would help make the MacLaren project successful include providing an onsite resource center with assigned case navigators who could link families to resources to address unmet needs other than housing. Meeting these other needs is important for children to thrive to their fullest potential and grow up to be self-sufficient adults.</li> </ul>



**Summarize feedback received and results of upfront consultation with these entities:**

Stakeholders interviewed during the HOME-ARP planning process emphasized the need for affordable housing, landlords who accept Housing Choice Vouchers, case management, and wrap-around supportive services, including mental health services, services for residents with intellectual and developmental disabilities, and services to assist residents transitioning from homelessness into permanent housing. The Baldwin Park Housing Authority and Los Angeles County Development Authority Housing Assistance Division emphasized the potential for the City to apply for Project-Based Vouchers for use at the MacLaren site. Other potential collaborations include landlord engagement and incentives, organizations and government agencies that provide social and mental health services, the Continuum of Care, and the Rio Hondo Community College District. The Los Angeles County Homeless Services Authority emphasized the potential for residents experiencing homelessness to be prioritized for housing in the new units. The table above details the survey and stakeholder interview results by organization/ agency.



## Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of no less than 15 calendar days. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold at least one public hearing during the development of the HOME-ARP allocation plan and prior to submission.

For the purposes of HOME-ARP, PJs are required to make the following information available to the public: a) the amount of HOME-ARP the PJ will receive, and b) the range of activities the PJ may undertake.

### **Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:**

- **Date of public notice:**
  - October 17, 2022
- **Public comment period:**
  - start date – October 17, 2022
  - end date – November 1, 2022
- **Public hearing:**
  - November 15, 2022

### **Describe the public participation process:**

The City held a community meeting focused on the HOME-ARP plan on September 10, 2022 at 10 a.m. The meeting provided an overview of the HOME-ARP program and the City’s allocation, eligible activities, qualifying populations, and the proposed project, and attendees were encouraged to provide feedback and comments via comment cards, an online comment form, by email, or by phone.

In addition to the September 10 community meeting, the City held an initial community meeting (March 12, 2022), two community advisory committee meetings (February 24 and September 7, 2022), a youth advisory meeting (April 28, 2022), and a Planning Commission hearing (October 11, 2022).

The draft HOME-ARP Allocation Plan was made available for public review and comment for a 15-day period beginning October 17 until November 1, 2022 via the City’s website: <https://www.ci.el-monte.ca.us/237/Plans-and-Reports>. The draft plan was also made available for review at City Hall during normal business hours, Monday through Thursday, 7:00 a.m. to 5:30 p.m. Residents were invited to submit written comments by mail or physical delivery to: City of El Monte Community and Economic Development Department, 11333 Valley Boulevard, El Monte, CA 91731. All comments must be received by November 1, 2022.



Additionally, a public hearing is required by the City's Citizen Participation Plan and U.S. Department of Housing and Urban Development (HUD) Regulations to receive public input prior to the plan being submitted for approval by the U.S. Department of Housing and Urban Development (HUD). The public hearing was held on Tuesday, November 15, 2022 at 6:00 p.m. in the El Monte City Council Chambers, located at City Hall East, 11333 Valley Boulevard, El Monte, California. The City did not receive any public comments during the comment period or public hearing.

**Describe efforts to broaden public participation:**

In preparing this HOME-ARP Allocation Plan, the City of El Monte conducted public outreach to gather input from citizens, City staff, the Continuum of Care, housing authorities, non-profit agencies, local service providers, government agencies, and others. To involve members of the public in the Plan, the City advertised its draft HOME-ARP Allocation Plan, including the amount of the City's allocation, the range of activities eligible for funding, and the City's proposed use of HOME-ARP funds in the El Monte Examiner newspaper on October 17, 2022. In the public notice, the City specified procedures for requesting accommodation and interpretation for anyone needing support in order to fully participate in the public hearing. The public hearing was held on Tuesday, November 15, 2022 at 6 p.m. in the El Monte City Council Chambers, located at City Hall East, 11333 Valley Boulevard, El Monte, California. This location is served by public transportation and is ADA accessible. The City offered a variety of avenues for members of the public to participate by commenting on the draft plan, including community meetings held at dates and times convenient for participation, including weekends, and through written comments mailed or delivered to the City's Community and Economic Development Department, and orally at the scheduled public hearing.

**Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:**

Before developing this HOME-ARP Allocation Plan, the City consulted widely with a variety of agencies and service providers whose clientele include the HOME-ARP qualifying populations. Consultations were achieved through a questionnaire and phone interviews. The comments and recommendations received through these processes are summarized in the preceding "Consultation" section of this plan.

Upon completion of a draft of the City's HOME-ARP Allocation Plan, the draft plan was made available for public comment for a 15-day period that ran from October 17 through November 1, 2022. The City did not receive any comments or recommendations during the public comment period or at the public hearing.

**Summarize any comments or recommendations not accepted and state the reasons why:**

Not applicable.



# Needs Assessment and Gaps Analysis

This needs assessment and gaps analysis evaluates the size and demographic composition of all four of the HOME-ARP qualifying populations within El Monte and assesses the unmet needs of those populations. This analysis includes both gaps in the current supply of housing and shelter units as well as gaps within the services offered by the local network of homeless assistance organizations. A variety of data sources inform this analysis, including the City’s recent 2021-2025 Consolidated Plan, the CoC’s point in time and housing inventory counts, and consultations with service providers.

**Homeless Needs Inventory and Gap Analysis Table**

	Current Inventory					Homeless				Gap Analysis			
	Family		Adults Only		Vets	Homeless Population				Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	139	46	42	--	0								
Transitional Housing	0	0	27	--	0								
Permanent Supportive Housing	4	2	68	--	85								
Other Permanent Housing	--	--	--	--	--								
Sheltered Homeless						10	53	0	5				
Unsheltered Homeless						3	144	12	3				
<b>Current Gap</b>										<b>0</b>	<b>--</b>	<b>60</b>	<b>--</b>

**Data Sources:** 1. Los Angeles Homeless Services Authority Point in Time Count (PIT); 2. 2022 Los Angeles City and County Continuum of Care (CoC) Housing Inventory Count (HIC); 3. Consultation

\*Categorical breakdowns were estimated using ratios and data from LAHSA’s PIT for Service Planning Area (SPA) 3 and El Monte’s total homeless population of 230.



## Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	18,038		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	635		
Rental Units Affordable to HH at 50% AMI (Other Populations)	1,175		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		5,540	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		2,140	
<i>Current Gaps</i>			7,680

Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS) Tables 2 & 8

### Describe the size and demographic composition of qualifying populations within the PJ's boundaries:

#### *Residents Experiencing Homelessness (as defined in 24 CFR 91.5)*

El Monte is part of the Los Angeles Continuum of Care (CoC). According to the Los Angeles Homeless Services Authority (LAHSA), the lead agency of the Los Angeles CoC which conducted the county's 2022 annual Point-in-Time count at the end of February, there are a total of 230 persons experiencing homelessness in El Monte.

Of these 230 people, 162 were categorized as unsheltered (70.4%), and 68 were considered sheltered (29.6%). 43 out of the 68 sheltered persons experiencing homelessness were in emergency shelters at the time of the count (63.2%), while the remaining 25 were in transitional housing (36.8%). Of the 162 persons unsheltered, a significant portion were on the street (69 people, 42.6%) or in RVs (49 people, 30.1%).

The total number of people experiencing homelessness in El Monte decreased from the 2020 Point-in-Time count, which identified a total homeless population of 433. Current total numbers there exhibit a -46.9% percent decrease from 2020 total numbers. In addition, the number of sheltered persons has increased 172% from 2020 numbers, which found 25 sheltered persons, and the number of unsheltered persons has decreased -60.3% from 2020 numbers, which found 408 unsheltered persons.

#### *Residents At Risk of Homelessness (as defined in 24 CFR 91.5)*

According to the most recent 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data, there are 14,140 low-income households (below 80% AMI) that experience cost burdens in El Monte. Breaking these numbers down by tenure, it is revealed that there



are many more renters experiencing cost burdens in El Monte compared to owners experiencing cost burdens (10,445 renters and 3,585 owners). In accordance with this trend, low-income renters in El Monte are also more likely to be severely cost burdened compared to owners (5,720 renters and 1,850 owners).

Additional housing issues that may contribute to a residents' risk of becoming homeless are being extremely low-income (earning 30% or less of AMI) and/or living in substandard or overcrowded housing conditions. In the City of El Monte, there are a total of 8,895 extremely low-income households (6,995 renters and 1,900 owners). Of these, 5,540 renters experience severe housing problems, and 1,065 owners experience severe housing problems.

### *Survivors of Domestic Violence*

According to the 2022 Los Angeles CoC Point-in-Time count, there are a total of 153 persons experiencing homelessness due to fleeing domestic violence in SPA 3 (3.3% of the area's total homeless population), which El Monte is a part of. The total homeless population in El Monte comprises 4.9% of SPA 3's total homeless population. These ratios are used to estimate a total of 8 persons experiencing homelessness due to fleeing domestic violence in El Monte.

### *Other Populations At Risk of Housing Instability:*

#### *Elderly and Frail Elderly*

According to 2016-2020 ACS 5-Year estimates, elderly people (65 years and older) comprise approximately 13.3% of El Monte's population (15,145 out of 113,917). Approximately 37.4% of people 65+ live with one or more disabilities.

#### *Persons with Substance Use Issues*

LAHSA count data estimates that there are 882 persons experiencing homelessness with substance use issues in SPA 3 (18.9%). This ratio results in approximately 43 persons experiencing homelessness with substance use issues in El Monte.

#### *Re-entry Populations*

The California Health Care Foundation approximates that there are 35,000 people *released from California prisons each year.*<sup>1</sup> *According to data from the Prison Policy Initiative, there were 455 El Monte residents in the California state prison in 2020.*<sup>2</sup>

#### *People with Disabilities*

Based on 2016-2020 American Community Survey (ACS) 5-Year estimates, there are 10.5% residents in El Monte living with one or more disabilities. The most common disability type is independent living difficulty, which affects 6.0% of persons with disabilities. LAHSA data found 985 persons experiencing homelessness also had a physical disability in SPA 3 (21.6%). This percentage results

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<sup>1</sup> California Health Care Foundation. "From Corrections to Community: Reentry Health Care". <https://www.chcf.org/project/corrections-community-reentry-health-care/>

<sup>2</sup> Prison Policy Initiative. <https://www.prisonpolicy.org/origin/ca/2020/city.html>



in an estimate of 50 persons experiencing homelessness with a physical disability in El Monte.

### *People with HIV/AIDS and their Families*

Based on 2019 data from AIDSvu, an interactive map from Emory University's Rollins School of Public Health, 585 of every 100,000 people in Los Angeles County were living with HIV. With a total population estimate of 115,517 in El Monte in 2019, this would approximate to 675 people living with HIV in the city.

## **Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:**

Based on LAHSA's 2022 Housing Inventory Count, emergency shelter housing is provided by the Los Angeles County Department of Public Social Services (DPSS) and Union Station Homeless Services to provide a total of 181 emergency shelter beds. Transitional housing is provided by BRIDGES, Inc. to provide 27 beds to adults experiencing homelessness. Permanent supportive housing is provided by Illumination Foundation, Los Angeles County Development Authority (LACDA) and New Directions for Veterans. These beds provide 85 beds to veterans, 68 beds to adults, and 4 beds to families. Rapid rehousing is provided by LACDA, the Salvation Army, and Volunteers of America of Los Angeles to provide a total of 104 beds to adults.

According to the City of El Monte's 2020-24 Consolidated Plan, TBRA is administered by the Baldwin Park Housing Authority and the Housing Authority of LA County, who provide an average of 600 Section 8 Housing Vouchers every year in the city.

## **Describe the unmet housing and service needs of qualifying populations:**

### *Residents Experiencing Homelessness (as defined in 24 CFR 91.5)*

Data from LAHSA's 2022 Housing Inventory Count indicates that there are 139 emergency shelter beds for families and 42 emergency shelter beds for adults. 27 beds are offered for adults by transitional housing providers. There are 4 permanent supportive housing beds for families, 68 PSH beds for adults, and 85 PSH beds for veterans. Combined, this indicates that there are a total of 365 beds for persons experiencing homelessness in El Monte, 280 of which are available for non-veterans.

Based on LAHSA's 2022 Point-in-Time Count, there are a total of 230 persons experiencing homelessness in El Monte. Though this data was not broken down by population type for the City of El Monte, categorical ratios were determined using PIT count numbers for SPA 3, which El Monte is within. These ratios were used to estimate these categorical numbers for El Monte. Using these estimates, there is an unmet need of 60 beds for adults experiencing homelessness.

### *Residents At Risk of Homelessness (as defined in 24 CFR 91.5)*

There are a total of 18,038 rental units available in the City of El Monte. Of these units, 635 are considered affordable (costing less than 30% of a household's income) to extremely



low-income households (30% AMI) and 1,175 are affordable for very low-income households (50% AMI).

According to the most recent 2015-2019 CHAS data, there are 5,540 extremely low-income renters (earning 0%-30% AMI) that have 1 or more of the 4 severe housing problems (severe cost burden, lack of plumbing, lack of kitchen facilities, and severe overcrowding) in El Monte. These households are currently housed but are at risk of homelessness. Another 2,140 renter households are very low-income (earning 30%-50% AMI) and have 1 or more severe housing problems. Together, these households indicate that there is a gap of 7,680 renter households in El Monte that are in need of affordable quality housing

### *Survivors of Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice*

Using the SPA 3 ratio methodology discussed above, there are an estimated 8 persons experiencing homelessness as a result of fleeing domestic violence. Based on LAHSA's 2022 Housing Inventory Count, there are no housing projects that are victim service providers

### *Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice*

Based on a 2019 list of affordable/senior housing released by the City of El Monte, there are 21 affordable housing projects that are available to families, seniors, veterans, and persons with disabilities. Over half (52.4%) of these projects are for El Monte seniors, offering a total of 863 units for an elderly population of 15,145. There is one development, Casa De Esperanza, that offers 8 units for persons with disabilities.

### **Identify any gaps within the current shelter and housing inventory as well as the service delivery system:**

The needs assessment and gaps analysis above reveal that there is a gap of 60 emergency shelter, transitional housing, and permanent supportive housing beds needed to meet the needs of the adult homeless population in El Monte. Additionally, there are 7,680 low-income renter households with one or more severe housing problems that may be at risk of homelessness and seeking affordable quality housing. Public engagement efforts also found that in addition to a need for more quality affordable housing for these populations, there is also demand for accessible mental health and wellness services. There is also a lack of housing options for domestic violence survivors in El Monte, as none of the listed projects in the 2022 Housing Inventory Count are noted as victim service providers.



### **Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:**

To assess affordability and other types of housing needs, HUD defines four housing problems:

1. **Cost burden:** A household has a cost burden if its monthly housing costs (including mortgage payments, property taxes, insurance, and utilities for owners and rent and utilities for renters) exceed 30% of monthly income.
2. **Overcrowding:** A household is overcrowded if there is more than 1 person per room, not including kitchens and bathrooms.
3. **Lack of complete kitchen facilities:** A household lacks complete kitchen facilities if it lacks one or more of the following: cooking facilities, refrigerator, or a sink with piped water.
4. **Lack of complete plumbing facilities:** A household lacks complete plumbing facilities if it lacks one or more of the following: hot and cold piped water, a flush toilet, or a bathtub or shower.

HUD also defines four severe housing problems, including a severe cost burden (more than 50% of monthly household income is spent on housing costs), severe overcrowding (more than 1.5 people per room, not including kitchens or bathrooms), lack of complete kitchen facilities (as described above), and lack of complete plumbing facilities (as described above).

### **Identify priority needs for qualifying populations:**

Data from the 2022 Point-in-Time Count indicates that there were 230 people experiencing homelessness in the City of El Monte, including 162 unsheltered residents. Compared with the 2020 Point-in-Time count figures, the data suggests a significant decrease in the number of residents experiencing homelessness, from 433 to 230 (a 46.9% decline). At the same time, the share of the City’s homeless residents who were unable to access shelter also decreased markedly, from 408 to 162 unsheltered homeless residents. Taken together, these figures indicate that the existing network of homeless assistance services and the supply of housing and shelter units within the El Monte area is generally performing well and increasingly meeting local needs. While there is a 60-bed gap in the number of emergency shelter, transitional housing, and permanent housing beds available to homeless adults, the city’s more significant need appears to be related to affordable housing for low-income households.

According to the most recent 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data, there are 14,140 low-income households (below 80% AMI) that experience cost burdens in El Monte. Analysis of the data by tenure reveals that renters are nearly three times as likely to face cost burdens as homeowners.

Additional housing issues that may contribute to a residents’ risk of becoming homeless or otherwise experiencing housing instability are being low- income or extremely low-income (earning 50% or 30% or less of AMI, respectively) and/or living in substandard or



overcrowded housing conditions. In the City of El Monte, 7,680 households earning 50% of AMI or below have severe housing problems, which may include lacking kitchen or complete plumbing, severe overcrowding, or severe cost burden. Development of rental housing with deep affordability targeting household incomes of 50% AMI and below is urgently needed to close the gap for the city's 7,680 households who are severely cost-burdened or experiencing other severe housing problems. Providing housing of this type prevents at-risk families in unstable housing situations from becoming homeless, and thus preserves available emergency shelter and transitional housing options for the homeless households who most need them.

**Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:**

The level of need and gaps in shelter and housing inventory were determined using the Homeless Needs Inventory and Housing Need Inventory tables, information in the County's 2020-2024 Consolidated Plan, and consultation with housing and service providers.

Data from the 2022 Point-in-Time and Housing Inventory counts indicates that there were 230 people experiencing homelessness in the City of El Monte, including 162 unsheltered residents. While there are a total of 367 emergency shelter, transitional housing, and permanent housing beds available, there is a gap in the number of these beds that are available to adults only. The Housing Needs Inventory indicates 7,680 El Monte households earning 50% of AMI or below have severe housing problems, which may include lacking kitchen or complete plumbing, severe overcrowding, or severe cost burden. There are 1,810 rental units that are affordable to households earning 50% AMI or below, indicating that there is a gap of affordable quality housing.

The gaps in the service delivery system were determined through focus groups with housing and service providers, stakeholder interviews, and public meetings conducted during the HOME-ARP and 2020-2024 Consolidated Plan community engagement processes.



# HOME-ARP Activities

## Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

The City of El Monte's greatest priority need for HOME-ARP funding is the development of affordable rental housing and, in the proposed Esperanza Village development, the City has identified a unique opportunity to invest HOME-ARP funds for this purpose. The Esperanza Village project consists of construction of four residential buildings containing a total of 340 residential units. Buildings 1 and 2 will each contain 85 residential rental units affordable to low- and extremely low-income persons/families, including transitional age youths (TAYs) and victims of domestic violence. Buildings 3 and 4 would have 86 and 84 residential units, respectively, affordable to low-and extremely low-income seniors.

The Esperanza Village project is being developed by Prima Development on land owned by Los Angeles County (the former MacLaren Hall site) and leased to the City of El Monte. Prima Development was selected through a Request for Qualifications.

## Describe whether the PJ will administer eligible activities directly:

The City will administer its HOME-ARP funds directly, maintaining responsibility for project selection, and compliance with all HOME-ARP guidelines.

## If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

Not applicable. The City will not allocate funds to a subrecipient or contractor to administer the entire HOME-ARP grant.

## Use of HOME-ARP Funding

Funding Category	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 51,057		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 2,000,000		
Non-Profit Operating	\$ 0	0%	5%
Non-Profit Capacity Building	\$ 0	0%	5%
Administration and Planning	\$ 361,951	15%	15%
Total HOME ARP Allocation	\$ 2,413,008		



**Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:**

In order to maximize the results achieved with the HOME-ARP funding and streamline implementation, the City will primarily direct the funds to a single programmatic use: development of affordable rental housing. The City's \$2,000,000 investment in this single activity is consistent with the findings of the needs assessment and gaps analysis, which identified affordable housing for low-income households as the highest-priority need. A further \$51,057 will be allocated for services supporting the affordable rental housing to be constructed. Additionally, the City of El Monte will retain 15% of its HOME-ARP allocation (a total of \$361,951) for its planning and administration costs associated with developing the proposed affordable rental units and ongoing monitoring of the project's compliance over the grant period.

**Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:**

Based on an analysis of Comprehensive Housing Affordability Strategy (CHAS) data and input from stakeholders and community members, the availability of an adequate supply of affordable housing, particularly housing that is affordable to those at the lowest income levels, is a predominant need in El Monte. A total of 14,140 low-income El Monte households (below 80% AMI) experience cost burdens, spending more than 30% of their incomes on their housing costs. Renters are nearly three times as likely to face cost burdens as homeowners. And at even lower income ranges, affordability and other housing challenges are even more pronounced. An estimated 7,680 households earning 50% of AMI or below have severe housing problems, which may include lacking kitchen or complete plumbing, severe overcrowding, or severe cost burden (i.e., spending more than half their incomes on housing). This data, paired with the results of consultation and public participation indicates that affordable rental housing production is a high priority need in El Monte and the most urgent of the eligible uses of HOME-ARP funds.

Comparing data from the 2020 and 2022 Point-in-Time counts suggests the City has seen a significant decrease in the number of residents experiencing homelessness while the share of the City's homeless residents who were unable to access shelter also decreased. There remains a 60-bed gap in the number of emergency shelter, transitional housing, and permanent housing beds available to homeless adults, however, the trends in the Point-in-Time data indicates that the existing network of homeless assistance services and the supply of housing and shelter units within the El Monte area is increasingly meeting local needs. The city's more significant need appears to be related to affordable housing for low-income households.



# HOME-ARP Housing Production Goals

## **Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:**

Based on the needs assessment and analysis of gaps within the current system for meeting homeless and supportive service needs, the City proposes to direct its HOME-ARP funding toward development of affordable rental housing within the Esperanza Village community at the MacLaren site. The development will consist of a total of 340 new units, all targeted to households under 80% of the area median income. Of the 340 total units, half (170) will be designated for seniors aged 55+ and the balance will be family units for individuals, families, transitional age youths (TAYs), and victims of domestic violence. Unit sizes will range from studios to 1, 2, and 3-bedroom units.

## **Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:**

Data from the 2022 Point-in-Time Count indicates that there were 230 people experiencing homelessness in the City of El Monte, including 162 unsheltered residents. Compared with the 2020 Point-in-Time count figures, the data suggests a significant decrease in the number of residents experiencing homelessness, from 433 to 230 (a 46.9% decline). At the same time, the share of the City's homeless residents who were unable to access shelter also decreased markedly, from 408 to 162 unsheltered homeless residents. Taken together, these figures indicate that the existing network of homeless assistance services and the supply of housing and shelter units within the El Monte area is generally performing well and increasingly meeting local needs. While there is a 60-bed gap in the number of emergency shelter, transitional housing, and permanent housing beds available to homeless adults, the city's more significant need appears to be related to affordable housing for low-income households.

According to the most recent 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) data, there are 14,140 low-income households (below 80% AMI) that experience cost burdens in El Monte. Analysis of the data by tenure reveals that renters are nearly three times as likely to face cost burdens as homeowners.

Additional housing issues that may contribute to a residents' risk of becoming homeless or otherwise experiencing housing instability are being low- income or extremely low-income (earning 50% or 30% or less of AMI, respectively) and/or living in substandard or overcrowded housing conditions. In the City of El Monte, 7,680 households earning 50% of AMI or below have severe housing problems, which may include lacking kitchen or complete plumbing, severe overcrowding, or severe cost burden.

By adding 340 new affordable rental units to the city's inventory, the HOME-ARP funds will leverage other forms of affordable housing investment to begin closing the estimated gap of 7,680 rental units affordable at 50% AMI. Providing housing of this type prevents at-risk families in unstable housing situations from becoming homeless, and thus preserves available emergency shelter and transitional housing options for the homeless households who most need them.



## Preferences

**Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:**

El Monte does not intend to impose a preference for any HOME-ARP qualifying populations or subpopulations in connection with its proposed Esperanza Village project. Further, the City will not further identify any “other populations” within the qualifying populations already delineated within CPD Notice 21-10.

The City will act in compliance with all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a). Eligibility and selection of applicants will be determined without regard to an applicant’s race, color, religion, sex (including gender identity and sexual orientation), disability, familial status, or national origin.

**If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ’s needs assessment and gap analysis:**

Not applicable. The City does not intend to impose a preference for any HOME-ARP qualifying populations or subpopulations in connection with its proposed Esperanza Village project.

**Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ’s may use multiple referral methods in its HOME-ARP program:**

All units will be marketed via social media, press releases from City Hall, local non-profits, neighborhood schools, and the Los Angeles County Development Authority. Bilingual rental information housing workshops (i.e., Spanish, English, & Mandarin) will occur 6 months before lease-up operations begin. HOME Program regulations require the use of affirmative fair marketing practices to inform the public, owners, and potential tenants about housing opportunities and the federal fair housing laws. Consistent with established City practices, the Housing Division will require Esperanza Village’s developer to have an Affirmative Marketing Plan prior to any lease-up activities. The City will assess the affirmative marketing efforts during rent-up and marketing of the units by the use of a compliance certification and/or personal monitoring visit to the project as required by regulations.

**If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered:**

Not applicable. The City does not intend to use the CoC’s coordinated entry process as a referral method for the HOME-ARP funded rental housing units.



**If the PJ intends to use the CE process established by the CoC, describe the method of prioritization to be used by the CE:**

Not applicable. The City does not intend to use the CoC's coordinated entry process as a referral method for the HOME-ARP funded rental housing units.

**If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any:**

Not applicable. The City does not intend to use the CoC's coordinated entry process as a referral method for the HOME-ARP funded rental housing units.

**Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:**

Of the 340 affordable rental units to be developed, 170 will be in age-restricted buildings intended for occupancy solely by seniors aged 55+ and senior households.

**If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:**

According to 2016-2020 ACS 5-Year estimates, elderly people (65 years and older) comprise approximately 13.3% of El Monte's population. Approximately 37.4% of this 65+ population lives with one or more disabilities. Because senior populations may have unique housing needs and vulnerabilities, age-restricted housing communities can be an important way to meet their specific needs. Based on a 2019 list of affordable/senior housing released by the City of El Monte, there are 21 affordable housing projects that are available to families, seniors, veterans, and persons with disabilities. Among these developments are a total of 863 senior housing units for an elderly population of 15,145. The disparity between these two figures suggests a continuing need to add more affordable age-restricted units of senior housing to the City's inventory.

**If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):**

The senior housing limitation will be applied only to 170 of the 340 affordable rental units to be developed. The remaining 170 units will be available to address the housing needs of other HOME-ARP qualifying populations not included in the limitation, to include low- and extremely low-income persons and/or families, transitional-age youth, victims of domestic violence, and residents who are unhoused or at risk of homelessness.



# HOME-ARP Refinancing Guidelines

HUD guidance in CPD Notice 21-10 allows for the conditional use of HOME-ARP funding to refinance existing debt secured by multifamily rental housing when that housing will be rehabilitated with HOME-ARP funds. Jurisdictions intending to use funds in this way are required to include in their HOME-ARP Allocation Plans guidelines describing the conditions under which a refinance of existing debt will be considered. In addition to adhering to 24 CFR 92.206(b), a jurisdiction's refinancing guidelines must:

- Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity.
- Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.
- State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
- Specify the required compliance period, whether it is the minimum 15 years or longer.
- State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

The City of El Monte will not use HOME-ARP funds to refinance existing debt and therefore does not establish any HOME-ARP refinancing guidelines in this plan. The above conditions and requirements are not applicable.