

CITY OF HUNTINGTON BEACH

CAPER FY 2012-2013

(Consolidated Annual Performance Evaluation Report)



Community Development Block Grant
HOME Investment Partnership

Submitted to the
U.S. Department of
Housing and Urban Development

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Table of Contents

Executive Summary	CPR-1
Assessment of Five-Year Goals and Objectives	CPR-3
1. Resources	CPR-3
2. Geographic Distribution of Investment	CPR-4
3. Programmatic Accomplishments	CPR-5
A. Housing Needs and Strategies	CPR-7
B. Homeless Needs and Strategies	CPR-13
C. Community Services Strategies	CPR-14
D. Community Development Strategies	CPR-17
E. Planning and Administration	CPR-19
F. Economic Development/Anti-Poverty Needs and Strategies	CPR-21
Affirmatively Further Fair Housing Choice	CPR-23
Affordable Housing	CPR-31
Institutional Structure	CPR-36
1. City of Huntington Beach	CPR-36
2. Community Housing Development Organizations (CHDOs)	CPR-37
3. Other Governmental Organizations	CPR-38
4. Non-Profit Organizations	CPR-38
Continuum of Care	CPR-39
Other Actions	CPR-40
1. Coordinating Services	CPR-40
2. Monitoring and Administration	CPR-40
Citizen Participation	CPR-41
Leveraging Resources	CPR-43
1. Community Development Block Grant	CPR-43
2. HOME Investment Partnership	CPR-43
Specific HOME Program Narratives	CPR-44
1. ADDI Funds	CPR-44
2. HOME Funds	CPR-44
3. Affirmative Marketing Actions and Outreach to Minority and Women Owned Business	CPR-44
4. On-Site Inspection of Affordable Rental Housing	CPR-44
Self-Evaluation of the Progress Made	CPR-46
1. Housing Programs	CPR-46
2. Community Development Needs	CPR-47
3. Continuum of Care	CPR-47
4. Social Service Programs	CPR-47
Public Review	CPR-48

Appendix A IDIS Reports

Appendix B Summary Reports

Appendix C Proof of Publication

Appendix D HOME Annual Report
HOME Match Report

Executive Summary

The Consolidated Annual Performance and Evaluation Report (CAPER) provides the City of Huntington Beach an opportunity to evaluate its overall progress in carrying out its priorities and specific objectives identified in its strategic plan, contained in its five-year Consolidated Plan and subsequent annual action plans. The CAPER also describes actions and/or changes undertaken as a result of the annual performance in its two federal programs: Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs. The Consolidated Plan reflects the City's plan of addressing its housing and community development needs over a five-year period. This CAPER for FY 2012-2013 reviews the City's specific achievements over the last fiscal year (October 1, 2012 through September 30, 2013) and provides an assessment of the progress in implementing the goals and objectives of the five-year Consolidated Plan covering FY 2010-2015. This CAPER is the third year of implementing the Consolidated Plan and uses the goals and objectives identified in the FY 2012-2013 Annual Action Plan as the benchmark for progress in meeting annual and five-year objectives. Priorities stated in the Consolidated Plan were established as follows:

Housing Priorities

- Preserve and Rehabilitate Existing Single-Family and Multi-Family Dwelling Units.
- Assist Low- and Moderate-Income Households in Securing Affordable Homeownership Opportunities.
- Improve and Preserve Neighborhood Conditions.
- Promote Equal Housing Opportunity.
- Expand and Preserve Rental Housing Opportunities.

Homeless Need Priorities

- Provide Assistance to the Homeless and Persons At-Risk of Becoming Homeless.

Community Development and Community Services Priorities

- Provide and Improve Community Services for Low- and Moderate-Income Persons and Those with Non-Homeless Special Needs.
- Improve and Expand Community Facilities and Infrastructure to Meet Current and Future Needs.
- Provide for Necessary Planning and Administration Activities to Address the Housing and Community Development Needs in the City.

Anti-Poverty Priorities

- Promote Economic Development and Employment Opportunities for Low- and Moderate-Income Households.

HUD Objective / Implementing Program	Priority	Five-Year Goal	FY 2012-2013 Annual Goal	Five-Year Cumulative Accomplishment	Assessment % of Five-Year Goal
DECENT HOUSING					
Rehabilitation Loans/Grants	Medium	100 loans/grants	20 loans/grants	38 loans/grants	38%
Homeownership	Low	40 households	1 household	42 households	102%
Code Enforcement	High	3,000 units	600 units	1,819 units 3 clean-up days	61%
Acquisition/Rehabilitation and New Construction	High	50 units	2 units	8 units	16%
Rental Assistance (Housing Choice Vouchers)	Medium	4,500 households	900 households	2,600 households	58%
Tenant-Based Rental Assistance (HOME)	Medium	20 households	10 households	10 households	50%
SUITABLE LIVING ENVIRONMENT					
Public Services					
Senior Services	High	1,000 persons	1,218 persons	3,293 persons	329%
Youth Services	High	2,350	582 persons	2,283 persons	97%
Special Needs	High	50,000	4,972 persons	11,781 persons	24%
Capital Improvements and Community Facilities					
Capital Improvements and Community Facilities	High	10 facilities	1 facilities	11 facilities	110%
ECONOMIC DEVELOPMENT					
Regional Assistance Program					
Small Business Technical Assistance: Job Creation Opportunities, Entitlement Assistance, Resource Development	High	200 instances	40 instances	145 instances	73%
Business resource seminars: SCORE, SBA, Doing Business with the City, Trade Connect	Medium	20 seminars	4 seminars	9 seminars	45%
Economic Development Conference	Low	5 conferences	1 conference	3 conference	60%
Business Improvement District					
Free Downtown Shuttle Program - Tuesdays	Medium	2,000 persons	400 persons	3,163 persons	158%
Free Downtown Shuttle Program – Summer Weekend / Holiday Service	Medium	20,000 persons	5,500 persons	13,514 persons	68%
CONTINUUM OF CARE					
Homeless Assistance	High	300 households / persons	50 households	127 households	42%

Assessment of Five-Year Goals and Objectives

1. Resources

The City of Huntington Beach is an entitlement jurisdiction for two programs administered by the U.S. Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME). In FY 2012-2013, the total amount of funds allocated was \$945,747 for CDBG and \$400,806 for HOME.

Historically, the City received other sources of funds to implement affordable housing goals, specifically the Redevelopment Housing Set-Aside funds; however, these funds ceased as Redevelopment Agencies were ordered to dissolve by the California State Governor, effective February of 2012. Thus, other community development objectives will be met through a variety of limited resources such as developer fees, gas tax, capital improvement funds, Measure M funds, State and Federal transportation improvement funds, community volunteers, and other additional resources as they become available.

Community Development Block Grant (CDBG) - CDBG funds may be used for expanding affordable housing opportunities, enhancing decent living environment, and promoting economic development. The CDBG program requires that at least 70 percent of all funds be expended to benefit persons earning no more than 80 percent of the County Area Median Income (AMI). For FY 2012-2013, the Huntington Beach CDBG allocation was \$945,747.

HOME Investment Partnership (HOME) – HOME funds are used expressly for promoting decent and affordable housing. Program regulations require that 90 percent of all HOME funds be used to assist households with incomes below 80 percent AMI. Specifically, a minimum 15 percent of the total HOME funds must be provided to Community Housing Development Organizations (CHDOs) to provide affordable housing. The remaining 10 percent can be used for program administration. The City of Huntington Beach HOME allocation was \$400,806 in FY 2012-2013. Previous years' HOME allocations were also available for affordable housing projects.

Use of HOME funds must be matched 25 percent with local or non-federal resources. HOME match is calculated based on funds expended on housing activities, excluding administration and CHDO capacity or operating costs.

In the past, the City utilized Redevelopment Housing Set-Aside funds as a match to HOME funds. As of this report, \$2,600,346 in excess match will carry forward into the next program year (see Appendix C for HOME Match Report). Since no HOME funds were expended on housing activities during FY 2012-2013, no match is required for this fiscal year.

Community Development Block Grant Recovery (CDBG-R) – ARRA of 2009 appropriated \$1 billion in Community Development Block Grant (CDBG) funds to states and local governments to carry out, on an expedited basis, eligible activities under the CDBG program. Funding available under ARRA has clear purposes to:

- Stimulate the economy through measures that modernize the Nation's infrastructure;
- Improve energy efficiency; and
- Expand educational opportunities and access to health care.

HUD strongly urged grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. The City of Huntington Beach received \$370,575 under the CDBG-R program. These funds were used for the Huntington/Edam Street Improvement Project and the Murdy Community Center Green Roof Project.

Homeless Prevention and Rapid Re-Housing Program (HPRP) – The purpose of the HPRP program was to provide homeless prevention assistance to households who would otherwise become homeless due to the economic downturn, and to provide assistance to rapidly re-house persons who are homeless. The emphasis was on serving households that were most in need of temporary assistance and were most likely to achieve stable housing after the program concluded. The City of Huntington Beach received \$566,611 under the HPRP program. A Request for Proposals was issued and grants were provided to four organizations: Interval House, Project Self Sufficiency, Senior Outreach, and Collette's Children's Home.

Redevelopment Housing Set-Aside funds were previously used to match and supplement federal funds to meet community development and affordable housing needs; however, with the dissolution of the Redevelopment Agency, that funding source has been eliminated. The City will pursue other funding sources in the future.

2. Geographic Distribution of Investment

Affordable housing is needed throughout the community and therefore use of HOME and CDBG funds for housing assistance is available citywide.

Public and supportive services offered using CDBG funds are targeted toward populations with special needs and Low- and Moderate-Income (up to 80 percent AMI) persons throughout the City.

Public facilities and improvements funded by the CDBG program are focused in eight priority areas. These Enhancement Areas (shown on the map on the following page) are based on 2000 Census data according to household income levels. To determine project eligibility,

the HUD standard is that at least 51 percent of low-moderate income residents must occupy the area where public facility improvements are being performed. Due to the higher incomes in the area, the City of Huntington Beach uses the exception criteria (as permitted by HUD) of 40.3 percent low-moderate income population for projects that would serve that particular area. Keeping the national objectives of the CDBG program in mind, project eligibility review is based upon the type of activity and the clientele served. A project is evaluated either on the 51 percent low-moderate income population for facilities and services located within the broader community or upon the exception criteria for projects limited in scope to the Enhancement Areas.

3. Programmatic Accomplishments

This report reviews the progress toward addressing the City's priority housing and community development needs. The definitions for "priority-need" as defined in the Consolidated Plan are:

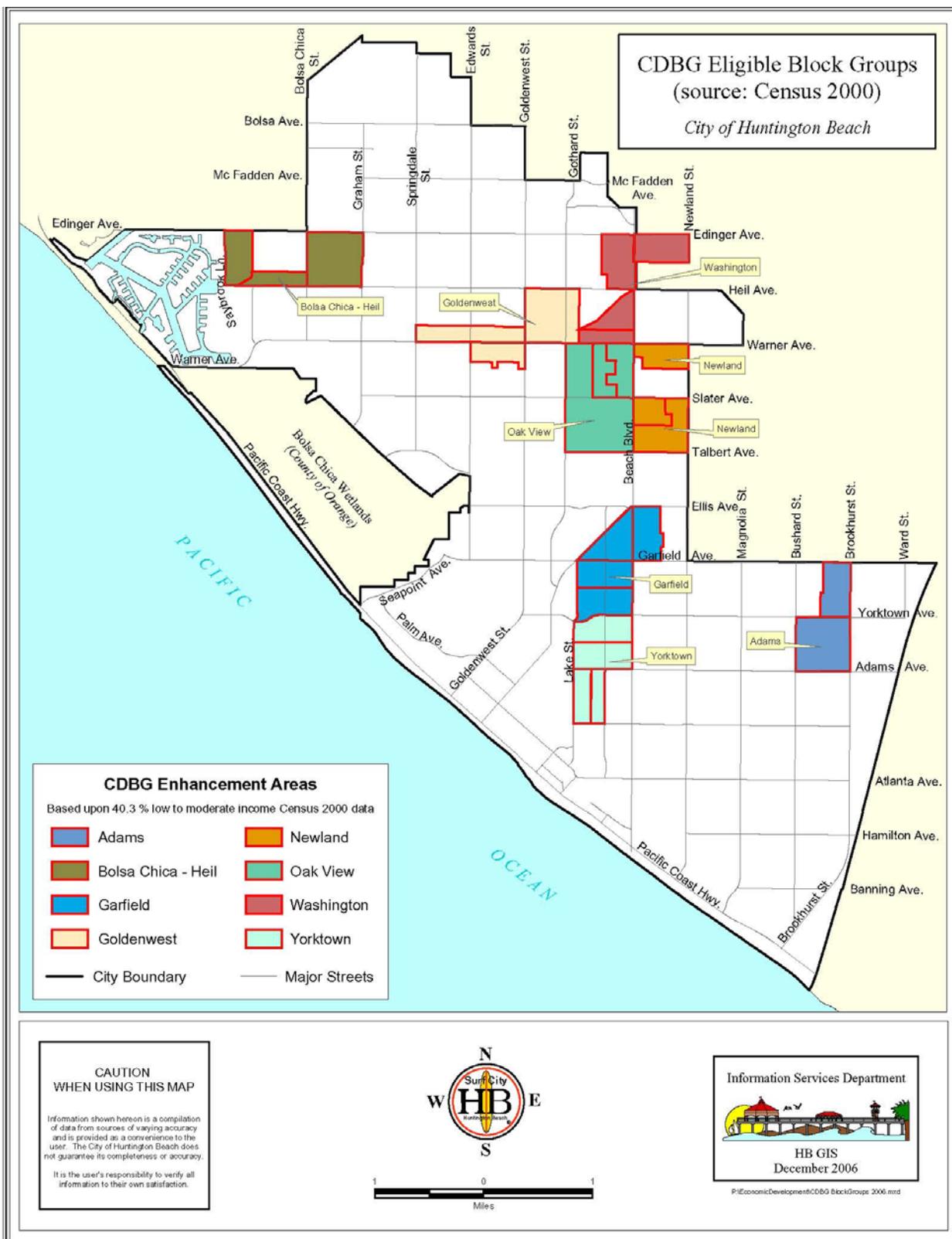
- **High-priority** activities are to be funded by the City during the five-year period covered by the Consolidated Plan. However, high-priority activities are not guaranteed funding every year.
- **Medium-priority** activities will be addressed as funds are available in the five-year period and the City will take actions to help these groups locate other sources of funds.
- **Low/No-priority** activities will not directly be funded by the City, but other entities' applications for federal assistance might be supported and found to be consistent with this Plan. The City has also found that there are some activities with no need or that have already been substantially addressed.

In the City's FY 2012-2013 Annual Action Plan, the City listed the priorities, goals, and implementing programs for the program year. The narrative below outlines the progress made on meeting these priorities. Objectives and performance outcomes established by HUD are the bases for assigning priorities to needs for which funding may be allocated. The objectives are to develop viable urban communities by:

- Providing decent housing;
- Providing a suitable living environment; and
- Expanding economic opportunities, principally for lower income persons.

Performance outcomes are grouped into the following three categories:

- Expanding availability and accessibility;
- Enhancing affordability; and
- Promoting sustainability.



Every HUD-funded program or activity must meet at least one of the nine objective/outcome criteria as shown below.

Table 1: Objective/Outcome Matrix			
	Availability and Accessibility (1)	Affordability (2)	Sustainability (3)
Decent Housing (DH)	DH-1	DH-2	DH-3
Suitable Living Environment (SL)	SL-1	SL-2	SL-3
Economic Opportunities (EO)	EO-1	EO-2	EO-3

A. Housing Needs and Strategies

Housing activities that benefit low- and moderate-income households received a High Priority during the 2010-2015 Consolidated Plan period. The intended outcomes are the conservation and improvement of existing affordable housing, increased development of affordable housing, and the promotion of equal housing opportunities. The Consolidated Plan and subsequent Annual Action Plans include quantified objectives primarily for CDBG- and HOME-funded programs. This CAPER evaluates the City’s accomplishments in the CDBG and HOME programs as outlined in the five-year Consolidated Plan and Annual Action Plan for FY 2012-2013.

Five-Year Consolidated Plan Objectives:

- Provide 100 housing rehabilitation loans and grants using CDBG funds.
- Operate a special code enforcement program within the special designated areas, benefitting 3,000 housing units within these areas.
- Conduct one Enhancement Area Clean-Up Day annually, for a total of five over the planning period.
- Increase affordable rental housing by 50 units through new construction or acquisition/rehabilitation.
- Assist 900 households receiving Section 8 vouchers annually.

FY 2012-2013 Annual Action Plan Objectives:

- Provide rehabilitation loans and grants to 20 owner-households.
- Program homeownership opportunities to one household.
- Conduct code enforcement to benefit 600 housing units and implement one enhancement area clean-up day.
- Create two (2) affordable housing units through new construction or acquisition/rehabilitation.
- Assist 900 households receiving Section 8 vouchers.
- Assist 10 households through a Tenant- Based Rental Assistance Program (HOME)
- Provide fair housing services to 900 persons.

FY 2012-2013 Accomplishments:

The specific objective/outcome criterion for each HUD-funded program or activity is shown in parenthesis.

Housing Rehabilitation Loan Program (DH-1): Housing Rehabilitation Loan Program policies and procedures were adopted by City Council in January 2003 and updated in 2009. The program is administered by staff in the Office of Business Development (formerly known as the Economic Development Department). Administration of the Housing Rehabilitation Loan Program is funded through the CDBG annual entitlement grant, while the actual loans and subsequent payments and payoffs are funded by the CDBG Revolving Loan Fund. The interest earned on the Revolving Loan Fund is remitted back to HUD annually. Interest earned for FY 2012-2013 was \$10,172.

Deferred repayment loans, low interest amortized loans, and emergency grants comprise the City's Rehabilitation Program. Deferred Payment Loans (DPL) are available to extremely low income (below 30 percent of AMI) property owners. Repayment of the loan would not be required until the property is sold and title transferred. Acting as a direct lender, the City provides Below Market Rate Interest (BMRI) loans for lower-income households (up to 60 percent of AMI) for housing or building code related repairs. Mobile Home Loans (MHL) would be similar to the DPL program for single-family residences described above.

Since FY 2006-2007, the City has retained GRC and Associates to administer the City's rehabilitation program, including the loan approval process, work write-ups, and rehabilitation construction oversight. A Request for Proposal is issued every three years for consultant selection to administer this program. Given the extensive governmental regulations, GRC reported that the average time to review a loan is two to three months, which involves the gathering of financial and ownership information and documents necessary to package the application for approval, as well as site visits, background and environmental checks and bidding. The typical number of months to complete a single family home rehabilitation project is six months.

In FY 2012-2013, the City allocated \$500,000 from the Revolving Loan Fund for expenditure on the Rehabilitation Loan Program. In addition, \$344,550 was received in loan payoffs and repayments during the year. During FY 2012-2013, 9 loans and grants were provided and 9 properties were rehabilitated, with one property receiving a lead-based paint grant. The majority of the properties were mobile homes (five), two were single-family homes, and two were condominiums. A total of \$125,487 was expended on loans and an additional \$39,913 was expended on administration of the program. Because the City no longer provides Rehabilitation loans to mobile homes based on the risk associated with lending for such projects, the number of loans has decreased. Grant and loan amounts were increased by the City Council in 2010 to \$10,000 and \$75,000, respectively. Therefore, a high demand for grants has been received from mobile home owners; as a result, the City limited the number of mobile home grants to five to seven annually. Mobile home grants and loans are risky due to the high level of defaults the City suffered as a result of loans on which the borrower has defaulted.

Affordable Housing: The City used prior year HOME funds to support the following affordable housing projects:

- **Collette's Children's Home (7911 Slater Avenue):** The City provided HOME CHDO reserve funds to Collette's Children's Home to construct six (6) affordable housing units. This project is complete.
- **Habitat for Humanity (18451 Patterson Lane):** The City provided HOME funds to Habitat for Humanity to create two (2) units of very low affordable homeownership housing. \$748,437 of prior year HOME funds was expended on this project.
- **American Family Housing:** The City awarded HOME operating funds to American Family Housing (AFH) for the provision of a supportive housing program that serves an estimated 10 households (with other funding sources).
- **18151 Beach Boulevard (AMCAL):** The City is pursuing another affordable housing project with AMCAL Multi-Housing, Inc. that would result in 78 new affordable units, five of which will be HOME designated to very low-income households. This project was approved by the City Council on November 19, 2012, appropriating approximately \$800,000 in HOME funds. AMCAL has also secured TCAC funding. The City is looking into potentially increasing its HOME contribution to add additional very low-income units or one extremely low-income unit. The project is currently in the entitlement process which is expected to be complete by February 1, 2014. AMCAL anticipates the project will be complete by Spring 2015.

Code Enforcement (DH-3): Code Enforcement in the City's targeted Enhancement Areas has proven to be an important means to alleviating the blight in distressed areas. In August 2007, City Council approved a resolution for the new "designated areas" for Special Code Enforcement. These areas met the definition of "deteriorating" or "deteriorated area." CDBG funds were used for the special Enhancement Area Code Enforcement Program that includes two Code Enforcement Officers. Additional Code Enforcement Officers are funded from the City's General Fund. This program has the authority to enforce the housing codes (law), followed up by the assistance of the Housing Rehabilitation program to help income-eligible households with making code corrections and improvements. Code Enforcement Officers also conduct community outreach for neighborhood improvement. The enforcement of the housing codes assists tenants and property owners maintain a suitable living environment.

During FY 2012-2013, \$210,173 of CDBG funds were allocated and expended for the Special Code Enforcement program. Throughout the year, the division inspected 624 housing units and opened 201 new cases; all of which were referred to the housing rehabilitation loan program. The division also successfully completed abatement efforts on 1,009 cases, which resulted in



bringing these properties and units into a state of compliance thereby reversing blight and improving housing conditions. Additional achievements include: responding to and investigating 259 citizen requests for service/complaints, observing 1,050 violations, and responding to approximately 82 percent of all complaints within 48 hours.

Lead-Based Paint/Hazards: CDBG and HOME programs are required to comply with HUD's final regulation of September 15, 1999, imposing new requirements on certain housing units receiving CDBG and HOME assistance (24 CFR Part 35). Among other requirements, the new lead safety regulation requires CDBG or HOME grantees providing funds for rehabilitation, acquisition, and tenant-based rental assistance to perform clearance testing or clearance examination after certain lead hazard control activities. The City is currently testing and reporting in accordance with HUD's most recent standards.

- **Housing Rehabilitation Loan Program:** To meet the federal requirements, Huntington Beach provides lead-based paint information with each Rehabilitation Loan application packet. When it is discovered that lead-based paint is present, the owner of the property contracts for the lead-based paint removal. Cost of lead-based paint removal is an eligible activity under the Rehabilitation Loan Program. One of the nine properties completed received a lead grant.
- **Environmental Review:** The Planning Department is responsible for the environmental review of proposed projects. During this phase, if lead-based paint is discovered through the Environmental Impact Review (EIR), then the developer would be responsible for the removal of lead-based paint.

Section 8 Rental Assistance Program: The Orange County Housing Authority (OCHA) administers the Section 8 Rental Assistance Program within Huntington Beach. Seventy percent of the Section 8 funds are targeted toward extremely-low income (30% or less of the area median income) households. The City's five-year and one-year goal is to have the Orange County Housing Authority issue 900 vouchers annually to Huntington Beach residents of extremely-low and low-income.

As of November 2013, the OCHA reports that there were 800 active regular Section 8 voucher participants in Huntington Beach, 89 percent of the annual goal of 900. Of the 800 vouchers issued, 356 were distributed to the elderly (age 62+), 154 were distributed to disabled persons (non-elderly), and 290 were distributed to families. The decline in vouchers given to Huntington Beach residents in recent years can be attributed to a reduction of HUD funding.

Fair Housing Program: In FY 2012-13, Huntington Beach contracted with the Fair Housing Council of Orange County (FHCO) to provide fair housing services for its residents. A variety of services were provided, including investigation of allegations or complaints regarding unfair housing practices, conducting community outreach and education, fair housing audits and testing, and providing counseling or referrals to other agencies when

individuals may have been victims of discrimination. The FHCOC worked with real estate agents, lenders, landlords, home-seekers and tenants to reduce incidents of discrimination against people because of race, color, religion, age, ancestry, sex, sexual orientation, familial status, national origin or physical or mental disability. In addition to fair housing issues, FHCOC provided counseling, information, referral and conciliation services to tenants and landlords seeking assistance with general housing issues and concerns.

The City of Huntington Beach provided \$30,000 to the Fair Housing Council of Orange County in an effort to provide fair housing education, counseling and enforcement services to current and potential Huntington Beach residents. This program helped the City to also comply with HUD's regulatory requirements to affirmatively further fair housing.

In FY 2012-13, FHCOC fielded 454 calls from Huntington Beach residents, and participated in 59 community outreach events throughout Orange County that were available to all Huntington Beach residents. FHCOC addressed housing-related inquiries by screening for possible issues of housing discrimination, and clients were provided counseling on their fair housing rights, obligations and remedies as appropriate and needed. This resulted in the investigation of 7 complaints of housing discrimination in the City. For the City of Huntington Beach, 430 unduplicated clients were served with such inquiries or contacts, addressing 1,147 individual topics or issues.

Cumulative Accomplishments:

Table 2: Housing - Cumulative Accomplishments					
Priority Need Category	Rehabilitation Loans/Grants	Homeownership	Code Enforcement	New Construction, Acquisition/ Rehabilitation	Rental Assistance/ Section 8
Five-Year Quantified Objectives	<i>Priority 1</i> 100 Loans	<i>Priority 2</i> City Inclusionary Program and City-Funded Down Payment Assistance 40 Households	<i>Priority 3</i> 3,000 housing units/ 5 cleanup days	<i>Priority 4</i> 50 units	<i>Priority 4</i> 4,500 households from Voucher program
Accomplishments					
FY 2012-2013	9 Households	0 Program Discontinued	624 Housing Units 1 Clean-up Day	0 Program Underperforming	800 Households 0 households through Supportive Housing by AFH
Cumulative Accomplishments	38 Households	Pacific Shores (21 inclusionary units) Pacific Sun (6 units) Habitat for Humanity (2 units) 15 households assisted through Downpayment Assistance	1,819 Housing Units 1 Clean-up Days	8 Units Completed	2,610 Households

B. Homeless Needs and Strategies

Five-Year Consolidated Plan Objectives:

- Continue to support non-profit agencies that assist persons at risk of becoming homeless and the homeless through CDBG. Such services include homeless assistance, emergency shelter, transitional shelter, supportive housing, outreach/assessment, and homeless prevention services.
- Assist 300 homeless and at-risk homeless persons and families.

FY 2012-2013 Action Plan Objectives:

- Assist 50 households through the Project Self-Sufficiency Program.

FY 2012-2013 Accomplishments:

The specific objective/outcome criterion for each HUD-funded program or activity is shown in parenthesis.

Project Self-Sufficiency (PSS) (EO-1): The City of Huntington Beach Community Services Department administers the Project Self-Sufficiency program. The program aims at assisting low income single parents with children to achieve economic independence from public assistance through personal development, education, and job training. Participants are encouraged to attend a monthly support meeting focusing on providing skills, abilities, and resources to promote self-sufficiency. Project Self-Sufficiency maintains a food pantry and links participants with needed clothing, furniture, used computers, and cars. The Supervisor, besides providing direct case management services to the participating families, also networks with other programs as well as employers, social service agencies, educators, and/or institutional service providers. The goal of this program is to:

- Increase family income;
- Make the family self-sufficient, stable, and independent; and,
- Eliminate the family's need for subsidized housing or rental assistance.

Participating families may receive services for up to a five-year period during which time they must be working towards their goals of becoming self-sufficient. In exchange for the parent's commitment and work, the Supervisor evaluates the family's specific needs and determines barriers that are detrimental to self-sufficiency and a sequence of steps is identified to overcome the barriers. Because of the need to keep costs as low as possible, the program utilizes service providers who either donate services or discount costs to PSS participants.

During FY 2012-2013, \$4,800 of CDBG funds was allocated to assist households through the Project Self-Sufficiency (PSS) Program. Each participating family has, on average, two children. Throughout the year, many inquiries about the program were handled. PSS enrolls clients who live, work, or attend school in Huntington Beach, and the total number of families in the program and who meet one or more of those criteria is 42. While the program did not meet the anticipated goal of serving 62 new clients, it should be noted that

many PSS clients have relocated out of Huntington Beach due to rising rental costs, job locations or a transfer to a four-year college, so some participants no longer qualify, as they no longer meet the eligibility criteria.

HPRP (SL-1): The City received \$566,611 in HPRP funds, which the City Administered until program completion in August 2012. Funding was allocated to four programs: Project Self-Sufficiency; Interval House; Collette’s Children Home; and Community Services – Senior Outreach.

- **Project Self-Sufficiency:** PSS was allocated \$347,000 in HPRP funds to provide reimbursement grants to PSS Foundation for rental assistance and case management and financial assistance to at-risk homeless persons.
- **Interval House:** Interval House was provided \$100,000 in HPRP funds to provide financial assistance and housing stabilization and relocation services to the homeless and at-risk homeless.
- **Collette’s Children Home:** Collette’s Children Home was provided \$71,611 in HPRP funds to provide financial assistance and/or housing relocation and stabilization services for those who are experiencing homelessness.
- **Community Services Senior Outreach:** The Senior Outreach program was allocated \$40,000 in HPRP funds to provide case management and financial assistance to seniors as a homeless prevention service.

Cumulative Accomplishments:

Table 3: Homeless – Cumulative Accomplishments	
Priority Need Category	Project Self-Sufficiency
Five-Year Quantified Objectives	<i>Priority 5</i> 300 Homeless
Annual Accomplishments	
FY 2012-2013	42 Homeless
Cumulative Accomplishments	127 Homeless

C. Community Services Strategies

Five-Year Consolidated Plan Objectives - Elderly:

- Provide assistance to 1,000 seniors through a variety of senior services.

Five-Year Consolidated Plan Objectives – Youth:

- Provide assistance to 2,350 children and youth through a variety of services and activities.

Five-Year Consolidated Plan Objective – Community and Special Needs:

- Provide assistance to 50,000 low- and moderate-income persons and other persons with special needs through a variety of services and activities.

FY 2012-2013 Action Plan Objectives:

- Provide case management and services to 323 low- and moderate-income frail elderly persons.
- Provide congregate meals to 700 senior households.
- Provide 195 senior households with home delivered meals.
- Provide gang prevention services to 320 youth.
- Provide cultural and recreational activities to 262 extremely low-income residents in the Oak View Enhancement Area.
- Provide health services for 4,680 low-income persons.
- Provide adult literacy programs to increase job skills and employment eligibility for 150 extremely low- and very low- income persons.

FY 2012-2013 Accomplishments:

The specific objective/outcome criterion for each HUD-funded program or activity is shown in parenthesis.

Senior Outreach (SL-1): The City of Huntington Beach Community Services Department administers the Senior Outreach Program to assist low income frail elderly persons to remain safely and independently in their homes. Utilizing care management, the Senior Outreach Program makes it possible for frail elderly persons to live independently without being subject to early placement in a board and care, assisted living, or skilled nursing facility. Along with care management, the Senior Outreach Program includes meals-to-home and transportation services.

During FY 2012-2013, 430 elderly persons were assisted. A total of 180 (42 percent) of these senior residents were extremely low-income; 251 (58 percent) were female-headed households; and 293 senior residents (68 percent) consider themselves disabled.

Community SeniorServ – Congregate Meals (SL-1): Community SeniorServ provides meals for extremely low, very low- and moderate-income households. During FY 2012-2013, the Congregate Meals program assisted 590 Huntington Beach residents, with an average of 50 daily participants attending the lunch program at Michael E. Rodgers Senior Center. Approximately 60 percent (352 persons) were extremely low-income households; 31 percent (180 persons) were female-headed households; and 16 percent (95 persons) were disabled.

Community SeniorServ – Home Delivered Meals (SL-1): Provides home delivered meals to homebound extremely low, low, moderate and non-moderate income seniors. During FY 2012-2013, the Home Delivered Meals program assisted 228 Huntington Beach residents with home delivered meals. Approximately 65 percent (147 persons) were

extremely low-income; 51 percent (117 persons) were female-headed households; and 39 percent (89 persons) were disabled.

Community Services Program (SL-1): The Community Services Programs, Inc, (CSP) Gang Prevention Program provides prevention services for youth and families in at-risk environments. A concentrated effort was placed on serving the residents of the Oak View community, which has the largest concentration of low-income residents in Huntington Beach. The program provides positive alternatives to violence, gang activity, and drug use by engaging youth in a wide array of activities such as: skill-building workshops, job/career readiness, community service projects, enrichment activities, and psycho-educational counseling.

During FY 2012-2013, 233 Huntington Beach residents were assisted through this program. Most of the program participants (94 percent) were from extremely low- income households and 17 percent were from female-headed households.

AltaMed Health Services Corporation, formerly Community Care Health Center (SL-1): The AltaMed Health Care Services project provides coordinated health services over the human life cycle. Services are provided directly at the Huntington Beach Community Clinic and offer an array of services including preventive care, primary care, dental care, mental health, health insurance linkage, women's health and pediatric care, and pharmaceutical support for Huntington Beach residents. The target population is the uninsured and medically underserved residents who fall 200 percent below the poverty level.

During FY 2012-2013, AltaMed assisted 3,024 low- and moderate-income Huntington Beach residents. Among these, 2,718 (90 percent) were extremely low-income and 348 (12 percent) were female-headed households.

Oak View Community Center/Children's Bureau (SL-3): Children's Bureau collaborated with CSP to provide a drop-in recreation program for the Oak View community. The program was held in the Oak View Family Resource Center Gymnasium and Oak View Park. This program was instituted to provide a place where children and teens can enjoy various sports programs, receive assistance with their homework, understand the importance of leadership and teamwork and have a safe and fun place to go to after school.

In addition to this service, the Family Resource Center provides an array of family preservation services, including Family Advocacy, Case Management, Domestic Violence prevention and intervention services, parent education classes, health education, insurance assistance, Individual and Family Counseling, and gang prevention programs.

The Oak View gymnasium also hosts new events such as the Oak View Olympics, basketball clinics, volleyball tournaments and team building projects. These events served to attract more teens from the community and has reinforced the Center's mission of facilitating the development of a safe, healthy, and nurturing environment in school, home and community so that children may be successful in school, at work, and in their personal relationships.

During FY 2012-2013, the Drop-In Recreation Program served 404 Huntington Beach residents, including 88 (22 percent) from female-headed households. Most participants (94 percent) assisted were considered extremely low-income.

Oak View Branch Library Literacy Program (EO-3): The Family Literacy Program helps adult students improve their basic literacy skills with 75 literacy volunteers from the community as well as through computer assisted learning. The program offered six different four to eight week computer workshops throughout the year. In addition, the program offered three special “English with Computers” workshops to students, and drop-in computer lab times on Thursday evenings for students to use the language learning software’s, Rosetta Stone and Side by Side Interactive, with the help of literacy staff or volunteers. The program also offered two “Computer Basics” workshops for adults to develop basic computer literacy skills.

In FY 2012-2013, the Family Literacy Program reached a total of 176 Huntington Beach adult literacy students, helping them learn to read, write, speak and understand English. Among these residents, 143 (81 percent) were extremely low-income and 24 (14 percent) were female-headed households.

Cumulative Accomplishments:

Table 4: Community Development – Cumulative Accomplishments			
Priority Need Category	Elderly and Frail Elderly	Youth/At-Risk Youth	Community and Special Needs
Five-Year Quantified Objectives	<i>Priority 6</i> 1,000 Seniors	<i>Priority 6</i> 2,350 Children and Youth	<i>Priority 6</i> 50,000 Low- and Moderate-Income Persons and Special Needs Persons
Annual Accomplishments			
FY 2012-2013	430 (Senior Outreach) 590 (Congregate Meals) 228 (Home Delivered Meals)	233 at-risk youth (CSP) 404 persons (Children's Bureau)	176 persons (Literacy) 3,024 persons (AltaMed)
Cumulative Accomplishments	136 (Alzheimer's Family Services) 2,068 (Congregate Meals) 714 (Home Delivered Meals) 1,120 (Senior Outreach)	1,061 at-risk youth (CSP) 1,222 persons (Children's Bureau)	506 persons (Literacy) 11,275 persons (AltaMed)

D. Community Development Strategies

Five-Year Consolidated Plan Objectives – Community Facilities and Accessibility Improvements:

- Pursue five (5) capital improvement projects.
- Pursue five (5) accessibility improvement projects.

FY 2012-2013 Action Plan Objectives:

In addition to continuing the administration of projects approved in previous Action Plans, the following objectives applied to FY 2012-2013:

- Keelson Lane Reconstruction – 1 public facility (1 location)

FY 2012-2013 Accomplishments:

The specific objective/outcome criterion for each HUD-funded program or activity is shown in parenthesis.

Keelson Lane Reconstruction (SL-1): This project was allocated a total of \$400,454 in CDBG funds in FY 2012-13. The project includes the reconstruction of sidewalks, streets, curbs, gutters, and ADA ramps along Keelson Lane, which is located in the Oakview Enhancement area. The project will benefit residents in Census Tract 994.02 Block Group 4, which contains approximately 2,047 low- and moderate-income people. Construction on the project started in August 2013 by Nobest Inc., and as of October 2013, was nearing completion.

ADA Renovations City Hall- Phase 2 (SL-1): A total of \$706,000 was allocated to this project for the improvement of ADA accessibility at City Hall. Improvements included the installation of ramps and railings, the widening of doors and doorways to make them more accessible, improvements to existing restrooms, and signage and fixtures. Bids were publically opened on September 12, 2012, and on October 15, 2012 the City Council awarded the construction contract to Monet Construction. Subsequently, construction began in late November 2012, and was completed in May 2013.

Projects from prior years that were implemented in FY 2012-2013 included:

ADA Improvements – City Hall Phase 1 (SL-1): \$389,000 was allocated for improvements to City Hall including the installation of ramps and railings, the widening of doors and doorways, restrooms improvements, and fixtures to bring the facility to ADA standards. This project was delayed due to additional work needing completion prior to this project commencing. Bids were publically opened on September 12, 2012 and on October 15, 2012 the City Council awarded the construction contract to Monet Construction. Construction began in late November 2012, and was completed in May 2013.

ADA Improvements – Oakview Community Center (SL-1): \$37,237.50 was allocated for modifications to parking areas, ramps, steps, thresholds, doors and doorways, restrooms, sinks, cabinets, drinking foundations and signage to meet current accessibility standards. Bids were publically opened on August 2, 2012 and the contract was awarded on September 4, 2012. The project was completed in February 2013.

ADA Improvements – Banning Branch Library (SL-1): A total of \$52,000 was allocated for modifications to the parking area, ramps, handrails, thresholds, doors and doorways, drinking fountains, and signage to meet current accessibility standards. Bids were publically

opened on July 26, 2012 and the contract was awarded on September 4, 2012. The project was completed in February 2013.

ADA Improvements – Central Park Restrooms (SL-1): A total of \$80,110 was allocated for modifications to the restrooms at Central Park to meet current accessibility standards. Bids were publically opened on August 16, 2012 and the contract was awarded on September 4, 2012. The project was completed in February 2013.

ADA Ramps and Curb Cuts (SL-1): A total of \$75,000 was allocated to this project for the improvement of ADA accessibility throughout various locations through the installation of curb ramps and curb cuts. Bids were publically opened on July 26, 2012 and the project was awarded in September 2012. The project was completed in FY 2011-12 and completed in IDIS in FY 2012-13.

Cumulative Accomplishments:

Table 5: Community Facilities and Accessibility Improvements – Cumulative Accomplishments		
Priority Needs Category	Capital Improvements	Accessibility Improvements
Five-Year Quantified Objectives	<i>Priority 7</i> 5 facilities	<i>Priority 7</i> 5 facilities
Annual Accomplishments		
FY 2012-2013	1 Facilities Improved	0 Projects/Facilities
Cumulative Accomplishments ¹	2 Facilities Improved	9 Projects/Facilities

E. Planning and Administration

Program Administration: During FY 2012-2013, the City allocated \$189,489 to administer the CDBG program, inclusive of a \$30,000 allocation to the Fair Housing Council of Orange County to administer Huntington Beach’s Fair Housing Counseling, Education, and Enforcement Program.

Furthermore, an ongoing effort is the identification of public infrastructure needs in various neighborhoods. The City has established special task forces to study issues such as nuisance abatement, youth needs, and Welfare to Work. The City Manager’s office coordinates assessments of all of the City’s funding needs and grant opportunities.

¹ Cumulative Accomplishments include all Capital and Accessibility Improvement projects either funded or completed within the Five-Year Consolidated Plan (2010-2014). These accomplishments are consistent with the Integrated Disbursement and Information System.

Fair Housing (DH-1): The City allocated \$30,000 in CDBG funds to support fair housing services provided by the Fair Housing Council of Orange County (FHCOC).

During FY 2012-2013 FHCOC provided the following services:

- **Fair Housing Community Education:** Activities included conducting presentations throughout the County, reaching thousands of individuals. These included outreach events to the general public, foreclosure prevention workshops, and other training or community events. The City of Huntington Beach was the location of one of these activities. All activities were generally open to attendees from throughout the county. Also, FHCOC spoke at public meetings on housing related matters, and held one- to three-hour training programs for consumers and also for professionals in the housing industry, such as real estate agents, property managers, owners, and lending institution staff.
- **Fair Housing Enforcement:** Activities included responding within the region to housing discrimination complaints that resulted in the opening of a case file, 7 of which involved the City of Huntington Beach. Responses included, as appropriate, investigation, testing, “portfolio testing” evaluation of the merits of fair housing claims, and when appropriate, conciliation and/or prosecution of meritorious housing discrimination cases.
- **Housing Dispute Evaluation and Resolution:** Activities included assisting thousands of households throughout the region, making requests for service that resulted in objectively evaluating or providing assistance for housing related issues, disputes or inquiries. Of these, there were 430 unduplicated households from the City of Huntington Beach.

Additionally, throughout FY 2012-2013 particular attention was paid to the possibility of predatory and/or discriminatory practices that may be connected to the marked increase in mortgage default issues presented by clients, especially those with so-called “sub-prime” loans. In response to the surge of foreclosures, many of which involve sub-prime or so-called “innovative” mortgage products, FHCOC obtained lender-provided grant funds and funds from the National Foreclosure Mitigation Counseling (NFMC) Program to specifically counsel distressed lower-income borrowers, many of whom are minorities and immigrants, in order to assist them in avoiding foreclosures. These activities will help with retention of newly achieved homeownership that has served to lessen concentrations of poverty.

The FHCOC provided written materials in English, Spanish, and Vietnamese for use by local jurisdictions and other service providers. It also made specific outreach efforts to immigrant populations in low-income neighborhoods to assist in informing and organizing such populations. The FHCOC assisted a total of 430 unduplicated Huntington Beach households with Fair Housing education, counseling and enforcement. A substantial majority, 69 percent were extremely low income. FHCOC continued to implement activities under its latest Fair Housing Initiatives Program (FHIP) grant to specifically provide fair

housing services geared towards immigrant communities, especially involving those immigrants with limited English proficiency.

F. Economic Development/Anti-Poverty Needs and Strategies

Economic Development

Huntington Beach has long held the highest standards for its businesses and residents. The goals of the Office of Business Development are to retain and expand the City's base of retail and industry. The staff works with other City departments, county and state agencies, colleges and non-profit groups to provide economic development resources. By utilizing various economic development tools, the City's property and sales tax revenue shall continue to support city services and provide for a strong local economy. Specifically, the City:

- Provides staff support to the Economic Development Committee, a sub-committee of City Council.
- Continues interdepartmental meetings to increase efficiency, improve working relationships between departments, and to assist new developments through City processes.
- Markets City and economic development at various conferences, such as the International Conference of Shopping Centers and participate with local partners, namely the Huntington Beach Chamber of Commerce and the Huntington Beach Marketing and Visitors Bureau.

Section 108 Loans

The City has utilized Section 108 loans in the past to provide for economic development activities and historic rehabilitation. CDBG funds are used to repay the existing Section 108 loans. While the City does not anticipate issuing new Section 108 loans, the City may take advantage of opportunities offered under the new Section 108 program to refinance the existing loans. Refinancing the Section 108 loans will reduce the City repayments and thereby releasing CDBG funds for other activities, including housing rehabilitation and code enforcement.

Section 108 Loan: A Section 108 Loan used for the development of the Hyatt Regency Huntington Beach Resort and Spa created 362 new jobs as of the hotel opening in January 2003. Of the 362 new jobs created, 283 employees (78 percent of the total) met HUD's low-moderate income criteria. An initial report was filed with HUD in 2003, and the second annual monitoring report was submitted to HUD in third quarter 2004. The second annual report continues to reflect over 75 percent of the more than 400 jobs created by this project have gone to low-moderate income applicants.

Regional Assistance Programs

Lack of capital to start, expand or relocate a business is one of the biggest problems facing business today. In an effort to relieve this problem, the Office of Business Development works to establish a good working relationship with local banks, state and federal offices

and various other community, regional and governmental resources. Staff can then direct businesses in need to the proper sources and help them take advantage of a multitude of business incentive programs, including community reinvestment programs, SBA loan programs, industrial development and job training, financial incentive programs, those offered by Air Quality Management District, and bond and loan programs operated by the US and California Department of Commerce.

Business Improvement District

The City has several Business Improvement Districts (BIDs): Auto Dealers BID; Hotel/Motel BID; and Downtown BID. The BIDs facilitate regular assessments and organized communication between business owners and City staff to make improvements designed to enhance business and advance their goals.

Anti-Poverty Strategy

The 2010 American Community Survey (ACS) indicates that only five percent of the City's families were classified as living below the poverty level. Typically, a higher proportion of female-headed households experience poverty than other segments of the population. In Huntington Beach, about 13.3 percent of the City's female-headed households lived below the poverty level in 2010. Specifically, 17.4 percent of the City's female-headed households with children under 18 years of age and over 25.7 percent the female-headed households with children under 6 years of age lived below the poverty level in 2010.

Although the City has a lower proportion of households living below the poverty level than the County, the City's anti-poverty strategy aims to:

- Reduce the number of families on welfare;
- Reduce the number of families needing housing subsidies; and
- Increase economic opportunities for low-income persons.

The City continues to implement its strategy through the following actions summarized here:

1. Cooperate (and integrate where possible) with State and County programs to increase economic opportunities, including the OC Partnership, Orange County Coalition of Cities and is participating in the upcoming homeless count.
2. Coordinate Project Self-Sufficiency, a local program to assist low-income single parent families achieve economic independence.
3. Maintain and expand the City's economic base, working with employers, educational facilities and the Workforce Investment Act for job training, business creation, and retention.
4. Encourage collaboration among the social service programs to maximize effectiveness with limited resources.
5. Promote the preservation and creation of affordable housing.
6. Coordinate with the Kennedy Commission and Orange County Housing Authority.

Affirmatively Further Fair Housing Choice

Analysis of Impediments to Fair Housing Choice: The City joined other Orange County jurisdictions to participate in the 2010 update to the Analysis of Impediments (AI) to Fair Housing Choice, prepared by the Fair Housing Council of Orange County (FHCOC). Staff attended meetings and participated in discussions during development of the AI, and provided research and input into the final product. The AI provides great detail for the County and the participating jurisdictions. The findings and key actions are summarized in the table on the next page (refer to the AI for detailed actions).

The 2010-2015 Orange County Regional Analysis of Impediments to Fair Housing Choice (Regional AI) examines the following private sector impediments:

- Housing Discrimination
- Discriminatory Advertising
- Blockbusting
- Denial of Reasonable Accommodation
- Hate Crimes
- Unfair Lending

The key rationale for preparation of the *Regional AI* is that private sector impediments are regional in nature and affect multiple communities – that is, they are not limited to a single federal entitlement jurisdiction with a responsibility for Affirmatively Furthering Fair Housing (AFFH). The Fair Housing Council of Orange County (FHCOC) has extensive experience in dealing with fair housing impediments that occur in the private sector. HUD guidance indicates that the *Regional AI* must describe appropriate actions that will be taken to overcome the effects of the private sector impediments that are identified through the analysis. The FHCOC understands the private sector and is well equipped to analyze impediments, describe appropriate actions, and to follow-through on those actions.

As part of the Fair Housing Action Plan, the actions to be taken by FHCOC between 2010 and 2015 to remove or ameliorate private sector impediments to fair housing choice and, thereby affirmatively further fair housing, are organized in the *Regional AI* according to four timelines:

- **Ongoing:** to be accomplished annually
- **Near-Term:** to be accomplished in Program Year 2010-2011
- **Mid-Term:** to be accomplished in Program Years 2011-2012/2012-2013
- **Long-Term:** to be accomplished in Program Year 2013-2014/2014-2015

Table 6: 2010 Update to Analysis to Impediments to Fair Housing

Private Sector Impediment	Ongoing Actions in FY 2012-13 & Accomplishments	Mid-Term Actions & Accomplishments
<p>Housing Discrimination</p>	<p><i>Continue to process housing discrimination complaints filed by city and county residents.</i></p> <p>For the 2012-2013 fiscal year (10/1/12-9/30/13), FHCOC opened 87 case files for allegations of housing discrimination. Of these, 10 cases were opened for allegations involving the city of Huntington Beach.</p> <p>In the fiscal year, in a service that supports the identification of housing discrimination, FHCOC addressed housing-related inquiries or contacts from 4,297 unduplicated clients, addressing 11,515 issues, disputes or inquiries, from throughout Orange County. Those inquiries or contacts were screened for possible issues of housing discrimination and clients were provided counseling on their fair housing rights, obligations and remedies as appropriate and needed. For the city of Huntington Beach, FHCOC served 430 unduplicated clients with such inquiries or contacts, addressing 1,187 individual topics or issues.</p>	<p><i>Conduct testing of housing provider practices to determine whether there are differences in treatment based on a protected class. The 2005-2009 housing discrimination complaint data and the fair housing community profile can be used to identify the protected classes and locations of housing providers that should be tested.</i></p> <p>For the 2012-2013 fiscal year, throughout Orange County, FHCOC conducted 114 paired, on-site, systemic tests for discriminatory housing practices. These were split between 40 tests of for-sale real estate brokerage transactions and 74 rental housing transactions. The agency also conducted 5 paired, on-site tests related to complaints received, 5 paired telephone tests and 3 site accessibility assessments.</p> <p>For the 2011-2012 fiscal year, throughout Orange County, FHCOC conducted 101 paired, on-site, systemic tests for discriminatory housing practices. These were split between 24 tests of for-sale real estate brokerage transactions and 77 rental housing transactions.</p> <p>Previously, for the 2010-2011 fiscal year, throughout Orange County, FHCOC conducted 92 paired, on-site, systemic tests for discriminatory housing practices. These were split between 30 tests of for-sale real estate brokerage transactions and 62 rental housing transactions.</p>

Table 6: 2010 Update to Analysis to Impediments to Fair Housing

Private Sector Impediment	Ongoing Actions in FY 2012-13 & Accomplishments	Mid-Term Actions & Accomplishments
<p>Housing Discrimination (Continued)</p>	<p>Not Applicable</p>	<p><i>Revise its website to provide direct access to a housing discrimination complaint form and provide a diagram or brief explanation of the process for investigating and resolving a complaint.</i></p> <p>FHCOC's website currently has an on-line housing discrimination complaint reporting tool that generates an e-mail to FHCOC. It is often used for complaints for other, non-discrimination, housing-related issues</p> <p>In the 2011-2012 fiscal year, FHCOC engaged the services of an information technology consultant to improve its computer-based capabilities with regards to both hardware and software. As part of that effort, additional funding has been sought to improve the agency's on-line and social media presence.</p> <p>An application was submitted for a HUD Fair Housing Initiatives Program (FHIP), Education and Outreach Initiative (EOI) grant in the amount of \$125,000. While scoring 98 of 100 points available, a lack of available funds resulted in it not being funded. The grant proposed about \$17,000 be used to make substantial website improvements, including upgrades to help further differentiate between the discrimination and non-discrimination complaints. Also, information regarding the process of investigating and resolving complaints was to be added. Improvements await available funds.</p>

Table 6: 2010 Update to Analysis to Impediments to Fair Housing

Private Sector Impediment	Ongoing Actions in FY 2012-13 & Accomplishments	Mid-Term Actions & Accomplishments
<p>Discriminatory Advertising</p>	<p><i>Monitor on-line advertising of rental housing for discriminatory content.*</i></p> <p>On an occasional basis, as staffing allowed, advertising for Orange County rentals listed on Craigslist were monitored for discriminatory content. Any discriminatory advertisements were either flagged as prohibited, responded to in order to inform the poster of possible discriminatory content, brought to the attention of Craigslist via abuse@craigslist.org, or referred to our investigators for possible enforcement action. The Craigslist site is a good candidate for monitoring due to its available text search function. Other on-line rental sites, including www.pennysaverusa.com, www.rentals.com and the on-line advertisements posted on the website of the Orange County Register were sporadically monitored. However, their lack of a text search function made monitoring of their content much more time consuming and less feasible.</p> <p>Without exception the identified problematic postings indicated restrictions with regard to children under the age of 18 or improper preference for seniors or 'older adults' for housing opportunities that did not appear qualify as housing for older persons (age 55 and over).</p>	<p><i>Periodically review for rent and for sale ads published in the print media.</i></p> <p>On an occasional basis, rental advertisements in the Los Angeles Times, the Orange County Register and some of the Register's affiliate local weekly newspapers were reviewed. Also, some advertisements in various local editions of the Penny Saver weekly were reviewed.</p> <p>As has been the case for many years now, the review of these print advertising outlets did not find any overtly discriminatory advertisements. Advertisements were observed with some of the statements identified in the Regional AI as possibly presenting impediments to fair housing choice. Those possible impediments included stating 'no pets' without distinguishing that assistance animals would be allowed, or the use of phrases like 'active senior living' in advertising for senior housing that could discourage individuals with a disability.</p> <p>Additionally, many advertisements lacked any affirmative marketing language or symbols, such as the use of the phrase 'equal housing opportunity' or the display of HUD's 'equal housing' logo.</p>

Table 6: 2010 Update to Analysis to Impediments to Fair Housing

Private Sector Impediment	Ongoing Actions in FY 2012-13 & Accomplishments	Mid-Term Actions & Accomplishments
<p>Denial of Reasonable Modification / Reasonable Accommodation</p>	<p><i>Assist persons with disabilities in requesting and obtaining accommodations or modifications.*</i></p> <p>During the 2012-2013 fiscal year, FHCOC had 30 inquiries regarding reasonable accommodations and modifications that resulted in case work beyond basic counseling. This resulted in FHCOC assisting 19 clients to request and receive a reasonable accommodation or permission for a reasonable modification, 3 of which were in the city of Huntington Beach. Another 2 clients were denied or effectively denied their requested accommodation, although neither was in the city of Huntington Beach, and FHCOC assisted them in filing an administrative housing discrimination complaint with the Fair Housing and Equal Opportunity (FHEO) Office of the U.S. Department of Housing and Urban Development. Two additional clients failed to proceed with their request and 1 request from the PY is still pending.</p>	<p><i>Provide education and information on why this practice is unlawful to the owners and managers of apartment complexes and homeowner associations.</i></p> <p>During the 2012-2013 fiscal year, FHCOC provided training to rental property owners and managers through 7 training seminars. FHCOC had an additional 1 outreach activity that provided information specifically to owners and managers.</p> <p>During the 2011-2012 fiscal year, FHCOC provided training to rental property owners and managers through 13 training seminars. FHCOC had an additional 3 outreach activities that provided information specifically to owners and managers.</p> <p>Previously, during the 2010-2011 fiscal year, FHCOC provided training to rental property owners and managers through 9 training seminars. FHCOC had an additional 3 outreach activities that provided information specifically to owners and managers.</p>
	<p>Not Applicable</p>	<p><i>Provide information on the unlawful practice of denying reasonable modifications and reasonable accommodations at fair housing seminars conducted by the Apartment Association of Orange County.</i></p> <p>During the 2012-2013 fiscal year, FHCOC conducted 2 fair housing seminars in cooperation with the Apartment Association of Orange County. The curriculum included discussion of reasonable accommodations and modifications.</p> <p>During FY 2011-2012, FHCOC conducted 3 fair housing seminars in cooperation with the Apartment Association of Orange County. The curriculum included discussion of reasonable accommodations and modifications.</p> <p>During FY 2010-2011, FHCOC conducted 4 fair housing seminars in cooperation with the Apartment Association of Orange County. The curriculum included discussion of reasonable accommodations and modifications.</p>

Table 6: 2010 Update to Analysis to Impediments to Fair Housing

Private Sector Impediment	Ongoing Actions in FY 2012-13 & Accomplishments	Mid-Term Actions & Accomplishments
<p>Unfair Lending</p>	<p><i>Monitor the HMDA data annually using the 2008 HMDA analysis as a benchmark.</i></p> <p>Analysis of calendar year (CY) 2008 Home Mortgage Disclosure Act (HMDA) Data was presented in the <i>Regional AI</i>. At the time that analysis was begun, CY 2008 data was the most recent data available. Although CY 2009, CY 2010 and CY 2011 data became available in September 2010, 2011, and 2012, respectively, during the 2010-2011, 2011-2012 and 2012-2013 fiscal years', budget and staffing constraints prevented an analysis of that data. Data for CY 2012 is about to become available (Sept. 2013) and if funding becomes available, FHCOC will endeavor to do an analysis of some basic aspects for comparison against 2008 data.</p>	<p><i>Conduct outreach to cultural, ethnic and minority organizations to potentially increase interest and readiness in home purchases.</i></p> <p>As part of its outreach efforts FHCOC informs individuals and organizations of its services, which include housing counseling for individuals seeking to become ready for a home purchase. During PY 2011-2012 we participated in 51 education and/or outreach activities, reaching a culturally and ethnically diverse audience, in which we made participants aware of fair housing laws and our counseling services, including those to help them improve their readiness for a home purchase. For the PY 2012-2013 the number of education and outreach activities was 50.</p>

IMPEDIMENTS PREVIOUSLY IDENTIFIED IN 2005-2010 REGIONAL AI

The 2005-2010 Regional AI identified some impediments that have not been subsumed under the impediments identified in the current *Regional AI*. Because these impediments have not been eliminated, some explanation of actions taken to continue to address them is appropriate. Following are 3 of these 'carry-over' impediments with a brief description of actions taken by FHCOC to ameliorate their effects on fair housing choice within the region.

- 1. Orange County's high cost of housing negatively impacts minorities, immigrants and families with children more often than white households or those without children. This results in high concentrations of minorities in low-income census tracts living in sub-standard and/or overcrowded housing conditions.**

Action Taken: During PY 2012-2013 FHCOC continued to be active in efforts intended to promote housing affordability within Orange County. It provided services and/or outreach to organizations involved in the creation, preservation or facilitation of affordable housing. These included the Kennedy Commission, the Mental Health Association of Orange County, the Aids Services Foundation, the Affordable Housing Clearinghouse, Jamboree Housing Corporation, Orange County Congregations Community Organizations (OCCCO), and Orange County Community Housing Corporation, to name a few.

Through our HUD-approved housing counseling program we assisted renters and buyers in understanding the ways in which they could have greater housing choice and benefit from affordable housing initiatives, whether through subsidized rental housing programs or homebuyer assistance programs. This also included counseling to improve clients' financial literacy to make them better prepared to take advantage of affordable housing opportunities. Those opportunities were much improved in PY 2012-2013 as a result of the

decline in home prices and the availability of 'starter' homes coming on the market as a result of foreclosures.

In response to the surge of foreclosures, many of which involve sub-prime or so-called "innovative" mortgage products, for the last 5 years FHCOC has obtained federal funding to specifically counsel distressed borrowers, many of whom are lower-income minorities and immigrants, in order to assist them in avoiding foreclosures and to preserve or achieve housing affordability. During PY 2012-2013 we provided counseling to more than 150 households facing issues of mortgage default and foreclosure. These activities will help with retention of newly achieved homeownership that has served to lessen concentrations of poverty.

2. Local jurisdictions do not have formal fair housing educational systems in place for staff who impact fair housing issues, such as, planning/zoning staff, housing authority staff, code enforcement and CDBG monitoring staff.

Action Taken: During PY 2012-2013 FHCOC continued to offer fair housing training sessions that are open to all local government staff. During the PY 2013-2014, FHCOC will send notices to city staff to inform of the availability of training. City staff who attend the training will receive certification of their attendance.

3. Recent immigrant populations do not have information necessary to understand fair housing laws. This results in immigrants experiencing illegal discrimination as well as discrimination by recent immigrants in positions impacting housing.

Action Taken: The FHCOC provided written materials in English, Spanish and Vietnamese for use by local jurisdictions and other service providers. It also made specific outreach efforts to immigrant populations in low-income neighborhoods to assist in informing and organizing such populations. It is estimated that more than 800 limited English proficiency households were served during the past 12 months. FHCOC continued to implement activities under a Fair Housing Initiatives Program (FHIP) grant to specifically provide fair housing services geared towards immigrant communities, especially involving those immigrants with limited English proficiency (LEP). This involved a fair housing testing program that sought to involve members of immigrant populations with limited English proficiency, both for purposes of enforcing fair housing laws as testers and as a vehicle to increase outreach to those populations.

Through its foreclosure prevention activities FHCOC is assisted individuals with limited English proficiency who have received loans with documents, all prepared in English, that have terms that are different from what they believed or were informed they were obtaining, or of which they had less than a full understanding. Materials are being made available in Spanish, and other languages as resources allow, which explain how to avoid foreclosure and obtain assistance.

At the end of the PY the FHCOC applied for a HUD Fair Housing Initiatives Program (FHIP), Education and Outreach Initiative (EOI) grant in the amount of \$125,000, with a funding decision due before October 1st. A major focus of that grant, if received, will be education

and outreach activities to involve LEP persons, primarily those whose first languages are Spanish or Vietnamese.

ACTIONS TAKEN BY FHCOC TO AMELIORATE PUBLIC SECTOR IMPEDIMENTS

As part of the Fair Housing Action Plan developed in conjunction with the *Regional AI*, FHCOC will provide technical assistance to cities that have identified public sector impediments in the following areas:

- Family definition inconsistent with fair housing laws
- Lack of a definition of disability
- Lack of a reasonable accommodation procedure
- Lack of zoning regulations for special needs housing
- Lack of a fair housing discussion in zoning and planning documents
- Compliance with HUD AFFH requirements

The technical assistance will consist of providing background information on the above impediments and model ordinances or regulations that adequately address the fair housing concerns posed by the impediments.

As funding or other resources permit, FHCOC is working on identification of public sector impediments by participating jurisdictions to begin providing needed or requested technical assistance.

Affordable Housing

The City has two plans and policy documents that direct affordable housing decisions: the Housing Element of the General Plan and the Five-Year Consolidated Plan.

The Planning Department maintains the General Plan update, as required by State law. State law requires jurisdictions to provide for their share of regional housing needs. The City's Housing Element prioritizes local housing concerns and establishes a series of goals and policies to guide the development and implementation of its housing programs. The following goals in the Housing Element serve as a guide to City officials in daily decision making:

1. The attainment of decent housing within a satisfying living environment for households of all socioeconomic, racial, and ethnic groups in Huntington Beach;
2. The provision of a variety of housing opportunities by type, tenure, and cost for household of all sizes throughout the City; and
3. The development of a balanced residential environment with access to employment opportunities, community facilities, and adequate services.

In order to attain these general goals, the City had committed to specific policies and programs. These policies are organized around six areas of concern:

1. Conservation of existing affordable housing;
2. Provisions of adequate sites for housing;
3. Assistance with development of affordable housing;
4. Removal of government constraints;
5. Provision of equal housing opportunity; and
6. Promotion of energy conservation.

Goal 1: Conservation of existing affordable housing

Single-Family Home Improvement and Multifamily Rental Housing Rehab Loan:

These Citywide programs provide loans of up to \$75,000 for owners of a single family homes, townhouses, or condominiums and up to \$15,000 for owners of mobile homes for rehabilitation purposes. The City provides up to \$75,000 for repairs to duplex, triplex or four-plex units. The loans are provided at an interest rate of three percent below market (for low income residents). Repayment can be deferred until the home is sold or transferred (for low income residents) or made in monthly installments spread over 15 years (for moderate income residents). Owners of an apartment building with seven or fewer units with low income residents may qualify for a loan of up to \$15,000 per unit with an interest rate of two percent below market. These loans are eligible to be repaid over 15 years.

Neighborhood Preservation Program: Huntington Beach implemented a neighborhood preservation program, shifting the focus of code enforcement from reactionary and punitive to proactive and educational in nature. Neighborhood Preservation is mostly preventive and focuses not only on individual properties, but the overall quality of life in the surrounding neighborhood. Neighborhood Preservation looks toward education, empowerment, and the establishment of community partnerships and pride to help address conditions in neighborhoods and improve the quality of life.

Based on the results of the 2007 housing conditions survey, the neighborhood preservation program focused on the following four Low- and Moderate-Income areas: Bolsa Chica-Heil, East-Central, South-Central, and Southeast.

Preservation of Assisted Rental Housing: Huntington Beach contains two projects at-risk of converting to market rate during the 2008-2018 planning period: Wycliffe Gardens and Huntington Villa Yorba. The City will undertake the following strategies to preserve its at-risk rental housing:

- Monitor At-Risk Units: Contact property owners within one year of affordability expiration to discuss preservation options.
- Work with Potential Priority Purchasers: Solicit the participation of agencies interested in purchasing and/or managing at-risk units. Provide funding assistance or rent subsidies to maintain affordability.
- Tenant Education: Provide tenants with education regarding tenant rights and conversion procedures.

Mobile Home Park Preservation: Huntington Beach contains 18 mobile home parks with over 3,100 mobile home units. These mobile homes provide affordable housing for many seniors and low income families. In 2004, the City adopted a Mobile Home Park Conversion Ordinance that establishes requirements for removing the Mobile Home Park overlay, rezoning in the Residential Mobile Home Park zone, and allowing a change in use. The City has also established a Mobile Home Advisory Board (MHAB) to ensure the quality of life in mobile home parks.

Goal 2: Provision of adequate sites for housing

Residential and Mixed-Use Sites Inventory: As part of its Housing Element update, which the City completed in 2013, a parcel-specific vacant sites analysis was prepared. Huntington Beach is approaching build out and has little remaining residential vacant land. The majority of City's vacant residential zoned property is in small in-fill sites. Far more significant development opportunities exist for mixed-use along transportation corridors within the City. The City maintains a current inventory of these vacant sites and provides it to interested developers along with information on available development incentives.

Beach/Edinger Corridor Specific Plan: Beach Boulevard and Edinger Avenue are the two primary economic engines of Huntington Beach. In the fall of 2006, the City hired a

consulting team to perform a revitalization study of the two corridors and the Specific Plan for the area was adopted in March 2010. A key component of this plan is the integration of higher density housing, including the introduction of up to 3,000 new units on Edinger Avenue and 2,000 units on Beach Boulevard.

Residential Development Opportunities on School Sites: The City works with the school districts to provide residential opportunities on appropriate surplus school sites. The School District selected Tri-Pointe Homes to develop two planned unit developments (PUDs) on the closed school sites. Tri-Pointe met their inclusionary housing requirements by working with the City to fund development of a 78-unit very low and low income multi-family residential development. Entitlements are in process on each of these projects.

Second Units: Second units typically rent for less than apartments of comparable size, and can offer affordable rental options for seniors, college students, and single persons. The primary homeowners also receive supplementary income by renting out their second unit. The City amended its second unit provisions to utilize a ministerial process for second unit applications. The City also implements a Second Unit Ordinance and educates residents on the availability of second units through distribution of informational materials.

Goal 3: Assist in development of affordable housing

Affordable Housing Development Assistance: The City and its Redevelopment Agency have played an active role in the provision of quality affordable housing through land assembly and write-downs; direct financial assistance using HOME, redevelopment set-aside and Housing Trust fund resources; and regulatory incentives (density bonus and other development incentives).

As discussed earlier, the City completed an affordable housing project, Jamboree IV, using HOME and redevelopment funds. The City completed another affordable housing project with Colette's Children's Home at 7911 Slater Avenue. This project involved the acquisition and new construction of affordable units. Six homes were funded with HOME funds, with additional affordable units being funded with redevelopment funds. This project is complete.

Workforce Housing Program: Due to funding issues and current market conditions, the Workforce Housing Program was discontinued in August 2011. However, the City amended the regulations governing home-buying and housing developments under the Inclusionary Housing Program to assist households in purchasing the inclusionary units.

Inclusionary Housing Program: The City of Huntington Beach requires at least ten percent of all new housing construction of three or more units to be affordable to low, median, or moderate-income households. Developers may provide their affordable units on the residential development site or at another approved location. Builders may designate their newly constructed units as affordable to meet their requirement, or they may substantially rehabilitate and make affordable existing housing units, as approved by the

City. All affordable housing units are monitored by the City during an “affordability period,” which lasts up to 60 years.

In August 2011, the City amended the regulations governing home-buying and housing developments under the Inclusionary Housing Program. Changes to the regulations will assist households in purchasing the inclusionary units.

Goal 4: Removal of governmental constraints

Affordable Housing Density Bonus: Applicants of residential projects of five or more units may apply for a density bonus and additional incentives in exchange for providing affordable units. The amount of density bonus varies according to the amount by which the percentage of affordable housing units exceeds the established minimum percentage. The density bonus generally ranges from 20 to 35 percent above the specified General Plan density.

To date, one affordable housing developer, AMCAL, has applied for the density bonus.

Development Fee Assistance: The City amended Development Impact Fees in 2012 to allow for waiver of fees for affordable housing projects.

Residential Processing Procedures: The City’s requirement for Conditional Use Permit (CUP) approval before the Planning Commission for multi-family projects with ten or more units may serve as a constraint to the provision of housing. The City plans to increase the unit threshold for a CUP in multi-family zoning districts. To fix this constraint, the Beach-Edinger Corridor Specific Plan allows, by right, multi-family residential. In addition, the City has just commenced the full General Plan update to amend CUP procedures to increase the number of units prior to requiring a CUP.

Zoning Ordinance Revisions: The City amended its Zoning Ordinance to make explicit provisions for transitional and supportive housing, and emergency shelters in December 2009.

Goal 5: Equal Housing Opportunity

Fair Housing: The City used the services of the Fair Housing Council of Orange County (FHCO) to implement the regional Fair Housing Plan (AI) and to offer the following services:

- Fair Housing Community Education
- Fair Housing Enforcement
- Tenant Legal Assistance
- Housing Dispute Evaluation and Resolution
- Mediation Program

FHCOC assists approximately 400 Huntington Beach households annually with tenant/landlord issues.

Reasonable Accommodation: In April 2013, the City adopted Reasonable Accommodation Procedures to encourage and facilitate the provision of housing for persons with disabilities, including procedures for the approval of group homes, accessibility improvements and ADA retrofit projects.

Homeless Assistance: The City's Office of Business Development and Community Services staff are active participants in the County's Continuum of Care to assist homeless people transitioning towards self-sufficiency. The City provides funds to local non-profit groups that provide housing and services to the area's homeless and at-risk population, both for services and capital improvements to facilities. Public notification of funding availability is provided through newspaper advertisements and direct notification to local service providers.

Goal 6: Promote energy conservation

Green Building: The City adopted a new Consolidated Plan in 2010, approving the five-year strategy for the expenditure of federal resources and other available resources to meet the City's goals regarding affordable housing, community improvements and facilities, and public services for the low-income residents of the community. The City employs an Energy Project Manager, who has been instrumental in helping to develop green building initiatives and programs, including incorporation of energy-efficiency into all development projects whenever possible.

Institutional Structure

1. City of Huntington Beach

The Consolidated Plan is implemented by various City Departments, as described below:

- **Office of Business Development (OBD):** The Office of Business Development (formerly the Economic Development Department) is the lead agency responsible for the implementation of the Consolidated Plan. The OBD oversees the citizen participation process, grant administration, reporting, and program compliance monitoring. Two staff liaisons are assigned to the Citizen Participation Advisory Board to assist in the public participation and project review process.

The Economic Development Committee, a sub-committee of City Council, reviews staff's recommendations regarding the use of HOME and other funds before the housing projects are considered by City Council. OBD staff serves as the liaison to this committee. The department is also responsible for ongoing compliance monitoring for the affordable housing projects.

The Housing Rehabilitation Loan Program is administered by the department and is currently working with a qualified consultant to manage the loan program. The Office of Business Development works with the Planning Department on Affordable Housing requirements for new construction. A staff liaison is assigned to the Mobile Home Advisory Board, created to facilitate communication between park owners and mobile home residents.

- **Community Services Department:** The Human Services Division of the Community Services Department recommends to City Council the prioritization of local service needs, including the provision of social services, shelter, homeless activities, and appropriate service providers. The Department administers a range of programs, including Project Self-Sufficiency, Seniors Outreach, and programs at the Oak View Community Center.

The Parks and Recreation Division of the Community Services Department provides social services for children and recommends park and recreational facility improvements throughout the City and at the beach.

- **Public Works Department:** The Public Works Department recommends infrastructure and public facility improvements, contracts for work, and monitors the construction of such improvements.
- **Planning and Building Department:**
 - **Building and Safety Division:** This division issues building permits and performs professional plan checks and inspections to ensure conformance

with the appropriate state and local building codes. The services include helping applicants through the system in an expeditious manner without violating important safety laws and regulations. As construction activity is projected to remain high for a number of years, contract services will continue to be utilized.

- **City Planning Division:** This division implements California State law for the development and maintenance of a General Plan and the corresponding Zoning and Subdivision Ordinance, as well as reviewing and processing applications for various development projects based upon these documents. The City of Huntington Beach Planning Division performs the following activities:
 - Advance Planning, which maintains the General Plan, and processes long-term projects, policy documents, and environmental documents;
 - Current Planning, which reviews and processes development applications according to the General Plan and Zoning Code; and
 - Neighborhood Preservation/Code Enforcement, which works to maintain quality neighborhoods and inspects projects after construction to verify and maintain compliance with the Zoning Code. Special Code Enforcement eligible activities are administered through this division who also provide information to property owners on the Housing Rehabilitation Loan Program.
- **Police Department:** The Police Department provides crime prevention and gang diversion programs.
- **Finance Department:** The Finance Department assists in the drawdowns and financial reporting for the various programs.

2. Community Housing Development Organizations (CHDOs)

As required by the HOME program, to further strengthen the City's housing service delivery system, the City works closely with Community Housing Development Organizations (CHDOs) and other non-profit housing organizations. CHDOs certified by the City of Huntington Beach include:

- Jamboree Housing Corporation
- Orange County Housing Development Corporation
- Orange County Community Housing Corporation
- Shelter for the Homeless
- Collette's Children's Home
- American Family Housing

3. Other Governmental Organizations

The City coordinates with a number of County agencies to deliver housing and community development activities:

- **Orange County Housing Authority:** The City contracts with the Orange County Housing Authority to administer the Housing Voucher Program (Section 8) for Huntington Beach residents.
- **County of Orange:** The City of Huntington Beach participates in the County's Continuum of Care Strategy for the Homeless and Supportive Housing Grants application for special needs housing in the County.

4. Non-Profit Organizations

For 2012-2013, the City contracted with the Fair Housing Council of Orange County (FHCOC) to provide fair housing, tenant-landlord counseling, advocacy, and dispute resolution services. In addition, a variety of non-profit agencies deliver services to Huntington Beach residents. The Office of Business Development staff monitors the agencies that receive CDBG public service grants from the City.

Continuum of Care

This section addresses the needs of homeless persons and populations with special needs (including persons with HIV/AIDS and their families). As part of the Consolidated Planning process, the City is obligated to address its Continuum of Care, specifically, how it intends to develop and support one seamless system to assist the homeless with emergency, transitional and permanent housing.

As homelessness is considered a regional issue, the City participates as a partner with the County in the regional strategy. The "Point in Time Survey" was conducted in October 2009 and counts the number of homeless individuals throughout the county on a given day and then estimates other homeless figures from the collected data. The survey estimates that Orange County had 8,333 homeless in October 2009, which translates to 21,479 homeless annually. Approximately 30 percent of these individuals are in shelters or transitional housing. The survey indicates that these totals are more than double the number of homeless recorded in 2007. The 2011 survey reported 6,939 homeless individuals during the point-in-time count, translating to about 18,325 unduplicated homeless persons annually. This level of homelessness in Orange County represents a 17-percent decrease from 2009. Among the County's homeless population, an estimated 38 percent were sheltered and 62 percent were unsheltered. Finally, the 2013 survey found that of the 4,251 homeless persons counted in Orange County, approximately 40% were unsheltered and 60% were sheltered. The annualized count of homeless persons in 2013 was 12,707.

The CDBG program historically has supported homeless shelters, emergency shelters, and battered women's shelters, and supported programs aimed at preventing homelessness (e.g. Project Self-Sufficiency, Interval House, American Family Housing, Episcopal Services Alliance, and Senior Outreach). These agencies frequently communicate with each other regarding client needs and make an effort not to duplicate services. On the county level, a non-profit agency called INFO-LINK of Orange County coordinates information and provides referrals to the public. The City of Huntington Beach has been active in promoting the 211 telephone line as a resource for countywide agencies and services available.

The City participates in the regional Continuum of Care strategy and in the application process for the Continuum of Care SuperNOFA. The County of Orange was the lead agency and established its leadership cabinet in February 1998. Since that time, the participating jurisdictions have been working aggressively to compile a comprehensive inventory of the regional resources, identify gaps in the Continuum of Care system, work to provide services and facilities to complete the system.

Other Actions

1. Coordinating Services

The City of Huntington Beach continues to coordinate with affordable housing providers and service agencies to ensure efficient use of all available resources in addressing the needs of its residents. Communications between these parties occur throughout the year and collaborative funding applications are encouraged. As mentioned in the section on the institutional structure, many public, private, and non-profit agencies collaborate in providing an array of services. All entities are encouraged to continue to assess the needs of the community and offer suggestions for programs and projects to meet these needs.

In accordance with the City's Citizen Participation Plan for the CDBG and HOME programs, other boards and commissions are notified when the annual funding application process is initiated. Agendas and public notices are e-mailed to all entities on the mailing list, thus keeping as many interested parties informed as possible.

2. Monitoring and Administration

The City utilizes HUD's Integrated Disbursement and Information System (IDIS) that allows for regular reporting and financial disbursements (reimbursements for City expenditures). The City manages the CDBG and HOME programs on a reimbursement basis; funds are first spent through the City's accounts, then requests for reimbursements for the expenses are made resulting in drawdowns through IDIS (see attached reports).

In addition, other tracking systems are used to monitor case follow-ups and assessment of program performance. To the extent feasible, quantified objectives are established to provide a means of measuring the effectiveness of each program or activity. To further enhance the City's internal monitoring procedures, the Office of Business Development enters into Memorandum of Understanding (MOUs) with individual City departments receiving CDBG and HOME funds to ensure appropriate and timely expenditure of funds. The nonprofit agencies carrying out CDBG activities are required to enter into a subgrantee agreement to ensure program compliance.

The City conducts on-site and desk monitoring of activities carried out by sub-grantees. Monitoring is performed to verify program compliance and assist with reporting accomplishments where needed. After the monitoring, each sub-grantee receives a letter documenting areas where improvements would be needed and follow-up meetings are arranged with City staff to provide further training or technical assistance.

In June 2013, the City conducted a sub-recipient training regarding eligibility, and reporting and record-keeping requirements. Representatives from each subrecipient organization and staff from City departments funded with CDBG dollars were in attendance.

Citizen Participation

In Huntington Beach, citizens are given many opportunities to participate in the development of the Consolidated Plan and Action Plans for CDBG and HOME programs, and the delivery of programs and activities.

The Citizen Participation Advisory Board (CPAB) is an advisory board to City Council, and holds hearings on community needs and reviews all eligible applications for CDBG funds. The board meets with CDBG applicants, and subsequently provides funding recommendations to City Council on the CDBG program. CPAB members are recruited throughout the community with a special emphasis on attracting low- and moderate-income residents to serve on the board. In order for the CPAB to be more familiar with the CDBG program, periodically staff and CPAB tour the facilities and locations where the CDBG activities are being conducted and proposed.

CPAB conducts public hearings in the community, and reviews and discusses issues brought forward by the community. During FY 2012-2013, the City conducted several public meetings to discuss housing and community development needs in the City. These are summarized in Table 7.

Table 7: Public Meetings on CDBG and HOME Programs

Date	Purpose
Thursday, December 6, 2012	<ul style="list-style-type: none"> ▪ Reviewed annual CPAB/CDBG calendar ▪ Reviewed FY 2011-12 projects ▪ Reviewed Draft CAPER for FY 2011-12 ▪ Reviewed CDBG Eligibility Guidelines and Application Form for 2013-14
Thursday, January 3, 2013	<ul style="list-style-type: none"> ▪ Public hearing on community needs for the FY 2013-14 Action Plan
Thursday, February 7, 2013 (Oakview Community Center)	<ul style="list-style-type: none"> ▪ Public hearing on community needs for the FY 2013-2014 Action Plan
Thursday, April 4, 2013	<ul style="list-style-type: none"> ▪ CPAB meeting to hear presentations by funding applicants – Public Services ▪ Review and recommendation of additional funding request for CDBG-funded Civic Center ADA Project and Keelson Avenue Project
Thursday, May 2, 2013	<ul style="list-style-type: none"> ▪ CPAB meeting to hear presentations by funding applicants – Non-Public Services
Thursday, June 6, 2013	<ul style="list-style-type: none"> ▪ CPAB meeting to deliberate funding in FY 2013-14
Monday, June 17, 2013	<ul style="list-style-type: none"> ▪ Joint Study Session with City Council and CPAB to review funding applications

City Council meetings are webcast live and the public may view past meetings through the website’s archive. The website address is: www.huntingtonbeachca.gov.

In addition, the City Manager’s weekly newsletter provides leads to the Los Angeles Times, Orange County Register, the City News Service, the Associated Press, United Press

International, Long Beach Press Telegram, and cable channels. The Office of Business Development regularly provides articles for the City Manager's weekly news on program accomplishments, public notices, opportunities for applying for the CDBG funding, and vacancies on the CPAB. Information regarding the CDBG program is also posted at: <http://www.huntingtonbeachca.gov/government/departments/ed/CDBG/> .

Leveraging Resources

The costs of providing services and facilities continue to increase. As a result, leveraging various funding resources is an important strategy to maximize the cost-effectiveness of program/service delivery.

1. Community Development Block Grant

While the CDBG program has no match requirement, depending on the nature of the programs/activities, various leveraging resources are utilized. For the Housing Rehabilitation Program, private investment by property owners is often present. For public improvements or public service programs, State and/or other federal funds are used to leverage CDBG funds. In 2000 through HUD's Section 108 loan program, the City borrowed \$2,750,000 for the renovation of the historic City Gym and Pool. This leveraged the CDBG entitlement grant to enable the renovation to occur sooner than over a protracted period of time that would have resulted in higher costs due to the increase in materials and labor over time. The original renovations to the City Gym are now complete and the City is currently undertaking new ADA improvements. The last payment is scheduled for 2019. In FY 2009-2010, the City renegotiated its Section 108 loan terms in order to receive a lower interest rate. During FY 2012-2013, the City paid \$174,109 towards the Section 108 Loan.

Substantial Amendment: In FY 2012-2013 the City made one substantial amendment to the Annual Action Plan in May 2013 that allocated an additional \$220,000 in unallocated CDBG funds to the Keelson Lane Reconstruction Project. Total funds awarded to the project totaled \$400,454.

2. HOME Investment Partnership

The HOME program has a 25 percent match requirement. Match requirement is calculated on the basis of funds expended, excluding HOME administration and CHDO expenditures. Based on the City's HOME expenditures during FY 2012-2013, the City has not incurred any match requirement during the past program year. The City has an excess HOME match of \$2,600,346. A HOME Match Report is included in this CAPER as an appendix.

Specific HOME Program Narratives

1. ADDI Funds

The City of Huntington Beach opted out of the ADDI program in FY 2007-2008. Furthermore, Congress has not provided appropriations for this program since FY 2008-2009.

2. HOME Funds

The City of Huntington Beach continues to pursue eligible housing projects for the use of HOME funding. Acquisition/rehabilitation of affordable rental and ownership housing and housing for special needs groups is the primary strategy of the HOME program. In FY 2012-2013, \$400,806 in new HOME funds was allocated by HUD for the acquisition and rehabilitation of affordable housing in the City. During the current Consolidated Plan period, the City has provided funds as follows:

- HOME funds in the amount of \$511,296.09 to Jamboree Housing to acquire and rehabilitate the five-unit apartment at 17442 Koledo Lane (Jamboree IV) in August of 2009. Jamboree IV was completed in FY 2009-2010 and required \$378,602 in HOME funds, less than originally anticipated due to increased leverage from redevelopment housing set-aside funds.
- The remaining balance of HOME funds was provided to Collette's Children Home to construct six units at 7911 Slater Avenue. Overall, the Collette's Children Home project received an allocation of \$771,615 in HOME CHDO reserve funds.
- Provided Habitat for Humanity \$748,437 of prior year unallocated HOME funds to construct two affordable ownership housing units at 18451 Patterson Lane.
- Operating funds to American Family Housing for their Tenant Based Rental Assistance Program. The TBRA is funded separately by a grant from HUD to American Family Housing. The \$130,934 in HOME CHDO funds from the City provide capacity building and supportive services to their TBRA program, assisting 20 households over a two-year period.

The City is pursuing another affordable housing project with AMCAL. This project was approved by the City Council on November 19, 2012. HOME funds in the amount of \$800,000 have been provided to support the new construction of 100 affordable housing units by AMCAL Multi-Family, Inc.

3. Affirmative Marketing Actions and Outreach to Minority and Women Owned Business

The City primarily utilizes CHDOs to develop affordable housing opportunities using HOME funds. These organizations are asked to assist with outreach efforts to MBE/WBES. Also,

the HOME program looked to the CDBG program to provide the core effort in this area. The HOME coordinator will continue outreach efforts for increased MBE/WBE participation.

4. On-Site Inspection of Affordable Rental Housing

HOME funded projects are monitored annually or biannually, depending on the terms of the HOME agreement for each project. All properties were found to be in compliance with HOME requirements.

Self-Evaluation of the Progress Made

The Consolidated Plan is an integrated strategy designed to provide a comprehensive approach to addressing neighborhood and community development issues. The following discussion highlights various areas that warrant special acknowledgment for past accomplishments and/or particular attention for future consideration. Throughout FY 2012-2013, the City of Huntington Beach actively implemented the goals and objectives of the Consolidated Plan and Action Plan. The City did not hinder the implementation of the Consolidated Plan or Action Plan by action or willful inaction.

1. Housing Programs

Housing programs encompass many efforts to improve the existing housing stock and create and preserve affordable housing. The following discussion provides a brief evaluation of the progress made and offers some suggestions for future direction.

Recapture Density Bonus Units and Rehabilitation/Preservation of Affordable Units:

To conserve the existing stock of publicly-assisted affordable housing, the City monitors the status of affordable units provided under the density bonus ordinance, HOME housing programs, and the City's inclusionary housing policy.

As part of the 2008-2014 Housing Element update, the City evaluated the potential conversion of affordable housing to market-rate housing due to expiration of deed restrictions/affordability covenants or termination of subsidy contracts. The Housing Element includes programs/actions to help preserve the City's affordable housing stock.

Housing Rehabilitation: With the retention of a consultant to help administer the Housing Rehabilitation Programs, the City is making progress in processing loan applications. However, use of CDBG rehabilitation assistance is still limited due to the economic and real estate market conditions.

Acquisition/Rehabilitation: HOME and Redevelopment Housing Set-Aside funds were used to assist in the acquisition of property for the purpose of creating or maintaining affordable housing. The City worked primarily with CHDOs and nonprofit housing providers to ensure the long-term affordability of rehabilitated housing. In the future, the City will only have available HOME resources for the implementation of acquisition/rehabilitation projects.

Code Enforcement: The City's Code Enforcement program is a great resource for determining community development needs. Code Enforcement officers regularly observe and report deterioration in City neighborhoods. As the City ages, older neighborhoods in high-density areas may require frequent monitoring and proactive abatement of substandard conditions. Such conditions include: hazardous living conditions; abandoned vacant buildings; deteriorated exterior and interior weatherization such as paint and stucco; hazardous electrical wiring, faulty plumbing fixtures and mechanical equipment; structural

violations; improper living (garage living), construction without a permit, rubbish accumulation, hazardous waste; and sewage spills and cockroach infestation.

From field inspections, CDBG Code Enforcement Officers reported additional code enforcement assistance needed in the Enhancement Areas. A greater degree of proactive enforcement coupled with education is needed. During the past year, two full-time CDBG positions provided Special Code Enforcement services in the newly approved Special Code Enforcement areas that met the definition of deteriorated or deteriorating conditions and met the exception criteria of 40.3 percent low-income.

2. Community Development Needs

There are ongoing needs to improve infrastructure and public facilities in the Enhancement Areas. Specifically, ADA improvements throughout the City are also needed to enhance accessibility for persons with disabilities.

3. Continuum of Care

The City of Huntington Beach participated in the regional Continuum of Care to provide public services and sufficient shelter for the homeless and at-risk homeless. The City also continued to participate in the Welfare to Work initiatives.

4. Social Service Programs

The City's social service programs benefited through increased communication and reduction of duplicative efforts. CDBG staff worked closely with other City departments and non-profit agencies to coordinate the delivery of services efficiently.

Public Review

Public Notice: The City published a public notice published in the *Huntington Beach Independent* on November 21, 2013, announcing the availability of the CAPER for review starting on December 1, 2013. Proof of publication is included in the appendix. The CAPER was available for public review for 15 days (ending the review period on December 16, 2013).

Appendix A

***SEE ATTACHMENTS ***

IDIS Reports

- Activity Summary (GPR) Report (IDIS-PR 03)
- Summary of Consolidated Plan Projects (IDIS-PR 06)
- Grantee Summary Activity Report (IDIS-PR 08)
- CDBG Housing Activities (IDIS-PR 10)
- Status of HOME Activities (IDIS-PR 22)
- Summary of Accomplishments (IDIS-PR 23)
- CDBG Financial Summary Report (IDIS-PR 26)
- Status of HOME Grants (IDIS-PR 27)
- Selected CDBG-R Accomplishment Report (IDIS-PR 51)
- CDBG Performance Measure Report (IDIS-PR 83)

Appendix B

Summary Reports

FY 2012-2013 CDBG and HOME Projects						
Category/Activity	National Objective	Performance Objective/Outcome	CDBG Funding	HOME Funding	Goal	Actual
Priority 1: Preserve and Rehabilitate Existing Single-Family and Multi-Family Dwelling Units						
Housing Rehabilitation Loan Programs and Administration	Low/Mod Housing	DH-1	\$80,000	\$0	20 Households	9 Households
						<i>9 Total Households</i>
Priority 2: Homeownership						
Inclusionary Housing	Low/Mod Housing	DH-1	\$0	\$0	N/A- Projects discontinued via substantial amendment due to dissolution of Redevelopment.	
Downpayment Assistance	Low/Mod Housing	DH-1	\$0	\$0		
Priority 3: Improve and Maintain Neighborhood Conditions						
Special Code Enforcement	Low/Mod Area	SL-1	\$210,173	\$0	600 Housing Units	624 Housing Units
						<i>624 Total Housing Units</i>
Priority 4: Expand and Preserve Rental Housing Opportunities						
New Construction	Low/Mod Housing	DH-1	N/A	\$800,000	100 Housing Units	0 Housing Units Completed
Acquisition/Rehabilitation	Low/Mod Housing	DH-1	N/A	\$0	2 Housing Units	N/A
Supportive Housing (American Family Housing)	Low/Mod Housing	DH-1	N/A	\$0	10 Households	0 Households
						<i>2 Total Housing Units</i>
Priority 5: Provide Assistance to the Homeless and Persons At-Risk of Becoming Homeless						
Project Self-Sufficiency	Low/Mod Clientele	SL-1	\$4,800	\$0	50 People/ Households	42 Households
						<i>42 Total Households</i>
Priority 6: Provide and Improve Community Services for Low and Moderate Income Persons and Those with Non-Homeless Special Needs						
<i>CD-1 Senior Services</i>						
Community SeniorServ, Inc. – Congregate Meals	Low/Mod Clientele	SL-1	\$5,000	\$0	700 People	590 People
Community SeniorServ, Inc. – Home Delivered Meals	Low/Mod Clientele	SL-1	\$8,000	\$0	195 People	228 People
Seniors Outreach	Low/Mod Clientele	SL-1	\$34,000	\$0	323 People	430 People
						<i>1,248 Total Seniors</i>

FY 2012-2013 CDBG and HOME Projects						
Category/Activity	National Objective	Performance Objective/Outcome	CDBG Funding	HOME Funding	Goal	Actual
CD-2 Youth Services						
Community Services Program, Inc.	Low/Mod Clientele	SL-1	\$14,000	\$0	320 People	233 People
Oak View Community Center, Children's Bureau	Low/Mod Clientele	SL-1	\$36,862	\$0	262 People	404 People
						637 Total Youth
CD-3 Community and Special Needs Services						
AltaMed's Huntington Beach Community Care Health Clinic	Low/Mod Clientele	SL-1	\$32,000	\$0	4,680 People	3,024 People
Oak View Family Literacy	Low/Mod Clientele	SL-1	\$7,200	\$0	150 People	176 People
						3,736 Total Special Needs
Priority 7: Improve and Expand Community Facilities and Infrastructure to Meet Current and Future Needs						
CD-4 Capital Improvements and Community Facilities						
Keelson Street Reconstruction	Low/Mod Area	SL-1	\$400,454	\$0	1 Public Facility	1 Public Facility Completed
CD-5 Accessibility Improvements in Public Structures and Facilities						
No Accessibility Projects Funded in FY 2012-13						
						1 Total Facilities
Priority 8: Provide for Planning and Administration Activities						
CDBG Administration	Administration N/A	DH-1	\$159,149	\$0	N/A	N/A
Fair Housing Council of Orange County	Administration N/A	DH-1	\$30,000	\$0	500 People/Households	430 People/Households
HOME Administration	Administration N/A	DH-1	\$0	\$40,081	N/A	N/A
						433 Total People
Priority 9: Promote Economic Development and Employment Opportunities for Low and Moderate Income Households						
Section 108 Loan Repayment	Administration N/A	EO-1	\$174,109	\$0	N/A	N/A
Regional Assistance	Low/Mod Business	EO-1	\$0	\$0	40 instances 4 seminars 1 conference	145 instances 9 seminars 3 conferences
Business Improvement District	Low/Mod Business	EO-1	\$0	\$0	5,900 persons	16,677 persons

FY 2012-2013 CDBG and HOME Projects

Category/Activity	National Objective	Performance Objective/Outcome	CDBG Funding	HOME Funding	Goal	Actual
Total Allocations			\$1,039,047	\$840,081		

2012/13 Rehab Payoffs

Address	Principal	Interest	Fees	Amount Paid	Balance	Source
Mandrell Dr.	\$35,000.00	\$2,000.00	\$230.00	\$37,230.00	\$0	City
Mandrell Dr.	\$35,000.00	\$2,000.00	\$230.00	\$37,230.00	\$0	City
Bryant Dr.	\$27,500.00	\$2,766.95	\$115.00	\$30,381.95	\$0	City
Alicante Ln.	\$28,000.00	\$1,400.00	\$115.00	\$29,515.00	\$0	City
Jamerson	\$27,500.00	\$4,908.37	\$115.00	\$32,523.37	\$0	City
Huntington	\$16,500.00	\$1,837.59	\$115.00	\$18,452.59	\$0	City
Garfield	\$16,500.00	\$2,328.08	\$115.00	\$18,943.08	\$0	City
Parkview Ln.	\$9,089.46	\$3,562.09	\$115.00	\$12,766.55	\$0	City
Sunset Cir.	\$14,000.00	\$700.00	\$115.00	\$14,815.00	\$0	City
Garfield		\$325.00			\$15,000.00	
Albany Cir.	\$2,500.00	\$1,125.00	\$115.00	\$23,740.00		City
Capri Cir.	\$55,000.00	\$8,502.08	\$115.00	\$63,617.08		City
Brookhurst		\$375.00			\$15,000.00	City
Center Ave.	\$6,750.00			\$6,750.00	\$8,500.00	City
Total	\$293,339.46	\$31,830.16	\$1,495.00	\$325,964.62	\$38,500.00	

2012/13 Rehab Loans Payments Collected by Weststar
Year to Date

Address	Principal	Interest	Fees	Amount Paid	Balance	Source
Warner	\$822.72	\$77.28	-	\$900.00	\$3,662.52	Weststar
Brookhurst						Weststar
Monterey	\$761.96	\$263.59	-	\$1,025.55	\$11,290.21	Weststar
Ballad Lane	\$1,300.17	\$229.83	-	\$1,530.00	\$6,926.47	Weststar
Selkrik	\$1,484.48	\$242.02	-	\$1,726.50	\$8,861.16	Weststar
Fresno Cir.	\$494.14	\$189.50	-	\$683.64	\$8,146.60	Weststar
Williams	\$1,249.05	\$401.28	-	\$1,650.33	\$20,705.21	Weststar
Total	\$6,112.52	\$1,403.50	\$ -	\$7,516.02	\$59,592.17	

Appendix C

Proof of Publication

 Los Angeles Times	CLASSIFIED ADVERTISING PROOF	 Los Angeles Times
Printed by: 0602 Patricia Gamino Salesperson: Phone:		Nov 12, 2013, 1:48 pm Ad # 35696562

Account Information	
Phone #:	(714) 536-5227
Name:	City Of Huntington Beach (Parent)
Address:	PO Box 784
	Huntington Beac, CA 92648
Acct #:	CU00070479
Client:	City Of Huntington Beach-Clerk's O
Placed by:	Patty Esparza
Fax #:	(714) 374-1557

Ad Information			
Start date	11-21-13	Size	1 x 68.810
Stop date	12-05-13	Billed size	7.00 TCN Inch
Insertions	2	Keyword	
Rate code	&Legal Huntington Beach	Ad type	Liner
Taken by	0602 Patricia Gamino		
Class:	13000 - Legal Notices	Gross price:	\$ 106.75
Pubs:	TCN HBI	Net price:	\$ 106.75
		Amt Due:	\$ 106.75
Note: Amount Due is subject to change due to discounts, miscellaneous fees, or other charges.			

Ad Copy:

**PUBLIC NOTICE
HUNTINGTON BEACH CITIZEN REVIEW OF
CONSOLIDATED ANNUAL PERFORMANCE**

AND EVALUATION REPORT TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS: All are hereby notified that City of Huntington Beach is requesting citizens to review and provide comment on the City's Consolidated Annual Performance and Evaluation Report (CAPER). This report is required by the Department of Housing and Urban Development for the City's participation in the CDBG and HOME programs, as referenced in the Consolidated Plan.

PUBLIC COMMENTS
The public is invited to provide comments during the fifteen-day comment period, ending December 16, 2013. Beginning December 1, 2013, copies of the report are available for public review at the Office of Business Development, 5th floor, 2000 Main Street, Huntington Beach, Monday through Friday, between the hours of 8:00 AM and 5:00 PM. The report will also be posted at www.surfcity-hb.org/CityDepartments/ED/CDBG/. Written comments must be delivered to the address below by December 16, 2013, 5:00 PM.

Written comments can be addressed to:
CAPER PUBLIC COMMENTS
Attn: Simone Sifman,
Project Manager
Office of Business Development
City of Huntington Beach

2000 Main Street - Fifth Floor
Huntington Beach, California 92648
Published H.B. Independent 11/21/13 and 12/5/13

Appendix D

***SEE ATTACHMENT ***

**HOME Annual Report
HOME Match Report**