



**Substantial Amendment to the 2021 Action Plan
HOME-ARP Allocation Plan
HOME INVESTMENT PARTNERSHIPS PROGRAM AMERICAN
RESCUE PLAN**

February 2023



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**Substantial Amendment to
2021 Annual Action Plan
HOME-ARP ALLOCATION PLAN**

HOME Investment Partnerships (HOME) Program
American Rescue Plan



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VERSION HISTORY

No.	Summary of Changes			
1	Published Draft for Public Comment:	2/13/23	Sent to HUD for Approval:	
	Conducted Public Hearing:	2/28/23	Approved by HUD:	
	Original HOME-ARP Allocation Plan.			

Public Contact Information

City of Downey
Community Development Department
Attn: Jessica Flores, Economic Development and Housing Manager
11111 Brookshire Avenue
Downey, CA 90241
(562) 904-7152
www.downeyca.org

Executive Summary

The City of Downey has been allocated \$1,593,133 of HOME-American Rescue Plan Act (HOME-ARP funding from the US Department of Housing and Urban Development (HUD). In order to receive the HOME-ARP allocation, the City must develop a HOME-ARP Allocation Plan that will become part of the City's PY2021 HUD Annual Action Plan by substantial amendment.

To ensure broad input into the HOME-ARP Allocation Plan from stakeholders and the public, the City engaged in consultation with stakeholders and the public, including a virtual consultation session, a survey of stakeholders, a 30-day public comment period, and a public hearing.

The needs assessment and gap analysis identified the following needs and gaps within the City:

- In February 2020, the annual Point in Time (PIT) count revealed that 218 people were unsheltered on the streets, in tents or makeshift shelters, or in cars, vans, RVs or campers.
- 2015-2019 CHAS Data from HUD reported 4,755 households with incomes at or below 30% AMI are at risk of homelessness in the City.
- The 2015-2019 HUD CHAS data indicates there are 3,230 renter households with an annual income at or below 30% AMI with at least one housing problem that are at greatest risk of housing instability.
- The greatest need for supportive services is in the areas of were financial assistance services, mental health services, housing search and counseling services, and services for special populations.

The City carefully considered the results of the consultation undertaken as a part of this allocation plan, as well as the needs assessment and gaps analysis presented here. As a result, the City has decided to fund Tenant-Based Rental Assistance, Supportive Services, Nonprofit Operating Assistance and Capacity Building, and Administration and Planning.

Introduction

The City of Downey has been allocated \$1,593,133 of HOME-American Rescue Plan Act (HOME-ARP) funding from the US Department of Housing and Urban Development (HUD). To receive the HOME-ARP allocation the City of Downey must develop a HOME-ARP Allocation Plan that will become a part of the City's PY2021 HUD Annual Action Plan by substantial amendment. The HOME-ARP Allocation Plan must include the following:

1. A summary of the consultation process and the results of consultation;
2. A summary of comments received through the public participation process and a summary of any comments or recommendations not accepted and the reason why;
3. A description of HOME-ARP qualifying populations within the jurisdiction;
4. An assessment of unmet needs of each qualifying population;
5. An assessment of gaps in housing and shelter inventory, homeless assistance and services, and homelessness prevention service delivery system;
6. A summary of planned use of HOME-ARP funds for eligible activities based on the unmet needs of the qualifying populations;
7. An estimate of the number of housing units for qualifying populations the City will produce or preserve with its HOME-ARP allocation;
8. A description of any preferences for individuals and families in a particular qualifying population or a segment of a qualifying population;
9. HOME-ARP Refinancing Guidelines; and
10. Certifications and SF-424, SF-424B, and SF-424D Forms.

The following entities are responsible for preparing the Allocation Plan and those responsible for administration of the HOME-ARP grant.

Responsible Agency		
Agency Role	Name	Department/Agency
HOME Administrator	City of Downey	Community Development Department

HOME-ARP Eligible Qualifying Populations and Activities

HUD's CPD Notice 21-10 Requirements for the Use of Funds in the HOME-American Rescue Plan Program establishes the requirements for funds appropriated under section 3205 of the American Rescue Plan Act of 2021 for the HOME Investment Partnerships Program (HOME) to provide homelessness assistance and supportive services.

The American Rescue Plan Act (ARP) defines qualifying individuals or families, including Veterans, that are:

1. Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act;
2. At risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;
3. Fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]); and
4. Part of other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(a) would:
 - a. Prevent a family's homelessness;
 - b. Serve those with the greatest risk of housing instability.

HOME-ARP funds may be used benefit qualifying populations through:

1. Tenant-Based Rental Assistance (TBRA);
2. Development and support of affordable housing;
3. Provision of supportive services;
4. Acquisition and development of non-congregate shelter;
5. Nonprofit capacity building and operating assistance; and
6. Program planning and administration.

Stakeholder Consultation and Public Participation

HUD requires each HOME-ARP Participating Jurisdiction to consult with agencies and service providers whose clientele include the HOME-ARP qualifying populations. Agencies that must, at a minimum, be consulted include the Continuum of Care serving the jurisdiction's geographic area, homeless and domestic violence service providers, veterans' groups, public housing agencies (PHAs), public agencies that address fair housing, civil rights, and the needs of persons with disabilities.

HUD also requires that each Participating Jurisdiction provide opportunities for the public to comment on the proposed Allocation Plan, including the amount of HOME-ARP funds that will be received and the range of activities that the City may undertake.

To ensure broad input into the HOME-ARP Allocation Plan from stakeholders and the public, the City engaged in consultation with stakeholders and the public, including a virtual consultation session, a survey of stakeholders, a 30-day public comment period, and a public hearing.

Stakeholder Consultation

The City of Downey consulted with representatives from multiple agencies, groups, and organizations involved in the development of affordable housing, addressing homelessness, and the provision of services to qualifying populations in preparing this HOME-ARP Allocation Plan.

A virtual session was held December 15, 2022. Representatives from multiple agencies, groups, and organizations were invited via email to attend. Those unable to attend were invited to submit written comments via emails or schedule a phone call to share their thoughts.

The virtual consultation session included an overview of the HOME-ARP notice to inform attendees of the qualifying populations and eligible activities, an opportunity to ask clarifying questions, a request for input into needs and gaps, and priority populations and activities, and an overview of the Allocation Plan timeline and process.

A survey instrument was designed and available online and invited representatives from multiple agencies, groups, and organizations to rank the qualifying populations and eligible activities and services in order of perceived need, and the best approach for carrying out those activities for the community.

The Los Angeles Homeless Services Authority (LAHSA), the lead agency for the Los Angeles Continuum of Care (CoC), held a virtual session to provide their recommendations to jurisdictions being allocated funds. That session was held February 6, 2022, and attended by staff and representatives of the City. LAHSA also provided a written memorandum outlining their HOME-ARP funding recommendations.

The City’s virtual session was attended by 19 representatives of 10 agencies. The survey was completed by nine representatives of eight agencies. All HUD-required agency types were represented in either the virtual session or the online survey or by email.

Organizations Consulted by Type and Method

Organizations Consulted by Type and Method		
Organization Consulted	Type of Organization	Method of Consultation
City of Downey	Public, addresses needs of all qualifying populations; serves as public housing authority	Virtual Session
Fair Housing Foundation	Nonprofit, addresses needs of qualifying populations providing fair housing services	Virtual Session Survey
Helpline Youth Counseling, Inc	Nonprofit, addresses needs of qualifying populations including homeless and those at risk of homelessness	Virtual Session Survey
Jovenes Inc.	Nonprofit, addresses needs of qualifying populations including homeless youth	Virtual Session Survey
Kingdom Causes Bellflower	Nonprofit, addresses needs of qualifying populations including homeless and those at risk of homelessness	Virtual Session Survey
Legal Aid Foundation of Los Angeles	Nonprofit, addresses needs of all qualifying populations, providing legal and civil rights services	Virtual Session
LivingHelp Center	Nonprofit, working with women experiencing unplanned pregnancy	Survey
Los Angeles Homeless Services Agency (LAHSA)	Nonprofit, addresses needs of qualifying populations including homeless	Virtual Session Agency-sponsored Virtual Session
Path: Making it Home	Nonprofit, addresses needs of qualifying populations including homeless, those at risk of homelessness, and other populations	Virtual Session
SELACO WDB	Nonprofit, addresses needs of qualifying populations including homeless and those at risk of homelessness providing workforce development services	Survey

Southern California Resources Services for Independent Living	Nonprofit, addresses needs of qualifying populations including those with disabilities	Virtual Session Survey
St Joseph Center	Nonprofit, addresses needs of qualifying populations including homeless, those at risk of homelessness, and those with housing instability issues	Survey
The Whole Child	Nonprofit, addresses needs of qualifying populations including homeless and those at risk of homelessness	Virtual Session
VA Greater Los Angeles Healthcare System	Public, addresses needs of Veterans	Survey

Summary of Feedback Received from Consulted Organizations

Consultation revealed strong support for the following:

Development and support of affordable housing. Participants in the virtual session were united in the need for additional affordable rental housing, referring to examples of families sharing housing, single moms couch surfing with friends, and elderly residents living with their adult children. Of those replying to the survey, 88% indicated that there was “highest need” for this housing. There was discussion of various qualifying populations, represented by the agencies assembled, in need of both stable housing and services including housing counseling and case management.

Provision of supportive services. Many examples of supportive services were mentioned in the virtual session including domestic violence prevention, housing assistance, and landlord/tenant liaison services. Survey respondents were asked to rank what they believed is the current need for various services eligible under HOME-ARP. The activities with the most rankings for “high need” were financial assistance services (76%), mental health services (75%), housing search and counseling services (65%), and landlord/tenant liaison services (63%).

Rating Current Need for Supportive Services				
Supportive Services	High Need	Moderate Need	Low Need	No Need
Financial assistance costs	76%	24%	0%	0%
Mental health services	75%	13%	13%	0%
Housing search and counseling services	65%	29%	6%	0%

Landlord/tenant liaison services	63%	25%	13%	0%
Services for special populations	59%	35%	6%	0%
Child Care Assistance	47%	33%	13%	7%
Job training and employment services	41%	53%	6%	0%
Outpatient health services	41%	41%	18%	0%
Food assistance	35%	47%	18%	0%
Substance abuse treatment	35%	53%	12%	0%
Case management services	35%	59%	6%	0%
Legal services	29%	71%	0%	0%
Transportation assistance	29%	59%	12%	0%
Outreach services	18%	65%	18%	0%
Mediation services	12%	65%	18%	6%
Credit repair services	12%	71%	6%	12%
Education Services	0%	71%	29%	0%

Acquisition and development of non-congregate shelter. Many participants mentioned the need for shelter in general and for specific populations including families, those fleeing domestic violence and other situations, people with service animals, the elderly and single people. Currently there are no emergency shelter beds in the City. Of those replying to the survey, 18% indicated that there was “highest need” for this housing and 65% indicated a “moderate need”.

Tenant-Based rental assistance (TBRA). In conjunction with affordable housing, many attendees mentioned the many families sharing housing, living in a garage, couch surfing, and those temporarily housed in area motels. One attendee believed the average rent for a two-bedroom apartment was at least \$2100 per month, exceeding the affordability many Downey residents. Of those replying to the survey, 65% indicated that there was “highest need” for this housing assistance.

Nonprofit capacity building and operating assistance. In the survey, respondents were asked if they believed there was a need for nonprofit capacity building and operating assistance. Of the responses received, all responded affirmatively that there was a need in the nonprofit sector for operating assistance and for capacity building.

In their memorandum and their agency sponsored virtual session, the Los Angeles Homeless Services Authority (LAHSA) provided recommendations for the use of HOME-ARP funds within Los Angeles County. They advocated that a “balance of resources to within the homeless services system is critical to ensure effective operations” and recommend a ration

of five permanent housing resources for every interim housing bed. That balance informs their recommendations:

1. Acquisition of permanent housing resources if other funds are available to leverage for the purchase of multi-unit buildings, scattered sites properties, or individual units.
2. Master leasing, which is not outlined in the HOME-ARP guidance but is being explored through conversations between LAHSA and HUD.
3. Supportive services that support emergency housing vouchers and services based in problem solving, prevention and diversion to prevent the need for interim housing or accessing the homeless services system.

Public Participation

To provide opportunities for public participation, the City of Downey sent an email to all agencies and individuals on its email list notifying them of the opportunity to participate in the virtual consultation session to be held on December 15, 2022. In addition to attending the virtual consultation session, they were asked to complete an online survey regarding their views of the level of need for the eligible activities and qualifying populations as described by the CPD Notice 21-10. Those unable to attend, or who had further comments after the virtual session were invited to email them directly to City staff.

A combined notice of public comment period and public hearing was published in *Downey Press Tribune* on February 6, 2023. The *Downey Press Tribune* qualifies as a newspaper of general circulation. The notice was published in both English and Spanish.

Efforts to Broaden Public Participation

To broaden public participation, members of the public who are on the City's email list were also invited via email to attend the virtual consultation session held in the formulation of the Allocation Plan.

Public Comments and Recommendations Received

To be completed after the public comment period has closed and the public hearing has been held.

Public Comments and Recommendations Not Accepted and Reasons Why

To be completed after the public comment period has closed and the public hearing has been held.

City Council Recommendations

To be completed after the City Council has met on this issue.

Needs Assessment and Gap Analysis

The needs assessment and gap analysis must evaluate the size and demographic composition of HOME-ARP qualifying populations, and unmet needs of HOME-ARP qualifying populations. In addition, the needs assessment and gap analysis must identify any gaps within its current shelter and housing inventory, and service delivery system. This needs assessment and gap analysis focuses on the following:

1. Sheltered and unsheltered homeless populations;
2. Currently housed populations at risk of homelessness;
3. Other families requiring services or housing to prevent homelessness; and
4. Those at greatest risk of housing instability or unstable housing situations.

Housing Inventory Count

The annual Housing Inventory Count (HIC) provides useful context regarding the number and type of beds and units that are available for individuals and families experiencing on any given night. The following tables summarize beds and units available as of February 23, 2022, in the City, by bed type.

Emergency housing beds include emergency shelter and transitional housing; emergency shelter generally allows for short-term or nightly stays, while transitional housing generally allows for a stay up to 24 months. Both types of emergency housing may include supportive services designed to facilitate movement to independent living.

Emergency Housing Beds Available February 2022					
	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Year-Round Beds
Emergency Shelter	0	0	0	0	0
Transitional Housing	0	0	0	0	0
Total Emergency Housing Beds	0	0	0	0	0

No emergency housing beds were reported during the City in the 2022 HIC.

Rapid rehousing provides security and utility deposits and/or monthly rental and utility assistance for rental units that rent for less than the fair market rent. Assistance is generally

provided for the shortest period of time necessary for a household to gain stable housing and can range from 3 to 24 months. Permanent supportive housing provides for an unlimited lease term; residents receive services necessary to promote continued housing stability.

Rapid Rehousing and Permanent Supportive Housing Available February 2022					
	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Year-Round Beds
Rapid Rehousing	0	0	0	0	0
Permanent Supportive Housing	0	0	0	0	0
Total Year-Round Beds	0	0	0	0	0

No emergency rapid rehousing or permanent supportive housing was reported in the City during the 2022 HIC.

Size and Demographic Composition of Qualifying Populations

The February 2022 Point-in-Time (PIT) Count of both sheltered and unsheltered homelessness published by Los Angeles Homeless Services Authority (LAHSA), the lead Continuum of Care agency, and HUD data is used for this analysis.

Sheltered Homeless Populations

The 2022 sheltered PIT Count identified no people experiencing sheltered homelessness in the City on February 24, 2022. People are considered sheltered when they are residing in emergency shelter or transitional housing, but not when they are receiving rapid rehousing assistance or residing in permanent supportive housing.

Unsheltered Homeless Populations

The 2022 unsheltered PIT Count identified 218 people experiencing unsheltered homelessness during the night of February 23 through the early morning of February 24, 2022. Among individuals experiencing unsheltered homelessness:

- 87 (39.93%) were on the street
- 51.2 (23.5%) were in makeshift shelters
- 24 (10.99%) were in cars

- 8.8 (4.06%) were in vans
- 19.5 (8.96%) were in RVs/campers
- 27.4 (12.56%) were in tents

At-risk of Homelessness

Households at risk of homelessness are those with incomes at or below 30% AMI that lack sufficient resources or support networks to prevent homelessness, and

- Have moved more than two times due to economic reasons in the past 60 days, or
- Are doubled up with another household due to economic hardship, or
- Will be evicted within 21 days, or
- Live in a hotel or motel without financial assistance from a nonprofit or government entity, or
- Live in an efficiency apartment and are overcrowded, or
- Are exiting a publicly funded institution or system of care

The HUD Comprehensive Housing Affordability Strategy (CHAS) 2014-2018 data Table 10 provides information on overcrowding among households that include more than one family, by household income level. This CHAS data indicates that there are approximately 4,755 households with incomes at or below 30% AMI that are at risk of homelessness in the City.

Fleeing or Attempting to Flee Domestic Violence, Dating Violence, Sexual Assault, Stalking or Human Trafficking

The State of California Department of Justice maintains statistics on domestic violence statewide by jurisdiction. In 2021, the local law enforcement agencies responded to a total of 316 calls related to domestic violence. Of these calls:

- 286 of these domestic incidents did not involve a weapon
- 30 calls involved a weapon
 - 5 domestic incidents involved a firearm
 - 7 domestic incidents involved a knife or cutting instruments
 - 13 domestic incidents involved other dangerous weapons
 - 5 domestic incidents involved personal weapons (i.e. feet or hands, etc.)

Therefore, if each one of these calls represented a household with member(s) who required housing assistance, it can be estimated that there were up to 316 households in 2020 who were in need of some form of housing assistance. The form of housing assistance required may vary depending on the specific circumstances of each case.

Other Populations

Other populations, as defined by HOME-ARP, include those who:

1. Are currently housed and at risk of repeat homelessness;
2. Have incomes at or below 30% AMI and are experiencing severe housing cost burden; and
3. Otherwise meet the definition of at risk of homelessness and have incomes of more than 30% and at or below 50% AMI.

Other Populations: Currently housed and at risk of repeat homelessness

The LAHSA PIT count indicates that approximately 11% of individuals exiting emergency shelter, or transitional or permanent housing in any given year will return to homelessness within 12 months.

Other Populations: At greatest risk of housing instability – Households with incomes <30% AMI and experiencing severe housing cost burden

The 2015-2019 HUD CHAS data indicates there are 3,520 renter households with an annual income at or below 30% AMI that are at greatest risk of housing instability.

These renter households include:

- Two-person households, one or both of whom are age 62 or older: 355
- People living alone or with non-relatives who are age 62 or older: 610

Other Populations: At greatest risk of housing instability – Households with incomes 30-50% AMI that meet HUD's §91.5 definition of at risk of homelessness

Households in this category are those with incomes more than 30% and at or below 50% AMI that lack sufficient resources or support networks to prevent homelessness, and

- Have moved more than two times due to economic reasons in the past 60 days, or
- Are doubled up with another household due to economic hardship, or
- Will be evicted within 21 days, or
- Live in a hotel or motel without financial assistance from a nonprofit or government entity, or
- Live in an efficiency apartment and are overcrowded, or

- Are exiting a publicly funded institution or system of care

HUD Comprehensive Housing Affordability Strategy (CHAS) 2014-2018 data Table 10 provides information on households that include more than one family, household income level and overcrowding. The CHAS data indicates that there are approximately 2,580 renter households with incomes between 30 and 50 % AMI that are at risk of homelessness in the City because of at least one of the housing problems as defined by HUD. In addition, 50 are living in renter households with more than one family.

Unmet Housing Needs of Qualifying Populations

The greatest unmet housing need of qualifying populations is the availability of affordable rental housing. As the table below shows, only 41% of the more than 16,000 rental units in the City are available to households with incomes at or below 50% AMI. The level of need for affordable rental units for households with incomes at or below 50% AMI is more than two times the available units, according to HUD CHAS data for 2015-2019.

	Level of Need	HH with at least 1 Housing Problem	GAP
Total Rental Units	16,565		
<=30% AMI	3,520	3,230	290
>30% to <=50% AMI	3,345	3,100	245
Total <=50% AMI	6,865	6,330	535

Unmet Service Needs of Qualifying Populations

Based on consultation with service providers in the City, the greatest unmet service needs of qualifying populations, including sheltered and unsheltered homeless populations, currently housed populations at risk of homelessness, other families requiring services or assistance to prevent homelessness, and those at greatest risk of housing instability or in unstable housing situations are:

- financial assistance costs
- mental health services
- housing search/counseling services
- services for special populations
- job training and employment services

Additional unmet service needs of qualifying populations, including sheltered and unsheltered homeless populations, currently housed populations at risk of homelessness, other families requiring services or assistance to prevent homelessness, and those at greatest risk of housing instability or in unstable housing situations include the following as described in HUD CPD Notice 2021-10, as may be amended:

- Childcare assistance
- Landlord/tenant liaison services
- Outpatient health services
- Substance abuse treatment
- Food assistance
- Case management services
- Legal services
- Outreach services
- Transportation assistance
- Mediation services
- Credit repair services
- Education Services

Current Resources Available to Assist Qualifying Populations

Current available resources considered include:

1. Congregate beds and non-congregate shelter units;
2. Supportive services;
3. Tenant-base rental assistance; and
4. Affordable and permanent supportive housing

Current Resources: Congregate Beds and Non-congregate Shelter Units

In February 2022, there were no congregate beds and no non-congregate shelter units. Congregate beds include emergency, safe haven, and transitional housing beds and units. Non-congregate shelter includes permanent supportive housing and rapid re-housing.

Current Resources: Supportive Services

The City is served by many local and regional organizations offering supportive services to the residents. Most of these organizations serve a regional area that includes the City. Organizations actively working in the City with one or more of the qualifying populations include Kingdom Causes, Path, SELACO WDB, and St Joseph Center.

Current Resources: Tenant-Based Rental Assistance

The City funds Tenant-Based Rental Assistance in the City through a subrecipient serving homeless and those at risk of homelessness in the City. Approximately five households each year. There are housing vouchers available through the Housing Choice Voucher Program and other programs offered in the region.

Current Resources: Affordable and Permanent Supportive Rental Housing

The City publishes a list of five affordable housing complexes in the City, with a total of 202 units. According to the complexes' websites, there are no units currently available. Currently there is no permanent supportive housing in the City.

Current Resources: Housing Choice Vouchers

The City does not sponsor any Housing Choice Vouchers.

The Los Angeles County Development Authority sponsors more than 100,000 Housing Choice Vouchers. The waiting list is currently closed. In 2021, 455 vouchers were in use in the City.

Shelter, Housing and Service Delivery System Gaps

Shelter Gap

There is an estimated need for 218 additional shelter beds based on the 2022 PIT Count. The PIT Count found that there were no persons in emergency shelter in the City but 218 unsheltered persons in a variety of situations, including on the street, in makeshift shelters, or in cars, vans or RVs/campers.

The 2022 PIT count does not define how many were individuals, in family units, or children.

Tenant-Based Rental Assistance Gap

There is an estimated gap of 5,360 Tenant-Based rental assistance vouchers for households with income at or below 50% AMI and paying more than 50% of household income for rent, including utilities.

Tenant-Based Rental Assistance Gap	
Renter Households with Income at or below 50% AMI paying more than 50% of income for rent, including utilities	5,365

TBRA vouchers available	5
<i>TBRA gap</i>	5,360

The number of Tenant-Based rental assistance vouchers was calculated using HUD CHAS data Table 7 and is equal to the number of renter households with income at or below 50% AMI and paying more than 50% of household income for rent, including utilities.

Affordable and Permanent Supportive Rental Housing Gap

There is an estimated gap of 650 rental units affordable to renter households with income at or below 30% AMI and an estimated gap of 935 rental units affordable to renter households with income more than 30% and at or below 50% AMI, paying more than 50% of income for rent, including utilities.

Affordable Rental Unit Gap	
Renter Households with Income at or below 30% AMI paying more than 50% of income for rent, including utilities	650
Renter Households with Income 30% to 50% AMI paying more than 50% of income for rent, including utilities	935
<i>Total Affordable Rental Unit Need</i>	1,585

The number of Affordable Rental Units was calculated using HUD CHAS Data Table 7 and is equal to the number of renter households paying more than 50% of household income for rent, including utilities.

Permanent supportive rental housing is a subset of the affordable rental housing gap, primarily for households with income at or below 30% AMI. In addition to affordable rent, permanent supportive housing provides an array of services necessary to help people with disabilities and/or experiencing chronic homelessness to retain housing stability. There is an estimated gap of 349 permanent supportive housing units in the City.

Permanent Supportive Housing Gap	
Population of Downey Census 2020	109,548
Per capita estimate of permanent supportive housing need	.003183
Estimated need for Permanent Supportive Housing	349
Permanent Supportive Housing Available	0
<i>Total Permanent Supportive Housing Gap</i>	349

The number of Permanent Supportive Rental Housing Units needed was calculated by multiplying the current population of the City, according to the California Census 2020, by the per capita need (.003182) as calculated by the Corporation for Supportive Housing.

Housing Voucher Gap

The Los Angeles County Development Authority sponsors more than 100,000 Housing Choice Vouchers. The waiting list is currently closed. Information about the size and age of the waiting list was not available via telephone or email to staff and is not available through their website or other public sources on the internet.

Service Delivery System Gap

To identify gaps in the service delivery system, the City relied on its consultation with stakeholders and experience working with the organizations working in the City. The stakeholders believe that the most critical service gaps are in the areas of financial assistance services, mental health services, housing search and counseling services, and services for special populations.

The stakeholders also believed there was a need for assistance with general administrative costs and capacity building among the service providers serving the City's qualifying populations.

Characteristics of Housing Associated with Increased Risk of Homelessness for Other Populations

For other populations, severe housing cost burden, or paying more than 50% of household income for rent and utilities is the primary characteristic of housing associated with the risk of homelessness in the City. The HUD CHAS Data Table 7 indicates there are 1,269 households at or below 50% AMI who are spending more than 50% of their household income on rent and utilities.

Priority Needs for Qualifying Populations

Homeless. An article on the website policyadvice.net, *The State of Homelessness in the US-2022*, uses PBS as a source for the following statistics:

- 25% of homeless people have a mental illness
- 38% have an alcohol abuse issue
- 26% have a drug abuse issue

That information, and other research, indicates that there is a need for mental health services and substance abuse services for the homeless in the City. Participants in the consultation process believed that homelessness was best served by the development of additional shelter beds, affordable housing, and assistance for housing. The priority needs for supportive services included housing search, mental health services, financial assistance, and case management.

At risk of homelessness. One of the indicators of risk of homelessness is housing cost burden. According to the National Alliance to End Homelessness, in their *State of Homelessness: 2021 Edition*, households experiencing a severe housing cost burden and households “doubling up” or sharing housing are both at a greater risk of homelessness than they were in 2007. They used numbers from 2019, before the COVID-19 pandemic and project that reduced work hours and elevated unemployment will have increased those at risk.

Participants in the consultation process believed those at risk of homelessness in the City would benefit from additional affordable housing, assistance for housing, and supportive services offering housing counseling, fair housing, credit repair services, and eviction defense.

Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking. The National Resource Center on Domestic Violence reports that domestic violence is frequently an immediate cause or precursor to homelessness and housing instability and that more than a third of domestic violence survivors report becoming homeless immediately after separating from their partners. The national Institute of Justice reports that one homeless woman in four is homeless mainly because of her experiences with violence. That violence can include categories of domestic violence, dating violence, sexual assault, stalking or human trafficking.

Participants in the consultation process believed those dealing with fleeing unsafe relationships or living situations, would benefit from supportive services offering housing counseling, mental health services, fair housing, case management services affordable housing and rental assistance.

Housing instability and homelessness prevention. Housing instability encompasses a number of challenges, such as having trouble paying rent, overcrowding, moving frequently, staying with friends or family, or rent burden. Those populations affected by housing instability can include children and people who have spent time in prison. According to the US Department of Health and Human Services, those affected by housing instability may live in substandard

housing subjecting them to health and safety risks, live in overcrowded units, or forced moves that may result in homelessness.

Participants in the consultation process believed that housing instability, often caused by rent burden, and preventing homelessness was best addressed with affordable rental housing, rental assistance, and supportive services including fair housing, housing counseling, credit repair services, and eviction defense.

HOME-ARP Activities

The City carefully considered the results of the consultation undertaken as a part of this allocation plan, as well as the needs assessment and gaps analysis presented here. As a result, the City has decided to fund Tenant-Based Rental Assistance, Supportive Services, Nonprofit Operating Assistance and Capacity Building, and Administration and Planning.

Uses of HOME-ARP Funding

Activity	Funding Amount	Percent of Allocation	Statutory Limit
Non-congregate Shelter			
Affordable Rental Housing			
Tenant-Based Rental Assistance	\$600,000	38%	
Supportive Services	\$594,852	37%	
Nonprofit Operating Assistance	\$79,656	5%	5%
Nonprofit Capacity Building	\$79,656	5%	5%
Administration and Planning	\$238,969	15%	15%
Total HOME-ARP Allocation	\$1,593,133		

Rationale for Uses of HOME-ARP Funding

Tenant-Based Rental Assistance. The City will allocate \$600,000 to Tenant-Based Rental Assistance to assist individuals and families that meet the definition of any of the four Qualifying Populations. The City will work with one or more nonprofit agencies to provide payments towards housing and housing-related costs, such as rent, security deposits, utility deposits, and utility costs.

Consultation with stakeholders serving the qualifying populations believed that housing was an issue given the rising costs of rent and the numbers people the agencies serve who are couch surfing, living in overcrowded situations, and seeking assistance with rent and other living expenses. In the survey, 65 percent of the respondents judged the need for rental assistance a highest need. The CHAS data reviewed estimates 5,365 households with income at or below 50 percent AMI pay more than 50 percent of their income on living expenses. Currently there are only five TBRA vouchers available in the City's program.

The City will work with the selected nonprofit agency(s) to establish requirements to ensure that there is no duplication of benefits to any household getting assistance with these HOME-ARP funds.

Supportive Services. The City will allocate \$594,852 to Supportive Services to meet the needs of the homeless qualifying population. Specifically, the City plans address the unsheltered in the City with supportive services that support emergency housing vouchers and services based in problem solving, prevention and diversion to prevent the need for interim housing or accessing the homeless services system, as recommended by the Los Angeles Homeless Services Authority (LAHSA).

The City will work with the selected nonprofit agency(s) to establish requirements to ensure that there is no duplication of benefits to any individuals or families getting assistance with these HOME-ARP funds.

Nonprofit Operating Assistance and Nonprofit Capacity Building. The City will allocate \$79,656 to each of these two eligible activities. Consultation with stakeholders in the community, many of whom represented nonprofit agencies, agreed that there was a need for this assistance to support agencies who will be tasked with carrying out the HOME-ARP-funded activities. Due to the statutory funding limits, at least three organizations will be assisted with these activities.

Administration and Planning. The City will not directly administer HOME-ARP activities beyond program administration and planning and no developers, service providers, and/or nonprofits are responsible for program administration and planning on behalf of the City.

The City will solicit applications from developers, service providers, and/or nonprofits to administer eligible activities. A Notice of Funds Available (NOFA) will be issued. The NOFA will, at a minimum, specify eligible activities, eligible applicants, minimum and maximum funding amounts, application thresholds, and will provide instructions on how to submit a proposal.

Non-congregate Shelter and Affordable Rental Housing. Both of these eligible uses were of interest in the consultation process. Participants pointed to the lack of shelter beds in the City and the need for affordable housing citing examples of couch surfing, overcrowding, and multi-generational households. The City considered both eligible uses but believed that the amount of funds available and the lack of land or viable locations made either of these uses impractical.

Referrals. Beyond the Coordinated Entry System used for referrals for the homeless population, there are several formal and informal networks in use in the City. They range from published materials and electronic sources available with listings of service providers, to more formal referral networks between agencies serving qualifying populations. The

established networks will be used to assist qualifying populations to access the new services made available through the HOME-ARP supporting services.

HOME-ARP Housing Production Goals

The City of Downey does not plan to develop housing units with the funds allocated by this plan.

Preferences

The City of Downey will not provide preferences to any population or subpopulation.

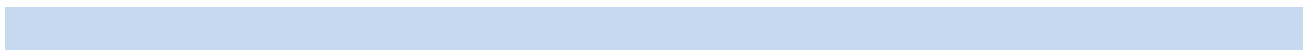
HOME-ARP Refinancing Guidelines

The City of Downey does not plan to use HOME-ARP funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds. Therefore, refinancing guidelines pursuant to 24 CFR 92.206(b) are not applicable to this HOME-ARP Allocation Plan.



APPENDIX A

Citizen Participation





Summary of Citizen Participation Comments

Allocation Plan Public Review and Comment Period
February 13-28, 2023

To be completed after the public comment period has been held.

Public Hearing before City Council
February 28, 2023

To be completed after the public hearing has been held.





APPENDIX B
SF-424 Grant Applications,
SF-424D Assurances, and
Allocation Plan Certifications