

CITY OF MISSION VIEJO
2019-2020
ANNUAL ACTION PLAN
CDBG-CV THIRD AMENDMENT



DRAFT SEPTEMBER 10, 2022

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Attachment A - Public Notice and Summary of Public Comments

A third amendment approved in September 2022 to reallocate CDBG-CV funds from Business Grants to CDBG-CV Public Services and CDBG-CV Administration. Prior amendments include August 27, 2020 to add CDBG CARES Act (CDBG-CV1) funds and programs, and amended on December 17, 2020, to add Community Development Block Grant-Coronavirus Round 3 (CDBG-CV3) funds.

Executive Summary

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

1. Introduction

The 2019-2020 Annual Action Plan for the City of Mission Viejo satisfies federal requirements to receive Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). The CDBG program was created by the Housing and Community Development Act (HCDA) of 1974. The primary objective of this program is to develop viable urban communities by providing 1) decent housing, 2) a suitable living environment, and 3) economic opportunities, principally for persons of low- and moderate-income.

Regulations governing the CDBG program require that each activity undertaken with CDBG funds meet one of three national objectives:

- Benefit low- and moderate-income persons,
- Aid in the prevention or elimination of slums and blight, or
- Meet a community development need having a particular urgency

The Annual Action Plan provides specific information regarding the resources the City will use and activities the City will undertake to address priority needs and objectives identified in the City's Consolidated Plan during a 12-month period. The Action Plan serves to implement the objectives delineated in the City's Consolidated Plan to address priority housing and community needs using CDBG resources. The Consolidated Plan is a five-year strategic plan that identifies priority housing and community needs, activities that will be implemented to address needs, and five-year goals. The current Consolidated Plan was adopted by the Mission Viejo City Council in May 2015 and covers Fiscal Year 2015-16 through Fiscal Year 2019-20.

The City will receive \$360,469 in CDBG funds for FY 2019-20. Additionally, \$80,000 in prior year funds will be available for programming and an estimated \$85,000 in program income may also be available to support CDBG-funded activities. It is important to note that due to the delay in the approval of the 2019 federal budget, the City followed HUD's guidance in developing its draft 2019-20 Action Plan (HUD CPD Notice 19-01). The draft Action Plan indicated that once HUD announces CDBG allocations, activities recommended for FY 2019-20 CDBG funding will be proportionally increased or decreased from the estimated funding levels to match the actual allocation amount, or as otherwise directed by the City

Council. On April 12, 2019, HUD announced 2019 allocations. The City's grant is approximately 12.7 % less than anticipated; funding for activities has been appropriately adjusted.

The FY 2019-20 Fiscal Year begins July 1, 2019 and ends June 30, 2020.

December 2020 CDBG-CV3 Amendment

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act) was signed into law. Pursuant to the CARES Act, HUD has allocated \$224,731 in CDBG-Coronavirus (CDBG-CV) funds to the City of Mission Viejo to fund activities that prevent, prepare for, or respond to local community impacts of the Coronavirus pandemic. As directed by HUD, the 2015-2019 Consolidated Plan/2019-2020 Annual Action Plan was amended on August 27, 2020, to add Round 1 of CDBG-CV funded activities to the 2019-2020 Annual Action Plan. The City of Mission Viejo allocated CDBG-CV Round 1 funds to provide public services that assist residents impacted by the Coronavirus, and CDBG-CV program administration.

On September 11, 2020, HUD announced the City would receive \$519,888 in CDBG-CV Round 3 funds. These funds must also be used to prevent, prepare for, or respond to the Coronavirus pandemic, and the 2015-2019 Consolidated Plan/2019-2020 Annual Action Plan should be further amended to add Round 3 funds. Round 3 funds will be used to provide grants to small businesses impacted by COVID-19 required social distancing, stay-at-home orders, and mandatory closures. A portion of funds will also be used to administer the business grant program.

September 2022 CDBG-CV Amendment

In September 2020, the City allocated \$595,888 in CDBG-CV Round 3 funds to provide grants to local small businesses that have been impacted by COVID-19. The program was operational during Fiscal Year 2020-2021 and 2021-2022. At the end of the FY 2021-2022 reporting period, an unexpended balance of \$295,662.84 is available. The City will reallocate these funds as follows: \$275,660 for public service and \$20,002.84 for CDBG-CV administration.

2. Summarize the objectives and outcomes identified in the Consolidated Plan

The 2015-2019 Consolidated Plan (as amended) identified the objectives and outcomes to be accomplished over a five-year period. These objectives and outcomes are summarized below:

CDBG-Funded High & Outcomes

- **Housing Rehabilitation: Priority Objectives** Housing rehabilitation loans and grants to assist homeowners improve their primary residence. 5-Yr. Outcome: Rehabilitate 50 housing units.
- **Public Infrastructure Improvements:** Improvements to public infrastructure in CDBG-eligible neighborhoods. Improvements include (but are not limited to) street pavement, sidewalk and ADA-related upgrades. 5 Yr. Outcome: Assist three projects benefitting approximately 6,000 individuals.
- **Senior/Frail Elderly Services:** Services for seniors and frail elderly that help maintain and improve quality of life. 5 Yr. Outcome: Assisted 500 seniors/frail elderly persons.

- **Services for Disabled:** Services for individuals with disabilities that help maintain and improve quality of life. 5 Yr. Outcome: Assisted 500 disabled adults.
- **Services for Youth:** Social services for youth and children. 5 Yr. Outcome: Assist 75 youths.
- **Services for Low & Moderate-Income Households:** Services that provide direct assistance to lower income households. Services include safety net programs such as access to reduced cost medical services, food pantries, case management, and homeless services. 5 Yr. Outcome: Assist 11,250 persons.
- **Fair Housing Services:** Fair housing outreach, education, and enforcement services. 5 Yr. Outcome: Assist 450 households.
- **Program Administration:** CDBG program oversight and coordination. 5 Yr. Goal Outcome: Provide five years of program administration services.
- **Rental Housing:** CDBG funds to support expanding rental housing opportunities for lower income renter households (Added as part of April 2016 Amendment). 5 Yr. Goal: Assist 1 project.

Non-CDBG Funded High Priority Objective & Outcomes

- **Housing Assistance Vouchers:** Rental Housing Choice vouchers and certificates provided by the OC Housing Authority. Level of assistance will vary from year to year as determined by HUD and OC Housing Authority. 5 Yr. Goal Outcome: Assist an average of 200 Mission Viejo renter households per year.
- **Social Service Grants:** City grants for a variety of social services that benefit Mission Viejo residents. 5 Yr. Outcome: Assist 7,500 persons.

CDBG-Funded Low Priority Objective & Outcomes

- **Emergency Shelter:** Short-term shelter for households in immediate need for shelter. 5 Yr. Outcome: Assist five persons.
- **Transitional Housing/Rapid Rehousing:** Funding for transitional housing or quick access to permanent housing for homeless households. 5 Yr. Outcome: Assist five persons. (NOTE: Designated as a High Priority Need as part of a 2016 Substantial Amendment.)
- **Public Facilities:** Improvements to public facilities within CDBG eligible neighborhoods. Improvements may include (but are not limited to) parks and community centers. 5 Yr. Outcome: Assist one project benefitting approximately 1,000 persons.

December 2020 CDBG-CV3 Amendment

- *Business Grants: CDBG-CV3 Goal - Assisted 30 businesses (30 Jobs) with grants to pay for items such as PPE, unpaid back rent/utilities, business equipment, and business grant program administration.*

September 2022 CDBG-CV Amendment

- ***CDBG-CV Public Service Grants:*** Social services including case management, housing, utility, food assistance, and other direct client services that prevent, prepare for, or respond to the Coronavirus pandemic.
- ***CDBG-CV Administration:*** CDBG-CV program oversight and coordination including management of public service grants and preparation of required reports.

3. Evaluation of past performance

FY 2017-18 was the third year of the City's 2015-2019 Consolidated Plan cycle – with planned activities completed by June 30, 2018. FY 2018-19 is the fourth year of the Con Plan cycle and is not yet complete. A table that summarizes the City's Consolidated Plan goals over three years, including one-year accomplishments for FY 2017-18 is provided as **Attachment 1**.

4. Summary of Citizen Participation Process and consultation process

Residents and local/regional organizations were encouraged to participate in the preparation of the City's 2019-2020 Annual Action Plan. There were several opportunities for residents and local agencies/organizations to provide input:

- A notice was published in the newspaper on November 22, 2018, and the City's website inviting local nonprofit service providers to apply for FY 2019-20 CDBG funding.
- The City invited social service providers to a meeting on December 6, 2018, at which staff provided information regarding Consolidated Plan priorities and the public service grant application process, and to obtain input regarding current community needs.
- A public hearing was held by the City's Community Services Commission on February 19, 2019. The commission accepted public input regarding public service funding recommendations and developed a slate of public service grant recommendations.
- A draft of the 2019-20 Action Plan was available for a 30-day public comment period from February 28 to March 29, 2019.
- A public hearing was held by the City's Planning and Transportation Commission on March 11, 2019, to accepted additional public input regarding the proposed use of CDBG funds as delineated in the 2019-2020 Annual Action Plan.
- The Annual Action Plan was presented to the City Council for adoption at its April 23, 2019 meeting.

December 2020 CDBG-CV3 Amendment

- *A 5-day public review and comment period to provide members of the public an opportunity to review the proposed use of CDBG-CV3 funds.*

- A virtual public hearing to provide for public input regarding the proposed use of CDBG-CV3 funds.

September 2022 CDBG-CV Amendment

- A 5-day public review and comment period to provide members of the public an opportunity to review the proposed use of CDBG-CV funds.
- A public hearing to provide for public input regarding the proposed use of CDBG-CV funds.

5. Summary of public comments

No public comments were received during the public review period and public hearing. A summary of public comments received during other related meeting is provided in Section A-12 and **Attachment 2**.

December 2020 CDBG-CV3 Amendment

See **Attachment A**.

September 2022 CDBG-CV Amendment

See **Attachment A**.

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

All comments and views were accepted – none were rejected.

December 2020 CDBG-CV3 Amendment

See **Attachment A**.

September 2022 CDBG-CV Amendment

See **Attachment A**.

7. Summary

The Action Plan serves to implement the Consolidated Plan objectives developed to address priority housing and community needs with the use of federal resources (i.e., CDBG). The Annual Action Plan provides specific information regarding the resources and activities the City will utilize to address priority needs and specific objectives identified in the Consolidated Plan during a 12-month period. The timeframe for the 2019-2020 Action Plan begins July 1, 2019, and ends June 30, 2020. The Annual Plan will serve as the City's application to HUD for \$360,469 in CDBG funds for FY 2019-20, and as an expenditure plan for grant funds, prior year grant funds, and anticipated program income resources.

December 2020 CDBG-CV3 Amendment

HUD allocated \$224,731 in CDBG-CV Round 1 funds to the City. CDBG-CV funds must be used to prevent, prepare for, or respond to local impacts of the Coronavirus. CDBG-CV may not be used to pay costs if another source of financial assistance is available to pay these costs. For the City to receive and use CDBG-CV funds, the City is required to amend its FY 2019-2020 CDBG Annual Action Plan to describe how

the funds will be allocated. The City allocated CDBG-CV1 funds for public services to assist lower-income Mission Viejo residents impacted by the Coronavirus pandemic. Furthermore, funds were allocated for CDBG-CV program administration.

On September 11, HUD notified the City that it would receive \$519,888 in CDBG-CV Round 3 funds. In total, \$744,619 in CDBG-CV funds will be allocated to City. The City will use CDBG-CV3 funds to provide grants to small businesses that have been financially impacted by social distancing, stay-at-home orders, and mandatory closures. A portion of funds will also be used for administration of the Business Grant program.

September 2022 CDBG-CV Amendment

In September 2020, the City allocated \$595,888 in CDBG-CV Round 3 funds to provide grants to local small businesses that have been impacted by COVID-19. The program was operational during Fiscal Year 2020-2021 and 2021-2022. At the end of the FY 2021-2022 reporting period, an unexpended balance of \$295,662.84 is available. The City will reallocate these funds as follows: \$275,660 for public service and \$20,002.84 for CDBG-CV administration.

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

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

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

| Agency Role | Name | Department/Agency |
|--------------------|---------------|-----------------------|
| CDBG Administrator | MISSION VIEJO | Community Development |

Table 1 – Responsible Agencies

Narrative (optional)

The City’s Community Development Department is primarily responsible for the preparation of the Consolidated Plan/Annual Action Plans, year-end performance reports, and administration of CDBG funds.

Consolidated Plan Public Contact Information

Larry Longenecker, Planning Manager / 200 Civic Center Mission Viejo, CA 92691 / llongenecker@cityofmissionviejo.org

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

1. Introduction

Pursuant to HUD regulations, the City has taken steps to obtain and incorporate the input of community residents and stakeholders as it developed the 2019-2020 Annual Action Plan. Consultation efforts included workshops with social service providers and focus groups (e.g., City commissions). The City also consulted with regional agencies, as well as special districts and neighboring cities. By use of the City's internet webpage and newspaper notices, residents of the City were also provided the opportunity to review and comment on the draft Action Plan.

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

The City of Mission Viejo works closely with the County of Orange Housing Authority (OCHA) to link renter households with housing rental assistance vouchers and certificates. The City's Community Development staff also provides private and nonprofit housing developers with information regarding opportunities to develop affordable housing. Furthermore, through its annual public and social service grant funding solicitation process, City staff is able to ascertain the services needs of City residents. Community Development staff works closely with the City's Community Services staff to ensure CDBG funding and City Social Service grant funding are addressing priority community needs. Examples of services provided include community health care services, senior services, disabled adult services, and programs to assist households at risk of becoming homeless.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

As part of its CDBG public service grant solicitation process, the City screened grant applications to determine which requests will help address the needs of the homeless such as the chronically homeless, homeless families with children, and homeless youths. Similarly, applications were screened for services that will help prevent homelessness. As a participant in the Orange County Continuum of Care (OC-CoC) planning process, the City provides information to the OC-CoC regarding the activities it will fund to address local homeless issues. The City also participated in the latest biennial homeless Point-in-Time Survey. This information will be used by the OC-CoC to prepare the regional application to HUD for Homeless Assistance Grant funds, and will assist Mission Viejo to address local homeless service needs. When appropriate, City staff will provide certifications of consistency with the Consolidated Plan and other forms of support for the OC-CoC.

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

The City of Mission Viejo is not a recipient of ESG funds. It is not involved in the allocation of ESG funds, developing performance standards, program outcomes, or operational/HMIS policies and procedures.

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

Table 2 – Agencies, groups, organizations who participated

| | | |
|---|--|---|
| 1 | Agency/Group/Organization | Orange County Housing Authority |
| | Agency/Group/Organization Type | PHA |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided data regarding households receiving HUD rental assistance and regarding households on wait list for housing assistance. |
| 2 | Agency/Group/Organization | 211 Orange County |
| | Agency/Group/Organization Type | Regional organization Planning organization |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Homeless Management Information System (HMIS) |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided data regarding regional homeless, housing/service gaps for homeless, and HMIS management. |
| 3 | Agency/Group/Organization | Fair Housing Foundation |
| | Agency/Group/Organization Type | Service-Fair Housing |
| | What section of the Plan was addressed by Consultation? | Impediments to Fair Housing |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided data regarding fair housing issues in the community and input on impediments to fair housing. Also assisted in developing action steps to address impediments to fair housing. |

| | | |
|---|--|---|
| 4 | Agency/Group/Organization | Age Well Senior Services |
| | Agency/Group/Organization Type | Services-Elderly Persons |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Non-Homeless Special Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding the housing and service needs of seniors, including home bound seniors. |
| 5 | Agency/Group/Organization | Council on Aging Southern California |
| | Agency/Group/Organization Type | Services-Elderly Persons |
| | What section of the Plan was addressed by Consultation? | Non-Homeless Special Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding the special needs of seniors and disabled persons living in managed care facilities. |
| 6 | Agency/Group/Organization | Families Forward |
| | Agency/Group/Organization Type | Services - Housing Services-homeless |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Families with children Homelessness Strategy Anti-poverty Strategy Needs of Low/Mod persons |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding housing and service needs of homeless families and families at risk of becoming homeless. |

| | | |
|---|--|--|
| 7 | Agency/Group/Organization | Family Assistance Ministry |
| | Agency/Group/Organization Type | Services - Housing Services-homeless |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Families with children Anti-poverty Strategy Needs of Low/Mod persons |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding housing and service needs of homeless individuals and households at risk of becoming homeless. |
| 8 | Agency/Group/Organization | South County Outreach |
| | Agency/Group/Organization Type | Services-homeless |
| | What section of the Plan was addressed by Consultation? | Anti-poverty Strategy Needs of Low/Mod persons |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding the needs of lower income households specifically, individuals/households at risk of becoming homeless. |
| 9 | Agency/Group/Organization | Vocational Visions |
| | Agency/Group/Organization Type | Services-Persons with Disabilities |
| | What section of the Plan was addressed by Consultation? | Non-Homeless Special Needs Economic development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding needs of adults with developmental disabilities, specifically developing economic opportunities for this special need population. |

| | | |
|----|--|---|
| 10 | Agency/Group/Organization | Community Health Initiative - OC |
| | Agency/Group/Organization Type | Services-Health |
| | What section of the Plan was addressed by Consultation? | Anti-poverty Strategy Needs of Low/Mod persons |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding needs of lower income households navigating the Affordable Health Care Act to obtain coverage. |
| 11 | Agency/Group/Organization | Camino Health Center |
| | Agency/Group/Organization Type | Services-Health |
| | What section of the Plan was addressed by Consultation? | Anti-poverty Strategy Needs of Low/Mod persons |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding medical/dental service needs in the community including homeless individuals. |
| 12 | Agency/Group/Organization | Alzheimer's Orange County |
| | Agency/Group/Organization Type | Services-Elderly Persons |
| | What section of the Plan was addressed by Consultation? | Non-Homeless Special Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding the service needs of seniors with Alzheimer's and other forms of dementia. |

| | | |
|----|--|--|
| 13 | Agency/Group/Organization | Mercy House |
| | Agency/Group/Organization Type | Services-homeless |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Families with children Homelessness Strategy Anti-poverty Strategy |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding housing and service needs of homeless individuals and individuals at risk of becoming homeless. |
| 14 | Agency/Group/Organization | Stand Up For Kids |
| | Agency/Group/Organization Type | Services-homeless |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Youth |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Provided input regarding housing and service needs of homeless youths and youths at risk of becoming homeless. |

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

The City had an open consultation process; no agency was prevented or excluded from participating.

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

| Name of Plan | Lead Organization | How do the goals of your Strategic Plan overlap with the goals of each plan? |
|--|--------------------------------------|---|
| Continuum of Care | 211-Orange County | Addressed issues pertaining to homelessness including preparation of the 2017 & 2019 homeless point in time survey |
| 5-Year Plan & 1-Year Plan | Orange County Housing Authority | Agency plans and policies related to providing rental assistance for very low-income households |
| Housing Element | City of Mission Viejo | Provides goals to foster affordable housing |
| Capital Improvement Budget | City of Mission Viejo | Includes multi-year plan for use CDBG funds for capital projects |
| Multi-Jurisdictional Analysis of Impediments to Fair Housing | 16 OC Cities including Mission Viejo | Identifies impediments to fair housing choice within the region and the City. Also provides strategy to address impediments |

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

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

The City of Mission Viejo provided several opportunities for public participation and comment throughout the Annual Action Plan preparation process. There was a public hearing before the City's Community Service Commission on February 19, 2019, to prioritize social service program funding. The Planning and Transportation Commission held a public hearing on March 11, 2019, regarding the overall use of CDBG funding for housing and community development needs, and on April 23, 2019, the City Council accept additional public comments regarding the 2019-20 Annual Action Plan. Additionally, a 30-day public comment period was held by the City in order for members of the public to review and comment on the draft 2019-2020 the Annual Action Plan. The comment period started on February 28, 2019, and ended on March 29, 2019. The notice announcing the public comment period and public hearings is presented as **Attachment 2** of this plan.

December 2020 CV3-Amendment

*Consistent with HUD CARES Act waivers, the City will hold a virtual public hearing on December 17, 2020, to accept public input regarding the second amendment to the City’s 2015-2019 Consolidated Plan/2019-2020 Annual Action Plan for the use of CDBG-CV Round 3 funds. Pursuant to waivers authorized by HUD to expedite the use of CDBG-CV funds, a notice was posted on the City’s website announcing the availability of the proposed second amendment to the 2015-2019 Consolidated Plan/2019-2020 Action Plan regarding the use of CDBG-CV3 funds (See **Attachment A**).*

Citizen Participation Outreach

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|----------------------------------|---|------------------------------|--|---------------------|
| 1 | Newspaper Ad | Other - Social Service Providers | Public notice (11/22/18) announcing availability of FY 19-20 public service grant funds | None | NA | NA |

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|--|--|---------------------|
| 2 | Public Meeting | Social Service Providers | 17 nonprofit service providers held 12/6/18 | Attendees provided information regarding community service needs | None | NA |
| 3 | Public Hearing | Non-targeted/broad community | Community Services Commission meeting held 2/19/2019 | Representatives of 6 grant applicants supported the recommendation to allocate CDBG for their programs | None | NA |
| 4 | Public Hearing | Non-targeted/broad community | Planning and Transportation Commission Public Hearing was held 3/11/2019 | None | NA | NA |
| 5 | Newspaper Ad | Non-targeted/broad community | Public notice announcing Annual Action Plan 30-day public comment period and public hearing | None | NA | NA |

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|-------------------|------------------------------|--|------------------------------|--|---|
| 6 | Public Meeting | Non-targeted/broad community | City Council meeting was held 4/23/2019 | None | NA | NA |
| 7 | Internet Outreach | Non-targeted/broad community | Public notice of 5-day public comment period and public hearing CDBG-CV1 | None | NA | https://cityofmissionviejo.org/departments/community-development/planning |
| 8 | Public Hearing | Non-targeted/broad community | 8/27/20 virtual public hearing CDBG-CV1 | None | NA | No longer available |
| 9 | Internet Outreach | Non-targeted/broad community | Public notice of 5-day public comment period and public hearing CDBG-CV3 | See Attachment A | NA | https://cityofmissionviejo.org/departments/community-development/planning |
| 10 | Public Hearing | Non-targeted/broad community | 12/17/20 virtual public hearing CDBG-CV3 | See Attachment A | NA | No longer available |
| 9 | Internet Outreach | Non-targeted/broad community | Public notice of 5-day public comment period and public hearing CDBG-CV | See Attachment A | NA | https://cityofmissionviejo.org/departments/community-development/planning |
| 10 | Public Hearing | Non-targeted/broad community | 9/26/22 public hearing CDBG-CV | See Attachment A | NA | No longer available |

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The 2015-2019 Consolidated Plan indicates the City expects to receive approximately \$400,000 annually in CDBG funding for a five-year total of approximately \$2,000,000. Due to the protracted federal budget approval process, HUD announced 2019 CDBG allocation in mid-April 2019. HUD has notified the City it will receive \$360,469 in CDBG funding for FY 2019-20, a reduction of approximately 12.7% from current year funding. Prior year funds will provide additional CDBG resources for FY 2019-20 (\$80,000), as will program income received during year. The City will use CDBG funds for housing activities, public services, and planning and administrative costs.

December 2020 CDBG-CV Amendment

On April 2, 2020, HUD notified the City it would receive \$224,731 in CDBG-CV Round 1 funds under the CARES Act of 2020. On August 27, 2020, the City approved an amendment to the 2019-2020 Annual Action Plan to receive and allocate CDBG-CV1 funds to eligible activities. On September 11, 2020, HUD notified the City it will receive an additional \$519,888 in Round 3 CDBG-CV funds. Another amendment is necessary to receive and allocate this additional allocation of CARES Act funds.

Anticipated Resources

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|--------------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|---|--|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| CDBG | public - federal | Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services | 360,469 | 85,000 | 80,000 | 525,469 | 0 | CDBG annual allocation plus prior year uncommitted CDBG resources. |
| General Fund | public - local | Public Services | 0 | 0 | 0 | 0 | 0 | City general funds to support social services. Expected \$60,000 per year, however, funds must be approved annually by the City Council. |
| Section 8 | public - federal | Housing | 0 | 0 | 0 | 0 | 0 | The value of 255 rental housing vouchers & certificates assistance. Program is administered by OCHA. |

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|--------------|-----------------------|---|----------------------------------|--------------------|--------------------------|-----------|---|--|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| <i>Other</i> | <i>Public-federal</i> | <i>To prevent, prepare for and respond to the coronavirus</i> | 744,619 | 0 | 0 | 744,619 | 0 | <i>CDBG-CV funds to be used to prevent, prepare for, and respond to the Coronavirus (\$224,731 Round 1 plus \$519,888 Round 3)</i> |

Table 5 – Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In past years, the City was able to leverage federal funds with local redevelopment funds; however, in 2012 the State Legislature and the Governor passed legislation to dissolve all redevelopment agencies in the State. As a result, this funding source is no longer available. For the foreseeable future, it appears that the City will continue to allocate General Funds for social service grants. In recent years approximately \$60,000 has been committed for these grants. There is no match requirement for CDBG funds.

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

The City's current Housing Element identifies three sites that are suitable for housing development. In 2007 a City-owned site was rezoned for high-density housing development. To date this site has not been developed but based on zoning, up to 255 units can be built on the site. Another site identified in the Housing Element is vacant but based on zoning, up to 82 housing units can be developed on the site. Development of the third site was completed in September 2015 (Adagio on the Green). The project consists of 256 residential units, 22 of which are affordable to low-income households.

The City will continue to monitor the availability of surplus land or the possible conversion of other facilities. If any land is deemed or declared surplus, an assessment will be made of its suitability for residential development. Those sites suitable for affordable housing will be forwarded to nonprofit developers for their consideration as to development potential.

Discussion

Funding resources to implement the City's Consolidated Plan are limited. It is anticipated that CDBG funding will continue to fluctuate from year to year. Additionally, CDBG housing rehabilitation loan repayments will be received by the City; however, this source of funds is susceptible to several economic factors thus is unpredictable. OCHA has aggressively pursued new housing assistance vouchers and certificates; the City will support OCHA's efforts to secure new rental assistance resources.

For the foreseeable future, the City will continue to support social service programs serving City residents; however, resources to support the development of new housing are limited. As outlined above, Mission Viejo has limited vacant land suitable for medium to large scale housing development; however, in recent years the City has supported the reuse of underutilized parcels for housing development. Combined with other incentives (e.g., density bonus, reductions in parking standards), the City may be able to encourage developers to create new housing opportunities for all residents, including lower income residents.

December 2020 CDBG-CV3 Amendment

On March 27, 2020, the CARES Act was signed into law. HUD notified the City that it would receive \$224,731 in CDBG-CV Round 1 funds to undertake activities that prevent, prepare for, or respond to local community impacts of the Coronavirus. On September 11, 2020, HUD notified the City it will receive \$519,888 in CDBG-CV Round 3 funds. These funds must also be used to address the impacts of the Coronavirus on lower-income Mission Viejo residents.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|-------------------------------|------------|----------|----------------------------|-----------------|---------------------------------------|-----------------|---|
| 1 | Housing Rehabilitation | 2015 | 2019 | Affordable Housing | Citywide | Owner Occupied Housing Rehabilitation | CDBG: \$267,806 | Homeowner Housing Rehabilitated: 10 Household Housing Unit |
| 2 | Rental Housing | 2019 | 2019 | Affordable Housing | Citywide | Rental Housing | CDBG: \$131,500 | Other: 1 Housing Unit |
| 3 | Senior/Frail Elderly Services | 2015 | 2019 | Non-Homeless Special Needs | Citywide | Services for Elderly/Frail Elderly | CDBG: \$14,225 | Public service activities other than Low/Moderate Income Housing Benefit: 97 Persons Assisted |
| 4 | Services for Disabled | 2015 | 2019 | Non-Homeless Special Needs | Citywide | Services for Disabled | CDBG: \$7,840 | Public service activities other than Low/Moderate Income Housing Benefit: 85 Persons Assisted |

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|---|------------|----------|--|---------------------|--|--|---|
| 5 | Services for Low & Moderate-Income Households | 2015 | 2019 | Non-Housing Community Development | Citywide | Services for Low & Moderate-Income Persons | CDBG: \$24,735 CDBG-CV: \$484,660 | Public service activities other than Low/Moderate Income Housing Benefit: 2,445 Persons Assisted <i>Public service activities other than Low/Moderate Income Housing Benefit: 1,750 Persons Assisted</i> |
| 6 | Fair Housing Services | 2015 | 2019 | Non-Housing Community Development | Citywide | Program Administration/Fair Housing Services | CDBG: \$7,000 | Other: 75 Other |
| 7 | Program Administration | 2015 | 2019 | Administration | Citywide | Program Administration/Fair Housing Services | CDBG: \$65,093 CDBG-CV: \$35,733.84 | Other: 1 Other <i>Other: 1 Other</i> |
| 8 | Rapid Rehousing/Permanent Housing | 2015 | 2019 | Homeless | Citywide | Rapid Rehousing/Permanent Housing | CDBG: \$7,270 | Public service activities other than Low/Moderate Income Housing Benefit: 2,445 Persons Assisted |
| 9 | <i>Economic Development</i> | 2020 | 2023 | <i>Non-Housing Community Development</i> | <i>Low/Mod Jobs</i> | <i>Economic Opportunities</i> | <i>CDBG-CV: (Round 3) \$224,225.16</i> | <i>Businesses assisted: 30 Businesses Assisted</i> |

Table 6 – Goals Summary

Goal Descriptions

| | | |
|---|-------------------------|--|
| 1 | Goal Name | Housing Rehabilitation |
| | Goal Description | Owner-occupied housing rehabilitation loans and grants |
| 2 | Goal Name | Rental Housing |
| | Goal Description | Acquisition and/or rehabilitation assistance for potential rental housing |
| 3 | Goal Name | Senior/Frail Elderly Services |
| | Goal Description | Services for seniors and frail elderly |
| 4 | Goal Name | Services for Disabled |
| | Goal Description | Employment services for persons with disabilities |
| 5 | Goal Name | Services for Low & Moderate-Income Households |
| | Goal Description | Various safety net services for lower income persons and the homeless(2,445 planned for 2019). On August 27, 2020, CDBG-CV funds added to provide public services to an estimated 1,750 individuals) |
| 6 | Goal Name | Fair Housing Services |
| | Goal Description | Counseling and support services to address impediments to fair housing |
| 7 | Goal Name | Program Administration |
| | Goal Description | Program Administration (on August 27, 2020, added CDBG-CV funding to provide admin services for CARES Act funds) |
| 8 | Goal Name | Rapid Rehousing/Permanent Housing |
| | Goal Description | Housing and support services for homeless individuals |

| | | |
|----------|-------------------------|--|
| 9 | Goal Name | <i>Economic Development</i> |
| | Goal Description | <i>On December 17, 2020, added small business assistance grant for businesses impacted by the Coronavirus (CDBG-CV3 funding)</i> |

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

The City is not a participating jurisdiction in the HUD’s HOME program; however, an estimated 10 homeowners will be assisted with CDBG-funded rehabilitation during FY 2019-20 - one extremely low-income (0% - 30% AMI), three very low-income (30%-50% AMI), and seven low-income (50%-80% AMI) households to be assisted. Funds are also allocated to support the potential acquisition of one rental housing unit to be occupied by a lower income household.

Projects

AP-35 Projects – 91.220(d)

Introduction

Consistent with the City's Consolidated Plan, the following activities have been selected for CDBG funding for FY 2019-20. **It is important to note that activities listed for FY 2019-20 CDBG funding were proportionally decreased from estimated planning funding levels to match the City's actual allocation once announced by HUD.**

December 2020 CDBG-CV3 Amendment

On March 27, 2020, the CARES Act was signed into law. HUD has notified the City that it will receive \$224,731 in CDBG-CV1 funds to undertake activities that prevent, prepare for, or respond to local community impacts of the Coronavirus. On September 11, 2020, HUD notified the City it would receive \$519,888 in CDBG-CV3 funds. Funds will be used to assist small businesses impacted by social distance, stay at home, and mandatory shut-down orders.

September 2022 CDBG-CV Amendment

In September 2020, the City allocated \$595,888 in CDBG-CV Round 3 funds to provide grants to local small businesses that have been impacted by COVID-19. At the end of the FY 2021-2022 reporting period, an unexpended balance of \$295,662.84 is available. The City will reallocate these funds as follows: \$275,660 for public service and \$20,002.84 for CDBG-CV administration.

| # | Project Name |
|----|-------------------------------|
| 1 | Housing Rehabilitation |
| 2 | Housing Acquisition |
| 3 | Age Well Senior Services |
| 4 | Alzheimer's Orange County |
| 5 | Camino Health Center |
| 6 | Council on Aging |
| 7 | Fair Housing Foundation |
| 8 | Families Forward |
| 9 | Stand Up For Kids |
| 10 | South County Outreach |
| 11 | Vocational Visions |
| 12 | CDBG Administration |
| 13 | CDBG-CV Public Services |
| 14 | CDBG-CV Administration |
| 15 | CDBG-CV Small Business Grants |

Table 7 – Project Information

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

The City will allocate a portion of its CDBG funds for activities that address the housing/service needs of the elderly, special needs, and households at risk of becoming homeless and those already homeless. According to data from the Consolidated Plan, these households are contributing a significant portion of their income to maintain housing. Consistent with the City's homeless strategy, resources are also allocated to help households remain housed in place rather than fall into homelessness, and to assist households transition out of homelessness into permanent housing. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding for Mission Viejo households. The City's housing rehabilitation program will also focus its efforts to assist elderly homeowners undertake improvement of respective residences to address specific household needs.

AP-38 Project Summary

Project Summary Information

Table 8 – Project Summary

| | | |
|---|--|---|
| 1 | Project Name | Housing Rehabilitation |
| | Target Area | Citywide |
| | Goals Supported | Housing Rehabilitation |
| | Needs Addressed | Owner Occupied Housing Rehabilitation |
| | Funding | CDBG: \$267,806 |
| | Description | Loans and grants to improve owner-occupied housing |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 10 low- and moderate-income homeowners. |
| | Location Description | Citywide |
| | Planned Activities | Funds for loans and grants to address deferred property improvements and code deficiencies |
| 2 | Project Name | Housing Acquisition |
| | Target Area | Citywide |
| | Goals Supported | Acquisition and/or rehabilitation assistance for potential rental housing |
| | Needs Addressed | Rental Housing |
| | Funding | CDBG: \$131,500 |
| | Description | Financial assistance toward the acquisition of existing housing for affordable rental housing |
| | Target Date | 6/30/2020 |

| | | |
|----------|--|--|
| | Estimate the number and type of families that will benefit from the proposed activities | 1 lower income renter household |
| | Location Description | TBD |
| | Planned Activities | Financial assistance for toward the potential acquisition of existing housing to be utilized as affordable rental housing in partnership with a local nonprofit affordable housing provider. |
| 3 | Project Name | Age Well Senior Services |
| | Target Area | Citywide |
| | Goals Supported | Senior/Frail Elderly Services |
| | Needs Addressed | Services for Elderly/Frail Elderly |
| | Funding | CDBG: \$5,500 |
| | Description | In-home case management services for homebound seniors and frail elderly |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 32 homebound seniors or frail elderly |
| | Location Description | Citywide |
| | Planned Activities | Case management and in-home support services for homebound elderly and frail elderly. |
| 4 | Project Name | Alzheimer's Orange County |
| | Target Area | Citywide |
| | Goals Supported | Senior/Frail Elderly Services |
| | Needs Addressed | Services for Elderly/Frail Elderly |
| | Funding | CDBG: \$4,365 |

| | | |
|----------|--|--|
| | Description | Adult daycare services for adults with Alzheimer’s, other types of dementia, and disabilities |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 25 seniors or frail elderly |
| | Location Description | Citywide |
| | Planned Activities | Adult daycare services for adults with Alzheimer’s, dementia, or with debilitating conditions. |
| 5 | Project Name | Camino Health Center |
| | Target Area | Citywide |
| | Goals Supported | Services for Low & Moderate-Income Households |
| | Needs Addressed | Services for Low & Moderate-Income Persons |
| | Funding | CDBG: \$14,070 |
| | Description | Low cost medical and pediatric dental services |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 1,600 Individuals |
| | Location Description | 30300 Camino Capistrano, San Juan Capistrano CA |
| | Planned Activities | Reduced cost medical and pediatric dental services for low- and moderate-income persons |
| 6 | Project Name | Council on Aging |
| | Target Area | Citywide |
| | Goals Supported | Senior/Frail Elderly Services |

| | | |
|----------|--|---|
| | Needs Addressed | Services for Elderly/Frail Elderly |
| | Funding | CDBG: \$4,360 |
| | Description | Ombudsman services to ensure seniors and disabled adults residing in managed care facilities live in safe and sanitary conditions |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 40 Seniors and frail elderly |
| | Location Description | Managed care facilities throughout Mission Viejo |
| | Planned Activities | Unannounced visits to managed care facilities to ensure residents are living in safe and decent housing. |
| 7 | Project Name | Fair Housing Foundation |
| | Target Area | Citywide |
| | Goals Supported | Fair Housing Services |
| | Needs Addressed | Program Administration/Fair Housing Services |
| | Funding | CDBG: \$7,000 |
| | Description | Fair housing education and enforcement services |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 75 Households |
| | Location Description | Citywide |
| | Planned Activities | Fair housing outreach, education and enforcement services |

| | | |
|---|--|--|
| 8 | Project Name | Families Forward |
| | Target Area | Citywide |
| | Goals Supported | Services for Low & Moderate-Income Households |
| | Needs Addressed | Homeless Services |
| | Funding | CDBG: \$7,270 |
| | Description | Rapid rehousing and supportive services for homeless families with children |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 20 Individuals |
| | Location Description | 8 Thomas, Irvine CA |
| | Planned Activities | Housing placement and case management services for homelessness families with children |
| 9 | Project Name | South County Outreach |
| | Target Area | Citywide |
| | Goals Supported | Services for Low & Moderate-Income Households |
| | Needs Addressed | Services for Low & Moderate-Income Persons |
| | Funding | CDBG: \$8,300 |
| | Description | Food bank, utility/housing assistance to prevent shut-offs/evictions, and case management for lower income households and households at risk of homelessness |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 800 Individuals |

| | | |
|-----------|--|--|
| | Location Description | 7 Whatney St. B, Irvine CA |
| | Planned Activities | Food bank services including case management. Services also include emergency rent and utility assistance to prevent eviction or termination of services. Computer training services are also available. |
| 10 | Project Name | Stand Up For Kids |
| | Target Area | Citywide |
| | Goals Supported | Services for Low & Moderate-Income Households |
| | Needs Addressed | Homeless Services |
| | Funding | CDBG: \$4,365 |
| | Description | Outreach program for homeless youths |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 25 Individuals |
| | Location Description | Citywide |
| | Planned Activities | Outreach and engagement services for youths that are homeless or at risk of becoming homeless. Funding will be used to provide emergency housing vouchers and program staff. |
| 11 | Project Name | Vocational Visions |
| | Target Area | Citywide |
| | Goals Supported | Services for Disabled |
| | Needs Addressed | Services for Disabled |
| | Funding | CDBG: \$7,840 |
| | Description | Job training and development services for adults with disabilities |

| | | |
|-----------|--|--|
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | 85 developmentally disabled adults |
| | Location Description | 26041 Pala, Mission Viejo CA |
| | Planned Activities | Job training and job development services for adults with developmental disabilities |
| 12 | Project Name | CDBG Administration |
| | Target Area | Citywide |
| | Goals Supported | Program Administration |
| | Needs Addressed | Program Administration/Fair Housing Services |
| | Funding | CDBG: \$65,093 |
| | Description | CDBG program administration |
| | Target Date | 6/30/2020 |
| | Estimate the number and type of families that will benefit from the proposed activities | NA |
| | Location Description | 200 Civic Center, Mission Viejo CA |
| | Planned Activities | CDBG program oversight and coordination |
| 13 | Project Name | <i>CDBG-CV Public Services</i> |
| | Target Area | <i>Citywide</i> |
| | Goals Supported | <i>Services for Low & Moderate-Income Households</i> |
| | Needs Addressed | <i>Services for Low & Moderate-Income Persons</i> |

| | | |
|---------------------------|--|--|
| | Funding | CDBG-CV: \$484,660 |
| | Description | CDBG-CV funded services to assist lower-income residents impacted by the Coronavirus |
| | Target Date | 06/30/2023 |
| | Estimate the number and type of families that will benefit from the proposed activities | Assistance for 1,750 individuals with CDBG-CV funds with housing assistance and case management |
| | Location Description | Citywide |
| | Planned Activities | Social services including case management, housing, utility, food assistance, and other direct client services that prevent, prepare for, or respond to the Coronavirus pandemic |
| 14 | Project Name | CDBG-CV Administration |
| | Target Area | Citywide |
| | Goals Supported | Program Administration |
| | Needs Addressed | Program Administration/Fair Housing Services |
| | Funding | CDBG-CV: \$35,733.84 |
| | Description | CDBG-CV program oversight and coordination |
| | Target Date | 6/30/2023 |
| | Estimate the number and type of families that will benefit from the proposed activities | Not applicable |
| | Location Description | 200 Civic Center, Mission Viejo CA – City Hall |
| Planned Activities | CDBG-CV program oversight and coordination including management of public service grants and preparation of required reports | |

| | | |
|-----------|--|--|
| 15 | Project Name | <i>CDBG-CV3 Small Business Grants</i> |
| | Target Area | <i>Citywide</i> |
| | Goals Supported | <i>Economic Development</i> |
| | Needs Addressed | <i>Economic Opportunities</i> |
| | Funding | <i>CDBG-CV3: \$224,225.16</i> |
| | Description | <i>Grants for small businesses impacted by the Coronavirus that will preserve jobs for lower-income individuals funded with CDBG-CV3 funds</i> |
| | Target Date | <i>6/30/2022</i> |
| | Estimate the number and type of families that will benefit from the proposed activities | <i>30 Jobs</i> |
| | Location Description | <i>Citywide</i> |
| | Planned Activities | <i>Grants to small businesses impacted by social distance, stay at home, and mandatory shut-down orders. Grant resources will also be used to provide administration services for the business grant program</i> |

AP-50 Geographic Distribution – 91.220(f)

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

Activities slated for CDBG-funding during FY 2019-20 will be available on a citywide basis to eligible individuals; however, a map of the City’s CDBG Eligible Areas is provided as **Attachment 3**. This map is based on new “Low- and Moderate-Income Summary Data” provided by HUD on February 14, 2019. Eligible areas are where CDBG resources may be used on an “area wide” basis.

Geographic Distribution

| Target Area | Percentage of Funds |
|--------------------|----------------------------|
| Citywide | 100 |
| CDBG Eligible Area | 0 |

Table 9 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Funding is principally allocated on a citywide basis as the City’s primary intent is to serve lower income residents that need housing/services regardless of where they live in the City. As proposed, all funds will be allocated on a citywide basis.

Discussion

As indicated above, CDBG funds are primarily focused on programs that serve lower income residents regardless of where they live.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Although the Consolidated Plan and Action Plan focus on affordable housing, the City's only HUD funding source is CDBG, which is limited. The City proposes to utilize CDBG funds to undertake owner-occupied housing rehabilitation and potentially assist with the acquisition of an existing housing unit to expand the City's supply of affordable housing.

| One Year Goals for the Number of Households to be Supported | |
|---|-----------|
| Homeless | 0 |
| Non-Homeless | 11 |
| Special-Needs | 0 |
| Total | 11 |

Table 10 - One Year Goals for Affordable Housing by Support Requirement

| One Year Goals for the Number of Households Supported Through | |
|---|-----------|
| Rental Assistance | 0 |
| The Production of New Units | 0 |
| Rehab of Existing Units | 10 |
| Acquisition of Existing Units | 1 |
| Total | 11 |

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

Discussion

The City's CDBG-funded affordable housing strategy is to maintain the affordable housing stock through housing rehabilitation programs and supporting rental assistance programs like the Housing Choice Voucher (the latter is administered by the Orange County Housing Authority) – as of January 2019, 257 Mission Viejo renter households presently hold a voucher or certificate. For FY 2019-20, CDBG funding may also be utilized to assist with the acquisition of existing housing to expand the supply of housing units affordable to lower income households.

AP-60 Public Housing – 91.220(h)

Introduction

The City of Mission Viejo does not own or manage public housing.

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

Not applicable

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

Not applicable

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

Not applicable

Discussion

The City of Mission Viejo does not own or manage public housing.

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

Introduction

As outlined in the Consolidated Plan, the City's homeless strategy emphasizes preventing homelessness. The City will fund programs that provide a variety of services aimed at helping households, especially extremely low-income households, maximize the amount of income they can contribute toward housing. Services to be funded with CDBG include low cost comprehensive healthcare, food distribution, employment skills enhancement, and case management. The City has also increased its efforts to coordinate City resources to address homelessness within the community and throughout the region by supporting services that assist households at risk of becoming homeless and those already homeless.

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

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

During the current year, the City's Community Services Department has continued efforts to coordinate public and nonprofit services to address homeless issues in the community including participating in the biennial homeless count (coordinated by OC-211). The City recently contracted with a local homeless service provider (Mercy House) to conduct homeless outreach and engagement services. In addition to assessing the needs of the unsheltered homeless, Mercy House staff will help link individuals to transportation and shelter. Mercy House staff also coordinates these services with the OC Sheriff Homeless liaison officer assigned to Mission Viejo. These services are supported by City General Funds.

For FY 2019-20, the City will allocate CDBG funds to Stand Up For Kids, a local nonprofit organization that provides outreach and engagement services for homeless and at-risk youth. An estimated 25 youths will be assisted during the program year.

Addressing the emergency shelter and transitional housing needs of homeless persons

No 2019-20 CDBG funding is allocated for transitional housing; however, it is important to note that by providing CDBG funding to Families Forward and South County Outreach, homeless residents can access interim housing and support services offered by these agencies. A portion of CDBG funding allocated to Stand Up For Kids will be utilized to provide motel vouchers to homeless youths in need of immediate housing.

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

CDBG funding will be allocated to Families Forward in support of their Rapid Rehousing program for homeless families with children. In addition to housing placement services, participating families will have access to the agency's foodbank, employment counseling services, and case management. It is anticipated that 20 individuals will benefit from this program.

It is also noteworthy that in FY 2016-17, the City substantially amended its 2015-2019 Consolidated Plan and 2016-2017 Annual Action Plan in order to allocate CDBG resources to assist Families Forward to acquire two permanent affordable housing units. These two units are available to families that are ready to move from transitional housing into permanent housing.

The City will continue to support OCHA's efforts to obtain housing assistance vouchers for lower income households, including veterans. OCHA reports that in January 2019, 257 Mission Viejo households are participating in the federal Housing Voucher Rental Assistance program. Eighty-eight (88) are disabled households and 117 are elderly households. Additionally, six veterans receive special Veterans Affairs Supportive Housing (VASH) housing vouchers. The VASH program combines Housing Choice Voucher rental assistance for homeless veterans (provided by HUD) with case management and clinical services provided by the Department of Veterans Affairs. OCHA also reports that five disabled homeless households residing in Mission Viejo benefit from CoC Permanent Supportive Housing Certificates.

Finally, the City will continue to support agencies that provide homeless housing and support services by providing certifications of consistency with the Consolidated Plan. The City will also continue to support the regional CoC as it seeks resources to address countywide homeless issues.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

CDBG funding allocated to South County Outreach will assist a projected 800 residents with food, computer training, case management, and if needed, rent and/or utility assistance to prevent evictions or the loss of utilities. The City will also continue to participate in regional homeless planning efforts including the OC CoC's Discharge Plan, which aims to prevent individuals leaving institutions, hospitals, etc., from becoming homeless.

Discussion

The City's strategy is to help prevent homelessness via safety net services, and to support local service providers with resources to reduce the number of households experiencing homelessness.

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

Introduction:

Barriers to affordable housing and the actions to overcome barriers are detailed in the City's Housing Element and Consolidated Plan. Outlined below are the actions the City will support during FY 2019-20 to address identified barriers.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Land Use Controls: If applicable, the City will consider granting a density bonus or modifications to development standards, such as building height, in order to enhance the feasibility of an affordable housing project. The City may also consider granting reduced parking for senior housing and other affordable housing projects through the conditional use permit process.

Local Processing and Permit Procedures: As delineated in the Housing Element and Consolidated Plan, the City will consider providing incentives to assist with the development of affordable housing. Incentives may include expeditious permit processing, fee waivers, and other forms of assistance.

Fees and Other Exactions Required of Developers and Site Improvements: Where an established percentage of the dwelling units of a project are devoted to lower income households, incentives such as density bonus, tax-exempt financing, waiver of fees, assistance with development of on- or off-site improvements, and reductions in minimum parking requirements may be considered. In general, the City of Mission Viejo strives to keep development fees and improvement requirements to a minimum and actively pursues other sources of revenue to fund public improvements that are coordinated with private development.

Tax Policies: There is no local tax.

Discussion:

The City's Housing Element outlines a plan to address barriers to affordable housing. The Consolidated Plan mirrors this plan, which is to provide incentives to developers and nonprofits willing to develop units for lower income households.

AP-85 Other Actions – 91.220(k)

Introduction:

Outlined below are the actions the City will implement during FY 2019-20 to address the sub-strategies of the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

The City will allocate a portion of its CDBG funds for activities that address the housing and social service needs of the elderly and lower-income households. The City's housing rehabilitation program will assist elderly and disabled homeowners undertake improvement of respective residences to address specific household needs. To assist households at risk of homelessness, several safety net programs will be available (e.g., reduced cost medical services). Food and other forms of assistance will also be available to prevent homelessness. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding, especially for senior, disabled and homeless households.

Actions planned to foster and maintain affordable housing

The City of Mission Viejo has identified the actions it will undertake during FY 2019-20 to foster and maintain affordable housing. The Consolidated Plan identified programs such as Single-Family Housing Rehabilitation assistance as the means to maintain and improve housing currently occupied by low- and moderate-income residents. By providing deferred payment loans and grant, lower income households can rehabilitate their primary residence to meet basic housing quality standards and incur zero or minimal additional housing costs. An estimated ten households will be assisted with CDBG funds during FY 2019-20.

As outlined in the Housing Element, the City identified three sites that are properly zoned for housing development. Two of the identified sites remain vacant and undeveloped. Construction on the third site is complete - 38 of the 256 units are affordable to very low- and low-income households. Additionally, in FY 2016-17, CDBG resources were allocated to assist with the acquisition of two housing units that serve as permanent housing for families transitioning from homelessness to self-sufficiency. Funding is allocated to potentially undertake a similar project in FY 2019-20.

Actions planned to reduce lead-based paint hazards

Based on past housing rehabilitation program statistics, only a small percentage of housing units that are rehabilitated with City resources contain lead-paint hazards. To ensure compliance with program regulations, all housing units constructed before 1987 that will be rehabbed with CDBG resources will be

tested for lead-paint hazards. If needed, lead hazards will be removed or mitigated per current HUD regulations.

Actions planned to reduce the number of poverty-level families

According to the U.S. Census Bureau, an estimated 4.97% of Mission Viejo residents live below the poverty level; this figure includes 5.2% of children under the age of 18, and 5.7% of adults age 65 and older. To meet the needs of these residents, the City will continue to support programs and services that provide a social safety net. During FY 2019-20, the City will fund the following activities to support this strategy:

- Affordable housing programs, including rehabilitation for lower income, senior and disabled homeowners; rental assistance for very low-income renters (via the OCHA).
- Homeless prevention assistance.
- Public services that provide free or reduced cost services to lower income households that will help to improve quality of life.

Actions planned to develop institutional structure

The City has made an effort to develop an institutional structure that will help identify and access resources to improve the community. The City will continue to work with nonprofit and public entities to deliver public services and housing opportunities. As a member of the Orange County Continuum of Care Community Forum, the City will provide critical information to the County of Orange for preparation of the County's Continuum of Care Homeless Assistance Grant applications to HUD. Mission Viejo will continue to provide critical information regarding mainstream funds the City will make available to serve the homeless and assist in identifying and prioritizing gaps and needs in the regional system of care. Additionally, the City will provide input on the implementation of the County's Ten-Year Plan to End Homeless. Finally, the City will continue to assist the Orange County Housing Authority implement its Five-year and One-year PHA Plans.

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

The City of Mission Viejo does not operate public housing. The Orange County Housing Authority (OCHA) provides rental assistance in the community. Federal regulations require that the Housing Authority prepare five-year and one-year plans that highlight its mission, goals and objectives as they relate to public and assisted housing programs. The City will review the Authority's plans and provide OCHA the opportunity to review and consult with the City regarding its Consolidated Plan and Annual Action Plans. The goal of this cross-consultation is to provide consistent and coordinated housing services for City

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

Discussion:

HUD requires that the City prepare an Analysis of Impediments to Fair Housing choice (AI) every five years. In addition to identifying fair housing impediments, a strategy to overcome barriers must be developed and implemented annually. Accomplishments are to be reported annually as well.

In May 2015, the City of Mission Viejo and 15 other Orange County jurisdictions entered an agreement to prepare an AI that is compliant with existing AI guidelines. This multi-jurisdictional AI evaluated existing demographic data, past fair housing enforcement activity for each partner community, regional and city-specific mortgage lender data, and existing housing and land use public policies. Based on an extensive analysis of this data and the input of residents, a list of impediments to fair housing choice for the 16-city region was developed. A corresponding set of action steps to ameliorate these barriers was also prepared. Impediments identified in the AI are summarized in **Attachment 4**. It is important to note that **not all the impediments identified in the AI may be present in Mission Viejo**. The action steps that the City will undertake during FY 2019-20 are also listed in **Attachment 4**.

Program Specific Requirements

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

Introduction:

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

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

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

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

Other CDBG Requirements

| | |
|---|------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 100% |

Discussion

The City will meet the 70% Low- and Moderate-Income Overall Benefit requirement for use of CDBG funds in the one-year period of FY 2019-20.

CDBG funds for FY 2019-20 will be allocated to activities that are described above. Public service activities will be qualified either as “low- and moderate-income area benefit” or “limited clientele

benefit.” Public facility and infrastructure improvements will be qualified under “low and moderate-income area benefit” or “limited clientele benefit” (e.g., ADA improvements). Housing Rehabilitation will be available citywide to low and moderate-income households.

CDBG program income received during FY 2019-20 will be utilized for CDBG-eligible activities. The City does not have surplus funds from urban renewal settlements, nor does the City have grant funds returned to its line of credit. The City will not undertake float-funded activities; therefore, it does not anticipate program income from this type of activity. Finally, the City does not anticipate undertaking urgent need activities during FY 2019-20, nor will it undertake any action that may result in involuntary displacement of businesses or residents.

As indicated above, if available, CDBG program income will be made available to fund additional eligible activities. The City anticipates it will not carry forward any program income funds into FY 2019-20.