



**CITY OF ANAHEIM
HOME-AMERICAN RESCUE PLAN (ARP)
ALLOCATION PLAN
FY 2021/22**

**Public Review Draft
December 16, 2021 – January 5, 2022**

**CITY OF ANAHEIM
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CITY OF ANAHEIM
FY 2021/22 HOME-ARP ALLOCATION PLAN

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CITY OF ANAHEIM

HOME-ARP Allocation Plan

CONSULTATION

Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

Summarize the consultation process:

Consultation played a vital role in the development of this HOME-ARP Allocation Plan. To develop this Plan, the City of Anaheim launched an in-depth and collaborative effort to consult with the local Orange County Continuum of Care, City Departments, the Anaheim Public Housing Agency, and several non-profit agencies that serve homeless, at risk of homelessness, seniors, victims of domestic violence, and other qualifying population groups. Consultation included both a county-wide and personal consultation meeting with the Orange County Health Care Agency, Office of Care Coordination (CoC) and distribution of Provider Surveys that collected information on service needs among the qualifying population groups.

List the organizations consulted, and summarize the feedback received from these entities.

Agency/Organization Consulted	Type of Agency / Organization	Method of Consultation	Feedback
Orange County Health Care Agency, Office of Care Coordination	Continuum of Care	Countywide Grantee Meeting on November 17, 2021 and Anaheim-only consultation meeting on December 2, 2021	Office of Care Coordination staff provided overview of HOME-ARP eligible activities and CoC consultation, including PIT, HIC, and HMIS data.
Veterans Legal Institute	Pro Bono Legal Aid	Provider Survey	Agency provides approximately 100 homeless, veterans, elderly, persons with disabilities, and low-income households with free legal aid. Agency responded that all affordable housing options and services are a significant need in Anaheim.

Agency/Organization Consulted	Type of Agency / Organization	Method of Consultation	Feedback
StandUp for Kids	Supportive Service Provider	Provider Survey	Agency assists homeless youth characterized as either Transitional Aged Youth (TAY) or McKinney Vento. Agency reported affordable rental housing, various housing services, life skills training, street outreach services, case management, credit repair, and transitional or bridge housing as the most significant needs in Anaheim.
Lutheran Social Services of Southern California	Supportive Service Provider	Provider Survey	Agency works with all segments of the qualifying populations. Of most significant need are all affordable housing options, employment training, education services, mental health services, street outreach, landlord/tenant liaison services, case management, services for victims of domestic violence, seniors, Veterans, and women with children.
Dayle McIntosh Center	Supportive Service Provider	Provider Survey and participated in CoC consultation meeting	Agency serves all segments of the qualifying populations and finds the greatest need is for affordable rental housing, TBRA, PSH, employment assistance and training, housing services, emergency shelters, transportation, case management, TAY services, rapid re-housing and homeless prevention, transitional and bridge housing.
Mercy House	Developer/Owner of Affordable Housing, TBRA Operator, Supportive Services Provider, & Emergency Shelter	Provider Survey and participated in CoC consultation meeting	Agency provides a variety of housing options and services to homeless, Veterans, elderly, persons with disabilities, and low-income households. Agency indicated a significant need for various housing options (rental, TBRA, etc.), as well as food, housing, mental

Agency/Organization Consulted	Type of Agency / Organization	Method of Consultation	Feedback
			health, life skills, landlord/tenant liaison, substance abuse, transportation, case management, credit repair, and homeless prevention services.
HIS OC	Supportive Service Provider	Provider Survey and participated in CoC consultation meeting	Agency serves homeless, transitional aged youth, and low-income families. Areas of significant need include affordable housing and housing assistance, landlord/tenant liaison, emergency shelters, rapid re-housing and homeless prevention, transitional and bridge housing, and senior/Veteran services.
Fair Housing Council of Orange County	Fair Housing	Provider Survey	Agency assists nearly 1,000 Anaheim low- and moderate-income residents per year. Agency sees a need for various affordable housing programs, and a need for supportive services in the areas of housing, legal, mental health, substance abuse treatment, transitional aged youth, and homeless prevention.
Grandma's House of Hope	Supportive Service Provider, Emergency Shelter and Transitional Housing Provider	Provider Survey	Grandma's House of Hope provides over 4,000 homeless, victims of domestic violence, Veteran, elderly, disabled, and low-income households with services each year. They see a need for all housing options, and services such as food, housing, mental health, life skills, outpatient health, street outreach, substance abuse, transportation, case management, transitional aged youth, domestic violence, homeless prevention, senior,

Agency/Organization Consulted	Type of Agency / Organization	Method of Consultation	Feedback
			Veterans, and women services for the qualifying populations.
Big Brothers Big Sisters of Orange County	Youth Mentorship Agency	Provider Survey	Agency serves 340 homeless, victims of domestic violence, and transitional age youth with youth mentorship services each year and sees a significant need for all affordable housing programs (rental, tenant based rental assistance, bridge/transitional, rapid re-housing), education services, employment assistance/job training, mental health services, life skills training, street outreach services, additional emergency shelters, translation services, senior/Veteran services, and services of women, infants and children.
Interval House	TBRA and Emergency Shelter Operator	Provider Survey	Assists homeless, victims of domestic violence, and low-income families with tenant based rental assistance and also operates local emergency shelters that offer wrap around services. Significant need for affordable housing options, employment assistance/job training, food, housing services, case management, and rapid re-housing/homeless prevention.
Various Agencies	Supportive Service Provider	CoC meeting with Anaheim to discuss plans for HOME-ARP projects	On December 2, 2021, the following agencies attended the one-on-one consultation meeting between the City of Anaheim and the Orange County CoC to go over Anaheim's proposed HOME-ARP projects. There was no rejection to Anaheim's plan.

Agency/Organization Consulted	Type of Agency / Organization	Method of Consultation	Feedback
			<p>The following agencies were in attendance:</p> <ul style="list-style-type: none"> • Illumination Foundation (homeless housing and services) • Family Assistance Ministries (all qualifying populations, food, housing and other supportive services) • Jamboree Housing (developer of affordable rental housing) • Pathways of Hope (food, shelter, and housing to homeless and at risk of homelessness) • Orange County Community Resources (housing and community development) • Community Action Partnership Orange County (homeless, at risk of homelessness, job and educational services, advocacy for racial equity services) • South County Outreach (homeless prevention, rapid re-housing, rental and utility assistance, food, and educational programs) • Saddleback Church (Celebrate Recovery, counseling, mental health, support groups for all qualifying populations) • Orange County Health Care Agency (homeless, children and family services)

DRAFT

PUBLIC PARTICIPATION

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

For the purposes of HOME-ARP, PJs are required to make the following information available to the public:

- *The amount of HOME-ARP the PJ will receive,*
- *The range of activities the PJ may undertake.*

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

- ***Public comment period: start date – 12/16/2021. end date – 1/05/2022.***
- ***Public hearing: 1/05/2022.***

The City of Anaheim provided several opportunities for the public to participate in the HOME-ARP planning process. The City held a public hearing with its Housing and Community Development Commission on January 5, 2022 where the HOME-ARP Allocation Plan was presented with no comment or objection. The City also published a public hearing notice in the Anaheim Bulletin on December 16, 2021 to notify the public of the Plan’s availability for review and comment from December 16, 2021 through January 05, 2022, and also to invite interested persons to the public hearing to approve the Plan scheduled for January 05, 2022. Finally, on January 11, 2022, the Anaheim City Council held a public meeting to approve the HOME-ARP Allocation Plan which allowed another opportunity to receive comments from the public.

Describe any efforts to broaden public participation:

In an effort to broaden public participation in the development of the HOME-ARP Allocation Plan, the City followed citizen participation steps outlined in its Citizen Participation Plan. The Plan was made available at the City’s Community & Economic Development Department, Monday through Friday (except for legal holidays) from 8:00 a.m. to 4:00 p.m., or otherwise during the Department’s normal business hours. The Plan was also available for citizen review on the City’s website at www.anaheim.net/660/Community-Economic-Development.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.

Summarize the comments and recommendations received through the public participation process:

{Update with comments after public participation process.}

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

All comments and recommendations made were accepted and considered in the development of this Plan.

NEEDS ASSESSMENT AND GAP ANALYSIS

PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

OPTIONAL Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	118		703										
Transitional Housing	9		62										
Permanent Supportive Housing	441		368										
Other Permanent Housing													
Sheltered Homeless						79	429	25					
Unsheltered Homeless						69	625	33					
Current Gap													

Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

OPTIONAL Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	51,115		
Rental Units Affordable to HH at 30%AMI (At-Risk of Homelessness)	14,110		
Rental Units Affordable to HH at 30% -50% AMI (Other Populations)	11,350		
0%-30% AMI Renter HH w/ 1 or More Severe Housing Problems (At-Risk of Homelessness)		10,920	
30%-50% AMI Renter HH w/ 1 or More Severe Housing Problems (Other Populations)		4,475	
Current Gaps			+10,065

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

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

HOMELESS

The U.S. Department of Housing and Urban Development (HUD) requires that all Continuum of Care jurisdictions across the country complete a biennial unsheltered count and an annual sheltered count of all individuals experiencing homelessness in the community on a single point in time during the last ten days of January. Orange County's 2019 Sheltered Point in Time (PIT) Count took place the night of Tuesday, January 22, 2019, with client-level demographic information collected from all emergency shelter and transitional housing programs throughout the County. The 2019 Unsheltered PIT Count took place over two days, Wednesday January 23 and Thursday January 24, to ensure the 800 square mile county jurisdiction was canvassed effectively. Because of an improved PIT process, methodology and data quality from the use of GIS technology, the results of the 2019 PIT reflect the most accurate count of Orange County's homeless population ever. It is important to note that the new PIT Count goes beyond just the physical counting of persons experiencing homelessness and, in some instances, uses a formula to extrapolate the total number of homeless present. Also important to note is that the 2021 Point in Time Count was affected by local COVID-19 restrictions; therefore, the City of Anaheim will be relying on 2019 counts for this HOME-ARP Allocation Plan.

The January 2019 PIT count enumerated 1,202 homeless individuals in the City of Anaheim. Among the 1,202 homeless counted, 508 (42%) were in some kind of emergency or transitional

shelter, while the remaining 694 were found to live in places not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground. Most of the homeless counted, 1,054 (88%), were individuals, whereas 148 (12%) were part of a family. Homeless persons characterized as “transitional age youth” (18-24 years old) made up 3.4% (41 persons) of the homeless count in Anaheim. There were also 99 seniors and 58 veterans among the 1,202 total homeless persons counted as part of the 2019 PIT count.

The 2019 PIT Report did not include specific demographic composition data for Anaheim’s homeless population; however, Anaheim is one of 14 city’s that make up the North Service Planning Area (SPA). The 2019 PIT reported 2,765 homeless persons in the North SPA which is made up of 71% White, 10% that identified with Multiple or Other Races, and 8% Black or African American persons. Additionally, 35% of all homeless persons in this count reported being of Hispanic ethnicity.

AT RISK OF HOMELESSNESS

To account for persons at-risk of becoming homeless, the most recent (2014-2018) Comprehensive Housing Affordability Strategy (CHAS) data was analyzed. This data contains three particular characteristics of households that meets the definition of “at risk of homelessness” found in 24 CFR Part 91.5. First, the CHAS data breaks down occupied housing units by HUD Area Median Family Income (HAMFI), including 30% and below of HAMFI. Next, the CHAS data provides information on occupied housing units with households that are severely cost burdened; that is, they are spending more than 50% of their income on housing related expenses. For renters, that includes rent and utilities. For homeowners, it includes the mortgage payment, utilities, association fees, insurance, and real estate taxes. And finally, the CHAS data contains information on housing units in which there reside more than 1.5 people per room, which is considered to be severely over-crowded.

The CHAS data shows that of the 55,115 renter households in the city of Anaheim, 14,110 or 26% are occupied by households earning 30% or less of the HAMFI. Further, of these households, 88% (12,465) have one or more housing problems, defined as housing units that: 1) lack complete kitchen facilities; 2) lack complete plumbing facilities; 3) are over overcrowded; and 4) are cost burdened. A household is said to have a housing problem if they have any one or more of these four problems. The CHAS data shows that Hispanics make up an overwhelming share of households that meet both criteria (earn 30% or less of HAMFI and have one or more housing problems) at 56%, with White households ranked second at 21%, and Asian households third at 21%. Black or African American households constitute 3% of these households.

With regard to age, 28% of households earning less than 30% of the HAMFI and with one or more housing problems are seniors (62+ years of age). This category of seniors have a higher risk of homelessness due to the ever increasing cost of living in California (rising housing, utilities, food, and gas prices) while at the same time living on fixed incomes.

Finally, the CHAS data revealed that of the 12,465 households earning less than 30% HAMFI, 61% are severely cost-burdened, and 11% are severely overcrowded. Severely cost burdened households are spending more than 50% of their income on housing related expenses, leaving the remaining 50% or less of their income available for other daily necessities such as food, gas, child and healthcare. Together, these make up 8,900 households that specifically meet the definition of “at risk of homelessness” at 24 CFR Part 91.5.

Renter-Occupied Housing Units with Households Earning <= 30% HAMFI		14,110	
One or More Housing Problems*		12,465	88%
Race/Ethnicity	White	2,585	21%
	Black or African American	390	3%
	Asian	2,150	17%
	American Indian or Alaska Native	40	< 1%
	Pacific Islander	40	< 1%
	Other Race/Multiple Races	275	2%
	Hispanic	6,985	56%
Age	Non-Elderly	8,955	72%
	62-74 Years Old	2,295	18%
	75+ Years Old	1,215	10%
Housing Problem	Households with No Kitchen or Plumbing Facilities	500	4%
	Households with 1.5+ Persons per Room	1,340	11%
	Households with 1 – 1.5 Persons per Room	2,180	17%
	Households Over 50% Cost Burdened	7,560	61%
	Households 30-50% Cost Burdened	885	7%

* 1) lack complete kitchen facilities; 2) lack complete plumbing facilities; 3) are over overcrowded; and 4) are cost burdened

FLEEING, OR ATTEMPTING TO FLEE, DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING, OR HUMAN TRAFFICKING

The City has seen an increase in domestic violence-related calls for assistance to the Anaheim Police Department. From 2011-2015, there was an average of 1,214 domestic violence-related calls per year while the most recent data (2016-2020) shows an average of 1,374 domestic violence-related calls per year (State of California Department of Justice, <http://oag.ca.gov/crime/cjsc/stats/domestic-violence>).

The 2019 Orange County Point in Time count reported 29 households living in units designated for victims of domestic violence in the North SPA which includes the city of Anaheim. Of the 29 households, four were one-person households and the remaining 25 were households with children. The 2021 Orange County Housing Inventory Count shows one housing project, The Eli Home Children of Addicts Recovery (CARP) Program, dedicated to victims of domestic violence with 18 year-round beds. The Program provides housing and extensive case managed program services to homeless children and their mothers with substance use disorders (SUDS). Services include a support system, sobriety assistance, legal assistance, vocational training and assistance, individual and group counseling, and referral of services and resources.

OTHER POPULATIONS

Other Families Requiring Services or Housing Assistance to Prevent Homelessness:

As discussed above, the 2019 Point in Time Count reported 508 sheltered individuals in the city of Anaheim. Of these, 429 or 84%, were individuals and 79 were part of a family unit. Additionally, of the 508 sheltered homeless, 17 were considered transitional age youth (18-24 years old), 60 were seniors, and 25 were veterans. Race and ethnicity data was not available for these homeless subpopulations. All 508 persons were previously qualified as “homeless” as defined under 24 CFR Part 91.5 before entering temporary or emergency shelter. The fact that they reside in temporary or emergency shelter, undoubtedly makes them more vulnerable to entering homelessness again if services and/or housing assistance is terminated.

At Greatest Risk of Housing Instability

Persons at greatest risk of housing instability are those that: 1) are earning 30% or below the HAMFI and are severely cost-burdened (paying 50% or more on housing); or 2) are earning 50% or less of HAMFI and meet one of the following conditions:

1. Has moved 2 or more times in the 2-months immediately preceding their application for homelessness prevention assistance.
2. Is living in the home of another because of economic hardship.
3. Has been formally notified of eviction within 21 days after the date of application for assistance.
4. Lives in a hotel or motel and the cost of staying at the hotel or motel is not borne by a Federal, State, or local government program.
5. Lives in an over-crowded (more than 1 person per room) single-room occupancy (SRO) or efficiency apartment units, or lives in a severely overcrowded (more than 1.5 persons per room) larger housing unit.
6. Is exiting a publicly funded institution, or system of care (health care facility, mental health facility, foster care or other youth facility, or correction program or institution).
7. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient’s approved Consolidated Plan.

For the first group of persons/households at greatest risk of instability, that is, they earn less than or equal to 30% of HAMFI *and* are severely cost-burdened, the 2014-2018 CHAS data reports that there are 13,310 households that meet this criterion. Of these, 82% or 10,920 are households that rent, making them more vulnerable to housing instability and homelessness.

Information on each of the conditions listed above for the second category of persons at greatest risk of housing instability is not readily available, with the exception of data on overcrowding. The 2014-2018 CHAS data described 4,765 households earning 50% or less of HAMFI living in overcrowded conditions, 92% of which were renter households. Worse, the data showed an additional 2,575 households experiencing severe overcrowding, and 96% of them were renters.

VETERANS AND FAMILIES THAT INCLUDE A VETERAN FAMILY MEMBER

According to the 2019 American Community Survey (ACS), Anaheim currently has a population of 9,124 veterans in the city. This is made up of 8,245 males, and 879 females. The number of veterans that are homeless make up less than 1% (58 persons) of the veteran population, pursuant to the 2019 Point in Time Count. Of this, 57% were unsheltered and 43% were sheltered. Review of the 2021 Orange County Housing Inventory Count found that no units available specifically to veterans exist in Anaheim.

Describe the unmet housing and service needs of qualifying populations, including but not limited to: Sheltered and unsheltered homeless populations; Those currently housed populations at risk of homelessness; Other families requiring services or housing assistance or to prevent homelessness; and Those at greatest risk of housing instability or in unstable housing situations:

According to the U.S. Department of Health & Human Services, "...poverty, unemployment, and lack of affordable housing are commonly recognized causes of homelessness. These risk factors can be exacerbated by personal vulnerabilities such as mental and substance use disorders, trauma and violence, domestic violence, justice-system involvement, sudden serious illness, divorce, death of a partner, and disabilities." The City of Anaheim is no exception to this finding. As the number of homeless persons in Anaheim continues to increase, so does the need for additional affordable housing and supportive services aimed to move them out of homelessness and housing instability.

As reported in the 2019 Point in Time Count, Anaheim is home to over 500 homeless people experiencing homelessness with shelter, and another almost 700 people experiencing homelessness without shelter. Further, according to the 2014-2018 Comprehensive Housing Affordability Strategy ("CHAS"), of the 51,115 renter households in the City, 42% (26,215 households) are paying the normal or expected 30% or below of their income on housing related expenses; however, that means that the remaining 58% of all renter households are experiencing some level of cost burden. The cost burdens are more serious for households with the lowest incomes (at or below 30% of Area Median Income), with 22% (12,155 households) cost burdened (paying more than 30% of their income toward rent) and another 20% severely cost burdened (paying more than 50% of their income toward rent) making them more at risk of homelessness. These significant housing cost burdens affect thousands of Anaheim residents, and it is critical that Anaheim continue developing new affordable housing for people with the lowest incomes in the community.

According to the 2021 Orange County Housing Inventory Count, the City of Anaheim has 568 family beds and 1,133 adult-only beds, for a total of 1,701 beds within the city. While it would appear that Anaheim has sufficient bed capacity to meet the shelter needs of the City's homeless population, it should be noted that nearly half of these beds (48%) are in emergency homeless shelters. Emergency shelters are often used for short-term solutions to homelessness and are offered with a variety of services to navigate the needs and plans of its clientele. However, emergency shelters are not the final solution for longer-term housing stability. The emergency

shelters also do not exclusively serve Anaheim residents; they are open and available to any homeless person regardless of residency.

Ultimately, what this means is that there is a shortage of affordable and long-term housing options for those that are homeless or at risk of homelessness in Anaheim. Despite the 880 beds in transitional and permanent supportive housing, there remains 727 unsheltered homeless individuals, and nearly 11,000 renter households earning below 30% HAMFI that are severely cost burdened making them at risk of homelessness.

With regard to needed services, The PIT report for Orange County (information not available for Anaheim only) describes homeless persons as:

- 36% chronically homeless
- 26% with substance abuse issues
- 21% with a physical disability
- 24% with mental health disorders
- 9% with developmental disabilities
- 8% are victims of domestic violence

With a variety of issues afflicting and often contributing to homelessness, as seen above, services to support the homeless is crucial for longstanding success. Case management and other housing and shelter programs can help address the root causes of homelessness through a range of essential support services, including childcare, mental and substance abuse treatments, domestic violence advocacy, employment training, and other wrap around services. As was learned from the consultation process, many of these services are already being carried out at local emergency shelters and other housing sites for homeless persons.

Referring once again to the U.S. Department of Health & Human Services website, it is reported that “research suggests that intervention services to prevent homelessness is more cost effective than addressing issues after someone is already homeless. The longer a person is homeless, the harder and more expensive it becomes to re-house this person.” In that vein, services such as rapid re-housing, providing food support, childcare, benefits advocacy, Veteran’s services, rental and/or utility assistance, security deposit assistance, and trauma or domestic violence support systems, can be very beneficial to prevent homelessness in the first place.

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

The City of Anaheim is a recipient of the annual Community Development Block Grant (CDBG), Home Investment Partnership Act Program (HOME), Emergency Solutions Grants Program (ESG), and the Housing Opportunities for Persons with Aids Program (HOPWA). Together, the City receives approximately \$9.1 million from these entitlement programs to address affordable housing and low- and moderate-income community development needs, homelessness, and

housing for persons living with Aids/HIV. Additionally, the City received special allocations of CDBG, ESG, and HOPWA in 2019 as a response to the COVID-19 pandemic in the sum of nearly \$17.5 million.

Anaheim uses its federal funding on a variety of projects and programs that serve the qualifying populations already. For example, ESG funds are being used to fund emergency shelters for 310 homeless persons and to provide needed goods such as PPE, furnishings, bed linens, soap, portable showers and other necessary items. ESG is also used for rapid re-housing, homeless prevention, and street outreach services.

HOME and HOPWA funds are currently being used to provide tenant based rental assistance to approximately 155 total households that would likely enter homelessness but for the financial assistance they are receiving from the City.

The CDBG program funds several supportive services for qualifying populations, as well. Anaheim is currently funding Access California Services' (AccessCal) which assists with health coverage access, mental health services, employment services, client advocacy, educational classes including after-school program and parenting classes, emergency financial assistance, microenterprise classes, and immigration and citizenship assistance. Meals on Wheels Orange County also receives CDBG funding to carry out a home-delivered meals program to seniors in Anaheim. The Boys & Girls Club of Anaheim is also a recipient of CDBG funding and assists low-income and homeless children by offering free food, educational assistance, and after school care. Finally, CDBG assists the City's Veteran population by funding organizations such as the Veterans Legal Institute. The Veterans Legal Institute helps to increase self-sufficiency for homeless, disabled, and/or low-income Veterans through strategic and free legal aid services. Other resources available to Veterans regionally include peer career counseling via the Goodwill of Orange County's Tierney Center for Veteran Services; employment training and assistance through Chrysalis Enterprises and the Veteran's Employment-Related Assistance Program (VEAP); and homeless or at risk of homelessness services offered by the Veteran Housing Resource Fairs.

The Anaheim Housing Authority (AHA) administers federally funded programs and grants allocated by the Department of Housing and Urban Development (HUD) in the City of Anaheim. The Housing Choice Voucher (HCV) program offers two housing options: tenant-based and project-based. The tenant-based program allows assisted households to use a rental assistance voucher in open rental market units. And the project-based program ties a voucher to a specific unit in which an assisted household can move into.

The Tenant-Based Housing Choice Vouchers Program has a waiting list that is currently open only to individuals who qualify for the mainstream preference. To qualify for the mainstream preference, a household member must satisfy all three eligibility criteria: (1) must be between 18 to 61 years old, (2) must be disabled, and (3) must currently be homeless or transitioning out of an institutional or other segregated setting and have nowhere else to go. The Project-Based Housing Choice Voucher Program, on the other hand, offers a variety of housing options at

specific housing locations. Some buildings are intended for families, while others are age restricted, intended for seniors only. The AHA also offers a number of PBV locations that provide amenities and/or services specifically for persons with disabilities. The City of Anaheim has a total of 5,497 households receiving Housing Choice Vouchers, and another 166 households who have been approved for Housing Choice Vouchers and are currently looking for units.

Finally, the City of Anaheim has an Affordable Housing Program consisting of multifamily apartment complexes throughout the City that include affordable units. The City has agreements with the owners of these units to maintain rents at levels below regular market rent rates. Interest lists are open and potential tenants are notified when availability occurs, Potential tenants must live and/or work in Anaheim and meet income requirements to be eligible. Anaheim currently has a portfolio of 3,747 affordable housing units in the City.

Affordable and permanent supportive housing developments in Anaheim have long wait lists for entry. The Orange County Coordinated Entry generally assesses thousands of people each year, and offers housing to a small fraction. With over 1,202 people experiencing homelessness and tens of thousands of cost burdened renters in Anaheim, additional affordable and permanent supportive housing is desperately needed. The 2014-2021 Regional Housing Needs Allocation (RHNA) for the City of Anaheim echoes this sentiment. The RHNA reports that the City of Anaheim has a total housing need of 5,702 units. From this allocation, the RHNA designates:

- 1,256 units for very low-income families, with incomes at or below 50% of Average Median Income (AMI)
- 907 units for low-income families with an AMI ranging from 51% to 80%.
- 1,038 units for moderate-income families with an AMI ranging from 81% to 120%.
- 2,501 units for above moderate-income families with an AMI above 120%

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

As presented earlier in this Plan, the number of individuals and families that meet the criteria of a qualifying population under the HOME-ARP guidance far exceeds the number of available units to house them. The City has 1,202 homeless individuals when last counted in 2019, 694 that are unsheltered and 508 that are sheltered and presumably sharing bed-availability at the local emergency shelters with homeless persons from neighboring cities. The number of homeless reveals the need for additional housing units, along with the services to support them. Moreover, the thousands of renter households that are both living in poverty and are severely cost burdened or severely overcrowded are indications of the serious deficit of homes affordable and available to the qualified populations. This housing shortage in Anaheim demonstrated above by the CHAS and RHNA data, shows the dire need for additional Permanent Supportive Housing and non-congregate shelter options, including through opportunistic acquisitions of existing multifamily buildings, hotels, and motels.

Anaheim passed out 40 Provider Surveys to local service agencies that provide a variety of services ranging from homeless services, legal aid, affordable housing, and tenant based rental assistance to name a few. Ten agencies responded to the survey. As seen in the table below, affordable rental housing and transitional/bridge housing ranked first among all of the services and programs listed on the survey with 100% of respondents identifying this as a significant need among their clientele. Tenant based rental assistance, housing related services, and rapid re-housing/homeless prevention services ranked second in most significant needs in Anaheim. Emergency shelters, permanent supportive housing, and case management round out the next two most significant needs as seen by the respondents.

Services Determined to be of Significant Need

Rank	Service
1 (100%)	Affordable Rental Housing Transitional/Bridge Housing
2 (90%)	Tenant Based Rental Assistance Housing-Related Services (housing search, security deposits, utility assistance, moving costs, first and last month's rent) Rapid Re-Housing/Homeless Prevention
3 (80%)	Emergency Shelter
4 (70%)	Permanent Supportive Housing Case Management
5 (60%)	Mental Health Services Street Outreach Services Transitional Age Youth Services
6 (50%)	Employment Assistance/Job Training/Career Counseling Food Life Skills Training Landlord/Tenant Liaison Services for Victims of Domestic Violence/Dating Violence/Sexual Assault/Human Trafficking
7 (40%)	Substance Abuse Treatment Services Transportation Senior/Veteran Services Women, Infant, & Children Services
8 (30%)	Education Services Credit Repair
9 (20%)	Legal Services Outpatient Health Services Translation Services
10 (10%)	Mediation

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

Housing associated with instability and an increased risk of homelessness are those that 1) are occupied by persons earning 30% or below the HAMFI and are severely cost-burdened (paying

50% or more on housing); or 2) inhabit persons that are earning 50% or less of HAMFI and are severely overcrowded (living with 1.5 or more persons per room). Households meeting these definitions tend to live in housing with deferred maintenance and are in need of rehabilitation.

Identify priority needs for qualifying populations:

Without a doubt, analysis of the 2019 Point in Time Count, CHAS data, American Community Survey data, and consultation with the various agencies conducted as part of this Plan reveal the need for more affordable housing and housing-related supportive services. People without homes, need homes. The high and rapidly escalating housing costs combined with the COVID-19 pandemic and economic displacement in Orange County creates harmful instability for the qualified populations. It is difficult for members of the qualified populations to find affordable housing of any kind in Anaheim. Personal needs and challenges become exponentially worse if you are in poverty, or worse, homeless. Investing in permanent supportive housing allows services to be accessed and for individuals to begin to recover.

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

The City of Anaheim analyzed several data sources to determine the needs and gaps in the City's shelter and housing inventory and in the service delivery systems. First, the City extracted Anaheim-specific data from the 2019 Orange County Point in Time Count. The PIT provided valuable data on the number of sheltered and unsheltered homeless, families and individual homeless persons, and transitional aged youth, senior, and Veteran homeless persons. Further, data on the number of homeless persons fleeing domestic violence was provided on a County-wide basis.

Next, the City accessed data from the Comprehensive Housing Affordability Strategy ("CHAS"). CHAS data is provided annually from the U.S. Department of Housing and Urban Development (HUD) and includes custom tabulations of American Community Survey (ACS) data from the U.S. Census. The data demonstrates the extent of housing problems and needs, particularly for low-income households. CHAS data was used by Anaheim to determine housing tenure by the various income levels, the number of households experiencing cost burden and/or overcrowded conditions, race and ethnicity statistics of extremely low-income households, and other data needed to characterize households at risk of homelessness.

Third, the City retrieved data from the City's 2020-2024 Consolidated Plan, the Regional Housing Needs Allocation (RHNA), and the Orange County Housing Inventory Count to gather information on housing needs, current housing available in Anaheim, and current service programs offered with federal funding.

Finally, the City consulted with various stakeholders including the Orange County CoC, Mercy House, the Dayle McIntosh Center, Lutheran Social Services of Southern California, StandUp for Kids, Veterans Legal Institute, HIS OC, the Fair Housing Council of Orange County, Grandma's

House of Hope, Big Brothers Big Sisters of Orange County, and Interval House to find out what they felt are the priority needs of their clientele (homeless persons, Veterans, elderly persons, persons with disabilities, and victims of domestic violence). The most pressing need is for affordable rental housing and transitional/bridge housing.

Overall, the City found that the highest need for the qualifying populations in Anaheim was for additional affordable housing with wrap-around supportive services. A decent and affordable place to live, coupled with supportive services, helps homeless and those at risk of homelessness by freeing them from such physical and mental hardships and placing them on a path of new opportunity and increased confidence and self-reliance.

PROPOSED HOME-ARP ACTIVITIES

Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:

The City of Anaheim will fund two affordable rental housing projects with HOME-ARP funds. The first project, the Kona Motel, will be developed in partnership with Jamboree Housing who provided the City with an unsolicited application after being notified that the City would be a recipient of \$5 million in Homekey funds from the State of California. The second project, Studio 6, will be developed by LINC Housing who was selected after a Request for Proposals was released in November 2, 2021 in response to the State of California's Homekey NOFA. Both developers were selected for their experience acquiring, rehabilitating, and operating affordable housing, including permanent supportive housing and temporary housing.

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

Not applicable.

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

Use of HOME-ARP Funding

	Proposed Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 0		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 4,976,903		
Non-Profit Operating	\$ 0	0 %	5%
Non-Profit Capacity Building	\$ 0	0 %	5%
Administration and Planning	\$ 500,000	9.13 %	15%
Total HOME ARP Allocation	\$ 5,476,903		

Additional narrative, if applicable:

The City of Anaheim will fund two Homekey developments utilizing HOME-ARP funds. First, the City will commit \$1,971,439 in HOME-ARP funding for the acquisition and rehabilitation of the Kona Motel located at 331 North Brookhurst Street, Anaheim. The proposed project includes the rehabilitation of an approximately 12,000 square foot, 2-story, motel building that will house up to 24 studio Homekey units with one manager unit for a total of up to 25 units. The proposed project will cost approximately \$18,000,000 and will use \$1.9 million in HOME-ARP and up to 24 Project-Based Section 8 Vouchers for up to 20 years. The project will long-term housing solutions (55 years) for persons who are currently homeless in the City of Anaheim. Currently, the City has limited affordable housing and the proposed project would add up to an additional 25 units to be used for affordable housing.

The City is also in discussions to acquire the Studio 6 Motel located at 1251 North Harbor Boulevard, Anaheim. The motel is an approximately 37,000 square feet, 3-story building with 118 units and one manager unit sitting on a 1.44-acre site. The City is proposing to use the site as a temporary Non-Congregate Shelter (NCS) until the development team consisting of LINC Housing and the City of Anaheim can submit an application for tax-credit funding. When additional funding is secured, the NCS will be converted to permanent supportive housing and HOME-ARP funds will be used for needed rehabilitation to convert the property to more permanent housing. Ultimately, the project will cost roughly \$36 million to convert the motel to 114 PSH units, 89 of which will be available to the City’s homeless population (29 for chronically homeless, 60 for general homeless), and the remaining 25 will convert to general affordable housing units for low-income households. The units will remain affordable for 55 years.

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

The City continues to make a considerable effort to increase its inventory of affordable housing units. However, the demand for the available units far outstrips the supply as shown in the tables

above. Based on the Point in Time Count, there were 1,202 total homeless persons in Anaheim in 2019, 727 of them unsheltered despite the City's, County's, and non-profit industry's efforts to house and provide needed support services to them. Additionally, there are nearly 11,000 renter households at risk of homelessness. They are reportedly making equal to or less than 30% HAMFI while at the same time, spending over 50% of their incomes on housing related expenses. The RHNA further indicates a need for 1,256 units for very low-income families, with incomes at or below 50% of Average Median Income (AMI).

New affordable housing developments typically take at least 3-6 years from concept to occupancy. The state Homekey program requires project completion within 12 months of the funding award, which results in affordable units on an expedited timeline. The HOME-ARP funds will immediately support a Homekey project at the Kona Motel with an estimated 24 units affordable to qualifying households earning up to 30% AMI which allows the City to be more responsive to the current need for affordable housing, particularly for the most vulnerable populations. HOME-ARP funds will also provide 89 additional units within the next 5 years to homeless persons.

HOME-ARP PRODUCTION HOUSING GOALS

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

The proposed Kona Motel Homekey project will convert 25 motel rooms into permanent supportive housing units (24 income-restricted, plus 1 manager's unit).

The proposed Studio 6 Homekey project will convert 118 motel rooms into 114 permanent supportive housing units for 89 homeless and 25 low-income households.

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

The City expects to use the HOME-ARP funds to support two Homekey projects. Homekey is a state-funded program that provides funding to support the conversion of hotels and motels (and other buildings) to permanent supportive housing or temporary housing. The City plans to leverage its HOME-ARP allocation with the state funding, as well as other local sources.

The two proposed Homekey projects will convert a total of 144 hotel rooms into 139 permanent supportive housing units. The Kona Motel will convert 25 rooms into 24 units for homeless persons and 1 manager unit. The Studio 6 Motel will convert 119 motel rooms into 114 units (89 for homeless and 25 for general affordable housing). The units will be restricted as affordable to formerly homeless households (or other qualifying populations) earning up to 30% AMI. The restrictions would be in effect for 55 years, ensuring the project will continue to serve qualifying households well beyond the affordability period required by HOME-ARP. The Homekey project

would make restricted units available on a much faster timeline than typical HOME-funded renovations and new construction.

PREFERENCES

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

- *Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).*
- *PJ's are not required to describe specific projects to which the preferences will apply.*

The proposed Homekey projects would serve individuals experiencing homelessness or who are at risk of homelessness.

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

As previously discussed in the section on unmet needs and gaps in services for people who were homeless, there is a high need for affordable rental housing, transitional housing, and permanent supportive housing. This decision was largely based on the data analysis of the Point in Time Count, CHAS data, RHNA projections, and consultation with various non-profit agencies.

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:

The City of Anaheim will continue to utilize its annual federal CDBG, ESG, HOME, and HOPWA allocations to provide services and housing to persons in the other qualifying populations.

HOME-ARP REFINANCING GUIDELINES

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME- ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity

Not applicable.

Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.

Not applicable.

State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.

Not applicable.

Specify the required compliance period, whether it is the minimum 15 years or longer.

Not applicable.

State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.

Not applicable.

Other requirements in the PJ's guidelines, if applicable:

Not applicable.

