



## HOME Investment Partnerships Program

American Rescue Plan

# DRAFT

## HOME-ARP ALLOCATION PLAN

May 24, 2022



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# **DRAFT**

# **HOME-ARP ALLOCATION PLAN**

HOME Investment Partnerships (HOME) Program  
American Rescue Plan



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## VERSION HISTORY

No.	Summary of Changes			
1	Published Draft for Public Comment:	4/24/22	Sent to HUD for Approval:	TBD
	Conducted Public Hearing:	5/24/22	Approved by HUD:	TBD
	Original HOME-ARP Allocation Plan.			

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## Executive Summary

The City of Hawthorne has been allocated \$2,166,698 of HOME-American Rescue Plan Act (HOME-ARP funding from the US Department of Housing and Urban Development (HUD). In order to receive the HOME-ARP allocation, the City must develop a HOME-ARP Allocation Plan that will become part of the City's PY2021 HUD Annual Action Plan by substantial amendment.

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

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

- In January 2020, the annual Point in Time (PIT) count revealed that 11 people were residing in emergency housing, either in shelter or transitional housing. Another 197 people were unsheltered on the streets, in tents or makeshift shelters, or in cars, vans, RVs or campers.
- 2014-2018 CHAS Data from HUD reported 4,850 households with incomes at or below 30% AMI are at risk of homelessness in the City.
- The 2014-2019 HUD CHAS data indicates there are 5,525 renter households with an annual income at or below 30% AMI with a cost burden that are at greatest risk of housing instability.
- The CHAS data reports that there are 4,605 households with incomes more than 30 and but equal to or less than 50% AMI that are at risk of homelessness in the City because of at least one of the housing problems as defined by HUD.
- The greatest need for supportive services is in the areas of were mental health services, landlord/tenant liaison, housing search/counseling services, childcare assistance and financial assistance.

To address these needs within the community, the City will utilize HOME-ARP funds for developing non-congregate shelter units, establishing a tenant-based rental assistance program, the provision of supportive services, capacity building in the nonprofit community, and administration and planning for the HOME-ARP program.

The City will solicit applications from developers, service providers, and/or nonprofits to administer eligible activities and/or develop shelter and housing. A Notice of Funds Available

(NOFA) will be issued. The NOFA will, at a minimum, specify eligible activities, eligible applicants, minimum and maximum funding amounts, application thresholds, and will provide instructions on how to submit a proposal.

## Introduction

The City of Hawthorne has been allocated \$2,166,698 of HOME-American Rescue Plan Act (HOME-ARP) funding from the US Department of Housing and Urban Development (HUD). To receive the HOME-ARP allocation the City of Hawthorne must develop a HOME-ARP Allocation Plan that will become a part of the City's PY2021 HUD Annual Action Plan by substantial amendment. The HOME-ARP Allocation Plan must include the following:

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

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

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
HOME Administrator	City of Hawthorne	Housing Department

### HOME-ARP Eligible Qualifying Populations and Activities

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

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

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

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

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

## Stakeholder Consultation and Public Participation

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

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

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

### Stakeholder Consultation

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

A virtual session was held March 29, 2022. Representatives from multiple agencies, groups, and organizations were invited via email to attend. Those unable to attend were invited to submit written comments via emails or schedule a phone call to share their thoughts.

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

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

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

The City’s virtual session was attended by 11 representatives of 10 agencies. The survey was completed by 10 representatives of 8 agencies. All HUD-required agency types were represented in either the virtual session or the online survey or by email.

## Organizations Consulted by Type and Method

Table 2 – Organizations Consulted by Type and Method

Organization Consulted	Type of Organization	Method of Consultation
City of Hawthorne Housing Advisory Board	Public, addresses needs of qualifying populations, serves as public housing authority	Virtual Session Survey
Family Promise of the South Bay	Nonprofit, addresses needs of qualifying populations including homeless	Virtual Session Survey
Free at Last Deliverance Ministries LLC	Nonprofit, addresses needs of qualifying populations including homeless	Survey
Hawthorne Homeless Coordination Program	Nonprofit, addresses needs of qualifying populations including homeless	Virtual Session Survey
Hawthorne Housing Authority	Public, addresses needs of qualifying populations, serves as public housing authority	Virtual Session
Homeless Outreach Program Integrated Care System (HOPICS)	Nonprofit, addresses needs of qualifying populations including homeless	Virtual Session
Housing Rights Center	Nonprofit, addresses needs of qualifying populations including disabled, provider of fair housing services to the City	Email response
Los Angeles Homeless Services Authority (LAHSA)	Nonprofit, addresses needs of qualifying populations including homeless	Agency-Sponsored Virtual Session
Mychals Learning Place	Nonprofit, addresses needs of qualifying populations including homeless	Survey
New Start Family Justice Center	Nonprofit, addresses needs of qualifying populations including civil rights	Virtual Session
South Bay Cities Council of Governments	Public, addresses needs of qualifying populations including homeless	Virtual Session Survey

South Bay Workforce Investment Board	Nonprofit, addresses needs of qualifying populations	Virtual Session
St. Margaret's Center, a program of Catholic Charities	Nonprofit, addresses needs of qualifying populations including the disabled	Virtual Session Survey
Wounded Heroes of America	Nonprofit, addresses needs of qualifying populations including veterans	Virtual Session
Valley Oasis	Nonprofit, addresses needs of qualifying populations including the homeless	Survey

### Summary of Feedback Received from Consulted Organizations

Consultation revealed strong support for the following:

**Development and support of affordable housing.** Participants in the virtual session were united in the need for additional affordable housing, specifically permanent supportive housing. Those replying to the survey also all agreed there was “high need” for this housing. There was discussion of various populations, represented by the agencies assembled, in need of both stable housing and services including case management.

**Provision of supportive services.** Many examples of supportive services were mentioned in the virtual session including case management, fair housing, mental health services, credit repair services, housing counseling, substance abuse services, and eviction defense. Survey respondents were asked to rank what they believed is the current need for various services eligible under HOME-ARP. The activities with the most rankings for “high need” were mental health services (88%), landlord/tenant liaison (86%), housing search/counseling services (78%), childcare assistance and financial assistance (75%).

Table 3 – Rating Current Need for Supportive Services

Supportive Services	High Need	Moderate Need	Low Need	No Need
Case management services	50%	50%	0%	0%
Child Care Assistance	75%	25%	0%	0%
Credit repair services	50%	25%	25%	0%
Education Services	38%	38%	25%	0%
Financial assistance costs	75%	25%	0%	0%
Food assistance	38%	38%	25%	0%
Housing search and counseling services	78%	22%	0%	0%



Job training and employment services	67%	33%	0%	0%
Landlord/tenant liaison services	86%	14%	0%	0%
Legal services	38%	63%	0%	0%
Mediation services	0%	63%	38%	0%
Mental health services	88%	13%	0%	0%
Outpatient health services	38%	63%	0%	0%
Outreach services	50%	38%	13%	0%
Services for special populations	38%	50%	13%	0%
Substance abuse treatment	50%	38%	13%	0%
Transportation assistance	63%	38%	0%	0%

**Acquisition and development of non-congregate shelter.** Many participants mention the need for shelter in general and for specific populations including families, those fleeing domestic violence and other situations, people with service animals, the elderly and single people. Currently there are no emergency shelter beds in the City. Given the expense of acquiring and developing shelter space, most thought that was not a possibility given the available funds

**Tenant-based rental assistance (TBRA).** In conjunction with affordable housing, many attendees mentioned the need to increase availability of the TBRA program and as a companion to the development of affordable housing.

**Nonprofit capacity building and operating assistance.** In the survey, respondents were asked if they believed there was a need for nonprofit capacity building and operating assistance. Of the responses received, all responded affirmatively that there was a need in the nonprofit sector for operating assistance and 85% believed there was a need for capacity building.

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

1. Acquisition of permanent housing resources if other funds are available to leverage for the purchase of multi-unit buildings, scattered sites properties, or individual units.
2. Master leasing, which is not outlined in the HOME-ARP guidance but is being explored through conversations between LAHSA and HUD.

3. Supportive services that support emergency housing vouchers and services based in problem solving, prevention and diversion to prevent the need for interim housing or accessing the homeless services system.

## **Public Participation**

To provide opportunities for public participation, the City of Hawthorne sent an email to all agencies and individuals on its email list notifying them of the opportunity to participate in the virtual consultation session to be held on March 29, 2022. In addition to attending the virtual consultation session, they were asked to complete an online survey regarding their views of the level of need for the eligible activities and qualifying populations as described by the CPD Notice 21-10. Those unable to attend, or who had further comments after the virtual session were invited to email them directly to City staff.

A combined notice of public comment period and public hearing was published in Hawthorne Press Tribune on April 28, 2022, May 5, 2022, May 12, 2022, and May 19, 2022. The Hawthorne Press Tribune qualifies as a newspaper of general circulation.

## **Efforts to Broaden Public Participation**

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

## **Public Comments and Recommendations Received**

A summary of comments and recommendation received during the public comment period and at the public hearing will be included prior to the submission of this Allocation Plan to HUD.

## **Public Comments and Recommendations Not Accepted and Reasons Why**

A summary of comments and recommendations received but not accepted and the reasons why will be included prior to the submission of this Allocation Plan to HUD.

## Needs Assessment and Gap Analysis

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

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

### Housing Inventory Count

The annual Housing Inventory Count (HIC) provides useful context regarding the number and type of beds and units that are available for individuals and families experiencing on any given night. The following tables summarize beds and units available as of January 2020 in the City by bed type.

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

Table 4 – Emergency Housing Beds Available January 2021

	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Year-Round Beds
Emergency Shelter	0	0	0	0	0
Transitional Housing	0	0	14	0	14
Total Emergency Housing Beds	0	0	14	0	14

Rapid rehousing provides security and utility deposits and/or monthly rental and utility assistance for rental units that rent for less than the fair market rent. Assistance is generally provided for the shortest period of time necessary for a household to gain stable housing and can range from 3 to 24 months. Permanent supportive housing provides for an unlimited lease term; residents receive services necessary to promote continued housing stability.

Table 5 – Rapid Rehousing and Permanent Supportive Housing Available January 2021

	Family Units	Family Beds	Adult-Only Beds	Child-Only Beds	Total Year-Round Beds
Rapid Rehousing	0	0	0	0	0
Permanent Supportive Housing	0	0	1	0	1
Total Year-Round Beds	0	0	1	0	1

## Size and Demographic Composition of Qualifying Populations

Due to the coronavirus pandemic, there was no street count conducted in 2021 to identify unsheltered homeless populations. The January 2020 point-in-time (PIT) count of both sheltered and unsheltered homelessness published by Los Angeles Homeless Services Authority (LAHSA), the lead Continuum of Care agency, is used for this analysis.

### Sheltered Homeless Populations

The 2020 sheltered point-in-time count identified 11 people experiencing sheltered homelessness in the City on January 22, 2020. People are considered sheltered when they are residing in emergency shelter or transitional housing, but not when they are receiving rapid rehousing assistance or residing in permanent supportive housing. Among individuals experiencing sheltered homelessness:

- 11 (100%) were in transitional housing

LAHSA does the “official” PIT count in Los Angeles County and does not report demographics or family status.

### Unsheltered Homeless Populations

The 2020 unsheltered point-in-time count identified 197 people experiencing unsheltered homelessness on January 22, 2020. Among individuals experiencing unsheltered homelessness:

- 77 (39.9%) were on the street
- 16.9 (8.76%) were in makeshift shelters
- 51.2 (26.56%) were in cars
- 39.7 (20.57%) were in vans
- 6.6 (3.42%) were in RVs/campers

## **At-risk of Homelessness**

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

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

The HUD Comprehensive Housing Affordability Strategy (CHAS) 2014-2018 data Table 10 provides information on overcrowding among households that include more than one family, by household income level. This CHAS data indicates that there are approximately 4,850 households with incomes at or below 30% AMI that are at risk of homelessness in the City.

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

The State of California Department of Justice maintains statistics on domestic violence statewide by jurisdiction. In 2020, the local law enforcement agencies responded to a total of 320 calls related to domestic violence. Of these calls:

- 18 of these domestic incidents did not involve a weapon
- 302 calls involved a weapon
  - 14 domestic incidents involved a firearm
  - 23 domestic incidents involved a knife or cutting instruments
  - 34 domestic incidents involved other dangerous weapon
  - 231 domestic incidents involved personal weapons (i.e. feet or hands, etc.)
- 81 calls involved strangulation and suffocation
  - 77 domestic incidents involved strangulation
  - 4 domestic incidents involved suffocation

Therefore, if each one of these calls represented a household with member(s) who required housing assistance, it can be estimated that there were up to 320 households in 2020 who were in need of some form of housing assistance. The form of housing assistance required may vary depending on the specific circumstances of each case.

## Other Populations

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

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

### Other Populations: Currently housed and at risk of repeat homelessness

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

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

The 2014-2019 HUD CHAS data indicates there are 4,850 renter households with an annual income at or below 30% AMI that are at greatest risk of housing instability.

These renter households include:

- Two-person households, one or both of whom are age 62 or older: 30
- People living alone or with non-relatives who are age 62 or older: 100

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

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

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

- Are exiting a publicly funded institution or system of care

HUD Comprehensive Housing Affordability Strategy (CHAS) 2014-2018 data Table 10 provides information on households that include more than one family, household income level and overcrowding. The CHAS data indicates that there are approximately 4,695 renter households with incomes between 30 and 50 % AMI that are at risk of homelessness in the City because of at least one of the housing problems as defined by HUD. In addition, 230 are living in renter households with more than one family.

### Unmet Housing Needs of Qualifying Populations

The greatest unmet housing need of qualifying populations is the availability of affordable rental housing. As the table below shows, only 4.5% of the more than 21,000 rental units in the City are available to households with incomes at or below 50% AMI. The level of need for affordable rental units for households with incomes at or below 50% AMI is more than 22 times the available units, according to HUD CHAS data for 2014-2018.

Table 6 – Housing Needs Inventory and Gap Analysis

		Available Units	Level of Need	HH with at least 1 Housing Problem	GAP <i>(units-level of need)</i>
Total Rental Units	21,545				
<=30% AMI		320	4,850	4,380	<i>(4,530)</i>
>30% to <=50% AMI		110	4,695	4,605	<i>(4,585)</i>
Total <=50% AMI		430	9,545	8,985	<i>(9,115)</i>

### Unmet Service Needs of Qualifying Populations

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

- mental health services
- landlord/tenant liaison services
- housing search/counseling services
- childcare assistance
- financial assistance

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

- Case management services
- Credit repair services
- Education Services
- Food assistance
- Job training and employment services
- Legal services
- Mediation services
- Outpatient health services
- Outreach services
- Substance abuse treatment
- Services for special populations

### **Current Resources Available to Assist Qualifying Populations**

Current available resources considered include:

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

### **Current Resources: Congregate Beds and Non-congregate Shelter Units**

In January 2020, there were 11 congregate beds and no beds in non-congregate shelter units. Congregate beds include emergency, safe haven, and transitional housing beds and units. Non-congregate shelter includes permanent supportive housing and rapid re-housing.

### **Current Resources: Supportive Services**

The City is served by many local and regional organizations offering supportive services to the residents. The 2022-23 CDBG allocation will fund public service activities serving teens, domestic violence victims, and families experiencing homelessness.

### **Current Resources: Tenant-based Rental Assistance**



Currently the City does not fund Tenant-based Rental Assistance in the City. There are housing vouchers available through the Housing Choice Voucher Program and other programs offered in the region.

### **Current Resources: Affordable and Permanent Supportive Rental Housing**

The City sponsors 38 affordable housing units owned and managed by the City. Currently there is no permanent supportive housing in the City,

### **Shelter, Housing and Service Delivery System Gaps**

#### **Shelter Gap**

There is an estimated need for 197 additional shelter beds based on the 2020 PIT count. The PIT count found that there were 11 persons in emergency shelter in the City but 197 unsheltered persons in a variety of situations, including on the street, in makeshift shelters, or in cars, vans or RVs/campers.

The 2020 PIT count does not define how many were individuals, in family units, or children.

#### **Tenant-based Rental Assistance Gap**

There is an estimated gap of 890 tenant-based rental assistance vouchers for households with income at or below 50% AMI and paying more than 50% of household income for rent, including utilities.

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

**Table 7 – Tenant-based Rental Assistance Gap**

<b>Tenant-based Rental Assistance Gap</b>	
Renter Households with Income at or below 50% AMI paying more than 50% of income for rent, including utilities	890
TBRA vouchers available	0
	<i>TBRA gap</i> 890

### **Affordable and Permanent Supportive Rental Housing Gap**

There is an estimated gap of 3,860 rental units affordable to renter households with income at or below 30% AMI and an estimated gap of 1,775 rental units affordable to renter households with income more than 30% and at or below 50% AMI.

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

**Table 8 – Affordable Rental Unit Gap**

Affordable Rental Unit Gap	
Renter Households with Income at or below 30% AMI paying more than 50% of income for rent, including utilities	495
Renter Households with Income 30% to 50% AMI paying more than 50% of income for rent, including utilities	395
<i>Total Affordable Rental Unit Need</i>	<i>890</i>

Permanent supportive rental housing is a subset of the affordable rental housing gap, primarily for households with income at or below 30% AMI. In addition to affordable rent, permanent supportive housing provides an array of services necessary to help people with disabilities and/or experiencing chronic homelessness to retain housing stability. There is an estimated gap of 280 permanent supportive housing units in the City.

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

**Table 9 – Permanent Supportive Housing Gap**

Permanent Supportive Housing Gap	
Population of Hawthorne Census 2020	88,083
Per capita estimate of permanent supportive housing need	.003183
Estimated need for Permanent Supportive Housing	280
Permanent Supportive Housing Available	0
<i>Total Permanent Supportive Housing Gap</i>	<i>280</i>

## Service Delivery System Gaps

To identify gaps in the service delivery system, the City relied on its consultation with stakeholders and experience working with the organizations working in the City. The stakeholders believe that the most critical service gaps are in the areas landlord/tenant liaison services, mental health services, financial assistance, transportation assistance, housing search/counseling services, and childcare assistance. The stakeholders also believed there was a need for assistance with general administrative costs and capacity building among the service providers serving the City's qualifying populations.

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

For other populations, severe housing cost burden, or paying more than 50% of household income for rent and utilities is the primary characteristic of housing associated with the risk of homelessness in the City. The HUD CHAS Data Table 7 indicates there are 890 households at or below 50% AMI who are spending more than 50% of their household income on rent and utilities.

### **Priority Needs for Qualifying Populations**

Priority needs for qualifying populations are:

- Affordable rental housing
- Supportive services including:
  - Landlord/tenant liaison services
  - mental health services
  - financial assistance services
  - transportation services
  - housing search and housing counseling services
  - childcare assistance
- Non-congregate shelter
- Tenant-based rental assistance

## HOME-ARP Activities

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

### Uses of HOME-ARP Funding

Activity	Funding Amount	Percent of Allocation	Statutory Limit
Non-congregate Shelter	\$950,000	44%	
Affordable Rental Housing	\$0		
Tenant-based Rental Assistance	\$421,500	19.5%	
Supportive Services	\$421,500	19.5%	
Nonprofit Operating Assistance	\$0		5%
Nonprofit Capacity Building	\$51,693	2%	5%
Administration and Planning	\$322,005	15%	15%
<b>Total HOME-ARP Allocation</b>	<b>\$2,166,698</b>		

### Rationale for Uses of HOME-ARP Funding

**Acquisition and development of non-congregate shelter.** The need for emergency shelter beds is growing throughout the greater Los Angeles area. There are currently no emergency shelter beds available within the City. During consultation process, many participants believed that was a high need but discount it as an option given the cost of the development and then the operation of a shelter. The City believes the need is great and should be addressed. This plan allocates \$950,000 towards the development of non-congregate shelter beds. A source for operating funds has not been identified yet.

**Tenant-based rental assistance (TBRA).** The most recent data available from HUD estimates that there are 890 households with income at or below 50% AMI and paying more than 50% of household income for rent, including utilities. This population is at risk of homelessness would benefit from tenant-based rental assistance. The City does not currently fund TBRA in its annual HOME allocation so this would be a new resource available to that population. This plan allocates \$421,500 towards the TBRA. A provider will be identified through a request for proposals process.

**Provision of supportive services.** Many examples of supportive services were called out in the consultation process, both in the virtual session and in the survey where a prepared list was considered. This plan allocates \$421,500 towards supportive services. Providers will be identified through a request for proposals process.

**Nonprofit capacity building.** The City has a strong coalition of nonprofits offering programs and services to the qualifying populations to be served by this HOME-ARP allocation of funds. Many have the expertise to develop shelter beds or establish a TBRA program or expand the supportive services offered in the community but lack capacity. This plan allocates \$51,693 towards capacity building assistance that will result in the ability to carry out HOME-AP-funded activities in local organization(s).

**Admin and Planning.** This plan allocates \$322,005 towards the administration and planning functions of the HOME-ARP funds at the statutory limit.

## **HOME-ARP Housing Production Goals**

The City estimates it will develop 10 to 15 non-congregate shelter units with the funds allocated by this plan. There is not yet a plan on the table for this project, so the City cannot project exact units, or whether they will be new construction or an acquisition and/or rehabilitation of an existing structure.

## **Preferences**

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

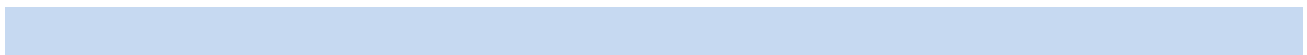
## **HOME-ARP Refinancing Guidelines**

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



# **APPENDIX A**

## **Citizen Participation**



# Summary of Citizen Participation Comments

## April 24 - May 24, 2022 Allocation Plan Public Review and Comment Period

A summary of comments and recommendation received during the public comment period and at the public hearing will be included prior to the submission of this Allocation Plan to HUD.

## Public Hearing before City Council on May 24, 2022

A summary of comments and recommendation received during the public comment period and at the public hearing will be included prior to the submission of this Allocation Plan to HUD.





## **APPENDIX B**

### **SF-424 Grant Applications, SF-424D Assurances, and Allocation Plan Certifications**

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