



CITY OF MONTEREY
2018-19 ANNUAL ACTION PLAN
COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM

Adopted May 1, 2018

Executive Summary

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

1. Introduction

The City of Monterey, incorporated in 1850, is one of California's oldest communities. Founded in 1770, the city served as California's first capital and hosted the state's first constitutional convention in the city's historic Colton Hall, where in 1849 the State of California's Constitution was signed. The City of Monterey is located on Monterey Bay, now a National Marine Sanctuary.

The city is a regional and national tourist destination and is approximately 125 miles south of San Francisco and 345 miles north of Los Angeles. The city also boasts several institutions of higher learning including the Defense Language Institute, which specializes in teaching foreign languages to military personnel; the Monterey Institute of International Studies, which provides graduate degrees with emphasis on the international community, their customs, languages, and business trends; the Naval Postgraduate School, which provides advanced degrees for military personnel; and Monterey Peninsula College, which offers general education for an associate's degree to transfer to a four-year institution. These institutions attract many culturally diverse populations from across the globe.

Fiscal Year 2018–2019 Congressional Budget Timing: Due to federal delays in providing Community Development Block Grant (CDBG) annual funding allocations, the publicly reviewed draft 2018–2019 Action Plan (Program Year 2018 Action Plan; or, "Action Plan") budget used estimates based on past year allocations and projections. The funding allocations used in formulating this plan were represented in round numbers or as a percentage of the allowable allocations for public services, planning and administration, and public improvements. To keep the Action Plan process on schedule and still comply with the required public participation and local approvals, the City used the estimates to draft the plan and obtain public comment and local government approvals. These estimates were replaced with exact amounts once the US Department of Housing and Urban Development (HUD) released final allocation amounts. The final plan was updated with the new funding allocations when HUD announced allocations, and the plan was submitted as complete and approved, in compliance with the City's Citizen Participation Plan, within HUD's extended submittal deadlines. CDBG allocations were released in May of 2018. The City of Monterey was allocated \$239,789 in CDBG entitlement funding for Program Year (PY) 2018 . The City also estimates receiving \$1,000,000 in program income based on receipts from the last 3 years (approximately \$1,000,000 each year). As program income receipts can be inconsistent, the City makes its best effort to estimate future income, and executes ongoing program budget adjustments as necessary.

Finally, the Action Plan allocation priorities take into consideration the conclusions of the May 2015 Impact Monterey County Assessment and findings in the Secondary Data Report, Economic Self-Sufficiency. These studies conclude that the self-sufficiency wage for Monterey County is \$27,018 for a single adult, which is \$15,000 greater than the federal poverty line wage of \$11,670. Calculating for 4.5 percent inflation in the Consumer Price Index from May 2015 to February 2018, the self-sufficiency wage for Monterey in 2018 is adjusted to \$28,234, which is comparable to HUD's 2017 very low-income limit (50 percent of median) of \$28,500 for a household of one.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

To receive CDBG funds, the City must submit an Action Plan to the HUD each year. The Action Plan describes the City's planned CDBG related investments for the coming program year, including proposed actions and projects. The Action Plan is also considered to be an application for federal funds. It outlines the City's proposed activities in several areas relative to the goals and strategies of the City's Five-Year Consolidated Plan.

The Action Plan includes the following CDBG budget projections:

- \$239,789 in entitlement funds from HUD
- \$1,000,000 in projected program income funds

Additional resources include:

- Former Redevelopment Agency Housing Fund (Housing Funds) projection of \$300,000
- HOME fund projection of \$440,000

To continue the City's efforts to meet community priorities, the City of Monterey will fund a variety of housing programs, public services, and public infrastructure and facility projects during PY 2018. Funds for these programs will primarily come from the CDBG program. Programs and projects funded through other housing funds will be discussed in chapter AP-85 Other Actions. . As with the PY 2017 Action Plan, the PY 2018 Action Plan will focus on public services, infrastructure and facility improvements, and housing preservation to meet CDBG program goals.

All of the Action Plan projects support the City's 5-Year Consolidated Plan (2015-2019). Key projects proposed for PY 2018 include:

- Housing Rehabilitation Programs focusing on minor repairs, accessibility improvements, and emergency repairs
- Public Service Grants to groups serving youth, seniors, and homeless persons and families
- Capital improvement grants for facility improvements for public service providers
- Public infrastructure projects in the city's low-income census tract block groups
- Staffing and overhead for overall administration of the CDBG program
- Monitoring subrecipients of PY 2018 funds

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The Housing Programs Office of the City's Community Development Department is responsible for administering the Five-Year Consolidated Plan and annual Action Plans for the CDBG program. The program is based on Consolidated Plan goals and priorities, and public input received from annual community needs assessment workshops and public hearings.

Although the City has not yet prepared the PY 2017 Consolidated Annual Progress Evaluation Report (CAPER) that is due no later than September 30, 2018, it can report on multiple accomplishments completed so far in the PY 17. Accomplishments during PY 17 include the following:

- Managed Estrella Apartments (low-income housing funded through HOME funds).
- Completed construction of Monterey Hotel Apartment project featuring 18 low-income units (Funded through non-CDBG Housing Funds).
- Allocated \$126,000 in grant funds to assist nine nonprofit public service agencies to provide direct services to low-income disadvantaged households in the community.
- Completed public facility and infrastructure projects from prior year CDBG awards.
- Reconciled the CDBG program funds to address past monitoring concerns.
- Met HUD timeliness requirements for expenditures.
- Updated the City's subrecipient monitoring program.
- Implemented \$105,000 to low and moderate-income households for health and safety home rehabilitation grants

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Six public meetings were scheduled in 2018 to receive comments and suggestions on the community's housing, public facility, and public service needs. The first meeting was held on January 25, 2018, to introduce the public services and community capital project grant application processes and to solicit

public comment on community development needs. The second meeting was held on March 16, 2018, to receive presentations on the grant proposals from 12 public service organizations. The third meeting was held on April 10, 2018, as a public hearing before the Planning Commission for advisory review and recommendation on the draft Action Plan. The fourth meeting was held on April 17, 2018 by the City Council to receive public comment and review the draft Action Plan. The fifth meeting was held on May 1, 2018, as a public hearing by the City Council to adopt the Action Plan. The six and final meeting of the year will be scheduled in September as a public hearing to consider and approve the City's CAPER on the PY 17 Action Plan. Public review of the draft PY 18 Action Plan commenced on March 31, 2018, with release of the draft plan.

To ensure maximum participation, copies of the draft Action Plan have been made available for public review online via the City's website, with hard copies available at public counters at the following locations:

Monterey Public Library

625 Pacific Street, Monterey, CA 93940

City Hall, Planning Office and City Clerk's Office

580 Pacific Street, Monterey, CA 93940

Housing Programs Office

353 Camino El Estero, Monterey CA 93940

Draft copies of the Action Plan have also been made available to local organizations and individuals representing neighborhood associations, special needs groups, and low-income constituencies. All entities were sent meeting notifications to solicit oral or written comments. Initial notice of the minimum 30-day review period for the Action Plan was published on March 31, 2018, in the *Monterey Herald*, a local daily newspaper. The review period ended on May 1, 2018, with City Council review and approval of the Action Plan. Additionally, nonprofit agencies played a key role in providing information and recommendations in the development of this Action Plan.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Public comments were received at the grant application public workshop, the Planning Commission public hearing, and the City Council public meeting and hearing. These public comments are included in the Public Comment Attachment.

Grant Application Public Workshop Summary: Comments received during the grant application workshop included opportunities for networking and improving communication between service providers, concerns about an increase in the need for mental health and homeless services including shelter, and the need for workforce housing. A summary is included as an attachment to this document.

Planning Commission Public Hearing: Comments were received from CDBG applicants, Planning Commission members, and the public. Meeting minutes are included as an attachment to this document.

City Council Public Meeting: The City Council held a public meeting to review the draft Action Plan on April 17, 2018. Public comments are included as an attachment to the Action Plan.

City Council Public Hearing: The City Council held a public hearing to approve the draft Action Plan on May 1, 2018. All public comments are included as an attachment to the Action Plan.

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

All public comments have been accepted. Please see attached public comment documentation.

7. Summary

The City of Monterey has been able to successfully manage the ongoing timeliness obligations of the CDBG program, and has identified programs and projects that will benefit the community. Please see previous section for additional summaries.

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	MONTEREY	Housing Programs Office

Table 1 – Responsible Agencies

Narrative (optional)

The City of Monterey's Housing Programs office is the team that administers the City's CDBG funds and serves as the lead agency in performing CDBG planning and administration tasks.

Consolidated Plan Public Contact Information

The City's Housing Programs Office is the designated department responsible for planning and implementing the City's Five Year Consolidated Plan, each annual Action Plan, and the City's CDBG program. General inquiries regarding the Consolidated Plan or the CDBG program may be directed to the Housing Programs office at (831) 646-3995. Written correspondence regarding the Action Plan should be directed to the Housing Programs Office, City of Monterey, City Hall, 580 Pacific Street, Monterey, CA 93940.

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

1. Introduction

Since 2013, the City has participated in the Coalition of Homeless Services Providers Leadership Council's oversight of the Lead Me Home plan. The Leadership Council enjoys the broad involvement of all members of the community, including representatives from Monterey County Behavioral Services, Monterey County Social and Employment Services, and Natividad Hospital. The objectives and priorities contained in the Lead Me Home plan have been considered and incorporated into the Consolidated Plan. The Action Plan implements priorities identified in the Consolidated 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(I))

The Housing Programs office consulted several local service providers, including from the Continuum of Care and the Coalition of Homeless Services Providers, to identify community needs related to low-income households and homelessness, and potential programs to address those needs. The following homeless services providers were consulted: Coalition of Homeless Services Providers, Housing Resource Center, Community Human Services, and the Salvation Army. The Housing and Community Development Manager also regularly explores alternatives for securing extremely low- and very low-income housing resources with staff of the Housing Authority of the County of Monterey to confirm that the priorities in the Consolidated Plan remain appropriate. On January 25, 2018, the City hosted an application workshop for current and potential CDBG project and program applicants. The workshop included a discussion about coordination challenges and opportunities, and offered specific steps that can be taken to enhance communication, leverage resources, and improve cooperation between service providers and participating agencies.

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.

For the past few years, the Housing and Community Development Manager has worked with the Continuum of Care's public service organizations to identify priority needs of the homeless community. The Housing and Community Development Manager has developed a better understanding of the challenges that the City of Monterey faces in its efforts to directly impact homeless services and improve outcomes. Additionally, the City Council has suggested additional research and discussion of homelessness in the city. The City has initiated a study of service gaps that may limit the effectiveness of services intended to assist extremely low-income, very low-income, and low-income members of the community that will be funded in part out of PY 2018 CDBG funds. This effort will help supplement the work completed by the Continuum of Care and that will be used to help inform the best opportunities

and practices in addressing both short- and long-term homelessness as well as the conditions that frequently lead to homelessness. The City works with the Continuum of Care through the Housing Pipeline, which identifies potential affordable housing projects and project funding. As a member agency with the Coalition, the City generally coordinates services with the organization and participates in its regional actions. In addition, the Coalition's Board of Representatives hears nonprofit proposals for HUD funding.

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

In the past few years, the Housing and Community Development Manager participated in the Continuum of Care's evaluation of Emergency Solutions Grant (ESG) program applications. The Housing and Community Development Manager has participated on the ranking committee. Participation in the ESG grant application evaluation has required the Housing and Community Development Manager to become familiar with Continuum of Care policies and procedures, as well as the region's funding constraints. As a result, the Housing and Community Development Manager has developed a better understanding of the challenges that the City of Monterey faces in its efforts to directly impact homeless services and improve outcomes. Homeless services providers who have in past years received City of Monterey CDBG community grant funding report their outcomes in HMIS. The Consolidated Plan homeless analysis and this Action Plan continue to include actions to address the unmet needs of homeless persons and disadvantaged households in the community.

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

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Alliance on Aging
	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Alliance on Aging provides five free programs for seniors: ombudsmen for those in residential facilities, tax preparation, health insurance information and advocacy, peer counseling, and outreach. The City plans to continue supporting this organization.
2	Agency/Group/Organization	FOOD BANK OF MONTEREY COUNTY
	Agency/Group/Organization Type	Services-Elderly Persons Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Food Bank of Monterey County provides food for families in need. They serve 100,000 people a year, 50 percent of whom are children. The City plans to continue to support the Food Bank.
3	Agency/Group/Organization	Coalition of Homeless Services Providers
	Agency/Group/Organization Type	Services - Housing Services-homeless

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Coalition of Homeless Service Providers is the managing agency for the Continuum of Care for Monterey County and is the lead agency in responding to homelessness issues. The City plans to continue supporting the Coalition of Homeless Service Providers in its role as the Continuum of Care lead.
4	Agency/Group/Organization	Eden Council for Hope and Opportunity (ECHO)
	Agency/Group/Organization Type	Services - Housing Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs 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?	This organization was called and emailed, and it submitted a response to the questions. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. ECHO provides a variety of housing services, including fair housing counseling. The City will continue supporting ECHO in providing fair housing services.
5	Agency/Group/Organization	Community Human Services
	Agency/Group/Organization Type	Housing Services-Children Services-homeless

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. Community Human Services provides homeless services and housing for at-risk youth groups. The City plans to continue supporting this organization.
6	Agency/Group/Organization	Veterans Transition Center
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Veterans Transition Center provides homeless services and housing for veterans.
7	Agency/Group/Organization	Housing Authority County of Monterey
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. HACM provides housing and administers Housing Choice Vouchers (Section 8). The City will continue to coordinate with HACM as the regional housing authority and public housing provider whenever possible.

8	Agency/Group/Organization	Meals on Wheels of the Monterey Peninsula
	Agency/Group/Organization Type	Services-Elderly Persons Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. Meals on Wheels provides food delivery. Most of their clients are seniors. The City plans to continue supporting this organization.
9	Agency/Group/Organization	HOUSING RESOURCE CENTER
	Agency/Group/Organization Type	Services - Housing
	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Housing Resource Center provides a variety of housing services, including rental assistance.
10	Agency/Group/Organization	Salvation Army Monterey Peninsula Corps
	Agency/Group/Organization Type	Services - Housing Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Salvation Army provides a variety of homeless services, including emergency shelter, and some housing services, including rental assistance. The City will continue to support the Salvation Army.
11	Agency/Group/Organization	Veterans Resource Center
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Veterans Resource Center provides case management and financial assistance to veterans and homeless veterans.
12	Agency/Group/Organization	Monterey County Department of Public Health
	Agency/Group/Organization Type	Services-Health Other government - County
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs 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?	The organization completed a phone interview. The City will continue to coordinate with Monterey County on efforts to improve public services in interagency coordination whenever possible, including assisting persons with AIDS/HIV and in addressing lead-based paint issues.
13	Agency/Group/Organization	Josephine Kernes Memorial Pool
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities

	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?	This organization was called and emailed and submitted a response to the questions. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Josephine Kernes Memorial Pool provides warm-water exercise and therapy for seniors and disabled persons. The City will continue to support the Kernes Memorial Pool programs.
14	Agency/Group/Organization	LEGAL SERVICES FOR SENIORS
	Agency/Group/Organization Type	Services - Housing 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. Legal Services for Seniors provides legal assistance and advocacy for seniors. The City plans to continue supporting this organization.

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

The City was unable to successfully consult with Interim, Inc., Access Support Network, and the Monterey Peninsula Unified School District. Several attempts were made, but no staff were available for consultation. Interim Inc. did attend the public meetings and participated in the public outreach process.

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	Coalition of Homeless Services Providers	Provision of outreach services to homeless individuals is an objective and specific activity funded in the Action Plan. Additionally, City staff is attending meetings sponsored by the Coalition of Homeless Services Providers to develop policies with recommendations and implementation strategies for the development of additional housing resources in the region.
Housing Element	City of Monterey	Preservation/provision of affordable housing.
2016 Analysis of Impediments	City of Monterey	Assessment of impediments and fair housing challenges in Monterey with specific and measurable goals to help address fair housing problems.
Leadership Council 10-Yr Plan to End Homelessness	Coalition of Homeless Services Providers	Strategic Plan to address homelessness in Monterey and neighboring jurisdictions.
2015-2019 Consolidated Plan	City of Monterey	Strategic Plan Goals-Improve housing opportunities for LMI households-Provide for a suitable living environment for all residents and income levels-Improve public infrastructure in the city's LMI residential areas-Provide efficient administration and oversight of the CDBG program, and continue planning efforts to address the needs of LMI households and areas

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The Action Plan incorporates input from local public services providers and participants, including the Coalition of Homeless Services Providers. In preparing the Action Plan, City staff conducted internal discussion with the Planning Office to identify potential future projects that can produce extremely low-, very low-, and low-income units to address the community's unmet needs, as well as identifying infrastructure and public facilities needs that can help ensure that low-income households have access to community amenities and infrastructure. Staff also met with other City departments, public services providers, and health and welfare agencies for ideas and potential projects. During the term of the Action Plan, City staff will continue to attend Leadership Council meetings in support of the 10-Year Plan to End Homelessness and will continue to participate in Leadership Council Housing Pipeline committee meetings. It is anticipated that this type of collaboration will assist the City to identify new capital improvement projects for future Action Plan years.

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

Six public meetings were scheduled in 2018 to receive comments and suggestions on the community's housing, public facility, and public service needs. The first meeting was held on January 25, 2018, to introduce the public services and community capital project grant application processes and to solicit public comment on community development needs. The second meeting was held on March 16, 2018, to receive presentations on the grant proposals from 12 public service organizations. The third meeting was held on April 10, 2018, as a public hearing before the Planning Commission for advisory review and recommendation on the draft Action Plan. The fourth meeting was held on April 17, 2018 by the City Council to review the draft Action Plan. The fifth meeting was held on May 1, 2018, as a public hearing by the City Council to adopt the Action Plan. The six and final meeting of the year will be scheduled in September as a public hearing to consider and approve the City's final report (the CAPER) on the PY 17 Action Plan. Public review of the draft PY 18 Action Plan will commence on March 31, 2018, with release of the draft plan.

Consultations were conducted with 13 service providers, including providers that assist homeless persons, seniors, persons with disabilities, low-income families, and public health agencies. An additional effort was made to interview organizations/agencies that serve youth during this Action Plan update. The City has also initiated a study of service gaps that may limit the effectiveness of services intended to assist extremely low-income, very low-income, and low-income members of the community. The initial efforts from the study identified and gathered input from some additional service providers and has informed this Action Plan update. The study will be completed during PY 2018.

To ensure maximum participation, copies of the draft Action Plan have been made available for public review online via the City's website, with hard copies available at public counters at the following locations:

Monterey Public Library

625 Pacific Street, Monterey, CA 93940

City Hall, Planning Office and City Clerk's Office

580 Pacific Street, Monterey, CA 93940

Housing Programs

353 Camino El Estero, Monterey CA 93940

Draft copies of the Action Plan have also been made available to local organizations and individuals representing neighborhood associations, special needs groups, and low-income constituencies. All entities were sent meeting notifications to solicit oral or written comments. Initial notice of the minimum 30-day review period for the Action Plan were published on March 31, 2018, in the *Monterey Herald*, a local daily newspaper. The review period ended on May 1, 2018, with City Council review and approval of the Action Plan. Additionally, nonprofit agencies played a key role in providing information and recommendations in the development of this Action Plan.

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	Public Meeting	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Public service Providers, Neighborhood and Business Associations</p>	<p>Two public meetings. Held on January 25, 2018, and March 16, 2018. Attendance by public services providers and residents. Intent to invite comment on unmet community needs and describe the City's CDBG public services grant program and application procedure,</p>	<p>Comments received included opportunities for networking and improving communication between service providers, concern about an increase in the need for mental health and homeless services including shelter, and the need for workforce housing. Full comments are included as attachments to this document.</p>	<p>All comments accepted.</p>	

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	Consultations	Public service providers	Consultations were conducted with 13 service providers in the service areas of food, housing, homeless services, veterans services, AIDS services, and senior services.	See consultations Table 2	All comments accepted.	
3	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Public service Providers, Neighborhood and Business Associations</p>	Two public hearings: one before Planning Commission held April 10, 2018, to receive the draft Action Plan and public comment, and second before City Council on May 1, 2018, to review and consider for approval the Action Plan.	Comments to be included once they are received. Full comments are included as attachments to this document.	All comments accepted.	

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)
4	Newspaper Ad	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Public service Providers, Neighborhood and Business Associations</p>	<p>Newspaper notices informing the public of the City's scheduled public meetings and hearings on the Action Plan, and notifying the public of the opening public comment period for the draft Action Plan. The public comment period opened on March 31, 2018, and closed May 1, 2018.</p>	<p>Comments received via email to be included when received. Emails are attached to this document.</p>	<p>All comments accepted.</p>	

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)
5	Internet Outreach	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Public service Providers, Neighborhood and Business Associations</p>	<p>Copies of the Action Plan are posted on the City's website and available for review at public counters at the Housing Office, City Clerk's Office, Planning Office, and the Monterey Public Library.</p>	<p>Comments to be included if comments are received through this outreach.</p>	<p>All comments accepted.</p>	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

A key challenge in effective administration of the City of Monterey's CDBG funding is addressing the ratio of program income to entitlement that the City receives each year. While entitlements have been fairly stable, the amount of program income received is unpredictable and has ranged from less than \$500,000 to more than \$1,000,000. The average program income received over the last 10 years is about \$677,000; however, the State of California is experiencing rapidly rising housing costs, and many loans are being repaid to the CDBG fund. The 2016–17 program year saw about \$1.1 million in program income. The 2017–18 program year is expected to provide about \$1.2 in program income. To meet CDBG expenditure timeliness requirements and comply with HUD's program funding reporting and public outreach requirements, it is important to make a best estimate regarding the total funding expected to roll over from the prior year and the amount of program income to be received. The City is budgeting for about \$1 million in program income for the 2018–19 program year.

In 2017 the City established and contributed to a CDBG Revolving Loan Fund (RLF), which is made up of Program Income funds that are set-aside for specific housing acquisition and rehabilitation programs. The revenues of the RLF are included in the total PI estimates for planning and budgeting purposes as estimated RLF receipts can be difficult to project both in timing and in total amount. RLF funds will be used as a resource for the City's single-family housing acquisition, rehabilitation, and resale program that makes housing ownership available to qualifying low-income households. It may also be used for housing rehabilitation loans that address health and safety repairs for low-income homeowners, including seniors and persons with disability. The RLF funds are budgeted in the Housing Programs project.

The table below includes the estimated CDBG revenues for the coming year. It also includes the estimated HOME and Former Redevelopment Agency Housing funds that the City typically receives each year. These funds are used to help support affordable housing in Monterey; however,

they are not reported or regulated like CDBG funds and are not included in the CDBG budget. They are included in this table for reference only.

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	239,789	1,000,000	23,806	1,263,595	1,200,000	The City received Program Income in excess of expectations during the Action Plan review period. An additional amount was included in the revised plan.

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

The City's current housing resources do not have matching fund requirements. However, the City will be using PY 18 funds to leverage other resources, including HOME program income and repayment of housing loans made by the redevelopment agency. These resources are dedicated to affordable housing activities, while the City's CDBG allocation provides support through infrastructure, public facility, and public services.

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

During PY 18, the City will be providing technical assistance from the City's CDBG planning and administration funds for City-sponsored housing projects initiated in PY 2016 and continued in PY 17 that will supply housing for lower-income senior households. This project is the Van Buren Senior Housing project on land purchased with CDBG funds. This project is under construction and is projected to be completed in summer 2018. The City does not currently anticipate any additional affordable housing projects for PY 2018 because at this time, there are no new identified housing projects that will be ready for construction and eligible for CDBG funding assistance. However, the City has a program to purchase and rehabilitate homes and then resell them to low-income first-time homeowners. The City has identified a few potential units and anticipates that between 1 and 3 units will be purchased, rehabilitated, and sold to qualifying low-income households during PY 18.

Discussion

To prevent future problems with backlogged funding, the City has worked to develop a pipeline of CDBG-eligible projects that meet community priorities and can be added quickly and effectively to prevent funding accumulation and to get projects completed in a timely manner. The City identifies upcoming eligible projects and categorizes them by readiness into project tiers.

- Tier 1 projects are those that either are shovel-ready or are ready for the public bid process, will either be completed or have the CDBG-funded component of the project completed within the program year, have completed entitlements as appropriate, and have already procured or identified all the necessary funding except for the CDBG gap funds. Tier 1 projects will have priority funding. Criteria include CDBG eligibility, location in a CDBG target area, completed predevelopment, and fully identified funding.
- Tier 2 projects are those that are near shovel-ready and may be on schedule for either mid-year funding or following-year funding. Tier 2 projects are eligible for funding during a given program year if (a) the City received more funding than there are Tier 1 projects, or (b) Tier 1 projects are delayed or canceled.
- Tier 3 projects are those on schedule for a future year's funding cycle. The intent of tracking Tier 3 projects is to monitor the City's inventory of CDBG-eligible projects and help to make sure there are sufficient Tier 1 projects ready for funding in each program year.

The City will continue to actively monitor program spending and is continuing to work on developing and managing the pipeline of eligible shovel-ready projects that can be fast-tracked for funding.

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 opportunities	2015	2019	Affordable Housing	Delmonte - Laguna Grande Van Buren Street Lower Old Town	Rehabilitate LMI Ownership Housing Units Preserve LMI Deed Restricted Ownership Units	CDBG: \$530,095	Homeowner Housing Added: 2 Household Housing Unit Homeowner Housing Rehabilitated: 12 Household Housing Unit
2	Suitable living environment	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Delmonte - Laguna Grande Van Buren Street Lower Old Town	Senior Services Handicapped Services Youth Services Fair Housing Services	CDBG: \$127,000	Public service activities other than Low/Moderate Income Housing Benefit: 1131 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Public Infrastructure	2015	2019	Non-Housing Community Development	Delmonte - Laguna Grande Van Buren Street Lower Old Town	Neighborhood Facilities Parks and/or Recreation Facilities Sidewalks - Accessibility Other Infrastructure Needs	CDBG: \$363,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
4	Efficient Administration and Oversight	2015	2019	Affordable Housing Homeless Non-Housing Community Development	Delmonte - Laguna Grande Van Buren Street Lower Old Town	Planning Monitoring	CDBG: \$243,500	Other: 1 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Housing opportunities
	Goal Description	This goal involves providing or finding funding for new low-income rental units, down-payment loan assistance for ownership units, maintenance of the Estrella Apartment rental units, and rental unit rehabilitation. Refer to the 2015-2019 Consolidated Plan, Section AP-20 for details.

2	Goal Name	Suitable living environment
	Goal Description	This goal includes providing or finding funding for owner-occupied housing rehabilitation, purchase, repair, and resale of housing for low- and moderate-income households, emergency shelters, outreach, counseling, food assistance, transportation, assistance for disabled persons, and blight and nuisance investigations. See the 2015–2019 Consolidated Plan for additional details.
3	Goal Name	Public Infrastructure
	Goal Description	This goal is to find or provide funding for infrastructure improvements, including accessibility improvements and infrastructure repairs and improvements in the city’s low- and moderate-income neighborhoods.
4	Goal Name	Efficient Administration and Oversight
	Goal Description	Efficient and timely oversight of the CDBG programs.

Projects

AP-35 Projects – 91.220(d)

Introduction

The US Department of Housing and Urban Development (HUD) requires all government entities receiving federal Community Development Block Grant (CDBG) funds to prepare an Annual Action Plan. The Action Plan outlines funding priorities and discusses how activities will meet the community priority needs identified in the Consolidated Plan.

In prior years, housing projects funded through other funds were included in the CDBG projects tables. While this method provides a centralized record of all the housing projects, the CDBG Action Plan is really intended to focus on CDBG funds, and the inclusion of other funding sources has resulted in reporting inconsistencies and program administration problems. To resolve this issue, only CDBG projects are included in the following projects and activities planning.

The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2018, and June 30, 2019. Key projects undertaken during the 2018–2019 funding year will address the following priority needs:

Projects

#	Project Name
1	Planning and Administration
2	Public Services
3	Public Infrastructure Projects
4	Housing Preservation Programs

Table 7 - Project Information

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

The needs assessment portion of the Five Year Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water make it very difficult to provide sufficient new housing supply to address the lack of affordable housing. Although the Consolidated Plan identifies strategies that emphasize development of new housing with City assistance, and focus this housing to supply needed low-income rental units, there are no housing projects of this type ready for development or funding assistance in PY 2018.

AP-38 Project Summary
Project Summary Information

1	Project Name	Planning and Administration
	Target Area	Delmonte -Laguna Grande Van Buren Street Lower Old Town
	Goals Supported	Efficient Administration and Oversight
	Needs Addressed	Economic Development Planning Monitoring
	Funding	CDBG: \$243,500
	Description	Provide general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) administration, program setup, reporting, planning, and subrecipient training and monitoring. A National Objective designation does not apply to activities completed under this project.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Planning and Administration provides oversight to the CDBG program to ensure compliance with HUD regulations.
	Location Description	Citywide
	Planned Activities	1. General Planning and Administration (estimated at \$192,500) HUD Matrix Code 21A General Administration 2. Complete the analysis of service levels offered to extremely low, very low and low-income and other vulnerable populations (\$51,000). This is a new activity and the anticipated matrix code will be 20 Planning. This activity will be set up separately in IDIS to show progress on the specific report. HUD Matrix Code 20 Planning
2	Project Name	Public Services
	Target Area	Delmonte -Laguna Grande Van Buren Street Lower Old Town
	Goals Supported	Suitable living environment
	Needs Addressed	Senior Services Handicapped Services Youth Services Fair Housing Services Other Public Service Needs

Funding	CDBG: \$127,000
Description	Provide public services to low- and moderate-income households and individuals, including services for seniors, persons with disabilities, and homeless persons, youth, and families.
Target Date	6/30/2019
Estimate the number and type of families that will benefit from the proposed activities	About 1,131 individuals, including seniors, youth, persons with disabilities, homeless, and low-income households.
Location Description	Citywide

Planned Activities	<ol style="list-style-type: none"> 1. Food Bank of Monterey County: provide nutrition support to an estimated 340 persons (approximately 13% of available public services funding @ \$17,000) HUD Matrix Code 05W Food Banks 2. Legal Services for Seniors: legal advocacy and support for an estimated 125 low-income seniors (approximately 8% of available public services funding @ \$10,000) HUD Matrix Code 05C Legal Services 3. Community Human Services: homeless outreach and support to serve an estimated 120 homeless persons and at-risk youth (approximately 12% of available public services funding @ \$15,000) HUD Matrix Code 03T Operating Costs of Homeless/AIDS Patients Programs 4. Interim, Inc.: homeless services, emergency and temporary housing outreach, and case management for an estimated 27 persons with mental illnesses (approximately 16% of available public services funding @ \$20,000) HUD Matrix Code 03T Operating Costs of Homeless/AIDS Patients Programs 5. Meals on Wheels: meal delivery to homebound seniors and disabled persons; will serve an estimated 86 persons annually (approximately 7% of available public services funding @ \$9,000) HUD Matrix Code 05A Senior Services 6. Alliance on Aging: tax assistance and ombudsman services and referrals to assist 172 low-income seniors (approximately 10% of available public services funding @ \$13,000) HUD Matrix Code 05A Senior Services 7. Josephine Kernes Memorial Pool: warm-water exercise and therapy for 22 senior and disabled persons (approximately 7% of available public services funding @ \$9,000) HUD Matrix Code 05B Handicapped Services 8. ECHO Fair Housing Support Services: fair housing support services to low-income households and housing providers in the city for an estimated 25 persons (approximately 7% of available public services funding; may be augmented by funding from Planning and Administration @ \$9,000 from public services) HUD Matrix Code 21D Fair Housing Activities 9. Salvation Army Homeless Support Services: case management, voucher assistance, and homeless outreach services in the city for an estimated 185 persons (approximately 13% of available public services funding @ \$16,000) HUD Matrix Code 03T Operating Costs of Homeless/AIDS Patients Programs
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		10. Gathering for Women: will provide case management and day-center services to homeless women in the city to assist an estimated 30 persons (approximately 7% of available public services funding @ \$9,000). This is a new activity and the anticipated matrix code will be 03T Operating Costs of Homeless/AIDS Programs.
3	Project Name	Public Infrastructure Projects
	Target Area	Delmonte -Laguna Grande Van Buren Street Lower Old Town
	Goals Supported	Suitable living environment Public Infrastructure
	Needs Addressed	Handicapped Center / Facility Homeless Facilities Youth Centers Neighborhood Facilities Parks and/or Recreation Facilities Street Improvements Sidewalks - Accessibility Other Infrastructure Needs
	Funding	CDBG: \$363,000
	Description	Facility and infrastructure improvements to publicly funded facilities, nonprofit public service facilities, public facilities, parks, and public infrastructure in the CDBG target area.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 1,000 persons will receive benefits, including seniors, youth, homeless persons, and low-income households. Additionally, some neighborhoods will experience area benefits from park and public infrastructure improvements.
	Location Description	Public facilities, parks, public infrastructure in the CDBG target area, publicly funded facilities, and nonprofit public service facilities citywide.

<p>Planned Activities</p>	<p>Public Infrastructure, Public Park, and Public Facility Improvements: Accessibility and sustainability improvements for park and public facilities located in the CDBG target area or that predominantly serve low-income households; specific projects still to be determined. See tiering below. These projects will be funded by both program income and entitlement funds and will be budgeted to meet HUD's expenditure requirements and deadlines.</p> <ol style="list-style-type: none"> 1. Tier 1 Improvements: projects that are ready for public bid or that are near shovel-ready and that can be completed prior to the completion of the program year – June 30, 2019 (Tier 1 projects will be recommended for priority funding).Veterans Transition Center: \$125,000 for renovation of three currently uninhabitable duplexes to provide 18 permanent supportive housing units in Marina for homeless veterans and their families HUD Matrix Code 03C Homeless FacilitiesMontecito Park Phase 3 - \$75,500 for park upgrades in a low- and moderate-income (LMI) census tract block group in Monterey HUD Matrix Code 03F Parks, Recreational FacilitiesCommunity Human Services: \$62,500 for Phase 3 renovations for Safe Place in Monterey, which provides counseling, family reunification, temporary shelter and street outreach for homeless youth, HUD Matrix Code 03c Homeless FacilitiesFood Bank Cold Storage Unit: \$50,000 for a cold storage refrigeration unit for the new food bank facility in Salinas. This is a new activity and the activity code will be 03Z Other Public Facilities. MidPen Housing: \$50,000 for street rehabilitation work for the Van Buren Senior Housing Project located on the 600 block of Van Buren Street in Monterey. This is a new activity and the activity code will be 03K Street Improvements. 2. Tier 2 Improvements: projects that are in development for the following program year or that may be fast tracked for shovel-readiness within the first quarter of the program year and that could be completed prior to the end of the following calendar year – December 31, 2019 (Tier 2 projects will be considered for funding as funding is available, or pending reallocation from delayed or canceled Tier 1 projects) 3. Tier 3 Improvements: projects that are in development that may be ready for implementation in the next two to three funding cycles, but that may be fast-tracked for shovel-readiness within the current program year for implementation in the next
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		program year (Tier 3 projects will be considered for funding as funding is available or pending reallocation from delayed or canceled Tier 1 and 2 projects.
4	Project Name	Housing Preservation Programs
	Target Area	Delmonte -Laguna Grande Van Buren Street Lower Old Town
	Goals Supported	Housing opportunities Suitable living environment
	Needs Addressed	Rehabilitate LMI Ownership Housing Units Preserve LMI Deed Restricted Ownership Units
	Funding	CDBG: \$530,095
	Description	Emergency housing repairs, minor home repairs, accessibility improvements for low-income homeowners, purchase and repair for resale of low-income first-time homebuyers deed-restricted ownership housing units, and administration of these activities
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 12 to 15 low-income households will be assisted
	Location Description	Citywide

	Planned Activities	<p>1. Mr. Fix-It Grants: small grants to low-income households to make minor repairs to improve overall housing quality (estimated \$35,000 in grants) HUD Matrix Code 14A Rehab: Single Unit</p> <p>2. Home Safety Grants: small grants to low-income households to make emergency health and safety repairs to meet code (estimated \$35,000 in grants) HUD Matrix Code 14A Rehab: Single Unit</p> <p>3. Home Accessibility Grants: small grants to low-income households to make accessibility improvements for disabled household members (estimated \$35,000 in grants) HUD Matrix Code 14A Rehab: Single Unit</p> <p>4. Acquisition, rehabilitation and repair of between 1 and 3 single-family ownership units purchased for resale to low-income first-time homebuyers (estimated \$210,887) HUD Matrix Code 14G Rehab: Acquisition</p> <p>5. Housing Rehabilitation Activity Delivery: staff and project activity delivery costs (estimated \$214,208) HUD Matrix Code 14H Rehab: Administration</p> <p>These projects will be funded with both program income and entitlement funds to best meet HUD expenditure requirements and deadlines.</p>
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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

The City expects to use about 30 percent of CDBG funds in the CDBG target areas. The City has two target areas, Del Monte - Laguna Grande and Van Buren Street Lower Old Town. The Van Buren area is located to the south east of the City's old town area and includes some of the oldest housing in Monterey. Del Monte connects the old town area with the other CDBG target area, which includes a series of neighborhoods to the south east of Canyon del Rey Blvd. The City of Monterey is predominantly built out, and new housing is limited to available water on existing infill lots. This means that much of the area's housing is older, and vulnerable to the issues that typically face older units, like deferred maintenance, lead-based paint, and inefficient mechanical and building envelopes. The Van Buren area is one of the most densely populated neighborhoods in the City, and while it does not have a minority concentration, it is 58% low and moderate income. The Del Monte area is less dense, but has a much larger minority population with 55% of the population as low-mod. A low- and moderate-income map is included in the attachments that shows the location and low-mod concentrations in the CDBG target areas.

Geographic Distribution

Target Area	Percentage of Funds
Delmonte -Laguna Grande	15
Van Buren Street Lower Old Town	15

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City has committed to spending approximately 30 percent of CDBG funds as geographically prioritized funding for housing and infrastructure projects in low- and moderate-income (LMI) census tract block groups. This prioritization includes a portion of public services grant activity and public infrastructure funding that is targeted to LMI census tract block groups. The City does not have any racial/ethnic concentrations of poverty (RECAPS) and only has a handful of census block groups that qualify as low-mod according to HUD's income data. The diversified distribution of the low/mod population across the city makes it necessary to split the use of CDBG funds between low/mod neighborhoods and low/mod needs citywide.

Discussion

The decision to distribute funding citywide is based on the limited number of low-income census tract block groups that will qualify for HUD's Low-Mod Income Area benefit. Only a handful of census block groups are classified as low income based on the percentage of households with income at or below 80 percent of Area Median Income. For this reason, there is limited ability for the City to target CDBG funds

to specific areas and receive Low Mod Area (LMA) benefit. Additionally, Monterey's most significant unmet needs are for affordable housing and housing rehabilitation, and these needs are generally citywide in geographic distribution. In recognition of this housing need, the City Council has directed that affordable housing and homeless services should be placed above the priority for public infrastructure improvements. The funding that is proposed for geographic targeting reflects the limited number of LMI areas and the City's policy preferences to focus funds toward preserving affordable housing and other citywide LMI and disadvantaged needs programs that service the homeless, elderly, and disabled populations.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Census and survey data show that a high percentage of low-income households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be used to produce a new supply of ELâžł and VL-I rental units. During PY 2016, the City prioritized several major affordable housing efforts. The City has significantly fewer funds available for affordable housing in PY 2018. However, the City will continue to provide technical assistance and management support to the prior year projects and will provide housing repairs and accessibility improvements to eligible owner-occupied households, as well as focus on infrastructure and public facility improvements that improve access for low-income households and persons.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	14
Special-Needs	0
Total	14

Table 9 - 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	12
Acquisition of Existing Units	2
Total	14

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

Discussion

During PY 2017, the City focused on several specific housing activities funded with federal CDBG funds, including rehabilitation projects, rental assistance, and opportunity purchase of units for LMI first-time homebuyers. The City will continue to support affordable housing through the home repair and accessibility improvement programs, as well as ongoing technical support for the Van Buren Senior Housing project.

The primary assistance strategy to address issues related to housing affordability presented in the PY 2018 Action Plan continues to be provision of financial assistance through grants for a range of supportive services and housing programs to meet the needs of lower-income residents and those at

risk of becoming homeless. As a basic tenet and to meet this goal, the City will continue to work with the County of Monterey and service organizations that are able to provide direct services and outreach to those experiencing or at risk of homelessness. Additionally, City staff will continue to meet with other jurisdictions and service providers in an effort to identify opportunities to support new affordable housing projects.

AP-60 Public Housing – 91.220(h)

Introduction

The Housing Authority of the County of Monterey (HACM) administers the Public Housing and Housing Choice Voucher programs on behalf of jurisdictions in Monterey County. Currently there are 168 HACM public housing units in Monterey. HACM has also converted all of its public housing units to Project-Based Rental Assistance. The conversion of HACM properties to Project-Based Rental Assistance might offer the City an opportunity to collaborate with the Housing Authority to provide funding assistance for rehabilitation and repair of HACM units.

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

The Housing Authority of the County of Monterey (HACM) administers the Public Housing and Housing Choice Voucher (HCV) programs on behalf of jurisdictions in Monterey County. Currently, there are 168 HACM public housing units in Monterey. The City will continue to review the HACM annual plans for consistency with the City's Consolidated Plan and will annually certify consistency statements.

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

The City will continue to refer qualified residents to HACM for Housing Choice Voucher applications and housing opportunities.

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

HACM is not designated as troubled.

Discussion

HACM administers the Public Housing and Housing Choice Voucher (HCV) programs on behalf of jurisdictions in Monterey County. There are challenges with successfully implementing the HCV program. While 45,000 vouchers are currently available in Monterey County, only 32,000 are in use, which is due to a lack of funding for the remaining vouchers. Additionally, holders of the 32,000 vouchers experience a lack of landlords willing to accept the vouchers because of the high level of competition and high rents the market will currently bear. Currently, there are 168 HACM public housing units in the City of Monterey. HACM is not designated as troubled. City staff will continue to coordinate with HACM to place qualified residents in HACM-operated properties in the city.

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

Introduction

Homelessness in Monterey County has increased, and a similar trend has been documented in the City of Monterey. In 2017, Monterey County prepared a Homeless Point-In-Time Census & Survey Comprehensive Report with details regarding the distribution of homeless persons in the county at a jurisdictional level of detail. The 2017 survey recorded a total of 338 homeless persons in the City of Monterey. This number represented an increase of one person over the number of homeless recorded in the 2015 survey, maintaining the same overall level of homelessness identified 2 years previously. In the past 3 years, the community, in numerous public comments before the City Council and in other public forums, has continued to express great concern over the number of homeless in the community and the unmet needs of this population.

The point-in-time data and public comments expressed to the City Council identify a significant need for homeless services.

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

The City is preparing an analysis of gaps in services that may limit the effectiveness of programs intended to serve extremely low- and very low-income persons in the community and how public policies and best practices might be implemented to address and help alleviate identified service gaps. This study is being funded in part with CDBG planning and administration funds. It will incorporate information from the Continuum of Care as well as public service providers that assist extremely low-income and very low-income persons and families. The study will provide a more comprehensive understanding of the conditions that limit the effectiveness of existing programs to alleviate homelessness and prevent households at risk of losing their housing from becoming homeless.

The primary homeless assistance strategy in PY 2018 is to provide financial assistance through grants for a range of supportive services and housing programs to meet the needs of those at risk of becoming homeless, as well as the currently homeless. Community organizations that will be assisted in this manner include Community Human Services, Interim, Inc., Gathering for Women, the Salvation Army, and Legal Services for Seniors. As a basic tenet and to meet this goal, the City will continue to work with the County and service organizations that are able to provide direct services and outreach to those experiencing homelessness. These funding priorities are estimated to provide assistance to about 300

homeless individuals and families through a variety of services and outreach activities.

Addressing the emergency shelter and transitional housing needs of homeless persons

The funding of public service grants to public service organizations that offer direct services to homeless persons is anticipated to provide outreach and food supplemental services and limited emergency shelter services. These funds are intended to support street outreach, food supplemental services, and case management. The programs are not intended as a funding source for operating a specific emergency shelter location or for assisting in the establishment of an emergency shelter. If an emergency shelter location is identified in the future, the City will reevaluate funding opportunities for rehabilitation, conversion, and/or repair that might be needed to facilitate the establishment of such a shelter. If a potential emergency shelter facility project is identified in this program year, the reevaluation of funding will necessitate a Substantial Amendment to the PY 2018 Action Plan. The Substantial Amendment process includes both a public noticing requirement and a public comment period.

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

In PY 2018, the City will provide public service grant funding to 10 organizations. Four of these organizations provide direct services to the homeless: The Salvation Army, Gathering for Women, Interim, Inc., and Community Human Services. The Salvation Army assists a wide range of homeless persons, including single persons and families, and provides a range of services from intake to donated materials and shelter beds. Gathering for Women is a new subrecipient who will provide assistance to homeless women, including intake, donated materials, a secure day center, and case management that focuses on the unique challenges facing homeless women. Interim, Inc. focuses services on homeless persons experiencing a mental health crisis and assists with chronic and acute mental illness in the homeless population. Community Human Services focuses efforts on homeless youth with special attention on street outreach, family re-unification, and case management.

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.

In PY 2018, the City will provide public service grant funding to 10 organizations. Four of these organizations provide direct services to the homeless: The Salvation Army, Gathering for Women, Interim, Inc., and Community Human Services.

The six other organizations provide direct supportive services to persons of low income or below with special needs. These organizations and services are Josephine Kernes Memorial Pool, Alliance on Aging, Food Bank of Monterey, Legal Services for Seniors, Meals on Wheels, and ECHO Fair Housing Services. The City also supports three housing rehabilitation programs to help prevent at-risk households from becoming homeless.

Discussion

The City will also be investigating opportunities to affirmatively further fair housing via fair housing outreach and education. Previously, fair housing support was provided through multi-jurisdiction agreements. Actions may include contracting with a third-party service provider, providing services in-house, and partnering with neighboring jurisdictions to provide regional services and to complete the regional assessment of fair housing, as required by HUD's 2015 Fair Housing Rule and the obligation to affirmatively further fair housing.

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

Introduction:

As described in detail in the Housing Market Analysis of the Consolidated Plan, housing costs and affordability are the primary and most significant housing problems in the City of Monterey. These problems extend both to ownership housing opportunities and to rental opportunities, and particularly impact households that earn below 80 percent of Monterey AMI. Rental units that are priced at market rent and available in Monterey are generally affordable to moderate-income households up to 120 percent of AMI. However, even at this income level, the supply of housing is very limited. The inventory of very low-income and low-income housing in the city is not sufficient to meet the needs of the community's lowest-income residents. Constraints on development of new supply due to land constraints and limited water limit the development of new units.

Census and survey data show that a high percentage of low-income and below households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be utilized to produce a new supply of EL-I and VL-I rental units and to preserve existing affordable housing units.

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

In respect to actions planned to remove or ameliorate the negative effects of public policies such as land use controls, zoning ordinances, building codes, fees, and charges that serve as barriers to affordable housing, the City has initiated a number of actions. These include:

- The City continues to implement the goals of the General Plan Housing Element that was updated in 2016. It pursues the retention and building of new housing units in the city. Recent implementation actions include: Amending the City's Zoning Ordinance to add a reasonable accommodation procedure, update the density bonus section, and allow emergency shelters and transitional and supportive housing as required by state law. Preparing a brochure for owners and managers of rental housing in the city regarding property upkeep and setting reasonable rental rates. The brochure also includes dispute resolution information.
- The City acknowledges that Monterey is built out, with very little vacant land, so most new housing is anticipated to be higher density and on previously developed sites. To facilitate this type of development, the City will continue to implement the goals and programs set forth in the Downtown, Lighthouse Area, and North Fremont Street specific plans for mixed-use neighborhoods.
- The City has been able to demonstrate that its fair share of the regional housing supply can be achieved through mixed-use development, provided there is sufficient water supply for new

development.

- The City closely monitors and supports, when appropriate, the efforts of the California American Water Company and the Monterey Peninsula Water Management District to secure additional water supply for the Monterey Peninsula.

Discussion:

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide sufficient new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance and focus this housing to supply needed EL-I, VL-I, and L-I rental housing units.

AP-85 Other Actions – 91.220(k)

Introduction:

This section describes the activities that are planned by the City to implement strategies to maintain and increase the supply of affordable housing, reduce lead-based paint (LBP) hazards, reduce the number of families at poverty level, develop institutional structure, and improve coordination among regional agencies and public service organizations so that these identified community development needs might be effectively addressed during the 5-year term of the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide sufficient new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance, and focus this housing to supply needed EL-I, VL-I, and L-I rental housing units.

Additionally, in support of new housing, the City will continue to work collaboratively with regional jurisdictions and the Coalition of Housing Services Providers to improve coordination and strengthen institutional structures in the city and the region.

Furthermore, the PY 2018 Action Plan proposes to:

- Use CDBG funds in support of public service organizations that provide direct services to homeless and special needs populations.
- Allocate funds for LMI housing rehabilitation loans and grants. All projects that provide interior rehabilitation assisted with CDBG funds will be assessed for lead-based paint hazards, and identified hazards will be remediated/abated as part of rehabilitation.

Actions planned to foster and maintain affordable housing

As described in detail in the Housing Market Analysis of the Consolidated Plan, housing costs and affordability are the primary and most significant housing problems in the City of Monterey. These problems extend both to ownership housing opportunities and to rental opportunities to those households that earn below 80 percent of Monterey AMI. Rental units that are priced at market rate and available in the city are generally affordable to moderate-income households up to 120 percent of AMI. However, even at this income level, the supply of housing is very limited. The inventory of VL-I and L-I housing in the city is not sufficient to meet the needs of the community's lowest-income residents. Constraints on development of new supply due to land constraints and a lack of water

severely limit the development of new units.

Census and survey data show that a high percentage of low-income and below households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be used to produce a new supply of EL-I and VL-I rental units and preserve existing affordable units wherever possible. The City is interested in creating a rental assistance program.

The City is also used alternative funds mentioned earlier in this document to support affordable housing these efforts include:

- Management of Estrella Apartments (low-income housing, funded through HOME funds)
- Technical assistance for the Van Buren affordable housing project
- Technical assistance for the Monterey Hotel affordable housing project.

While these funds are not reported or tracked as part of the CDBG program, the City uses them to leverage affordable housing projects and to preserve affordable housing in Monterey.

Actions planned to reduce lead-based paint hazards

Eighty-one percent (81%) of the city's housing stock was built before 1980 (11,043 of 13,586 homes). In housing constructed prior to January 1, 1978, there is the possibility that lead-based paint was used. The City is conscious of the potential threat to human health this paint could present. Additionally, the City will conduct lead-based paint assessments as a component of any rehabilitation grant or loan project using CDBG funds.

Information and Education

Households that participate in housing activities under this plan, including home purchase, rental assistance, or rehabilitation, will be given educational materials regarding the hazards of lead-based paint, signs of lead poisoning, and strategies to reduce exposure. Materials will include the use of HUD/EPA publications such as "Protect Your Family from Lead in Your Home." Information will be provided in English and Spanish. Publications and referral information will be placed on the City's website in order to educate the public.

Actions planned to reduce the number of poverty-level families

The City's anti-poverty strategy is based on the preservation and repair of existing housing units in the community and attracting a range of businesses to support workforce development to provide jobs for low-income residents. In addition, the City provides support for projects and services to several agencies

offering a variety of supportive services to low-income residents.

The provision of social services for the elderly, homeless, veterans, families, and youth will expand opportunities for growth and encouragement. Supportive and legal services for seniors will ensure that these persons are not victims of fraud or abuse and will assist them to live independently in their homes.

Actions planned to develop institutional structure

The City will continue to use CDBG funds to administer and monitor the Consolidated Plan and Annual Action Plans and to complete the Consolidated Annual Performance Evaluation Report. The City will continue to support public service organization that are providing direct services to the city's lowest-income individuals and households, which helps the organizations remain in the community.

The City has established a committee consisting of staff and the chair of the Planning Commission to annually review grant applications submitted by public services providers. The City also participates in the 10-Year Plan to End Homelessness and reviews and comments on proposals and grant proposals submitted to the Coalition of Homeless Services Providers. The City also closely coordinates CDBG planning efforts and Housing Element update planning efforts.

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

The City contracts with nonprofit agencies for ongoing support services and housing programs. Affordable housing development projects are administered by the Housing Authority of the County of Monterey (HACM), the Community Housing Improvements Systems and Planning Association, Interim, Inc., and for-profit developers.

In addition to these entities, the City considers proposals from other for-profit developers and housing nonprofit agencies for affordable ownership and for transitional and permanent housing projects. In previous years, the City provided grant and loan funds to facilitate project completion and rehabilitation of nonprofit housing facilities owned by Community Human Services, Interim, Inc., and Monterey County Housing Inc., Affordable Acquisitions (MCHI, AA).

The City considers opportunities to support potential projects and requests for funding on a case-by-case basis. The City intends to continue cooperative relationships with other public agencies and nonprofit organizations including HACM, Community Housing Improvement Systems and Planning Association (CHISPA), Alliance on Aging, Housing Resource Center, and Interim, Inc., to develop additional affordable housing opportunities and provide public services for low- and moderate- income households and other special needs populations identified as priorities in the Consolidated Plan.

The City of Monterey will continue to coordinate with these agencies to ensure that available resources

are fully utilized and leveraged to the maximum extent possible. Applicants for funds administered by the City will also be encouraged to combine federal, state, and private resources with grants or loan funds from the City.

Discussion:

The PY 2018 Action Plan anticipates full entitlement funding. The PY 2018 Action Plan prioritizes support for public service organizations providing direct services to disadvantaged and homeless residents, and for public facility improvements intended to increase access and provide long-term sustainability for public assets. Ensuring conformance with HUD regulations is an ongoing activity.

Program Specific Requirements

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

Introduction:

The below section identifies other program specific requirements. The City of Monterey plans to use at a minimum 85% of CDBG funds to assist low- and moderate-income households.

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.	85.00%

Attachments

Citizen Participation Comments



Minutes CDBG Technical Workshop

Thursday
January 25, 2018
Council Chambers
580 Pacific Street
Monterey, CA

Review Panel:

Stephen Millich, Planning Commission Chair
Bill Clark, Assistant Police Chief
Kimberly Cole, Acting Community Development Director
Elizabeth Caraker, Housing and Community Development Manager
Maryn Ljubimow, Administrative Analyst

City Staff:

Sandy Barajas, Accounting Assistant

Presenter:

Maryn Ljubimow, Administrative Analyst

Meeting opened:

10:00 A.M.

Maryn Ljubimow started the workshop by welcoming all the attendees and proceeded with the introduction of the 2018-19 Community Development Block Grant Program (CDBG). The power point was not available due to technical difficulties, but was emailed out to all attendees after the meeting. A summary was given of the City's five year Consolidated Plan and how it ties in with our Grant Program.

Until the City hears from HUD on what the awarded grant amount will be, the City estimate available grant funding on the amount from the current grant year, which is \$126,000. This next grant year the City will also be giving out approximately \$165,000 for non-profit infrastructure improvement grants. The timeline was announced regarding the Draft Action Plan and the CDBG Grant process from the workshop to getting approval by Council and submitting it to HUD.

It was explained that per HUD's requirement we will be doing desk and on-sight monitoring to assure that sub-recipient agencies are reporting correctly and following the guidelines.

The meeting was opened up for comments and questions on the grant application process.

Question

Judy Karas, Gathering for Women volunteer, wanted to know how the grant information is shared. It was explained the City follows the HUD required Citizen Participation Plan and summarized that the City produces a media publication, legal notices in the local newspaper, email blasts, posts information on the City's Housing website, and distributes hard copies of draft plans at public counters.

MO4/12

Teresa Sullivan, Alliance on Aging, asked if the Draft Action Plan was an evolving draft, and also asked if the City will ever transition to a two-year grant cycle. Maryn explained the draft is updated all the way to getting it approved by City Council, and the 30 day comment period starts on March 31, 2018. A two-year grant cycle will be considered for future Action Plans. City staff would like to review with HUD, and will also look at how other agencies are handling multi-year grant cycles.

Melissa Kendrick, Food Bank, asked about transitioning to an online system for application submission, and if that could be something that we can look at for the next grant year. Maryn responded that the City will consider switching to an online-based system for subsequent years. The group gave their preference for City Data Services.

Maryn reminded everyone that any infrastructure improvement grant questions need to be directed to her, and that projects have to be shovel ready when the application is submitted.

Community Needs:

The meeting was opened up for comments and questions regarding unmet community needs.

Esther Malkin, Monterey resident, asked what services are provided by the City. It was explained that services are provided by non-profits through the City's Public Service Grant program. Her main concerns were affordable workforce housing, and if it is not addressed soon it would cause a future strain on the other agencies that would have to provide services for the newly homeless residents or workforce. It was explained that workforce housing is out of the scope of the CDBG program, but that her concern is acknowledged and City staff will work on other programs to address workforce housing needs.

The need for a warming shelter and transitional housing was brought up. Elizabeth Caraker gave a brief update on the status of the warming shelter project. She stated that the City has conducted a study to identify possible locations. This study will be presented to the City Council for further direction. The City is also looking for opportunities to support new affordable housing projects.

Rob Rapp, Community Human Services, says they are experiencing a 70% increase in clients with mental or substance abuse issues.

Melissa Kendrick mentioned the increase of homelessness among families with children. She also expressed concern with the high cost of all these surveys and studies that need to be done and the use of consultants. City staff acknowledged her concern and said that certain studies are necessary either because they are required by HUD, or they are required as part of project development. However, City staff does try to limit the use of consultants, and also partners with other local agencies on required studies when feasible. For example, this year the City is partnering with other local agencies on a regional Analysis of Impediments to Fair Housing Choice.

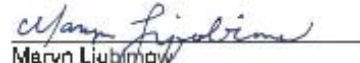
Lynn Young, Kernas Pool, recommended that the non-profits get together and coordinate more. She gave the example of the Human Care Alliance in Santa Cruz County.

Meeting was adjourned at 11:45 A.M

Respectfully submitted,


Sandy Berajas
Accounting Assistant

Approved,


Maryn Ljubimow
Administrative Analyst

**DRAFT M I N U T E S
PLANNING COMMISSION**

**Tuesday, April 10, 2018
4:00 PM - 5:30 PM
7:00 PM - 11:00 PM
580 PACIFIC STREET, COUNCIL CHAMBERS
MONTEREY, CALIFORNIA**

Commissioners Present: Millich, Dawson, Brassfield, Ezekiel, Reed
Commissioners Absent: Fletcher, Latasa
Staff Members Present: Housing and Community Development Manager Caraker,
Administrative Analyst Ljubemow, Recording Secretary Leinen

CALL TO ORDER

Chair Millich called the meeting to order at 4:00 p.m.

CONSENT ITEMS

Commissioner Reed made a motion to approve the Consent Items. Vice Chair Dawson seconded the motion.

On a motion by Commissioner Reed, seconded by Commissioner Dawson, and carried by the following vote, the Planning Commission approved the CONSENT ITEMS:

AYES:	5	COMMISSIONERS:	Millich, Dawson, Brassfield, Ezekiel, Reed
NOES:	0	COMMISSIONERS:	None
ABSENT:	2	COMMISSIONERS:	Fletcher, Latasa
ABSTAIN:	0	COMMISSIONERS:	None
RECUSED:	0	COMMISSIONERS:	None

Approval of Minutes

1. **February 27, 2018 (Continued from March 13, 2018)**

ACTION: *Approved as submitted.*

2. **March 13, 2018**

ACTION: *Approved as submitted.*

*****End of Consent Agenda*****

PUBLIC COMMENTS

Lorna Moffat spoke of the dangers of 5G technology and urged the Planning Commission to not allow this technology and residents to protect themselves.

Marlena Brown of Naval Support Activity Monterey introduced herself and said she represents Commanding Officer Captain Rich Wiley and looks forward to working with the Planning Commission on future projects.

PUBLIC HEARING

3. **Approve 2969 Monterey-Salinas Highway; Mitigated Negative Declaration ER-17-0599, Tentative Subdivision Map SD-17-0600, and Use Permit UP-17-0502 for an 88-Unit Commercial Condominium Vehicle Storage Facility and Major Utility (Three Water Wells); Applicant Shawn Capps; Owner Ralph Borelli; Industrial D-2 Design Overlay Zoning District (I-R-130-D-2); Industrial General Plan Designation**

ACTION: Adopted resolutions adopting Mitigated Negative Declaration ER-17-0599, approving Tentative Subdivision Map SD-17-0600, and approving Use Permit UP-17-0502 for an 88-unit Commercial Condominium Vehicle Storage Facility with amended Conditions of Approval.

Staff Presentation/Commissioner Questions

Elizabeth Caraker presented the Agenda Report and answered Commissioners' questions.

Applicant

Henry Ruhnke, WRD Architects, provided a comparison between the previously approved project from 2006 with two buildings proposed and the current proposal for automobile storage with three buildings. Mr. Ruhnke said that the trip generation and water use dropped dramatically and the current proposal has fewer impacts overall. He also noted that the City's method of measuring trees has changed since 2006, causing the number of trees proposed for removal to appear greater than before. Mr. Ruhnke said he supports staff's recommendations and asked the Planning Commission to approve the project. In response to Vice Chair Dawson's question, Mr. Ruhnke said the proposed project includes stone, plaster, and a series of grids to break up the mass. In response to Commissioner Ezekiel's question, Mr. Ruhnke noted locations of trees and said as many existing trees as possible will be preserved and that adequate screening of buildings will be provided. In response to Commissioner Brassfield's question, Mr. Ruhnke said language can be added to the approval stating that on-going monitoring and maintenance of landscaping and trees will occur. Regarding on-site parking, Mr. Ruhnke said the 96 spaces provided include full and compact spaces and are intended for visitors and not for overnight parking. Mr. Ruhnke said no on-going special events are proposed and that any events would require separate approval from the City. Ralph Borelli, project developer, answered Commissioner Brassfield's questions regarding drainage and said the CC&R's require that automobile detailing must be waterless and runoff must be contained. He also said a Fire Department inspection occurs annually. Commissioner Brassfield noted that the reference in the Agenda Report to CalAm and use of dams to distribute water is incorrect and should be updated in the Agenda Report template.

Public Comments

None.

Commissioner Comments

Commissioner Brassfield said he is concerned with screening the mass of the project from scenic Highway 68 and that it is important to consider how long it will take the trees to grow into adequate screening.

Commissioner Ezekiel said he would like extended mitigation and monitoring for the trees and landscaping on site. Ms. Caraker suggested expanding upon Condition of Approval #4 for the tentative map to have the CC&R's include landscape monitoring and mitigation on an on-going basis. Commissioner Ezekiel concurred.

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Commissioner Reed made a motion to adopt resolutions adopting Mitigated Negative Declaration ER-17-0599, approving Tentative Subdivision Map SD-17-0600, and approving Use Permit UP-17-0502 for an 88-unit Commercial Condominium Vehicle Storage Facility with amended Conditions of Approval as follows:

4. That prior to recordation of the Parcel Map, the applicant shall prepare and submit CC&R's for review and approval by the City Attorney and the City Engineer. The CC&R's shall contain provisions for the maintenance of the storm water detention facility **and ongoing maintenance of all landscaping and habitat areas**. The CC&R's shall be recorded concurrently with the parcel map.

Commissioner Brassfield seconded the motion.

On a motion by Commissioner Reed, seconded by Commissioner Brassfield, and carried by the following vote, the Planning Commission Adopted resolutions adopting Mitigated Negative Declaration ER-17-0599, approving Tentative Subdivision Map SD-17-0600, and approving Use Permit UP-17-0502 for an 88-unit Commercial Condominium Vehicle Storage Facility with amended Conditions of Approval:

AYES:	5	COMMISSIONERS:	Millich, Dawson, Brassfield, Ezekiel, Reed
NOES:	0	COMMISSIONERS:	None
ABSENT:	2	COMMISSIONERS:	Fletcher, Latasa
ABSTAIN:	0	COMMISSIONERS:	None
RECUSED:	0	COMMISSIONERS:	None

4. **Recommend City Council Approval of a Development Agreement with Ruby Falls Fund, LLC; and, Modify Use Permit 00-019 for 457, 465, 470, 565, and 570 Cannery Row; Applicant Mike Dunham; Owner Eric Jones; Zoning Cannery Row Commercial; General Plan Commercial; CEQA: EIR Addendum Filed (CONTINUE TO MAY 8, 2018)**

ACTION: Continued to May 8, 2018.

Staff Presentation/Commissioner Questions

Ms. Caraker asked the Planning Commission to take action and continue the item to May 8, 2018.

Applicant

No applicant present.

Public Comments

None.

Commissioner Comments

Commissioner Reed made a motion to continue the item to May 8, 2018. Vice Chair Dawson seconded the motion.

On a motion by Commissioner Reed, seconded by Commissioner Dawson, and carried by the following vote, the Planning Commission continued the item to May 8, 2018:

AYES:	5	COMMISSIONERS:	Millich, Dawson, Brassfield, Ezekiel, Reed
NOES:	0	COMMISSIONERS:	None

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ABSENT: 2 COMMISSIONERS: Fletcher, Latasa
ABSTAIN: 0 COMMISSIONERS: None
RECUSED: 0 COMMISSIONERS: None

Chair Millich adjourned the afternoon session at 4:45 p.m.

RECONVENE
*****Evening Session Agenda*****
7:00 – 11:00 p.m.

Chair Millich called to order the evening session at 7:00 p.m.

CONTINUED PUBLIC COMMENTS

Mayor Clyde Roberson thanked the Planning Commission and said he has heard from the community what an incredible Planning Commission the City has after the meeting on personal wireless services projects. Mayor Roberson said he would like to thank Commissioner Ezekiel for his thoroughness, research skills, knowledge, and service on the Planning Commission as it is his last meeting.

Judy Karas compared the Marina Library to the Monterey Library and said parking in the Downtown area for the library has become difficult. She also said better signage is needed to direct people to public restrooms in the Downtown area.

PUBLIC HEARING

5. **Recommend City Council Approval of the Draft Fiscal Year 2018/2019 (Program Year 18) Action Plan for Community Development Block Grant Funds and Authorization of Submittal to the U.S. Department of Housing and Urban Development; (Exempt from NEPA per 24 CFR Part 58 and from CEQA per Article 19, Section 15306, Class 6 and 15326, Class 26)**

ACTION: *Adopted a resolution recommending that the City Council approve the Community Development Block Grant Annual Action Plan and authorize submission to the U.S. Department of Housing and Urban Development.*

Staff Presentation/Commissioner Questions

Maryn Ljubimow presented the Agenda Report and answered Commissioners' questions. Ms. Caraker also answered Commissioners' questions.

Public Comments

Lynn Young, Josephine Kerns Memorial Pool, said the organization has been providing services for seniors and those with disabilities for 45 years. Ms. Young said the City's support enables the organization to provide approximately 800 hours of therapeutic aquatic services each year, assist veterans transitioning out of homelessness, and leverage funding from other sources. Ms. Young thanked the City for their partnership and support.

Susan Alnes, grant writer with Legal Services for Seniors, thanked the City for its support. Ms. Alnes said the Agenda Report states that the City was unable to reach Legal Services for Seniors, which is not accurate, and she asked for the record to be corrected.

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Barbara Mitchell, Interim Inc., said Interim uses approximately \$20,000 in funding from the City to serve those who are homeless through hotel room vouchers, outreach, and housing services. Ms. Mitchell thanked the City for their support.

Jennifer Dalton, Gathering for Women, thanked the City for making the organization their newest partner. Ms. Dalton said the organization's mission is to serve homeless women in Monterey and that over 680 women were served in 2017. She also said there are 198 volunteers and 8 staff members serving women daily providing hot meals, showers and laundry facilities.

Marjory Roach, Echo Housing, said the organization has been providing services as a qualified fair housing enforcement agency since 1964. Ms. Roach said Echo Housing provides counseling, investigation and testing services, attorney referrals, and tenant/landlord mediation. She encouraged the Planning Commission to recommend approval to the City Council.

Judy Karas, Gathering for Women volunteer, said program participants get a feeling of appreciation and acceptance in addition to a hot meal. Ms. Karas said it is possible for the City to do a two year CDBG program and she suggested the City look into this option. She also said the City should buy Bayview School and use it for homeless housing.

Luana Conley, Alliance on Aging, said she hopes City funds can also go towards her organization which looks for signs of abuse or neglect in nursing and senior facilities. Ms. Conley also spoke about Home Collaborative, a monthly meeting with County experts and social workers to discuss the housing crisis in Monterey County.

Commissioner Comments

Commissioner Ezekiel thanked all the community organizations for their passion and service to the community.

Commissioner Brassfield said there is a lot of humanity involved in the organizations represented and that he appreciates their involvement.

Commissioner Reed said the Government can only do so much and it is these organizations that really do the ground work and have an impact. Commissioner Reed made a motion to adopt a resolution recommending that the City Council approve the Community Development Block Grant Annual Action Plan and authorize submission to the U.S. Department of Housing and Urban Development. Commissioner Ezekiel seconded the motion.

On a motion by Commissioner Reed, seconded by Commissioner Ezekiel, and carried by the following vote, the Planning Commission adopted a resolution recommending that the City Council approve the Community Development Block Grant Annual Action Plan and authorize submission to the U.S. Department of Housing and Urban Development:

AYES:	5	COMMISSIONERS:	Millich, Dawson, Brassfield, Ezekiel, Reed
NOES:	0	COMMISSIONERS:	None
ABSENT:	2	COMMISSIONERS:	Latasa, Fletcher
ABSTAIN:	0	COMMISSIONERS:	None
RECUSED:	0	COMMISSIONERS:	None

Commissioner Reed recused himself from item #6 due to a conflict of interest due to his firm representing one of the subtenants of the project.

6. **Deny 502 Munras Avenue; Appeal Application AP-18-0079 of Historic Preservation Commission Approval of Sign Application SI-18-0056 to Amend the Signage Program for the Cooper Molera, Consisting of a New Sign on the General Store building; Appellants Judy Karas, Laurie Hambaro, Luana Conley, Nancy Runyon; Applicant / Owner The National Trust for Historic Preservation; PC-D-H1 Zoning District; Exempt from CEQA Requirements per Section 15301, Class 1 and Section 15331, Class 31**

ACTION: *Adopted a resolution denying the appeal application and upholding the Historic Preservation Commission's decision.*

Staff Presentation/Commissioner Questions

Ms. Caraker presented the Agenda Report and answered Commissioners' questions.

Appellant

Nancy Runyon, appellant, gave a presentation showing the original mural compared with the recreated mural and mock-ups of historic buildings with signage on them. She discussed the Historic Preservation Commission's (HPC) findings, the potential for precedence setting, chapter 31 of the sign ordinance, and chapter 7 of the Downtown Specific Plan. Ms. Runyon stressed the importance of public art and said changing the historic context of the mural will create an oversized commercial sign. Ms. Runyon said 12 signs are sufficient and asked that the Planning Commission (PC) maintain the historic, interpretive mural.

Applicant

Katherine Malone-France, Senior Vice President for Historic Sites at the National Trust, gave a presentation regarding the history of the site, the adaptive re-use project underway at the site, images of different wall treatments over several years, the original sign proposal, and the design process. Ms. Malone-France said the sign is not historic and should not be treated that way. She also said the current mural is just a snapshot in time that does not have anything to do with the 20th century use of the building. Ms. Malone-France said the appellants have not identified a single error made by the HPC and she asked the Planning Commission to deny the appeal, allowing the change in signage to reflect the current uses in the building and writing the next chapter in the story of the Cooper Molera. In response to Commissioner Ezekiel's question, Ms. Malone-France clarified that the entire historic site is referred to as the Cooper Molera. In response to Commissioner Brassfield's question, Ms. Malone-France said there will be three different businesses on-site in addition to museum spaces.

Public Comments

Judy Karas, appellant, spoke about the importance of the A. A. Manuel Store and mural to her family's history. Ms. Karas said she is disappointed with the National Trust and that the HPC's decision should be overturned and more time should be given to find a better compromise. She also referenced an email from the City's archivist, Dennis Copeland, supporting retention of the mural. Ms. Karas said changing the mural without public's support is a misstep, and she asked the PC to carefully consider the consequences of their decision.

Jeff Beckham, Alliance of Monterey Area Preservationists, gave the history of A. A. Manuel and said he remains a prominent figure in Monterey today. Mr. Beckham said if the existing sign is taken down A. A. Manuel's connection to Monterey will be lost. He also questioned the

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amount of signage needed for the new businesses and suggested retaining the current sign and utilizing temporary signage if the businesses struggle.

Luana Conley, appellant, said she wants the new tenants to succeed and maintaining the mural would help accomplish this. She spoke of her experience working with Monterey County's signage code. Ms. Conley said she has a petition to preserve the existing mural with over 100 signatures and she asked the Planning Commission to vote with the community and citizens and not paint over the mural.

Frank Sollecito said the proposed project is great and the HPC did a fantastic job of getting it to the point it is at today. He also said the two signs are very similar, but the proposed sign would correctly identify what is inside the Cooper Molera and help navigate people. Mr. Sollecito said he is glad that the residents are passionate, but he does not see any errors in the HPC's decision and therefore the Planning Commission has to deny the appeal.

Julie Ingall said although the proposed sign is in the style of the existing mural, it is not the same as maintaining the mural, which is an important illustration of what the building looked like at one time in history. She questioned why a large sign with the multiple businesses is now proposed if the applicant was fine with a smaller sign originally. Ms. Ingall said although the mural only represents a brief time period it is still a part of history that residents enjoy.

Laurie Hambaro, appellant, said the current mural is visible from the other end of the street, piquing the interest of visitors. She also said the proposed sign is attractive, but has no historic context and is more advertising than other businesses are allowed. Ms. Hambaro said changing the sign will affect the history of Monterey and she hopes that the Planning Commission will approve the appeal and leave the sign the way it is currently. If the appeal is denied, Ms. Hambaro said the whole mural should be removed and the applicant's initial sign design should be approved.

Susan Nine said the applicant has stated that the current mural has no historic value, however the applicant's proposed sign mimics the mural. She spoke of bringing elementary classes to the Cooper Molera for decades and said the commercial element should be downplayed as much as possible. Ms. Nine said the site has adequate signage already and she urged the Planning Commission to not allow the proposed sign design.

Marissa Mercado said the existing sign is part of the fabric of Monterey's history and is historic because it is a true replication. She also said State Park staff and volunteers have all interpreted the sign to visitors and seen visitors walk in specifically because of the sign. Ms. Mercado said the proposed sign does not conform to City code and the appeal should be approved.

Fred Muerer said the Cooper Molera is well loved by the State Park staff and community, but was previously red-tagged, and was not generating enough public interest and income to keep it alive. He also said visitors will still be able to see the proposed sign and will be drawn inside, making the site financially viable. Mr. Muerer said a great debt of gratitude is owed to the National Trust and developer team for bringing the building back to life and allowing it to be used for the next hundred years. He also said the HPC did not err in their decision and the proposal is consistent with historic preservation guidelines so the appeal should be denied.

Commissioner Comments

Commissioner Ezekiel said he applauds the work that has been done and the investment that

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will change the Downtown dramatically. He said the current discussion seems to be about the content of the signage. Commissioner Ezekiel said the sign and its history should be preserved.

Vice Chair Dawson said to approve the appeal, the Planning Commission has to find that the HPC has erred in their decision and he does not think they erred. He also said the sign should show what is inside the building now, and the existing sign does not. Vice Chair Dawson said the HPC determined the sign is not historic and saying that the sign has longevity is wrong.

Commissioner Brassfield said he agrees that the HPC did not err in their decision. He said he is glad community members provided input, as it balances out decisions made in the City. Commissioner Brassfield said he appreciates the efforts to make the Cooper Molera viable in order to support the building and its maintenance after the State was unable to. He also said that the businesses in the Cooper Molera need to be supported and as long as the proposal is within the City regulations the Planning Commission should support the HPC's decision.

Chair Millich said historically it would be more accurate to have "Cooper Molera" depicted on the existing sign instead of "A. A. Manuel." He also said for the proposed sign, a distinction could be made when calculating the sign area that "Cooper Molera" is informational and the business names are commercial. Chair Millich recognized the work the National Trust has accomplished at the site and said he supports denying the appeal.

Vice Chair Dawson made a motion to adopt a resolution denying the appeal application and upholding the HPC's decision. Commissioner Brassfield seconded the motion.

On a motion by Commissioner Dawson, seconded by Commissioner Brassfield, and carried by the following vote, the Planning Commission Adopted a resolution denying the appeal application and upholding the Historic Preservation Commission's decision:

AYES:	3	COMMISSIONERS:	Dawson, Millich, Brassfield
NOES:	1	COMMISSIONERS:	Ezekiel
ABSENT:	2	COMMISSIONERS:	Latasa, Fletcher
ABSTAIN:	0	COMMISSIONERS:	None
RECUSED:	1	COMMISSIONERS:	Reed

COMMISSIONERS COMMENTS

Chair Millich said he, along with Commissioner Fletcher and Commissioner Ezekiel, went to the League of Cities Planning Commissioners Academy and Ms. Caraker hosted a fantastic panel.

Commissioner Ezekiel said it is his last meeting and it was a privilege and an honor to sit on the Planning Commission and to get to know the Commissioners and City staff. Chair Millich said it has been a pleasure serving with Commissioner Ezekiel.

Commissioner Brassfield said he appreciates the amount of staff time required for each project, comments from the public, the mixture of people serving on the Planning Commission, and the Commission's accomplishments. Commissioner Brassfield also said he does not have a clear understanding of the rate at which a proponent may increase the number of housing units on a project since the Specific Plans are pretty general regarding these numbers. He also said he does not see a benefit to the City of the increase in numbers and that the

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Planning Commission has a responsibility to ensure proposals are within the best interest of the City. Ms. Caraker said staff will agendaize this topic for discussion at a future meeting.

INFORMATIONAL REPORTS & STAFF COMMENTS

7. Planning Office Update

- Update received.
- Ms. Caraker said there are no items for the next meeting of the Planning Commission and she has three study session items (Lighthouse Area traffic study, project staking and density) that will be discussed in early summer.
- Ms. Caraker said she has received approval for Planning Commissioners to order City business cards, at their own expense, if they choose to do so.
- In response to Commissioner Brassfield's question regarding the Planning Commission's review of plans, Ms. Caraker said the Local Coastal Program update and North Fremont Specific Plan amendments should be coming before the Commission soon.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:05 p.m.

Respectfully Submitted,

Approved,

Elizabeth Caraker
Housing and Community Development Manager

Chair
Planning Commission

MINUTES
CITY COUNCIL REGULAR MEETING
CITY OF MONTEREY
Tuesday, April 17, 2018
4:00 p.m - 5:30 p.m. 7:00 p.m. - 11:00 p.m.
FEW MEMORIAL HALL OF RECORDS, 580 PACIFIC STREET
MONTEREY, CALIFORNIA

Councilmembers

Present: Councilmembers Albert, Barrett, Haffa, Smith, Roberson (left at 5:10 p.m.)

Absent: None

City Staff

Present: Interim City Manager, Interim Assistant City Manager, Human Resources Director, Police Chief, Library Director, Community Development Director, Public Works Director, Assistant City Attorney, Assistant Finance Director, Acting Community Services Director, Acting City Clerk, Conference Center General Manager, Conference Center Director of Sales and Events, Principal Planner, Environmental Regulations Manager, Administrative Analyst (Police), Administrative Analyst (City Manager's Office), Administrative Analyst (Housing)

CALL TO ORDER

Mayor Roberson called the meeting to order at 4:05 p.m.

PUBLIC COMMENTS

Mayor Roberson opened the floor for public comments on non-agendized matters. Nina Beety said that her neighborhood does not want the small cell wireless facilities recently proposed by Verizon and that the proposed facilities were directional in such a way as to benefit Pebble Beach. With no further requests to speak, Mayor Roberson closed public comments.

CONSENT ITEMS

On a motion by Councilmember Barrett, seconded by Councilmember Smith, and carried by the following vote, the City Council approved the Consent Agenda except Items 6 and 16, and with Mayor Roberson recused from voting on Item 9:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

Approval of Minutes

1. [April 3, 2018 \(Not a Project under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061\) \(City Clerk - 701-09\)](#)
Action: Approved

Award of Contracts

2. [Award a Construction Contract for the Presidio of Monterey Building 652 Floor Covering Replacement Project \(Categorically Excluded from NEPA 32 CFR; Not a Project under CEQA per Pub. Resources Code, § 21080\) ***PMSA*** \(Plans & Public Works - 807-02\)](#)
Action: Adopted Resolution No. 18-047 C.S.

Ordinances

3. [2nd Reading -- Repeal and Replace Monterey City Code, Chapter 30, Article 1, Sections 1, 1.5 And 1.7 to Update the City's Regulations for Sewer System and Create a Mandatory Sewer Lateral Inspection and Repair Program \(Exempt from CEQA Article 19, Section 15302, Class 2\) \(Plans & Public Works - 701-11\)](#)
Action: Adopted Ordinance No. 3579 C.S.

Resolutions

4. [Approve Updated Sanitary Sewer Management Plan \(Exempt from CEQA Article 19 Section 15301, Class 1; Section 15308, Class 8; and Section 15309, Class 9\) \(Plans & Public Works - 802-11\)](#)
Action: Adopted Resolution No. 18-048 C.S.
5. [Transfer CIP Budget Savings from Completed Projects to Existing Active CIP Projects \(Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061\) \(Plans & Public Works - 406-04\)](#)
Action: Adopted Resolution No. 18-049 C.S.
6. [Authorize the Appropriation of \\$80,000 for Financial Assistance to the National Trust for Historic Preservation and Direct the City Manager to Enter Into a Contract with the National Trust for Historic Preservation for Discounted or Waived Museum Admission Fees at 502 Munras Avenue -- Cooper-Molera Adobe \(Not a Project Under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061\) \(Plans & Public Works - 203-07\)](#)
Action: Pulled from Consent; Discussed; Adopted Resolution No. 18-050 C.S.; Directed Interim City Manager to verify the financial need and share the results

This item was heard second, following Item 16. Mayor Roberson opened the floor for public comments. Luane Conley asked City Council to do due diligence on the archaeological and electrical issues that caused the project to go over budget and asked if free entrance is a commitment or a negotiation.

Laurie Hambaro proposed that the \$80,000 appropriation be considered a loan and said she doesn't believe that the National Trust should receive money that State Parks doesn't receive. Susan Klusmire, co-director for the Cooper-Molera Adobe, said that programs will be free, and the gardens and grounds will be open to the public six days a week without charge.

Doug Wiele, Foothill Partners, said that PG&E moved the point of electrical connection an extra block away at the project's additional expense. He said that the \$80,000 would be a loan to be paid back by accounting for free entries to the paid portion of the project. Jerry Anderson, member of the downtown business community, spoke in support of the proposed solution.

Rick Johnson, Old Monterey Business Association, urged City Council to support the staff recommendation. With no further requests to speak, Mayor Roberson closed public comments.

Interim City Manager Uslar said that the City recognizes the uniqueness of the project, and commented that the City will benefit from receiving another PG&E connection at the Stokes Adobe. He said that PG&E nodes downtown are failing and the additional PG&E vault will allow the City to do upgrades in the area. He said that the \$80,000 would come from the general fund ending balance, and that once the corresponding free admissions are depleted, City Council could choose to renegotiate another similar deal.

Councilmember Albert noted that the ending fund balance is decreasing each year, and cautioned City Council to be careful with ending fund balances.

Councilmember Smith estimated that the \$80,000 would cover about 11,000 visitors and said the City would benefit from people going into the museum because visitors might start at the adobe and then continue spending money elsewhere in town.

Councilmember Barrett praised the project and said he is reluctant to set a standard for an ongoing commitment to subsidize operations. He said that it would have been helpful to have the full documentation to support the statements in the packet.

Interim City Manager Usler said that ongoing subsidies are not the intent, and that if City Council desires, the resolution could be amended to be contingent on submittal of documentation for the PG&E and archaeological components relevant to the request.

Mayor Roberson said that he would support the loan because this will benefit the entire power grid downtown. He said that he hopes that as a result of this conversation, the State might sit down with the City and work to get other historic properties open to the public as well.

Councilmember Smith said that there is an annual opportunity for non-profits to submit for grants from the City, and that would be an opportunity for the Cooper Molera project to make a proposal in the future. He added that a non-profit that wanted to save money could sign up to receive their energy from Monterey Bay Community Power.

On a motion by Councilmember Smith, seconded by Councilmember Haffa, and carried by the following vote, the City Council:

- authorized the appropriation of \$80,000 for financial assistance to the National Trust;
- directed the Interim City Manager to enter a contract for discounted or waived museum admission fees at 502 Munras Avenue – Cooper-Molera Adobe;
- directed the Interim City Manager to verify the financial need as quoted in the proposal and share the results with City Council and the historical associations; and
- specified that the intent is for a onetime loan to drive first-year traffic to the museum;

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

7. Amend Master Fee Schedule, Resolution 15-215, to Revise Police Department Fees (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Police - 407-06)
Action: Adopted Resolution No. 18-051 C.S.
8. Appropriate \$150,000 to Prepare a Sea Level Rise Adaptation Strategy Assessment in Compliance with Assembly Bill 691 (Not A Project Under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 206-01)
Action: Adopted Resolution No. 18-052 C.S.
9. Identify the Reconstruction of Mar Vista and Skyline Drive as the Project to be Funded by SB-1: The Road Repair and Accountability Act (Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 801-01)
Action: Adopted Resolution No. 18-053 C.S. (4-0-1, Roberson recused)
10. Appropriate Funds to the 2017-18 and 2018-19 Library Trust Fund Budgets (Not a Project Under CEQA per Article 20, Section 15378, and Under General Rule Article 5, Section 15061) (Library - 406-04)
Action: Adopted Resolution No. 18-054 C.S.

11. [Amend Resolution 17-098 Changing the Position Control List at the Monterey Conference Center by Deleting \(1\) FTE Administrative Assistant I, Increasing \(1\) RPT Event & Sales Assistant to \(1\) FTE Event & Sales Assistant, Reclassifying \(1\) FTE Sales Assistant to \(1\) FTE Sales Coordinator, Establishing a New Class Specification and Amend Resolution 17-150, Adopted Salary Schedule, and Authorizing an Appropriation of Funds \(Not a Project Under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061\) \(Community Services - 902-01\)](#)
Action: Adopted Resolution No. 18-055 C.S.
 12. [Award a Contract for the Purchase of One \(1\) Heavy Duty Above Ground Truck Lift For Use by the City of Monterey Fleet Division \(Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061\) \(Plans & Public Works - 812-02\)](#)
Action: Adopted Resolution No. 18-056 C.S.
 13. [Amend Resolution 17-098 to Appropriate Funds to Continue Support of Noise Mitigation Costs for the Monterey County Fair and Event Center \(Not a project under CEQA, per Article 20, Section 15378 and under General Rule Article 5, Section 15061\) \(City Manager - 406-02\)](#)
Action: Adopted Resolution No. 18-057 C.S.
 14. [Adopt a Resolution Opposing the Tax Fairness, Transparency and Accountability Act of 2018 \(Not a Project under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061\) \(Finance - 407-01\)](#)
Action: Adopted Resolution No. 18-058 C.S.
- Other**
15. [Approve Downtown Representative for the Neighborhood Improvement Program for Calendar Year 2018 \(Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061\) \(Plans & Public Works - 701-06\)](#)
Action: Approved
 16. [Direct the Planning Commission to 1\) Consider Options for Strengthening the City's Wireless Application Requirements; and, 2\) Make a Recommendation to the City Council that is Consistent with Federal Regulations \(Not A Project Under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061\) \(Plans & Public Works - 201-12\)](#)
Action: Pulled from Consent; Directed Planning Commission as Recommended

This item was heard first, before Item 6. Mayor Roberson opened the floor for public comments. Nina Beety said that she supports revising the City's wireless ordinance to protect the public and to ensure that the City has authority to make decisions on behalf of its residents. She asked the City Council to refer the matter to the Planning Commission. With no further requests to speak, Mayor Roberson closed public comments.

Mayor Roberson cited suggestions that were submitted to City Council by the Monte Vista Ordinance Revision Committee and a former Planning Commissioner, and said that those public records would be considered by the Planning Commission. Interim City Manager Usler noted that neighbors also asked for the City to retain a different law firm, and said that staff is considering receiving a second legal opinion on the matter.

On a motion by Councilmember Barrett, seconded by Councilmember Smith, and carried by the following vote, the City Council directed the Planning Commission to 1) Consider Options for Strengthening the City's Wireless Application Requirements; and, 2) Make a Recommendation to the City Council that is Consistent with Federal Regulations:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

*****End of Consent Agenda*****

Adjourn to Ocean View Community Services District Meeting - Consent Agenda

17. [Receive Ocean View Community Services District Quarterly Report \(Not a Project under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061\) \(City Attorney - 703-02\)](#)

Action: Received report

Adjourn to City Council Meeting

Mayor Roberson adjourned the afternoon session at 5:10 p.m. and said that he would be absent for the evening session.

The City Council reconvened at 7:01 p.m. with Mayor Roberson absent.

PLEDGE OF ALLEGIANCE

Councilmember Haffa led the Pledge.

CONTINUED PUBLIC COMMENTS

Councilmember Barrett opened the floor for public comments on matters not on the agenda. Dan Turner, Monterey resident, invited all to join the Veterans for Peace for a peaceful non-violent protest across the street from the NRA's fundraiser at the Monterey Fairgrounds on April 28. He said that assault weapons are very good at killing people and meant for nothing else.

Theresa Blaylock, Monterey resident, said that in her apartment complex there are no smoking regulations and she is regularly subjected to marijuana and cigarette smoke. She said that air purifiers are a reasonable solution and asked City Council to consider requiring their use in multi-use housing.

Nicole Capps, New Monterey Neighborhood Association, said that she looks forward to working with City Council in the coming year. With no further requests to speak, Councilmember Barrett closed public comments.

PUBLIC HEARING

18. Amend the Cannery Row Local Coastal Land Use Plan (TM-18-0092) to Allow Residential Uses: 1) on the First Floor; and 2) to Exceed 30 Dwelling Units per Acre; Applicant: Paul E. Davis, Owner: 300 Cannery Row, LLC; (Exempt from CEQA per Public Resources Code Section 21080.5) (Plans & Public Works - 201-12)

Action: Continued to May 15, 2018 (4-0-1, Roberson absent)

On a motion by Councilmember Haffa, seconded by Councilmember Smith, and carried by the following vote, the City Council continued to May 15, 2018 the matter entitled Amend the Cannery Row Local Coastal Land Use Plan (TM-18-0092) to Allow Residential Uses: 1) on the First Floor; and 2) to Exceed 30 Dwelling Units per Acre; Applicant: Paul E. Davis, Owner: 300 Cannery Row, LLC:

AYES: 4 COUNCILMEMBERS: Albert, Barrett, Haffa, Smith
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 1 COUNCILMEMBERS: Roberson
 ABSTAIN: 0 COUNCILMEMBERS: None
 RECUSED: 0 COUNCILMEMBERS: None

PUBLIC APPEARANCE

19. [First Review of the 2018/2019 Annual Action Plan for Community Development Block Grant Funds \(Exempt from NEPA per 24 CFR Part 58 and from CEQA per Article 19, Section 15301, Class 1, 15306, Class 6 and 15326, Class 26\) \(Plans & Public Works - 201-09\)](#)
Action: Received presentation and reviewed the draft action plan (Roberson absent)

Councilmember Barrett said that Community Development Block Grant (CDBG) funds help to address the high cost of housing in the Monterey area. Interim City Manager Usler said that the City's requests for proposals on water allocations encourage developers to provide affordable housing. Administrative Analyst Ljubimow presented the staff report and answered Councilmembers' questions.

Councilmember Barrett opened the floor for public comments. Rob Rapp, Community Human Services, explained the Safe Place program, saying that for various social reasons there is a serious need for assistance to homeless youth. Lynn Young, Josephine Kernes Memorial Pool, spoke about the adaptive pool and the increasing need for it in the Monterey community.

Betsy Wilson, MidPen Housing Corporation, updated City Council on the Van Buren Senior Housing project. With no further requests to speak, Councilmember Barrett closed public comments.

Councilmember Barrett said that he likes programs that support the community's parks. He praised the Mr. Fix-It program and said that the analysis of gaps in services would give the City helpful information for the future. He asked if there is a way to provide direct rent assistance.

Councilmember Haffa said that the CDBG program is beneficial in its ability to reach the neediest community members. He agreed that it would be desirable to find a way to offer direct assistance to renters in need.

Councilmember Smith said he would like to expand the Mr. Fix-It program. He said that he would like to increase efficiency and make sure there is no duplication of services in the CDBG program. He expressed hope that the City could find a non-profit to provide rent assistance.

COUNCIL COMMENTS

Councilmember Albert said that on the subject of affordable housing, the City has property in former Fort Ord land and asked staff for a report on that property and what is possible to do with it.

Councilmember Haffa said that the Language Capital of the World celebration would take place April 21 at the Custom House Plaza. He asked to hold a study session to learn more about the City's Fort Ord property. He said that a community advisory committee for Monterey Bay Community Power is seeking a representative for the Monterey Peninsula, and interested residents should contact him or Councilmember Smith, or Supervisor Parker.

Councilmember Smith said that he enjoyed a recent ceremony swearing in a new officer of the Police Department, and that same evening the Police Department's awards banquet. He promoted the Language Capital of the World festival. He said that Councilmembers met with the recruiter for City Manager and that there was a successful Town Hall meeting on the matter.

Councilmember Barrett said that the search for City Manager is under way and that City Council is following residents' feedback on the qualities needed in a future City Manager. He emphasized the need to keep diversity in mind with recruitment-related outreach. He said that a wholesome, ethical, and accepting work environment comes from leadership by example and asked to agendaize a presentation from staff regarding the City's response to allegations of improprieties in the workforce and any proposed methods for addressing the issue in the future.

CITY MANAGER REPORTS

Interim City Manager Uslar reported that April is Financial Awareness Month and the Monterey Public Library is offering financial planning workshops. He said that the Monterey Amberjacks will be holding week-long youth baseball camps June 8 through July 13, 2018. He announced that the April 25 City Council study session would be on the subject of CalPERS pension obligations. He reported that School Resource Officer Galin at Walter Colton School is running a successful Police Junior Cadet program. He said that a few City employees will fly at their own expense to Monterey's sister city of Dubrovnik, Croatia to help with their marathon.

ADJOURNMENT

Councilmember Barrett adjourned the meeting at 7:57 p.m.

Respectfully Submitted,

Approved,

Clementine Bonner Klein
Acting City Clerk

Clyde Roberson
Mayor

MINUTES
CITY COUNCIL REGULAR MEETING
CITY OF MONTEREY
Tuesday, May 1, 2018
4:00 p.m - 5:30 p.m. 7:00 p.m. - 11:00 p.m.
FEW MEMORIAL HALL OF RECORDS, 580 PACIFIC STREET
MONTEREY, CALIFORNIA

Councilmembers

Present: Councilmember Albert, Councilmember Barrett, Councilmember Haffa,
Councilmember Smith, Mayor Roberson

Absent: None

City Staff

Present: Interim City Manager, Interim Assistant City Manager, City Attorney,
Community Development Director, Public Works Director, Interim Finance
Director, Assistant Police Chief, Senior Advisor Community Services, Senior
Advisor Finance, Acting City Clerk, Harbormaster, Property Manager,
Conference Center General Manager, Senior Associate Planner, Associate
Planner, City Manager Administrative Analyst, Housing Administrative
Analyst, General Services Administrative Analyst, Senior Engineer

CALL TO ORDER

Mayor Roberson called the meeting to order at 4:03 p.m.

PRESENTATIONS

1. Proclamation Recognizing Public Service Recognition Week (Not a Project under CEQA Article 2
Section 15378 and under General Rule Article 5, Section 15061) (Human Resources - 503-01)
Action: Presented proclamation

Mayor Roberson presented the proclamation and thanked City staff for their fine work.

PUBLIC COMMENTS

Mayor Roberson opened the floor for public comments on non-agendized matters. Fernando Frederico, Lusamerica Fish, asked City Council to rent space at the Wharf to his business for boat loading.

Judy Karas, Monterey resident, said that due to the success of the Highway 68 roundabout, turning left from Skyline Forest onto Holman Highway can take a long time, and asked that the stoplight at Community Hospital be changed to allow for longer stops. She asked City Council to speak up to agricultural commissioners against pesticide use.

Patricia Domingo, New Monterey resident, said that overdevelopment on Cannery Row and New Monterey causes quality of life issues such as crime, illegal short-term rentals, and bright lighting, and asked City Council to revisit the MCCVB budget and get another few officers for patrol to balance promotion versus safety. She expressed concern about the Conference Center mural. With no further requests to speak, Mayor Roberson closed public comments.

CONSENT ITEMS

On a motion by Mayor Roberson, seconded by Councilmember Barrett, and carried by the following vote, the City Council approved the Consent Agenda except Items 4 and 13:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

Approval of Minutes

2. April 17, 2018 (Not a Project under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061) (City Clerk - 701-09)

Action: Approved

3. April 25, 2018 (Not a Project under CEQA per Article 20, Section 15378 and Under General Rule Article 5, Section 15061) (City Clerk - 701-09)

Action: Approved

Award of Contracts

4. Award Construction Contract for North Fremont Bike and Pedestrian Access and Safety Improvements Project (Exempt per CEQA Guidelines Article 19, Section 15301, Class 1)
***CIP/NIP *** (Plans & Public Works - 701-13)

Action: Pulled from Consent, Received presentation, Discussed, Adopted Resolution No. 18-059 C.S.

This item was heard second, after Item 13. Senior Engineer Renny gave the staff presentation and cited over \$8.5M in grant funding for the project. Councilmember Smith referred to emails supporting the project from Leslie Svetich, North Fremont Street Business District, and Mohammad Ali Norouzi, Monterey Cookhouse.

Mayor Roberson opened the floor for public comments. Tom Rowley said that North Fremont Street works as a major traffic corridor and cautioned City Council to beware of unintended consequences. With no further requests to speak, Mayor Roberson closed public comments.

Councilmembers expressed enthusiasm for the project and encouraged residents to continue to shop at North Fremont Street businesses during construction.

On a motion by Councilmember Smith, seconded by Councilmember Barrett, and carried by the following vote, the City Council adopted Resolution No. 18-059 C.S., awarding the Construction Contract for North Fremont Bike and Pedestrian Access and Safety Improvements Project:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

Resolutions

5. Approve the Rescope of Neighborhood Improvement Program Projects Ramona Radar Speed Signs and Ramona Northbound Radar Speed Sign Projects to Update the Del Monte Grove-Laguna Grande Neighborhood Traffic Calming Plan and Authorize the Transfer of Appropriations to the Del Monte Grove-Laguna Grande Neighborhood Traffic Calming Plan (Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 808-02)
Action: Adopted Resolution No. 18-060 C.S.
6. Authorize a Continuation of Funding for One (1) Administrative Analyst Position and One (1) Building Maintenance Craftworker Position in the General Services Division***PMSA*** (Not a project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 406-04)
Action: Adopted Resolution No. 18-061 C.S.
7. Adopt a Resolution of Intention to Levy and Collect an Assessment Against the Properties Within the Alvarado Street Maintenance District No. 85-1 and Set Time for Public Hearing (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 704-06)
Action: Adopted Resolution No. 18-062 C.S.
8. Adopt a Resolution of Intention to Levy and Collect an Assessment Against the Properties Within Calle Principal Street Maintenance District 00-1 and Set Time for Public Hearing (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 704-06)
Action: Adopted Resolution No. 18-063 C.S.
9. Approve the Annual Report and Approve a Resolution to Set a Public Hearing Date to Levy the Assessments on Lodging Businesses within the Monterey County Tourism Improvement District (MCTID) for Fiscal Year 2018-19 (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Finance - 701-13)
Action: Adopted Resolution No. 18-064 C.S.
10. Amend Resolution 17-016 to Increase the Contingency for the Wharf II Critical Repairs Project (Certified Mitigated Negative Declaration) ***CIP*** (Plans & Public Works - 704-06)
Action: Adopted Resolution No. 18-065 C.S.
11. Authorize the City Manager to Enter Into Necessary Agreements to Allow the Fire Department to Use ESO Solutions Software for Records Management Purposes (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Fire - 604-08)
Action: Adopted Resolution No. 18-066 C.S.
12. Authorize the City Manager to Enter Into an Agreement With the City of Salinas to Jointly Participate in a Grant to Fund Paramedic Training (Not a Project under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Fire - 604-15)
Action: Adopted Resolution No. 18-067 C.S.
13. Authorize City Manager to Sign an Agreement between the City of Monterey and Monterey Peninsula Unified School District for Joint Use of Recreation Facilities (Not A Project Under CEQA Article 20, Section 15378 and under General Rule Article 5, Section 15061) (Plans & Public Works - 206-01)
Action: Pulled from Consent; Discussed; Adopted Resolution No. 18-068 C.S. as amended

This item was heard first, before Item 4. Mayor Roberson opened the floor for public comments. Neighborhood Improvement Program (NIP) Spokesperson Heuer expressed concern about the

potential impact of the agreement on existing Memoranda of Understanding (MOUs) for NIP-funded projects. With no further requests to speak, Mayor Roberson closed public comments.

City Attorney Davi said that this action would take a number of prior MOUs, consolidate them, and put them into an updated agreement with MPUSD for joint use of facilities. She clarified that this is separate from NIP funding agreements, which have clauses that say they are not to be superseded. Mayor Roberson asked to spell this out in the resolution, and City Attorney Davi provided the clarifying language.

On a motion by Councilmember Haffa, seconded by Councilmember Smith, and carried by the following vote, the City Council adopted Resolution No. 18-068 C.S. to Authorize City Manager to Sign an Agreement between the City of Monterey and Monterey Peninsula Unified School District for Joint Use of Recreation Facilities, with an additional clause to read "Whereas this agreement between Monterey Peninsula Unified School District and the City of Monterey for joint use of recreation facilities does not modify or repeal any agreements in place affecting Neighborhood Improvement Projects":

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

*****End of Consent Agenda*****

PUBLIC HEARING

14. Deny Appeal Application AP-18-0125 and Approve Sign Application SI-18-0056 to Amend the Signage Program for the Cooper Molera (502 Marinas), Consisting of a New Sign on the General Store building; Appellant Judy Karas; Applicant / Owner The National Trust for Historic Preservation; PC-D-H1 Zoning District; Exempt from CEQA Requirements per Section 15301, Class 1 and Section 15331, Class 31 (Plans & Public Works - 701-13)
Action: Received presentations from staff, appellant, and applicant; Discussed; Adopted Resolution No. 18-069 C.S. as amended (3-2, Barrett and Haffa voting no)

Associate Planner Schmidt presented the staff report and answered City Council's questions.

Appellant Judy Karas, Monterey resident, said that her concern is for the historic context of the sign. On the overheard projector she shared a suggested compromise that would keep the existing mural, adding the date of A. A. Manuel's business ownership above it and listing the new businesses to the right. She referred to historical figures A. A. Manuel and Jules Simoneau and read aloud from various sources: a book called *Vision for a Healthy California* by California State Senator Bill Monning; a 2003 letter from the Western District office of the National Park Service; a book called *Big Sur*; supporting correspondence from City of Monterey Museums, Arts and Archives Manager Dennis Copeland, artist N. J. Taylor, and Marc Del Piero; A. A. Manuel's obituary; and other resources that she said she found in the California History Room. She cited support from historians Rick Janick and Kent Seavey and said that the existing mural is part of Monterey's sense of place.

Katherine Malone-France, National Trust for Historic Preservation, updated City Council on the Cooper Molera Adobe project and described the intent of the proposed signage plan. She shared three photographs of the adobe from the late 19th century showing that the signage changed numerous times during that period. She said that the proposed revisions to the original signage proposal were made at the request of the Historic Preservation Commission

(HPC) and are fully compatible with the character of the Cooper Molera Adobe. Regarding the compromise suggested by appellant Ms. Karas, Ms. Malone-France said that a combination of references to new and old businesses would be confusing to visitors. She said that there is an exhibit planned for the Diaz Adobe about the businesses and signage that have existed at the site over time. She said that the history of A. A. Manuel is important but so is the history of the Cooper family, Luisa Diaz, Andrew Molera, and other past residents and users of the property.

Appellant Ms. Karas said in rebuttal that there is a blank space to the right of the mural that she suggested as a location for information on the new businesses. She said that a lot of locals don't know about the proposed change to the mural.

Mayor Roberson said that the matter would be continued into the evening session, and opened the floor for public comments for anyone unable to return in the evening. Doug Wiele, Foothill Partners, said that there is a window in the location where Ms. Karas proposed adding the additional signage. Patricia Domingo said that the existing sign is a charming example of public art, and cited equality and equity as concerns regarding the size of the proposed signage.

Rick Johnson, Old Monterey Business Association, said that the mural is a reproduction of a historic business sign that advertises commodities that are no longer for sale, and that the downtown business community looks forward to a current and authentic sign. With no further requests to speak, Mayor Roberson closed public comments.

Mayor Roberson adjourned the afternoon session at 5:44 p.m. and said that the public hearing would continue in the evening session.

City Council reconvened at 7:03 p.m. and after hearing continued public comments on non-agendized matters, Mayor Roberson opened the floor for continued public comments on Item 14. Chris Campbell, local counsel to the National Trust, said that the current signage proposal is the result of a lot of compromise and hard work. Kip Hudson, Monterey resident, said that the proposed sign received approvals from two City commissions, which she urged City Council to uphold. With no further requests to speak, Mayor Roberson closed public comments.

Councilmember Haffa said that he could see technical reasons both to support and deny the appeal and said that City Council's decision will come down to what they think will be best for the Cooper Molera Adobe. He said that the sign will not impact the success of the businesses.

Councilmember Smith read aloud from Monterey City Code section 38-211, Authority of Appellate Body, stating that it is City Council's job to determine whether an error was made by the Historic Preservation and Planning Commissions, and that he finds they did not make an error. He said that the businesses coming to the site deserve signs that represent them.

Councilmember Barrett said he understands why the businesses want their names on the sign, but said he believes they will be successful in downtown Monterey regardless. He said there is a key difference between a mural and a sign, and stated that the proposed sign does not conform to the sign ordinance.

Councilmember Albert said that it is important to keep historic preservation alive in Monterey. He said that from the photos presented, it seemed that historically, every time a new business started at the site, the sign changed. He asked rhetorically what A. A. Manuel would have thought when he started his business if he were told that the previous sign needed to stay up.

Mayor Roberson mentioned other historic City buildings that he said also need renovation. He questioned the fairness if the National Trust were to be denied the sign after modifying it upon request and receiving the approval of two commissions. He said there is a lot of sentiment around recognizing A. A. Manuel and suggested a modification to the resolution that would require historic interpretation to honor A. A. Manuel.

Appellant Judy Karas declared: "no compromise" and left the chamber.

It was moved by Councilmember Smith, and seconded by Councilmember Roberson, that the City Council:

- Adopt Resolution No. 18-069 C.S. to Deny Appeal Application AP-18-0125 and Approve Sign Application SI-18-0056 to Amend the Signage Program for the Cooper Molera (502 Munras), Consisting of a New Sign on the General Store building, to include an amendment requiring historic interpretation to honor A. A. Manuel's sign and other historic signs; and
- Find that the Historic Preservation Commission and Planning Commission did not err in their decisions on the matter.

Councilmember Haffa said that he could not support the motion. He said that in his opinion the existing mural does have historical significance as stated by historians Kent Seavey and Dennis Copeland; he said that in his opinion the proposed new sign does not differentiate as required by Item 9 of the Secretary's Standards attached to the agenda report; he said that he thinks two signs per storefront are sufficient; and he said that the proposed sign is larger than it should be according to the sign ordinance.

Councilmember Smith said that when evaluating sign applications there are frequently variances and interpretations, and it is important to look at the spirit of what the location needs. He said that the proposed sign matches the building and in his opinion does not constitute sign clutter. He said that the current sign could also technically be considered out of compliance.

Councilmember Barrett observed that this process honored the civic engagement of the community and the democratic process at the local level.

Councilmember Albert noted that the sign ordinance allows the HPC the flexibility to allow signs that are not fully compliant with sign guidelines in certain circumstances.

City Attorney Davi recommended including a standard severance clause in the resolution, to state that if any conditions should be found not to be legal, they would be severed from the adopted resolution with the rest to remain in full force and effect.

Councilmember Smith amended his motion to include the City Attorney's recommendation and the seconder agreed. The motion carried by the following vote:

AYES:	3	COUNCILMEMBERS:	Albert, Smith, Roberson
NOES:	2	COUNCILMEMBERS:	Haffa, Barrett
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

PUBLIC APPEARANCE

15. Adopt Resolution Establishing Guidelines for the Leasing and Repurchase of City Owned Groundfish Fishing Quota Shares (Not a Project under CEQA per Article 20, Section 15378 and under General Rule Article 5, Section 15061) (City Manager - 701-13)
Action: Continued to evening; Received report; Discussed; Adopted Resolution No. 18-070 C.S. as amended

This item was heard in the evening, after the conclusion of Item 14. Administrative Analyst Punkar reminded City Council that they have allocated Tidelands Trust Funds to purchase fishing quota shares in order to maintain federally regulated fishing quota shares in the

Monterey region. He gave the staff presentation and answered Councilmembers' questions. He said that the main addition since the matter last came to City Council at their April 3, 2018 meeting was the establishment of timeframes in which to negotiate the purchase.

Mayor Roberson opened the floor for public comments. Sherry Flumerfelt, Monterey Bay Fisheries Trust, answered Councilmembers' questions, said that their organization uses a 10 year term, and recommended that City Council use some form of limited timeline.

Tom Rowley suggested a 10 year term and alternate language for the resolution. He said that preserving the National Marine Sanctuary is crucial for the future and reasonable use of the fisheries is part of that formula and the maritime history of Monterey.

Lorna Moffat questioned the ability of the proposed program to protect the fisheries and the Monterey Bay National Marine Sanctuary. She said that video cameras are needed on the fishing vessels to support the observers, and urged City Council not to approve the proposal.

Steve Scheiblaue, Monterey Bay Fisheries Trust, said that the West Coast Federal groundfish fishery is widely considered to be one of the best managed fisheries in the world and cited statistics that he said show it to be a robust and sustainable fishery. He said it is not the charge of City Council to enforce protection of the fisheries and explained that it is a federal issue. With no further requests to speak, Mayor Roberson closed public comments.

City Council discussed the optimal length of the term and the possibility of using a longer term, and questioned the November 30 deadline with regard to concern about the December holidays. City Attorney Davi cited the Fisheries Trust's 10 year term as an industry standard, and cautioned City Council to be cognizant if considering a long term for a relatively new endeavor. Mr. Scheiblaue clarified that the Monterey Bay Fisheries Trust will manage the process, so the November 30 deadline should not be a concern.

Councilmember Smith suggested adding the language "or designee" after City Manager in the resolution, to allow for reasonable flexibility in negotiations. He said that it should be memorialized in the resolution that any revenue from the program will return to the Tidelands Trust Fund. He encouraged everyone to get involved in the Monterey Bay National Marine Sanctuary Advisory Council.

On a motion by Councilmember Haffa, seconded by Councilmember Albert, and carried by the following vote, the City Council adopted Resolution No. 18-070 C.S., Establishing Guidelines for the Leasing and Repurchase of City Owned Groundfish Fishing Quota Shares with the following amendments: allowing City Manager "or designee" to negotiate the leasing and repurchase of the fishing quota shares, and adding a "whereas" clause to clarify that revenues will return to the Tidelands Trust Fund:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None
RECUSED:	0	COUNCILMEMBERS:	None

PLEDGE OF ALLEGIANCE

Mayor Roberson led the Pledge.

CONTINUED PUBLIC COMMENTS

Before the continuation of the public hearing for Item 14, Mayor Roberson opened the floor for public comments on non-agendized matters. Nancy Selfridge, Monterey resident, said that her recent letter to the Carmel Pine Cone was changed without her knowledge, and she distributed to City Council the study quoted in her letter. Tom Rowley said that the renowned Gallatin's Restaurant in Monterey was in a historic building with no sign over the door, and stated that reputation is the most important thing for a business.

Judy Karas praised Yelp as a way to promote businesses and asked City Council to consider light rail as a future transportation method between Salinas and Monterey. Lorna Moffat said that Monterey is endangering its pigeon population with pest control and urged the City to allow the pigeon and Canadian geese populations to flourish. With no further requests to speak, Mayor Roberson closed public comments.

PUBLIC HEARING

16. Adopt the 2018/2019 Annual Action Plan for Community Development Block Grant Funds and Authorize Submittal to the U.S. Department of Housing and Urban Development (HUD) (Exempt from NEPA per 24 CFR Part 58 and from CEQA per Article 19, Section 15301, Class 1, 15306, Class 6 and 15326, Class 26) (Plans & Public Works - 201-09)
Action: Adopted Resolution No. 18-071 C.S.

Administrative Analyst Ljubimow presented the staff report and answered Councilmembers' questions. She said that the only changes made to the Action Plan since its first review at the April 17, 2018 Council meeting were a sentence added to say that if extra funds become available the City will look at increasing the rehabilitation grant budget for the health and safety grants; and language added regarding utilizing the revolving loan fund.

Mayor Roberson opened the floor for public comments. Jerennina Piguig, Legal Services for Seniors, described the services and activities of her agency generally and described ways that the agency has helped seniors avoid eviction in the last few weeks specifically. Lynn Young, Josephine Kernes Memorial Pool, briefly noted the services provided by her agency and shared sentiments of gratitude from the pool's users. Jack Murphy, Veterans Transition Center, noted that his agency's project aligns with the City's five year consolidated plan and shared their success completing numerous capital improvement projects with HUD funding. With no further requests to speak, Mayor Roberson closed public comments.

Councilmember Barrett cited demographic data in the Action Plan, saying that City Council needs to consider how to support its older residents and referencing a provision in the Recreation Master Plan about finding a location for a senior adult care center. He said that statistics show that nearly one in three City residents is at or below the poverty level when adjusted for cost of living, and said that the Coalition of Homeless Service Providers' Lead Me Home program identifies economic vitality as a way to address homelessness. He said that a solution to the looming CalPERS pension obligation could be to boost revenues through increased economic development and vitality. He said that decisions about economic development and housing need to go hand in hand so people can afford to pay for their homes.

Mayor Roberson praised the volunteers who make all of the recipient organizations and the City's boards and commissions successful.

On a motion by Councilmember Albert, seconded by Councilmember Barrett, and carried by the following vote, the City Council adopted Resolution No. 18-071 C.S., adopting the 2018/2019 Annual Action Plan for Community Development Block Grant Funds and Authorize Submittal to the U.S. Department of Housing and Urban Development (HUD):

AYES: 5 COUNCILMEMBERS: Albert, Barrett, Haffa, Smith, Roberson
NOES: 0 COUNCILMEMBERS: None
ABSENT: 0 COUNCILMEMBERS: None
ABSTAIN: 0 COUNCILMEMBERS: None
RECUSED: 0 COUNCILMEMBERS: None

COUNCIL COMMENTS

Council comments were not heard due to the lateness of the hour.

CITY MANAGER REPORTS

City Manager reports were not heard due to the lateness of the hour.

Adjourn to Closed Session

Mayor Roberson opened the floor for public comments on the closed session, and receiving none, closed public comments. City Council adjourned to closed session at 9:20 p.m.

ANNOUNCEMENTS FROM CLOSED SESSION

Interim City Manager Gawf announced the following:

- cs1 Conference with Legal Counsel, Existing Litigation Pursuant to Government Code section 54956.9(d)(1): Custom House, LP (dba Portola Hotel & Spa) v. City of Monterey (Monterey County Superior Court Case No. 17CV000315) (City Attorney - 703-06)
Action: On a roll call vote, the City Council gave confidential direction to their legal counsel

ADJOURNMENT

Respectfully Submitted,

Approved,

Clementine Bonner Klein
Acting City Clerk

Clyde Roberson
Mayor



Maryn Miller <ljubimow@monterey.org>

Fwd: Request to Agendize before City Council: CDBG Funding PY 2018 Action Plan.

Christine Davi <davi@monterey.org>

Tue, Apr 3, 2018 at 9:15 AM

To: Maryn Ljubimow <ljubimow@monterey.org>, City Clerk's Office <ccomail@monterey.org>

This should be a part of the record/public comment on the CDBG item set for 4/17.

Thanks,
Chrissy

Christine Davi
City Attorney
City of Monterey
(831) 646-3915
davi@monterey.org

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----- Forwarded message -----

From: **Mike Pekin** <pugger@prodigy.net>

Date: Mon, Apr 2, 2018 at 3:17 PM

Subject: Re: Request to Agendize before City Council: CDBG Funding PY 2018 Action Plan.

To: Clyde Roberson <roberson@monterey.org>, Hans Uslar <uslar@monterey.org>, Alan Haffa <haffa@monterey.org>, Barrett <barrett@monterey.org>, Ed Smith <smith@monterey.org>, dan albertjr <albert@monterey.org>, Christine Davi <davi@monterey.org>

Cc: Mike Brassfield <tobiejuan@comcast.net>

On Apr 2, 2018, at 9:15 AM, Mike Pekin <pugger@prodigy.net> wrote:

Re: CDBG PY 2018 Action Plan hearings start April 10 before our Planning Commission.

Good morning Mr. Mayor and Mr. Uslar:

1. This email trail begins with Councilman Haffa's email to the four of us February 20, 2018: "Proposed Agenda Item for Future Consideration".
2. On March 30, I emailed Councilman Haffa and Planning Commissioner Brassfield as stated immediately below.
3. After I emailed both Mr. Haffa and Mr. Brassfield, I spoke with both of them. Our Request to Agendize is:

"Given that on any given night there are somewhere between 350 and 550 homeless persons in the city of Monterey and given that this is unacceptable from both a humanitarian and public safety perspective, we request that the city council appoint an Ad Hoc Committee on Homelessness tasked with the following:

<https://mail.google.com/mail/u/0/?ui=2&ik=af065a529c&jsver=A8g5Xn1WAB.en.&view=pt&msg=1628c4b2b83bd8e2&search=inbox&siml=1628c4b2b...> 1/4

.....

6. Council to plan a placeholder item in 18-19 budget to fund proposal."

4. Mr. Uslar has been open to my suggestions along these lines for the past few months. I will be contacting him shortly to get his intake on how best to address this Request to Agendize at tomorrow's 4:00pm City Council Meeting.

This again thanks you for your service to our Town. Mike Pekin 905 3756.

On Mar 30, 2018, at 9:13 PM, Mike Pekin <pugger@prodigy.net> wrote:

Good evening Alan and Mike:

This coming Tuesday, April 3, is the last City Council meeting before the formal hearings for the adoption of the FY 18-19 CDBG Funding Annual Action Plan start April 10 before the Planning Commission.

Page 39 of CDBG Funding FY 18-19 Annual Action Plan, released today:

"The programs are not intended as a funding source for operating a specific emergency shelter location or for assisting in the establishment of an emergency shelter. If an emergency shelter location is identified in the future, the City will reevaluate funding opportunities for rehabilitation, conversion, and/or repair that might be needed to facilitate the establishment of such a shelter. If a potential emergency shelter facility project is identified in this program year, the re evaluation of funding will necessitate a Substantial Amendment to the PY 2018 Action Plan. The Substantial Amendment process includes both a public noticing requirement and a public comment period."

"Emergency homeless shelter" (EHS) defined during last year's Zoning Overlay proceedings as classic state model of up to 35 clients; for up to six months each; out the door at 8:00am; "minimal connection to rehabilitative services".

April 10, 2018 @ 7:00pm: Planning Commission.

April 17, 2018 @ 7:00pm: First reading, City Council.

If not us, who? If not now, when?

Thank you for your service. Mike Pekin

Begin forwarded message:

From: Alan Haffa <haffa@monterey.org>
Subject: Proposed Agend Item for Future Consideration
Date: February 20, 2018 at 8:38:08 AM PST
To: Clyde Roberson <roberson@monterey.org>
Cc: Mike Pekin <pugger@prodigy.net>, Mike Brassfield <monami@redshift.com>, Hans Uslar <uslar@monterey.org>

Dear Clyde and Hans,

I met with Mike Pekin and Mike Brassfield and we would like to ask that council adopt a future agenda item to consider this proposal--formation of an ad hoc committee on homelessness tasked with creating a plan of action.

<https://mail.google.com/mail/u/0/?ui=2&ik=af065a529c&jsver=A8g5Xn1WAB.en.&view=pt&msg=1628c4b2b83bd8e2&search=inbox&siml=1628c4b2b...> 2/4

I will bring this up during council comments but wanted to give you a heads up about what we are imagining.

Alan

Given that on any given night there are somewhere between 350 and 550 homeless persons in the city of Monterey and given that this is unacceptable from both a humanitarian and public safety perspective, we request that the city council appoint an Ad Hoc Committee on Homelessness tasked with the following:

- 1. Analyze existing programs for effectiveness**
- 2. Identify gaps in service**
- 3. Propose achievable, prioritized objectives with the goal of making progress at housing Monterey's homeless persons and assisting them in achieving lives of independence and security.**
- 4. Identify funding needs with clear outcomes linked to funding**
- 5. Present council with a report and recommendations**
- 6. Council to plan a placeholder item in 18-19 budget to fund proposal.**

1 member shall be the City's First Alternate to the Community Human Services (CHS) Board of Directors. We further recommend that Monterey's First Alternate to CHS will be by City Council appointment of a qualified, non-staff Resident, FPPC Form 700 Statement of Economic Interests required, following announcement of application and interview process to the public. This should be done as soon as possible so that the representative on the ad hoc Homelessness Committee be filled by a city resident who also serves in the role of first alternate to CHS.

1 councilmember to Chair

5 remaining members be chosen at large, from neighborhood associations and these five members to have connections with the following stakeholders: from faith-based interested organizations; from associations including, but not limited to homeless advocacy, business, tourism, and commercial and industrial property interests. It is intended that not more than one member be chosen from each interest group. Each member will be appointed by City Council by the same method detailed above for City Council appointment of the First Alternate to the CHS Board of Directors.

1 or more staff person(s) to be a non-officio resource, at the Chair-councilmember's discretion and direction, from Planning, and/or finance, and/or police, and/or other resource as may be helpful to the commission.

3 non-profit providers who work with the homeless population to serve as non-officio, non-voting, resources.

4/3/2018

City of Monterey Mail - Fwd: Request to Agendize before City Council: CDBG Funding PY 2018 Action Plan.

<https://mail.google.com/mail/u/0/?ui=2&ik=af065a529c&jsver=A8g5Xin1WAB.en.&view=pt&msg=1628c4b2b83bd8e2&search=inbox&siml=1628c4b2b...> 4/4

Grantee Unique Appendices

RESOLUTION NO. 18-071 C.S.

A RESOLUTION OF THE COUNCIL OF THE CITY OF MONTEREY

ADOPT THE 2018/2019 ANNUAL ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND AUTHORIZE SUBMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

WHEREAS, since 1975, the City of Monterey has been an eligible metropolitan entitlement city under the CDBG programs;

WHEREAS, the Five Year (2015-2019) Consolidated Plan (the "Consolidated Plan") adopted in Resolution No. 15-135 identified funding sources to provide housing and housing services and prioritized the use of local, state and federal funds;

WHEREAS, consistent with Consolidated Plan priorities for Housing and Community Services, the Fiscal Year 2018/2019 Budget and Action Plan (the "Program Year 2018 Action Plan") provides resources to implement the Consolidated Plan to meet HUD National Objectives;

WHEREAS, the Planning Commission held a Public Hearing on April 10, 2018 and reviewed the Draft Program Year 2018 Action Plan and considered the priorities and programs contained therein;

WHEREAS, public notice to announce the scheduled public hearings and meetings, publication of the Draft Program Year 2018 Action Plan and initiation of the 30-day period for public review and comment was published on March 31, 2018 in the Monterey Herald, a newspaper of area wide circulation;

WHEREAS, public notice of a Planning Commission public hearing to review and provide a recommendation on the Draft Program Year 2018 Action Plan and Housing Program Budget was published on April 8, 2017 in the Monterey Herald, a newspaper of area wide circulation;

WHEREAS, the Planning Commission held a duly noticed public hearing on April 10, 2018 to review and provide a recommendation on the Draft Program Year 2017 Action Plan and Housing Program Budget;

WHEREAS, the City Council held a duly noticed public meeting on April 17, 2018 to review the proposed Action Plan;

WHEREAS, the City Council held the duly noticed public hearing on May 1, 2018 to adopt the Program Year 2018 Action Plan; and

WHEREAS, The Action Plan is considered exempt under the Federal National Environmental Policy Act (NEPA) guidelines (24 CFR Part 58). The Action Plan is also determined to be exempt from the California Environmental Quality Act Guidelines (Article 19,

Section 15301, Class 1, 15306, Class 6 and 15326, Class 26) because the projects proposed for funding including public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration have been determined to not have a significant effect on the environment.

Furthermore, the project does not qualify for any of the exceptions to the categorical exemptions found at CEQA Guidelines Section 15300.2.

Exception a - Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located - a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies. The proposed action recommending adoption of the Action Plan includes the public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration.

Exception b - Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant. The proposed action recommending adoption of the Action Plan includes the public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration. No cumulative impacts are foreseeable.

Exception c - Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances. The proposed action recommending adoption of the Action Plan includes the public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration, and no significant effect is anticipated.

Exception d - Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR. No impacts are anticipated.

Exception e - Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code. There are no project sites referenced in the Action Plan and implementing budget are not listed on any list compiled pursuant to Section 65962.5 of the Government Code.

Exception f - Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource. The Action Plan does not reference any sites or locations identified as a historical resource.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that it hereby adopts the Program Year 2018 Annual Action Plan for Community Development Block Grant Funds and authorizes submittal of the Action Plan to the U.S. Department of Housing and Urban Development as presented and discussed at the May 1, 2018 Public Hearing and reflected in Exhibit A.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MONTEREY this 1st day of May, 2018, by the following vote:

AYES:	5	COUNCILMEMBERS:	Albert, Barrett, Haffa, Smith, Roberson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None

APPROVED:

ATTEST:



Mayor of said City



City Clerk thereof





DRAFT FOR PUBLIC REVIEW

**2018/2019 ANNUAL ACTION PLAN FOR
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

UPDATED APRIL 26, 2018

Executive Summary

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

1. Introduction

The City of Monterey, incorporated in 1850, is one of California's oldest communities. Founded in 1770, the city served as California's first capital and hosted the state's first constitutional convention in the city's historic Colton Hall, where in 1849 the State of California's Constitution was signed. The City of Monterey is located on Monterey Bay, now a National Marine Sanctuary.

The city is a regional and national tourist destination and is approximately 175 miles south of San Francisco and 345 miles north of Los Angeles. The city also boasts several institutions of higher learning including the Defense Language Institute, which specializes in teaching foreign languages to military personnel; the Monterey Institute of International Studies, which provides graduate degrees with emphasis on the international community, their customs, languages, and business trends; the Naval Postgraduate School, which provides advanced degrees for military personnel; and Monterey Peninsula College, which offers general education for an associate's degree to transfer to a four-year institution. These institutions attract many culturally diverse populations from across the globe.

Fiscal Year 2018–2019 Congressional Budget Timing: Due to federal delays in providing Community Development Block Grant (CDBG) annual funding allocations, the publicly reviewed draft 2018–2019 Action Plan (Program Year 2018 Action Plan; or, "Action Plan") budget is based on past year allocations and projections. The funding allocations in this plan are represented in round numbers or as a percentage of the allowable allocations for public services, planning and administration, and public improvements. To keep the Action Plan process on schedule and still comply with the required public participation and local approvals, the City will use the estimates to draft the plan and obtain public comment and local government approvals. These estimates will be replaced with exact amounts once the US Department of Housing and Urban Development (HUD) has released final allocation amounts. The final plan will be updated with the new funding allocations as soon as HUD announces allocations, and the plan will be submitted as complete and approved, in compliance with the City's Citizen Participation Plan, within HUD's extended submittal deadlines. CDBG allocations are expected to be released in the early summer of 2018. The City of Monterey is estimating to receive \$200,000 in CDBG entitlement funding for Program Year (PY) 2018. The City also estimates receiving \$1,000,000 in program income based on receipts from the last 3 years (approximately \$1,000,000 each year). As program income receipts can be inconsistent, the City makes its best effort to estimate future income, and executes ongoing program budget adjustments as necessary.

Finally, the Action Plan allocation priorities take into consideration the conclusions of the May 2015 Impact Monterey County Assessment and findings in the Secondary Data Report, Economic Self

Sufficiency. These studies conclude that the self-sufficiency wage for Monterey County is \$27,018 for a single adult, which is \$15,000 greater than the federal poverty line wage of \$11,670. Calculating for 4.5 percent inflation in the Consumer Price Index from May 2015 to February 2018, the self-sufficiency wage for Monterey in 2018 is adjusted to \$28,234, which is comparable to HUD's 2017 very low-income limit (50 percent of median) of \$28,500 for a household of one.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

To receive CDBG funds, the City must submit an Action Plan to the HUD each year. The Action Plan describes the City's planned CDBG related investments for the coming program year, including proposed actions and projects. The Action Plan is also considered to be an application for federal funds. It outlines the City's proposed activities in several areas relative to the goals and strategies of the City's Five-Year Consolidated Plan.

The Action Plan includes the following CDBG budget projections:

- \$200,000 in estimated entitlement funds from HUD
- \$1,000,000 in projected program income funds

Additional resources include:

- Former Redevelopment Agency Housing Fund (Housing Funds) projection of \$300,000
- HOME fund projection of \$440,000

To continue the City's efforts to meet community priorities, the City of Monterey will fund a variety of housing programs, public services, and public infrastructure and facility projects during PY 2018. Funds for these programs will primarily come from the CDBG program. Programs and projects funded through other housing funds will be discussed in chapter AP-95 Other Actions. As with the PY 2017 Action Plan, the PY 2018 Action Plan will focus on public services, infrastructure and facility improvements, and housing preservation to meet CDBG program goals.

All of the Action Plan projects support the City's 5-Year Consolidated Plan (2015-2019). Key projects proposed for PY 2018 include:

- Housing Rehabilitation Programs focusing on minor repairs, accessibility improvements, and emergency repairs
- Public Service Grants to groups serving youth, seniors, and homeless persons and families

EXHIBIT A

- Capital improvement grants for facility improvements for public service providers
- Public infrastructure projects in the city's low-income census tract block groups
- Staffing and overhead for overall administration of the CDBG program
- Monitoring subrecipients of FY 2018 funds

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The Housing Programs Office of the City's Community Development Department is responsible for administering the Five Year Consolidated Plan and annual Action Plans for the CDBG program. The program is based on Consolidated Plan goals and priorities, and public input received from annual community needs assessment workshops and public hearings.

Although the City has not yet prepared the FY 2017 Consolidated Annual Progress Evaluation Report (CAPER) that is due no later than September 30, 2018, it can report on multiple accomplishments completed so far in the FY 17. Accomplishments during FY 17 include the following:

- Managed Estrella Apartments (low-income housing funded through HOME funds).
- Completed construction of Monterey Hotel Apartment project featuring 18 low-income units (Funded through non CDBG Housing Funds).
- Allocated \$126,000 in grant funds to assist nine nonprofit public service agencies to provide direct services to low-income disadvantaged households in the community.
- Completed public facility and infrastructure projects from prior year CDBG awards.
- Reconciled the CDBG program funds to address past monitoring concerns.
- Met HUD timeliness requirements for expenditures.
- Updated the City's subrecipient monitoring program.
- Implemented \$105,000 to low and moderate-income households for health and safety home rehabilitation grants

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Six public meetings were scheduled in 2018 to receive comments and suggestions on the community's housing, public facility, and public service needs. The first meeting was held on January 25, 2018, to introduce the public services and community capital project grant application processes and to solicit public comment on community development needs. The second meeting was held on March 16, 2018, to receive presentations on the grant proposals from 12 public service organizations. The third meeting was held on April 10, 2018, as a public hearing before the Planning Commission for advisory review and recommendation on the draft Action Plan. The fourth meeting was held on April 17, 2018 by the City Council to receive public comment and review the draft Action Plan. The fifth meeting was held on May 1, 2018, as a public hearing by the City Council to adopt the Action Plan. The six and final meeting of the year will be scheduled in September as a public hearing to consider and approve the City's CAPER on the PY 17 Action Plan. Public review of the draft PY 18 Action Plan will commence on March 31, 2018, with release of the draft plan.

To ensure maximum participation, copies of the draft Action Plan have been made available for public review online via the City's website, with hard copies available at public counters at the following locations:

Monterey Public Library
625 Pacific Street, Monterey, CA 93940

City Hall, Planning Office and City Clerk's Office
580 Pacific Street, Monterey, CA 93940

Housing Programs Office
353 Camino El Estero, Monterey CA 93940

Draft copies of the Action Plan have also been made available to local organizations and individuals representing neighborhood associations, special needs groups, and low-income constituencies. All entities were sent meeting notifications to solicit oral or written comments. Initial notice of the minimum 30-day review period for the Action Plan was published on March 31, 2018, in the *Monterey Herald*, a local daily newspaper. The review period ended on May 1, 2018, with City Council review and approval of the Action Plan. Additionally, nonprofit agencies played a key role in providing information and recommendations in the development of this Action Plan.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Can Plan.

Public comments were received at the grant application public workshop, the Planning Commission public hearing, and the City Council public meeting and hearing. These public comments are included in the Public Comment Attachment.

Grant Application Public Workshop Summary: Comments received during the grant application workshop included opportunities for networking and improving communication between service providers, concerns about an increase in the need for mental health and homeless services including shelter, and the need for workforce housing. A summary is included as an attachment to this document.

Planning Commission Public Hearing: Comments were received from CDBG applicants, Planning Commission members, and the public. Meeting minutes are included as an attachment to this document.

City Council Public Meeting: The City Council will hold a public meeting to review the draft Action Plan on April 17, 2018. Public comments will be included in the final draft of the Action Plan. **The City Council will consider all public comments on the Action Plan, which will be included as attachments to this document.**

City Council Public Hearing: The City Council will hold a public hearing to approve the draft Action Plan on May 1, 2018. All public comments will be included in the final draft of the Action Plan. **The City council will consider all public comments on the Action Plan, which will be included as attachments to this document.**

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

All public comments received to date have been accepted.

7. Summary

Please see previous section.

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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	City of Monterey	Housing Programs Office

Table 1 – Responsible Agencies

Narrative (optional)

The City of Monterey's Housing Programs office is the team that administers the City's CDBG funds and serves as the lead agency in performing CDBG planning and administration tasks.

Consolidated Plan Public Contact Information

The City's Housing Programs Office is the designated department responsible for planning and implementing the City's Five Year Consolidated Plan, each annual Action Plan, and the City's CDBG program. General inquiries regarding the Consolidated Plan or the CDBG program may be directed to the Housing Programs Office at (831) 646-3995. Written correspondence regarding the Action Plan should be directed to the Housing Programs Office, City of Monterey, City Hall, 580 Pacific Street, Monterey, CA 93940.

AP-10 Consultation – 91.100, 91.200(b), 91.215(i)**1. Introduction**

Since 2013, the City has participated in the Coalition of Homeless Services Providers Leadership Council's oversight of the Lead Me Home plan. The Leadership Council enjoys the broad involvement of all members of the community, including representatives from Monterey County Behavioral Services, Monterey County Social and Employment Services, and Natividad Hospital. The objectives and priorities contained in the Lead Me Home plan have been considered and incorporated into the Consolidated Plan. The Action Plan implements priorities identified in the Consolidated 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(i))

The Housing Programs office consulted several local service providers, including from the Continuum of Care and the Coalition of Homeless Services Providers, to identify community needs related to low-income households and homelessness, and potential programs to address those needs. The following homeless services providers were consulted: Coalition of Homeless Services Providers, Housing Resource Center, Community Human Services, and the Salvation Army. The Housing and Community Development Manager also regularly explores alternatives for securing extremely low- and very low-income housing resources with staff of the Housing Authority of the County of Monterey to confirm that the priorities in the Consolidated Plan remain appropriate. On January 25, 2018, the City hosted an application workshop for current and potential CDBG project and program applicants. The workshop included a discussion about coordination challenges and opportunities, and offered specific steps that can be taken to enhance communication, leverage resources, and improve cooperation between service providers and participating agencies.

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.

For the past few years, the Housing and Community Development Manager has worked with the Continuum of Care's public service organizations to identify priority needs of the homeless community. The Housing and Community Development Manager has developed a better understanding of the challenges that the City of Monterey faces in its efforts to directly impact homeless services and improve outcomes. Additionally, the City Council has suggested additional research and discussion of homelessness in the city. The City has initiated a study of service gaps that may limit the effectiveness of services intended to assist extremely low-income, very low-income, and low-income members of the community that will be funded in part out of FY 2018 CDBG funds. This effort will help supplement the work completed by the Continuum of Care and that will be used to help inform the best opportunities

and practices in addressing both short- and long-term homelessness as well as the conditions that frequently lead to homelessness. The City works with the Continuum of Care through the Housing Pipeline, which identifies potential affordable housing projects and project funding. As a member agency with the Coalition, the City generally coordinates services with the organization and participates in its regional actions. In addition, the Coalition's Board of Representatives hears nonprofit proposals for HUD funding.

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

In the past few years, the Housing and Community Development Manager participated in the Continuum of Care's evaluation of Emergency Solutions Grant (ESG) program applications. The Housing and Community Development Manager has participated on the ranking committee. Participation in the ESG grant application evaluation has required the Housing and Community Development Manager to become familiar with Continuum of Care policies and procedures, as well as the region's funding constraints. As a result, the Housing and Community Development Manager has developed a better understanding of the challenges that the City of Monterey faces in its efforts to directly impact homeless services and improve outcomes. Homeless services providers who have in past years received City of Monterey CDBG community grant funding report their outcomes in HMIS. The Consolidated Plan homeless analysis and this Action Plan continue to include actions to address the unmet needs of homeless persons and disadvantaged households in the community.

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

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1	Agency/Group/Organization	Alliance on Aging
	Agency/Group/Organization Type	Services-Elderly Persons
	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Alliance on Aging provides five free programs for seniors; consideration for those in residential facilities, tax preparation, health insurance information and advocacy, peer counseling, and outreach. The City plans to continue supporting this organization.
2	Agency/Group/Organization	Food Bank of Monterey County
	Agency/Group/Organization Type	Services-Elderly Persons Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeland Special Needs 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Food Bank of Monterey County provides food for families in need. They serve 100,000 people a year, 50 percent of whom are children. The City plans to continue to support the Food Bank.
3	Agency/Group/Organization	Coalition of Homeless Services Providers
	Agency/Group/Organization Type	Services-Housing Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Coalition of Homeless Service Providers is the managing agency for the Continuum of Care for Monterey County and is the lead agency in responding to homelessness issues. The City plans to continue supporting the Coalition of Homeless Service Providers in its role as the Continuum of Care lead.
4	Agency/Group/Organization	Eden Council for Hope and Opportunity (ECHO)
	Agency/Group/Organization Type	Services-Housing
	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?	This organization was called and emailed, and it submitted a response to the questions. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. ECHO provides a variety of housing services, including fair housing counseling. The City will continue supporting ECHO in providing fair housing services.
5	Agency/Group/Organization	Community Human Services
	Agency/Group/Organization Type	Services-Housing Services-Children Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. Community Human Services provides homeless services and housing for at-risk youth groups. The City plans to continue supporting this organization.

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6	Agency/Group/Organization	Veterans Transition Center
	Agency/Group/Organization Type	Services-Housing Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Veterans Transition Center provides homeless services and housing for veterans.
7	Agency/Group/Organization	Housing Authority County of Monterey (HACM)
	Agency/Group/Organization Type	Services-Housing
	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. HACM provides housing and administers Housing Choice Vouchers (Section 8). The City will continue to coordinate with HACM as the regional housing authority and public housing provider whenever possible.
8	Agency/Group/Organization	Meals on Wheels
	Agency/Group/Organization Type	Services-Elderly Persons Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. Meals on Wheels provides food delivery. Most of their clients are seniors. The City plans to continue supporting this organization.

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9	Agency/Group/Organization	Housing Resource Center
	Agency/Group/Organization Type	Services-Housing
	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Housing Resource Center provides a variety of housing services, including rental assistance.
10	Agency/Group/Organization	Salvation Army
	Agency/Group/Organization Type	Services-Homeless Services-Housing Services-Children
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Salvation Army provides a variety of homeless services, including emergency shelter, and some housing services, including rental assistance. The City will continue to support the Salvation Army.
11	Agency/Group/Organization	Veterans Resource Center
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Veterans Resource Center provides case management and financial assistance to veterans and homeless veterans.

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12	Agency/Group/Organization	Monterey County Department of Public Health
	Agency/Group/Organization Type	Local government – County
	What section of the Plan was addressed by Consultation?	Non-homeless Special Needs 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?	The organization completed a phone interview. The City will continue to coordinate with Monterey County on efforts to improve public services in interagency coordination whenever possible, including assisting persons with AIDS/HIV and in addressing lead-based paint issues.
13	Agency/Group/Organization	Josephine Kernes Memorial Pool
	Agency/Group/Organization Type	Services-Elderly Persons
	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?	This organization was called and emailed and submitted a response to the questions. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Josephine Kernes Memorial Pool provides warm-water exercise and therapy for seniors and disabled persons. The City will continue to support the Kernes Memorial Pool programs.

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

The City was unable to successfully consult with Interim, Inc., Legal Services for Seniors, Access Support Network, and the Monterey Peninsula Unified School District. Several attempts were made, but no staff were available for consultation.

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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	Coalition of Homeless Services Providers	Provision of outreach services to homeless individuals is an objective and specific activity funded in the Action Plan. Additionally, City staff is attending meetings sponsored by the Coalition of Homeless Services Providers to develop policies with recommendations and implementation strategies for the development of additional housing resources in the region.
Housing Element 2016 Analysis of Impediments	City of Monterey	Preservation/provision of affordable housing.
Leadership Council 10-Year Plan to End Homelessness	Coalition of Homeless Services Providers	Assessment of impediments and fair housing challenges in Monterey with specific and measurable goals to help address fair housing problems.
2015-2019 Consolidated Plan	City of Monterey	Strategic Plan to address homelessness in Monterey and neighboring jurisdictions. Strategic Plan Goals: <ul style="list-style-type: none"> Improve housing opportunities for LMI households Provide for a suitable living environment for all residents and income levels Improve public infrastructure in the city's LMI residential areas Provide efficient administration and oversight of the CDBG program, and ongoing planning efforts to address the needs of LMI households and areas

Table 2 – Other local/regional/federal planning efforts

Narrative (optional)

The Action Plan incorporates input from local public services providers and participants, including the Coalition of Homeless Services Providers. In preparing the Action Plan, City staff conducted internal discussion with the Planning Office to identify potential future projects that can produce extremely low-, very low-, and low-income units to address the community's unmet needs, as well as identifying infrastructure and public facilities needs that can help ensure that low-income households have access to community amenities and infrastructure. Staff also met with other City departments, public services providers, and health and welfare agencies for ideas and potential projects. During the term of the Action Plan, City staff will continue to attend Leadership Council meetings in support of the 10-Year Plan to End Homelessness and will continue to participate in Leadership Council Housing Pipeline working group meetings. It is anticipated that this type of collaboration will assist the City to identify new capital improvement projects for future Action Plan years.

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**

Six public meetings were scheduled in 2018 to receive comments and suggestions on the community's housing, public facility, and public service needs. The first meeting was held on January 25, 2018, to introduce the public services and community capital project grant application processes and to solicit public comment on community development needs. The second meeting was held on March 16, 2018, to receive presentations on the grant proposals from 12 public service organizations. The third meeting was held on April 10, 2018, as a public hearing before the Planning Commission for advisory review and recommendation on the draft Action Plan. The fourth meeting was held on April 17, 2018 by the City Council to review the draft Action Plan. The fifth meeting was held on May 1, 2018, as a public hearing by the City Council to adopt the Action Plan. The six and final meeting of the year will be scheduled in September as a public hearing to consider and approve the City's final report (the CAPER) on the PY 17 Action Plan. Public review of the draft PY 18 Action Plan will commence on March 31, 2018, with release of the draft plan.

Consultations were conducted with 13 service providers, including providers that assist homeless persons, seniors, persons with disabilities, low-income families, and public health agencies. An additional effort was made to interview organizations/agencies that serve youth during this Action Plan update. The City has also initiated a study of service gaps that may limit the effectiveness of services intended to assist extremely low-income, very low-income, and low-income members of the community. The initial efforts from the study identified and gathered input from some additional service providers and has informed this Action Plan update. The study will be completed during PY 2018.

To ensure maximum participation, copies of the draft Action Plan have been made available for public review online via the City's website, with hard copies available at public counters at the following locations:

Monterey Public Library
625 Pacific Street, Monterey, CA 93940

City Hall, Planning Office and City Clerk's Office
580 Pacific Street, Monterey, CA 93940

Housing Programs
353 Camino El Estero, Monterey CA 93940

Draft copies of the Action Plan have also been made available to local organizations and individuals representing neighborhood associations, special needs groups, and low-income constituencies. All entities were sent meeting notifications to solicit oral or written comments. Initial notice of the

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minimum 30-day review period for the Action Plan were published on March 31, 2018, in the *Monterey Herald*, a local daily newspaper. The review period ended on May 1, 2018, with City Council review and approval of the Action Plan. Additionally, nonprofit agencies played a key role in providing information and recommendations in the development of this Action Plan.

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Citizen Participation Outreach

Sort Order	Media of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and rationale	URL (if applicable)
1	Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service providers, Neighborhood and Business Associations	Two public meetings. Held on January 25, 2018, and March 16, 2018. Attendance by public service providers and residents. Intent to invite comment on Unmet community needs and describe the City's CDHG public services grant program and application procedure.	Comments received included opportunities for networking and improving communication between service providers, concern about an increase in the need for mental health and homeless services including shelter, and the need for workforce housing. Full comments are included as attachments to this comment.	All comments accepted.	
2	Consultations	Public service Providers	Consultations were conducted with 13 service providers in the service areas of food, including homeless services, veterans' services, AIDS services, and senior services.	See consultations Table 2.	All comments accepted.	

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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)
3	Public Hearing	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Two public hearings: one before Planning Commission held April 10, 2018, to receive the draft Action Plan and public comment, and second before City Council on May 1, 2018, to review and consider for approval the Action Plan.	Comments to be included once they are received. Full comments are included as attachments to this document.	All comments accepted.	
4	Newspaper Ad	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Newspaper notices informing the public of the City's scheduled public meetings and hearings on the Action Plan, and notifying the public of the opening public comment period for the draft Action Plan. The public comment period opened on March 30, 2018, and closed May 1, 2018.	Comments received via email to be included when received. Emails are attached to this document.	All comments accepted.	

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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)
5	Internet Outreach	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Copies of the Action Plan were posted on the City's website and available for review at public counters at the Housing Office, City Clerk's Office, Planning Office, and the Monticory Public Library.	Comments to be included if comments are received through this outreach.	All comments accepted.	

Table 3 – Citizen Participation Outreach

Expected Resources

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

Introduction

A key challenge in effective administration of the City of Monterey's CDBG funding is addressing the ratio of program income to entitlement that the City receives each year. While entitlements have been fairly stable, the amount of program income received is unpredictable and has ranged from less than \$500,000 to more than \$1,000,000. The average program income received over the last 10 years is about \$677,000; however, the State of California is experiencing rapidly rising housing costs, and many loans are being repaid to the CDBG fund. The 2016–17 program year saw about \$1.1 million in program income. The 2017–18 program year is expected to provide about \$1.2 in program income. To meet CDBG expenditure timeliness requirements and comply with HUD's program funding reporting and public outreach requirements, it is important to make a best estimate regarding the total funding expected to roll over from the prior year and the amount of program income to be received. The City is budgeting for about \$1 million in program income for the 2018–19 program year.

In 2017 the City contributed to the CDBG Revolving Loan Fund (RLF), which is made up of Program Income funds that are set aside for specific housing acquisition and rehabilitation programs. The revenues of the RLF are included in the total PI estimates for planning and budgeting purposes as estimated RLF receipts can be difficult to project both in timing and in total amount. RLF funds will be used as a resource for the City's single-family housing acquisition, rehabilitation, and resale program that makes housing ownership available to qualifying low-income households. It may also be used for housing rehabilitation loans that address health and safety repairs for low-income homeowners, including seniors and persons with disability.

The table below includes the estimated CDBG revenues for the coming year. It also includes the estimated HOME and Former Redevelopment Agency housing funds that the City typically receives each year. These funds are used to help support affordable housing in Monterey; however, they are not reported or regulated like CDBG funds and are not included in the CDBG budget. They are included in this table for reference only.

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Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Core Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDMS	Public-federal	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	\$200,000	\$1,000,000	0	\$1,200,000	\$1,200,000	All prior year funds will have been obligated and will not be available for reprogramming.
Other	Public-state	Admin and Planning, Housing	\$420,000	0	0	\$420,000	0	HOME funds are utilized for two activities only. The first activity is the maintenance, capital repairs, and oversight of the City-owned 8 unit Fairview Apartments building. The second activity is down payment assistance (DPA). DPA funding is limited to loan repayments. As opportunities arise, HOME DPA will be used to assist income-qualified first-time homebuyers in purchase housing.

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Program	Source	Uses of Funds	Expected Amount Available Year 1			Expected	Narrative Description
Other	Public-local	Administration and Planning Housing	\$300,000	0	0	\$300,000	C
							Former Keshewey House, Agency Housing Funds are generated by loan and interest payments from past RDA housing activities, such as housing developments, and down payment assistance loans, and proceeds from sales of deed-restricted units that were purchased with RDA housing funds.

Table 4 - 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

The City's current housing resources do not have matching fund requirements. However, the City will be using PY 18 funds to leverage other resources, including HOME program income and repayment of housing loans made by the redevelopment agency. These resources are dedicated to affordable housing activities, while the City's CDBG allocation provides support through infrastructure, public facility, and public services.

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

During PY 18, the City will be providing technical assistance from the City's CDBG planning and administration funds for City-sponsored housing projects initiated in PY 2016 and continued in PY 17 that will supply housing for lower-income senior households. This project is the Van Buren Senior Housing project on land purchased with CDBG funds. This project is under construction and is projected to be completed in summer 2018. The City does not currently anticipate any additional affordable housing projects for PY 2018 because at this time, there are no new identified housing projects that will be ready for construction and eligible for CDBG funding assistance. However, the City has a program to purchase and rehabilitate homes and then resell them to low-income first time homeowners. The City has identified a few potential units and anticipates that between 1 and 3 units will be purchased, rehabilitated, and sold to qualifying low-income households during PY 18.

Discussion

To prevent future problems with backlogged funding, the City has worked to develop a pipeline of CDBG-eligible projects that meet community priorities and can be added quickly and effectively to prevent funding accumulation and to get projects completed in a timely manner. The City identifies upcoming eligible projects and categorizes them by readiness into project tiers.

- Tier 1 projects are those that either are shovel-ready or are ready for the public bid process, will either be completed or have the CDBG-funded component of the project completed within the program year, have completed entitlements as appropriate, and have already procured or identified all the necessary funding except for the CDBG gap funds. Tier 1 projects will have priority funding. Criteria include CDBG eligibility, location in a CDBG target area, completed predevelopment, and fully identified funding.
- Tier 2 projects are those that are near shovel ready and may be on schedule for either mid-year funding or following-year funding. Tier 2 projects are eligible for funding during a given program year if (a) the City received more funding than there are Tier 1 projects, or (b) Tier 1 projects are delayed or canceled.

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- Tier 3 projects are those on schedule for a future year's funding cycle. The intent of tracking Tier 3 projects is to monitor the City's inventory of CDBG-eligible projects and help to make sure there are sufficient Tier 1 projects ready for funding in each program year.

The City will continue to actively monitor program spending and is continuing to work on developing and managing the pipeline of eligible shovel-ready projects that can be fast-tracked for funding.

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	Suitable living environment	2015	2019	Affordable Housing Homeless Non-homeless Special Needs Non-Housing Community Development	Del Monte-Laguna Grande Van Buren Street Lower Old Town	Senior Services Handicapped Services Youth Services Fair Housing Services	CDBG: Estimated \$127,000	Public service activities other than Low/Moderate Income Housing Benefit: Estimated 1,135 persons assisted
2	Public Infrastructure	2015	2019	Non Housing Community Development	Del Monte-Laguna Grande Van Buren Street Lower Old Town	Neighborhood Facilities Parks and/or Recreation Facilities Sidewalks - Accessibility	CDBG: Estimated \$369,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: Estimated 1,000 persons assisted
3	Housing opportunities	2015	2019	Affordable Housing		Rehabilitate LMI Ownership Housing Units	CDBG: Estimated \$339,500	Homeowner Housing rehabilitated estimated 12 household housing units

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Efficient Administration and Oversight	2015	2019	Affordable Housing Homeless Non-Housing Community Development		Planning Monitoring	QURB: Estimated 5243,500	n/a

Table 3 – Goals Summary

Goal Descriptions

1	Goal Name	Suitable living environment
	Goal Description	This goal includes providing or finding funding for owner-occupied housing rehabilitation, purchase, repair, and resale of housing for low- and moderate-income households, emergency shelters, outreach, counseling, food assistance, transportation, assistance for disabled persons, and blight and nuisance investigations. See the 2015–2019 Consolidated Plan for additional details.
2	Goal Name	Public Infrastructure
	Goal Description	This goal is to find or provide funding for infrastructure improvements, including accessibility improvements and infrastructure repairs and improvements in the city's low- and moderate-income neighborhoods.
3	Goal Name	Housing Opportunities
	Goal Description	This goal involves providing or finding funding for new low-income rental units, down-payment loan assistance for ownership units, maintenance of the Sistralla Apartments rental units, and rental unit rehabilitation. Refer to the 2015–2019 Consolidated Plan, Section AP-20 for details.
4	Goal Name	Efficient Administration and Oversight
	Goal Description	Efficient and timely oversight of the CDBG programs.

Projects

AP-35 Projects – 91.220(d)

Introduction

The US Department of Housing and Urban Development (HUD) requires all government entities receiving federal Community Development Block Grant (CDBG) Funds to prepare an Annual Action Plan. The Action Plan outlines funding priorities and discusses how activities will meet the community priority needs identified in the Consolidated Plan. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2018, and June 30, 2019. Key projects undertaken during the 2018–2019 funding year will address the following priority needs:

#	Project Name
1	Planning and Administration
2	Public Services
3	Public Infrastructure Projects
4	Housing Preservation Programs

Table 5 – Project Information

In prior years, housing projects funded through other funds were included in the CDBG projects tables. While this method provides a centralized record of all the housing projects, the CDBG Action Plan is really intended to focus on CDBG funds, and the inclusion of other funding sources has resulted in reporting inconsistencies and program administration problems. To resolve this issue, only CDBG projects are included in the following projects and activities planning.

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

The needs assessment portion of the Five Year Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water make it very difficult to provide sufficient new housing supply to address the lack of affordable housing. Although the Consolidated Plan identifies strategies that emphasize development of new housing with City assistance, and focus this housing to supply needed low-income rental units, there are no housing projects of this type ready for development or funding assistance in FY 2018.

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AP-38 Project Summary

Project Summary Information

The below project summary includes rough funding estimates based on estimated entitlement revenues. If the entitlement announcement is either increased or decreased from the estimate, the below projects and services will be adjusted according to their percentage of the overall budget and the applicable program caps.

1	Project Name	Planning and Administration
	Target Area	Citywide
	Goals Supported	Efficient Administration and Oversight
	Needs Addressed	Economic Development Planning Monitoring
	Funding	Estimated CDBG: \$248,500 (capped at 20% of Entitlement and current year program income)
	Description	Provide general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) administration, program setup, reporting, planning, and subrecipient training and monitoring. Project 2 is categorized under HUD Matrix Code 22A. A National Objective designation does not apply.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Planning and Administration provides oversight in the CDBG program to ensure compliance with HUD regulations
	Location Description	Citywide
	Planned Activities	1. General Planning and Administration (estimated at \$192,500) 2. Complete the analysis of service levels offered to extremely low, very low and low income and other vulnerable populations (\$51,000)

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2	Project Name	Public Services
	Target Area	Citywide
	Goals Supported	Suitable living environment
	Needs Addressed	Senior Services Handicapped Services Youth Services Other Public Service Needs Homeless Services Disabled Services Nutrition Support Services
	Funding	Estimate: CDBG: \$127,000 (capped at 15% of Entitlement and prior year program income)
	Description	Provide public services to low- and moderate-income households and individuals, including services for seniors, persons with disabilities, and homeless persons, youth, and families.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	About 1,131 individuals, including seniors, youth, persons with disabilities, homeless, and low-income households.
	Location Description	Citywide
	Planned Activities	<ol style="list-style-type: none"> 1. Food Bank of Monterey County: provide nutrition support to an estimated 340 persons (approximately 13% of available public services funding @ \$17,000) 2. Legal Services for Seniors: legal advocacy and support for an estimated 125 low-income seniors (approximately 8% of available public services funding @ \$10,000) 3. Community Human Services: homeless outreach and support to serve an estimated 120 homeless persons and at-risk youth (approximately 12% of available public services funding @ \$15,000) 4. Interim, Inc.: homeless services, emergency and temporary housing outreach, and case management for an estimated 27 persons with mental illnesses (approximately 16% of available public services funding @ \$20,000)

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		<p>5. Meals on Wheels meal delivery to homebound seniors and disabled persons; will serve an estimated 86 persons annually (approximately 7% of available public services funding @ \$9,000)</p> <p>6. Alliance of Aging Tax Assistance and Ombudsman services and referrals to assist 172 low-income seniors (approximately 10% of available public services funding @ \$13,000)</p> <p>7. Josephine Kernes Memorial Park: warm water exercise and therapy for 22 senior and disabled persons (approximately 7% of available public services funding @ \$9,000)</p> <p>8. ECHO Fair Housing Support Services: fair housing support services to low-income households and housing nonprofits in the city for an estimated 25 persons (approximately 7% of available public services funding; may be augmented by funding from Planning and Administration @ \$9,000 from public services)</p> <p>9. Salvation Army Homeless Support Services: case management, voucher assistance, and homeless outreach services in the city for an estimated 185 persons (approximately 13% of available public services funding @ \$16,000)</p> <p>10. Gathering for Women: will provide case management and day-center services to homeless women in the city to assist an estimated 30 persons (approximately 7% of available public services funding @ \$9,000)</p>
3	Project Name	Public Infrastructure Projects
	Target Area	Del Norte-Laguna Grande Van Buren Street Lower Old Town
	Goals Supported	Suitable living environment Public Infrastructure

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Needs Addressed	Rehabilitate LMI Rental Units Handicapped Center/Facility Homeless Facilities Youth Centers Neighborhood Facilities Parks and/or Recreation Facilities Street Improvements Sidewalks - Accessibility Other Infrastructure Needs
Funding	Estimated CDAG: \$363,000
Description	Facility and Infrastructure Improvements to publicly funded facilities, nonprofit public service facilities, public facilities, parks, and public infrastructure in the CDAG target area.
Target Date	5/30/2019
Estimate the number and type of families that will benefit from the proposed activities	Approximately 1,000 persons will receive benefits, including seniors, youth, homeless persons, and low-income households. Additionally, some neighborhoods will experience area benefits from park and public infrastructure improvements.
Location Description	Public facilities, parks, public infrastructure in the CDAG target area, publicly funded facilities, and nonprofit public service facilities citywide

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<p>Planned Activities</p>	<p>Public Infrastructure, Public Park, and Public Facility Improvements: Accessibility and sustainability improvements for park and public facilities located in the CDBG target area or that predominantly serve low-income households; specific projects still to be determined. See tiering below.</p> <p>a. Tier 1 Improvements: projects that are ready for public bid or that are near shovel-ready and that can be completed prior to the completion of the program year – June 30, 2019 (Tier 1 projects will be recommended for priority funding):</p> <ol style="list-style-type: none"> 1. Veterans Transition Center: \$125,000 for renovation of three currently uninhabitable duplexes to provide 18 permanent supportive housing units in Marina for homeless veterans and their families 2. Moncinto Park Phase 3 – \$75,500 for park upgrades in a low- and moderate-income (LMI) census tract black group in Monterey 3. Community Human Services: \$62,533 for Phase 3 renovations for Safe Place in Monterey, which provides counseling, family reunification, temporary shelter and street outreach for homeless youth 4. Food Bank Cold Storage Unit: \$50,000 for a cold storage refrigeration unit for the new food bank facility in Salinas 5. MidPen Housing: \$50,000 for street rehabilitation work for the Van Buren Senior Housing Project located on the 800 block of Van Buren Street in Monterey <p>b. Tier 2 Improvements: projects that are in development for the following program year or that may be fast-tracked for shovel-readiness within the first quarter of the program year and that could be completed prior to the end of the following calendar year – December 31, 2020 (Tier 2 projects will be considered for funding as funding is available, or pending reallocation from delayed or canceled Tier 1 projects)</p> <p>c. Tier 3 Improvements: projects that are in development that may be ready for implementation in the next two to three funding cycles, but that may be fast-tracked for shovel-readiness within the current program year for implementation in the next program year (Tier 3 projects will be considered for funding as funding is available or pending reallocation from delayed or canceled Tier 1 and 2 projects)</p>
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4	Project Name	Housing Preservation Programs
	Target Area	Citywide
	Goals Supported	Housing opportunities Suitable living environment
	Needs Addressed	Rehabilitate Low-Income Ownership Housing Units
	Funding	Estimated CDBG: \$393,500 (Includes Entitlement, Program Income, and Revolving Loan Funds)
	Description	Emergency housing repairs, minor home repairs, accessibility improvements for low-income homeowners, purchase and repair for resale of low-income first-time homebuyers deed-restricted ownership housing units, and administration of these activities
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 12 to 15 low-income households will be assisted
	Location Description	Citywide
	Planned Activities	<ol style="list-style-type: none"> 1. Minor Work Orders: small grants to low-income households to make minor repairs to improve overall housing quality (estimated \$35,000 in grants) 2. Home Safety Grants: small grants to low-income households to make emergency health and safety repairs to meet code (estimated \$35,000 in grants) 3. Home Accessibility Grants: small grants to low-income households to make accessibility improvements for disabled household members (estimated \$35,000 in grants) 4. Acquisition, rehabilitation and repair of between 1 and 3 single-family ownership units purchased for resale to low-income first-time homebuyers (estimated \$132,385 direct cost) 5. Housing Rehabilitation Activity Delivery: staff and project activity delivery costs (estimated \$156,115)

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

The City expects to use about 90 percent of CDBG funds in the CDBG target area.

Geographic Distribution

Target Area	Percentage of Funds
Dol Monte Laguna Grande	15
Van Buren Street Lower Old Town	15

Table 7 – Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City has committed to spending approximately 30 percent of CDBG funds as geographically prioritized funding for housing and infrastructure projects in low- and moderate-income (LMI) census tract block groups. This prioritization includes a portion of public services grant activity and public infrastructure funding that is targeted to LMI census tract block groups. The City does not have any racial/ethnic concentrations of poverty (RECAPS) and only has a handful of census block groups that qualify as low-mod according to HUD's income data. The diversified distribution of the low-mod population across the city makes it necessary to split the use of CDBG funds between low-mod neighborhoods and low-mod needs citywide.

Discussion

The decision to distribute funding citywide is based on the limited number of low-income census tract block groups that will qualify for HUD's Low-Mod Income Area benefit. Only a handful of census block groups are classified as low income based on the percentage of households with income at or below 80 percent of Area Median Income. For this reason, there is limited ability for the City to target CDBG funds to specific areas and receive Low Mod Area (LMA) benefit. Additionally, Monterey's most significant unmet needs are for affordable housing and housing rehabilitation, and these needs are generally citywide in geographic distribution. In recognition of this housing need, the City Council has directed that affordable housing and homeless services should be placed above the priority for public infrastructure improvements. The funding that is proposed for geographic targeting reflects the limited number of LMI areas and the City's policy preferences to focus funds toward preserving affordable housing and other citywide LMI and disadvantaged needs programs that service the homeless, elderly, and disabled populations.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Census and survey data show that a high percentage of low-income households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be used to produce a new supply of EL-I and VL-I rental units. During PY 2016, the City prioritized several major affordable housing efforts. The City has significantly fewer funds available for affordable housing in PY 2018. However, the City will continue to provide technical assistance and management support to the prior year projects and will provide housing repairs and accessibility improvements to eligible owner-occupied households, as well as focus on infrastructure and public facility improvements that improve access for low-income households and persons.

One Year Goals for the Number of Households to Be Supported	
Homeless	0
Non-Homeless	13
Special-Needs	0
Total	13

Table 8 – One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	
The Production of New Units	
Rehab of Existing Units	12
Acquisition of Existing Units	1
Total	13

Table 9 – One Year Goals for Affordable Housing by Support Type

Discussion

During PY 2017, the City focused on several specific housing activities funded with federal CDBG funds, including rehabilitation projects, rental assistance, and opportunity purchase of units for LMI first-time homebuyers. The City will continue to support affordable housing through the home repair and accessibility improvement programs, as well as ongoing technical support for the Van Buren Senior Housing project.

The primary assistance strategy to address issues related to housing affordability presented in the PY 2018 Action Plan continues to be provision of financial assistance through grants for a range of

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supportive services and housing programs to meet the needs of lower-income residents and those at risk of becoming homeless. As a basic tenet and to meet this goal, the City will continue to work with the County of Monterey and service organizations that are able to provide direct services and outreach to those experiencing or at risk of homelessness. Additionally, City staff will continue to meet with other jurisdictions and service providers in an effort to identify opportunities to support new affordable housing projects.

AP-60 Public Housing – 91.220(h)**Introduction**

The Housing Authority of the County of Monterey (HACM) administers the Public Housing and Housing Choice Voucher programs on behalf of jurisdictions in Monterey County. Currently there are 168 HACM public housing units in Monterey. HACM has also converted all of its public housing units to Project-Based Rental Assistance. The conversion of HACM properties to Project Based Rental Assistance might offer the City an opportunity to collaborate with the Housing Authority to provide funding assistance for rehabilitation and repair of HACM units.

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

The Housing Authority of the County of Monterey (HACM) administers the Public Housing and Housing Choice Voucher (HCV) programs on behalf of jurisdictions in Monterey County. Currently, there are 168 HACM public housing units in Monterey. The City will continue to review the HACM annual plans for consistency with the City's Consolidated Plan and will annually certify consistency statements.

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

The City will continue to refer qualified residents to HACM for Housing Choice Voucher applications and housing opportunities.

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

HACM is not designated as troubled.

Discussion

HACM administers the Public Housing and Housing Choice Voucher (HCV) programs on behalf of jurisdictions in Monterey County. There are challenges with successfully implementing the HCV program. While 45,000 vouchers are currently available in Monterey County, only 32,000 are in use, which is due to a lack of funding for the remaining vouchers. Additionally, holders of the 32,000 vouchers experience a lack of landlords willing to accept the vouchers because of the high level of competition and high rents the market will currently bear. Currently, there are 168 HACM public housing units in the City of Monterey. HACM is not designated as troubled. City staff will continue to coordinate with HACM to place qualified residents in HACM-operated properties in the city.

AP-65 Homeless and Other Special Needs Activities – §1.220(i)**Introduction**

Homelessness in Monterey County has increased, and a similar trend has been documented in the City of Monterey. In 2017, Monterey County prepared a Homeless Point-In-Time Census & Survey Comprehensive Report with details regarding the distribution of homeless persons in the county at a jurisdictional level of detail. The 2017 survey recorded a total of 338 homeless persons in the City of Monterey. This number represented an increase of one person over the number of homeless recorded in the 2015 survey, maintaining the same overall level of homelessness identified 2 years previously. In the past 3 years, the community, in numerous public comments before the City Council and in other public forums, has continued to express great concern over the number of homeless in the community and the unmet needs of this population.

The point-in-time data and public comments expressed to the City Council identify a significant need for homeless services.

Describe the jurisdiction's one-year goals and actions for reducing and ending homelessness including**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City is preparing an analysis of gaps in services that may limit the effectiveness of programs intended to serve extremely low- and very low-income persons in the community and how public policies and best practices might be implemented to address and help alleviate identified service gaps. This study is being funded in part with CDBG planning and administration funds. It will incorporate information from the Continuum of Care as well as public service providers that assist extremely low-income and very low-income persons and families. The study will provide a more comprehensive understanding of the conditions that limit the effectiveness of existing programs to alleviate homelessness and prevent households at risk of losing their housing from becoming homeless.

The primary homeless assistance strategy in FY 2018 is to provide financial assistance through grants for a range of supportive services and housing programs to meet the needs of those at risk of becoming homeless, as well as the currently homeless. Community organizations that will be assisted in this manner include Community Human Services, Interim, Inc., Gathering for Women, the Salvation Army, and Legal Services for Seniors. As a basic tenet and to meet this goal, the City will continue to work with the County and service organizations that are able to provide direct services and outreach to those experiencing homelessness. These funding priorities are estimated to provide assistance to about 300 homeless individuals and families through a variety of services and outreach activities.

Addressing the emergency shelter and transitional housing needs of homeless persons

The funding of public service grants to public service organizations that offer direct services to homeless persons is anticipated to provide outreach and food supplemental services and limited emergency shelter services. These funds are intended to support street outreach, food supplemental services, and case management. The programs are not intended as a funding source for operating a specific emergency shelter location or for assisting in the establishment of an emergency shelter. If an emergency shelter location is identified in the future, the City will reevaluate funding opportunities for rehabilitation, conversion, and/or repair that might be needed to facilitate the establishment of such a shelter. If a potential emergency shelter facility project is identified in this program year, the reevaluation of funding will necessitate a Substantial Amendment to the FY 2018 Action Plan. The Substantial Amendment process includes both a public noticing requirement and a public comment period.

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

In FY 2018, the City will provide public service grant funding to 10 organizations. Four of these organizations provide direct services to the homeless: The Salvation Army, Gathering for Women, Interim, Inc., and Community Human Services.

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.

In FY 2018, the City will provide public service grant funding to 10 organizations. Four of these organizations provide direct services to the homeless: The Salvation Army, Gathering for Women, Interim, Inc., and Community Human Services.

The six other organizations provide direct supportive services to persons of low income or below with special needs. These organizations and services are Josephine Kernes Memorial Pool, Alliance on Aging, Food Bank of Monterey, Legal Services for Seniors, Meals on Wheels, and ECHO Fair Housing Services. The City also supports three housing rehabilitation programs to help prevent at-risk households from becoming homeless.

Discussion

The City will also be investigating opportunities to affirmatively further fair housing via fair housing outreach and education. Previously, fair housing support was provided through multi-jurisdiction agreements. Actions may include contracting with a third-party service provider, providing services in-house, and partnering with neighboring jurisdictions to provide regional services and to complete the regional assessment of fair housing, as required by HUD's 2015 Fair Housing Rule and the obligation to affirmatively further fair housing.

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

As described in detail in the Housing Market Analysis of the Consolidated Plan, housing costs and affordability are the primary and most significant housing problems in the City of Monterey. These problems extend both to ownership housing opportunities and to rental opportunities, and particularly impact households that earn below 80 percent of Monterey AMI. Rental units that are priced at market rent and available in Monterey are generally affordable to moderate-income households up to 120 percent of AMI. However, even at this income level, the supply of housing is very limited. The inventory of very low-income and low-income housing in the city is not sufficient to meet the needs of the community's lowest income residents. Constraints on development of new supply due to land constraints and limited water limit the development of new units.

Census and survey data show that a high percentage of low-income and below households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be utilized to produce a new supply of EL-I and VL-I rental units and to preserve existing affordable housing units.

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

In respect to actions planned to remove or ameliorate the negative effects of public policies such as land use controls, zoning ordinances, building codes, fees, and charges that serve as barriers to affordable housing, the City has initiated a number of actions. These include:

- The City continues to implement the goals of the General Plan Housing Element that was updated in 2016. It pursues the retention and building of new housing units in the city. Recent implementation actions include:
 - Amending the City's Zoning Ordinance to add a reasonable accommodation procedure, update the density bonus section, and allow emergency shelters and transitional and supportive housing as required by state law.
 - Preparing a brochure for owners and managers of rental housing in the city regarding property upkeep and setting reasonable rental rates. The brochure also includes dispute resolution information.
- The City acknowledges that Monterey is built out, with very little vacant land, so most new housing is anticipated to be higher density and on previously developed sites. To facilitate this type of development, the City will continue to implement the goals and programs set forth in

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the Downtown, Lighthouse Area, and North Fremont Street specific plans for mixed-use neighborhoods.

- The City has been able to demonstrate that its fair share of the regional housing supply can be achieved through mixed-use development, provided there is sufficient water supply for new development.
- The City closely monitors and supports, when appropriate, the efforts of the California American Water Company and the Monterey Peninsula Water Management District to secure additional water supply for the Monterey Peninsula.

Discussion

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide sufficient new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance and focus this housing to supply needed EL-I, VL-I, and L-I rental housing units.

AP-85 Other Actions – 91.220(k)**Introduction**

This section describes the activities that are planned by the City to implement strategies to maintain and increase the supply of affordable housing, reduce lead-based paint (LBP) hazards, reduce the number of families at poverty level, develop institutional structure, and improve coordination among regional agencies and public service organizations so that these identified community development needs might be effectively addressed during the 5-year term of the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide sufficient new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance, and focus this housing to supply needed EL-I, VL-I, and L-I rental housing units.

Additionally, in support of new housing, the City will continue to work collaboratively with regional jurisdictions and the Coalition of Housing Services Providers to improve coordination and strengthen institutional structures in the city and the region.

Furthermore, the FY 2018 Action Plan proposes to:

- Use CDBG funds in support of public service organizations that provide direct services to homeless and special needs populations.
- Allocate funds for LMI housing rehabilitation loans and grants. All projects that provide interior rehabilitation assisted with CDBG funds will be assessed for lead-based paint hazards, and identified hazards will be remediated/abated as part of rehabilitation.

Actions planned to foster and maintain affordable housing

As described in detail in the Housing Market Analysis of the Consolidated Plan, housing costs and affordability are the primary and most significant housing problems in the City of Monterey. These problems extend both to ownership housing opportunities and to rental opportunities to those households that earn below 80 percent of Monterey AMI. Rental units that are priced at market rate and available in the city are generally affordable to moderate income households up to 120 percent of AMI. However, even at this income level, the supply of housing is very limited. The inventory of VL-I and L-I housing in the city is not sufficient to meet the needs of the community's lowest income residents. Constraints on development of new supply due to land constraints and a lack of water severely limit the development of new units.

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Census and survey data show that a high percentage of low-income and below households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be used to produce a new supply of EL-I and VL-I rental units and preserve existing affordable units wherever possible. The City is interested in creating a rental assistance program.

The City is also used alternative funds mentioned earlier in this document to support affordable housing these efforts include:

- Management of Estrella Apartments (low-income housing, funded through HOME funds)
- Technical assistance for the Van Buren affordable housing project
- Technical assistance for the Monterey Hotel affordable housing project.

While these funds are not reported or tracked as part of the CDBG program, the City uses them to leverage affordable housing projects and to preserve affordable housing in Monterey.

Actions planned to reduce lead-based paint hazards

Eighty-one percent (81%) of the city's housing stock was built before 1980 (11,043 of 13,586 homes). In housing constructed prior to January 1, 1978, there is the possibility that lead-based paint was used. The City is conscious of the potential threat to human health this paint could present. Additionally, the City will conduct lead-based paint assessments as a component of any rehabilitation grant or loan project using CDBG funds.

Information and Education

Households that participate in housing activities under this plan, including home purchase, rental assistance, or rehabilitation, will be given educational materials regarding the hazards of lead-based paint, signs of lead poisoning, and strategies to reduce exposure. Materials will include the use of HUD/EPA publications such as "Protect Your Family from Lead in Your Home." Information will be provided in English and Spanish. Publications and referral information will be placed on the City's website in order to educate the public.

Actions planned to reduce the number of poverty-level families

The City's anti-poverty strategy is based on the preservation and repair of existing housing units in the community and attracting a range of businesses to support workforce development to provide jobs for low-income residents. In addition, the City provides support for projects and services to several agencies offering a variety of supportive services to low-income residents.

EXHIBIT A

The provision of social services for the elderly, homeless, veterans, families, and youth will expand opportunities for growth and encouragement. Supportive and legal services for seniors will ensure that these persons are not victims of fraud or abuse and will assist them to live independently in their homes.

Actions planned to develop institutional structure

The City will continue to use CDBG funds to administer and monitor the Consolidated Plan and Annual Action Plans and to complete the Consolidated Annual Performance Evaluation Report. The City will continue to support public service organization that are providing direct services to the city's lowest-income individuals and households, which helps the organizations remain in the community.

The City has established a committee consisting of staff and the chair of the Planning Commission to annually review grant applications submitted by public services providers. The City also participates in the 10-Year Plan to End Homelessness and reviews and comments on proposals and grant proposals submitted to the Coalition of Homeless Services Providers. The City also closely coordinates CDBG planning efforts and Housing Element update planning efforts.

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

The City contracts with nonprofit agencies for ongoing support services and housing programs. Affordable housing development projects are administered by the Housing Authority of the County of Monterey (HACM), the Community Housing Improvements Systems and Planning Association, Interim, Inc., and for-profit developers.

In addition to these entities, the City considers proposals from other for-profit developers and housing nonprofit agencies for affordable ownership and for transitional and permanent housing projects. In previous years, the City provided grant and loan funds to facilitate project completion and rehabilitation of nonprofit housing facilities owned by Community Human Services, Interim, Inc., and Monterey County Housing Inc., Affordable Acquisitions (MCHI, AA).

The City considers opportunities to support potential projects and requests for funding on a case-by-case basis. The City intends to continue cooperative relationships with other public agencies and nonprofit organizations including HACM, Community Housing Improvement Systems and Planning Association (CHISPA), Alliance on Aging, Housing Resource Center, and Interim, Inc., to develop additional affordable housing opportunities and provide public services for low- and moderate- income households and other special needs populations identified as priorities in the Consolidated Plan.

The City of Monterey will continue to coordinate with these agencies to ensure that available resources are fully utilized and leveraged to the maximum extent possible. Applicants for funds administered by

EXHIBIT A

the City will also be encouraged to combine federal, state, and private resources with grants or loan funds from the City.

Discussion

The PY 2018 Action Plan anticipates full entitlement funding. The PY 2018 Action Plan prioritizes support for public service organizations providing direct services to disadvantaged and homeless residents, and for public facility improvements intended to increase access and provide long term sustainability for public assets. Ensuring conformance with HUD regulations is an ongoing activity.

Program Specific Requirements

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

Introduction

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 which 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.	85.00%

Annual Action Plan

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RESOLUTION NO. P18-009

A RESOLUTION OF THE PLANNING COMMISSION

RECOMMENDING CITY COUNCIL APPROVAL OF DRAFT FISCAL YEAR 2018/2019 ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND AUTHORIZE SUBMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

WHEREAS, since 1975, the City of Monterey has been an eligible metropolitan entitlement city under the CDBG programs;

WHEREAS, the Five Year (2015-2019) Consolidated Plan (the "Consolidated Plan") adopted in Resolution No. 15-135 identified funding sources to provide housing and housing services and prioritized the use of local, state and federal funds;

WHEREAS, consistent with Consolidated Plan priorities for Housing and Community Services, the Fiscal Year 2018/2019 Budget and Action Plan (the "Program Year 2018 Action Plan") provides resources to implement the Consolidated Plan to meet HUD National Objectives;

WHEREAS, public notice to announce publication of the Draft Program Year 2018 Action Plan and initiate a 30-day period for review and comment was published March 31, 2018 in the Monterey Herald, a newspaper of area wide circulation;

WHEREAS, the Draft Program Year 2018 CDBG Action Plan was published and made available for public review on March 30, 2018;

WHEREAS, public notice of a Planning Commission public hearing to review and provide a recommendation on the Draft Program Year 2018 Action Plan was published on March 31, 2018 in the Monterey Herald, a newspaper of area wide circulation;

WHEREAS, the Planning Commission held a duly noticed public hearing on April 10, 2018 to receive public comments and to review and provide a recommendation on the Draft Program Year 2018 Action Plan; and,

WHEREAS, The Action Plan is considered exempt under the Federal National Environmental Policy Act (NEPA) guidelines (24 CFR Part 58). The Action Plan is also determined to be exempt from the California Environmental Quality Act Guidelines (Article 19, Section 15301, Class 1, 15306, Class 6 and 15326, Class 25) because the projects proposed for funding including public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration have been determined to not have a significant effect on the environment.

Furthermore, the project does not qualify for any of the exceptions to the categorical exemptions found at CEQA Guidelines Section 15300.2.

Exception a - Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located - a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies. The proposed action recommending the draft Action

W12/12

Plan for review and implementing budget includes the public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration.

Exception b - Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant. The proposed action recommending the draft Action Plan for review and implementing budget includes the public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration. No cumulative impacts are foreseeable.

Exception c - Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances. The proposed action recommending the draft Action Plan for review and implementing budget includes the public service grant program, non-profit and City public infrastructure projects, housing preservation and planning and administration. No significant effect is anticipated.

Exception d - Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR. No impacts are anticipated.

Exception e - Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code. There are no project sites referenced in the Action Plan and implementing budget are not listed on any list compiled pursuant to Section 65962.5 of the Government Code.

Exception f - Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource. The Action Plan does not reference any sites or locations identified as a historical resource.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF MONTEREY that it hereby recommends to the City Council approval and adoption of the Program Year 2018 Action Plan for Community Development Block Grant Funds, and authorization of submittal of the Action Plan to the U.S. Department of Housing and Urban Development as presented and discussed at the April 10, 2018 Public Hearing and reflected in Exhibit A.

PASSED AND ADOPTED BY THE PLANNING COMMISSION OF THE CITY OF MONTEREY this 10th day of April, 2018, by the following vote:

AYES:	5	COMMISSIONERS:	Millich, Dawson, Brassfield, Ezekiel, Reed
NOES:	0	COMMISSIONERS:	None
ABSENT:	2	COMMISSIONERS:	Fletcher, Latasa
ABSTAIN:	0	COMMISSIONERS:	None

APPROVED:

ATTEST:


Housing and Community Development
Manager


Planning Commission Chair



DRAFT FOR PUBLIC REVIEW

**2018/2019 ANNUAL ACTION PLAN FOR
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

MARCH 30, 2018

Executive Summary

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

1. Introduction

The City of Monterey, incorporated in 1850, is one of California's oldest communities. Founded in 1770, the city served as California's first capital and hosted the state's first constitutional convention in the city's historic Cotton Hall, where in 1849 the State of California's Constitution was signed. The City of Monterey is located on Monterey Bay, now a National Marine Sanctuary.

The city is a regional and national tourist destination and is approximately 125 miles south of San Francisco and 345 miles north of Los Angeles. The city also boasts several institutions of higher learning including the Defense Language Institute, which specializes in teaching foreign languages to military personnel; the Monterey Institute of International Studies, which provides graduate degrees with emphasis on the international community, their customs, languages, and business trends; the Naval Postgraduate School, which provides advanced degrees for military personnel; and Monterey Peninsula College, which offers general education for an associate's degree to transfer to a four-year institution. These institutions attract many culturally diverse populations from across the globe.

Fiscal Year 2018–2019 Congressional Budget Timing: Due to federal delays in providing Community Development Block Grant (CDBG) annual funding allocations, the publicly reviewed draft 2018–2019 Action Plan (Program Year 2018 Action Plan; or, "Action Plan") budget is based on past year allocations and projections. The funding allocations in this plan are represented in round numbers or as a percentage of the allowable allocations for public services, planning and administration, and public improvements. To keep the Action Plan process on schedule and still comply with the required public participation and local approvals, the City will use the estimates to draft the plan and obtain public comment and local government approvals. These estimates will be replaced with exact amounts once the US Department of Housing and Urban Development (HUD) has released final allocation amounts. The final plan will be updated with the new funding allocations as soon as HUD announces allocations, and the plan will be submitted as complete and approved, in compliance with the City's Citizen Participation Plan, within HUD's extended submittal deadlines. CDBG allocations are expected to be released in the early summer of 2018. The City of Monterey is estimating to receive \$200,000 in CDBG entitlement funding for Program Year (PY) 2018. The City also estimates receiving \$1,000,000 in program income based on receipts from the last 3 years (approximately \$1,000,000 each year). As program income receipts can be inconsistent, the City makes its best effort to estimate future income, and executes ongoing program budget adjustments as necessary.

Finally, the Action Plan allocation priorities takes into consideration the conclusions of the May 2015 Impact Monterey County Assessment and findings in the Secondary Data Report, Economic Self-

Sufficiency. These studies conclude that the self-sufficiency wage for Monterey County is \$27,018 for a single adult, which is \$15,000 greater than the federal poverty line wage of \$11,670. Calculating for 4.5 percent inflation in the Consumer Price Index from May 2015 to February 2018, the self-sufficiency wage for Monterey in 2018 is adjusted to \$28,234, which is comparable to HUD's 2017 very low-income limit (50 percent of median) of \$28,500 for a household of one.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

To receive CDBG funds, the City must submit an Action Plan to the HUD each year. The Action Plan describes the City's planned CDBG related investments for the coming program year, including proposed actions and projects. The Action Plan is also considered to be an application for federal funds. It outlines the City's proposed activities in several areas relative to the goals and strategies of the City's Five-Year Consolidated Plan.

The Action Plan includes the following CDBG budget projections:

- \$200,000 in estimated entitlement funds from HUD
- \$1,000,000 in projected program income funds

Additional resources include:

- Former Redevelopment Agency Housing Fund (Housing Funds) projection of \$300,000
- HOME fund projection of \$440,000

To continue the City's efforts to meet community priorities, the City of Monterey will fund a variety of housing programs, public services, and public infrastructure and facility projects during PY 2018. Funds for these programs will primarily come from the CDBG program. Programs and projects funded through other housing funds will be discussed in chapter AP-85 Other Actions. As with the PY 2017 Action Plan, the PY 2018 Action Plan will focus on public services, infrastructure and facility improvements, and housing preservation to meet CDBG program goals.

All of the Action Plan projects support the City's 5-Year Consolidated Plan (2015-2019). Key projects proposed for PY 2018 include:

- Housing Rehabilitation Programs focusing on minor repairs, accessibility improvements, and emergency repairs
- Public Service Grants to groups serving youth, seniors, and homeless persons and families

- Capital improvement grants for facility improvements for public service providers
- Public infrastructure projects in the city's low-income census tract block groups
- Staffing and overhead for overall administration of the CDBG program
- Monitoring subrecipients of PY 2018 funds

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The Housing Programs Office of the City's Community Development Department is responsible for administering the Five-Year Consolidated Plan and annual Action Plans for the CDBG program. The program is based on Consolidated Plan goals and priorities, and public input received from annual community needs assessment workshops and public hearings.

Although the City has not yet prepared the PY 2017 Consolidated Annual Progress Evaluation Report (CAPER) that is due no later than September 30, 2018, it can report on multiple accomplishments completed so far in the PY 17. Accomplishments during PY 17 include the following:

- Managed Estrella Apartments (low-income housing funded through HOME funds).
- Completed construction of Monterey Hotel Apartment project featuring 18 low-income units (Funded through non-CDBG Housing Funds).
- Allocated \$126,000 in grant funds to assist nine nonprofit public service agencies to provide direct services to low-income disadvantaged households in the community.
- Completed public facility and infrastructure projects from prior year CDBG awards.
- Reconciled the CDBG program funds to address past monitoring concerns.
- Met HUD timeliness requirements for expenditures.
- Updated the City's subrecipient monitoring program.
- Implemented \$105,000 to low and moderate-income households for health and safety home rehabilitation grants

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Six public meetings were scheduled in 2018 to receive comments and suggestions on the community's housing, public facility, and public service needs. The first meeting was held on January 25, 2018, to introduce the public services and community capital project grant application processes and to solicit public comment on community development needs. The second meeting was held on March 16, 2018, to receive presentations on the grant proposals from 12 public service organizations. The third meeting was held on April 10, 2018, as a public hearing before the Planning Commission for advisory review and recommendation on the draft Action Plan. The fourth meeting was held on April 17, 2018 by the City Council to receive public comment and review the draft Action Plan. The fifth meeting was held on May 1, 2018, as a public hearing by the City Council to adopt the Action Plan. The six and final meeting of the year will be scheduled in September as a public hearing to consider and approve the City's CAPER on the PY 17 Action Plan. Public review of the draft PY 18 Action Plan will commence on March 31, 2018, with release of the draft plan.

To ensure maximum participation, copies of the draft Action Plan have been made available for public review online via the City's website, with hard copies available at public counters at the following locations:

Monterey Public Library
625 Pacific Street, Monterey, CA 93940

City Hall, Planning Office and City Clerk's Office
580 Pacific Street, Monterey, CA 93940

Housing Programs Office
353 Camino El Estero, Monterey CA 93940

Draft copies of the Action Plan have also been made available to local organizations and individuals representing neighborhood associations, special needs groups, and low-income constituencies. All entities were sent meeting notifications to solicit oral or written comments. Initial notice of the minimum 30-day review period for the Action Plan was published on March 31, 2018, in the *Monterey Herald*, a local daily newspaper. The review period ended on May 1, 2018, with City Council review and approval of the Action Plan. Additionally, nonprofit agencies played a key role in providing information and recommendations in the development of this Action Plan.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Public comments were received at the grant application public workshop, the Planning Commission public hearing, and the City Council public meeting and hearing. These public comments are included in the Public Comment Attachment.

Grant Application Public Workshop Summary: Comments received during the grant application workshop included opportunities for networking and improving communication between service providers, concerns about an increase in the need for mental health and homeless services including shelter, and the need for workforce housing. A summary is included as an attachment to this document.

Planning Commission Public Hearing: Comments were received from COBG applicants, Planning Commission members, and the public. Meeting minutes are included as an attachment to this document.

City Council Public Meeting: The City Council will hold a public meeting to review the draft Action Plan on April 17, 2018. Public comments will be included in the final draft of the Action Plan. The City Council will consider all public comments on the Action Plan, which will be included as attachments to this document.

City Council Public Hearing: The City Council will hold a public hearing to approve the draft Action Plan on May 1, 2018. All public comments will be included in the final draft of the Action Plan. The City Council will consider all public comments on the Action Plan, which will be included as attachments to this document.

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

All public comments received to date have been accepted.

7. Summary

Please see previous section.

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	City of Monterey	Housing Programs Office

Table 1 – Responsible Agencies**Narrative (optional)**

The City of Monterey's Housing Programs office is the team that administers the City's CDBG funds and serves as the lead agency in performing CDBG planning and administration tasks.

Consolidated Plan Public Contact Information

The City's Housing Programs Office is the designated department responsible for planning and implementing the City's Five Year Consolidated Plan, each annual Action Plan, and the City's CDBG program. General inquiries regarding the Consolidated Plan or the CDBG program may be directed to the Housing Programs office at (831) 646-3995. Written correspondence regarding the Action Plan should be directed to the Housing Programs Office, City of Monterey, City Hall, 580 Pacific Street, Monterey, CA 93940.

AP-10 Consultation – 91.100, 91.200(b), 91.215(i)**1 Introduction**

Since 2013, the City has participated in the Coalition of Homeless Services Providers Leadership Council's oversight of the Lead Me Home plan. The Leadership Council enjoys the broad involvement of all members of the community, including representatives from Monterey County Behavioral Services, Monterey County Social and Employment Services, and Natividad Hospital. The objectives and priorities contained in the Lead Me Home plan have been considered and incorporated into the Consolidated Plan. The Action Plan implements priorities identified in the Consolidated 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(i))

The Housing Programs office consulted several local service providers, including from the Continuum of Care and the Coalition of Homeless Services Providers, to identify community needs related to low-income households and homelessness, and potential programs to address those needs. The following homeless services providers were consulted: Coalition of Homeless Services Providers, Housing Resource Center, Community Human Services, and the Salvation Army. The Housing and Community Development Manager also regularly explores alternatives for securing extremely low- and very low-income housing resources with staff of the Housing Authority of the County of Monterey to confirm that the priorities in the Consolidated Plan remain appropriate. On January 25, 2018, the City hosted an application workshop for current and potential CDBG project and program applicants. The workshop included a discussion about coordination challenges and opportunities, and offered specific steps that can be taken to enhance communication, leverage resources, and improve cooperation between service providers and participating agencies.

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.

For the past few years, the Housing and Community Development Manager has worked with the Continuum of Care's public service organizations to identify priority needs of the homeless community. The Housing and Community Development Manager has developed a better understanding of the challenges that the City of Monterey faces in its efforts to directly impact homeless services and improve outcomes. Additionally, the City Council has suggested additional research and discussion of homelessness in the city. The City has initiated a study of service gaps that may limit the effectiveness of services intended to assist extremely low-income, very low-income, and low-income members of the community that will be funded in part out of PY 2018 CDBG funds. This effort will help supplement the work completed by the Continuum of Care and that will be used to help inform the best opportunities

and practices in addressing both short- and long-term homelessness as well as the conditions that frequently lead to homelessness. The City works with the Continuum of Care through the Housing Pipeline, which identifies potential affordable housing projects and project funding. As a member agency with the Coalition, the City generally coordinates services with the organization and participates in its regional actions. In addition, the Coalition's Board of Representatives hears nonprofit proposals for HUD funding.

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

In the past few years, the Housing and Community Development Manager participated in the Continuum of Care's evaluation of Emergency Solutions Grant (ESG) program applications. The Housing and Community Development Manager has participated on the ranking committee. Participation in the ESG grant application evaluation has required the Housing and Community Development Manager to become familiar with Continuum of Care policies and procedures, as well as the region's funding constraints. As a result, the Housing and Community Development Manager has developed a better understanding of the challenges that the City of Monterey faces in its efforts to directly impact homeless services and improve outcomes. Homeless services providers who have in past years received City of Monterey CDBG community grant funding report their outcomes in HMIS. The Consolidated Plan homeless analysis and this Action Plan continue to include actions to address the unmet needs of homeless persons and disadvantaged households in the community.

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

EXHIBIT A

1	Agency/Group/Organization	Alliance on Aging
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
2	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Alliance on Aging provides free programs for seniors: ombudsmen for those in residential facilities, tax preparation, health insurance information and advocacy, peer counselling, and outreach. The City plans to continue supporting this organization.
	Agency/Group/Organization	Food Bank of Monterey County
	Agency/Group/Organization Type	Services-Elderly Persons Services-Homeless
3	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Food Bank of Monterey County provides food for families in need. They serve 100,000 people a year, 50 percent of whom are children. The City plans to continue to support the Food Bank.
	Agency/Group/Organization	Coalition of Homeless Services Providers
3	Agency/Group/Organization Type	Services-Housing Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless

EXHIBIT A

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Coalition of Homeless Service Providers is the managing agency for the Continuum of Care for Monterey County and is the lead agency in responding to homelessness issues. The City plans to continue supporting the Coalition of Homeless Service Providers in its role as the Continuum of Care lead.
4	Agency/Group/Organization	Eden Council for Hope and Opportunity (ECHO)
	Agency/Group/Organization Type	Services-Housing
	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?	This organization was called and emailed, and it submitted a response to the questions. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. ECHO provides a variety of housing services, including fair housing counseling. The City will continue supporting ECHO in providing fair housing services.
5	Agency/Group/Organization	Community Human Services
	Agency/Group/Organization Type	Services-Housing Services-Children Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. Community Human Services provides homeless services and housing for at-risk youth groups. The City plans to continue supporting this organization.

EXHIBIT A

6	Agency/Group/Organization	Veterans Transition Center
	Agency/Group/Organization Type	Services-Housing Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans
7	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. The Veterans Transition Center provides homeless services and housing for veterans.
	Agency/Group/Organization	Housing Authority County of Monterey (HACM)
	Agency/Group/Organization Type	Services-Housing
8	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent Annual Action Plans. HACM provides housing and administers Housing Choice Vouchers (Section 8). The City will continue to coordinate with HACM as the regional housing authority and public housing provider whenever possible.
	Agency/Group/Organization	Meals on Wheels
9	Agency/Group/Organization Type	Services-Elderly Persons Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs 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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. Meals on Wheels provides food delivery. Most of their clients are seniors. The City plans to continue supporting this organization.

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9	Agency/Group/Organization	Housing Resource Center
	Agency/Group/Organization Type	Services-Housing
	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?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Housing Resource Center provides a variety of housing services, including rental assistance.
10	Agency/Group/Organization	Salvation Army
	Agency/Group/Organization Type	Services-Homeless Services-Housing Services-Children
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Salvation Army provides a variety of homeless services, including emergency shelter, and some housing services, including rental assistance. The City will continue to support the Salvation Army.
11	Agency/Group/Organization	Veterans Resource Center
	Agency/Group/Organization Type	Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization completed a phone interview. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Veterans Resource Center provides case management and financial assistance to veterans and homeless veterans.

EXHIBIT A

12	Agency/Group/Organization	Monterey County Department of Public Health
	Agency/Group/Organization Type	Other government – County
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs 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?	The organization completed a phone interview. The City will continue to coordinate with Monterey County on efforts to improve public services in interagency coordination whenever possible, including assisting persons with AIDS/HIV and in addressing lead-based paint issues.
13	Agency/Group/Organization	Josephine Kernes Memorial Pool
	Agency/Group/Organization Type	Services-Elderly Persons
	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?	This organization was called and emailed and submitted a response to the questions. This information helped inform the priorities in the Consolidated Plan and in the subsequent annual Action Plans. The Josephine Kernes Memorial Pool provides warm-water exercise and therapy for seniors and disabled persons. The City will continue to support the Kernes Memorial Pool programs.

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

The City was unable to successfully consult with Interim, Inc., Legal Services for Seniors, Access Support Network, and the Monterey Peninsula Unified School District. Several attempts were made, but no staff were available for consultation.

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	Coalition of Homeless Services Providers	Provision of outreach services to homeless individuals is an objective and specific activity funded in the Action Plan. Additionally, City staff is attending meetings sponsored by the Coalition of Homeless Services Providers to develop policies with recommendations and implementation strategies for the development of additional housing resources in the region.
Housing Element	City of Monterey	Preservation/provision of affordable housing.
2016 Analysis of Impediments	City of Monterey	Assessment of impediments and fair housing challenges in Monterey with specific and measurable goals to help address fair housing problems.
Leadership Council 10-Year Plan to End Homelessness	Coalition of Homeless Services Providers	Strategic Plan to address homelessness in Monterey and neighboring jurisdictions.
2015-2019 Consolidated Plan	City of Monterey	Strategic Plan Goals <ul style="list-style-type: none"> • Improve housing opportunities for LMI households • Provide for a suitable living environment for all residents and income levels • Improve public infrastructure in the city's LMI residential areas • Provide efficient administration and oversight of the COBG program, and continue planning efforts to address the needs of LMI households and areas

Table 2 – Other local/regional/federal planning efforts

Narrative (optional)

The Action Plan incorporates input from local public services providers and participants, including the Coalition of Homeless Services Providers. In preparing the Action Plan, City staff conducted internal discussion with the Planning Office to identify potential future projects that can produce extremely low-, very low-, and low-income units to address the community's unmet needs, as well as identifying infrastructure and public facilities needs that can help ensure that low-income households have access to community amenities and infrastructure. Staff also met with other City departments, public services providers, and health and welfare agencies for ideas and potential projects. During the term of the Action Plan, City staff will continue to attend Leadership Council meetings in support of the 10-Year Plan to End Homelessness and will continue to participate in Leadership Council Housing Pipeline committee meetings. It is anticipated that this type of collaboration will assist the City to identify new capital improvement projects for future Action Plan years.

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

Six public meetings were scheduled in 2018 to receive comments and suggestions on the community's housing, public facility, and public service needs. The first meeting was held on January 25, 2018, to introduce the public services and community capital project grant application processes and to solicit public comment on community development needs. The second meeting was held on March 16, 2018, to receive presentations on the grant proposals from 12 public service organizations. The third meeting was held on April 10, 2018, as a public hearing before the Planning Commission for advisory review and recommendation on the draft Action Plan. The fourth meeting was held on April 17, 2018 by the City Council to review the draft Action Plan. The fifth meeting was held on May 1, 2018, as a public hearing by the City Council to adopt the Action Plan. The six and final meeting of the year will be scheduled in September as a public hearing to consider and approve the City's final report (the CAPER) on the PY 17 Action Plan. Public review of the draft PY 18 Action Plan will commence on March 31, 2018, with release of the draft plan.

Consultations were conducted with 13 service providers, including providers that assist homeless persons, seniors, persons with disabilities, low-income families, and public health agencies. An additional effort was made to interview organizations/agencies that serve youth during this Action Plan update. The City has also initiated a study of service gaps that may limit the effectiveness of services intended to assist extremely low-income, very low-income, and low-income members of the community. The initial efforts from the study identified and gathered input from some additional service providers and has informed this Action Plan update. The study will be completed during PY 2018.

To ensure maximum participation, copies of the draft Action Plan have been made available for public review online via the City's website, with hard copies available at public counters at the following locations:

Monterey Public Library
 625 Pacific Street, Monterey, CA 93940

City Hall, Planning Office and City Clerk's Office
 580 Pacific Street, Monterey, CA 93940

Housing Programs
 353 Camino El Estero, Monterey CA 93940

Draft copies of the Action Plan have also been made available to local organizations and individuals representing neighborhood associations, special needs groups, and low-income constituencies. All entities were sent meeting notifications to solicit oral or written comments. Initial notice of the

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minimum 30-day review period for the Action Plan were published on March 31, 2018, in the *Monterey Herald*, a local daily newspaper. The review period ended on May 1, 2018, with City Council review and approval of the Action Plan. Additionally, nonprofit agencies played a key role in providing information and recommendations in the development of this Action Plan.

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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	Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Two public meetings. Held on January 25, 2018, and March 16, 2018. Attendance by public services providers and residents. Intent to invite comment on unmet community needs and describe the City's ODBG public services grant program and application procedure.	Comments received included opportunities for networking and improving communication between service providers, concern about an increase in the need for mental health and homeless services including shelter, and the need for workforce housing. Full comments are included as attachments to this document.	All comments accepted.	
2	Consultations	Public service Providers	Consultations were conducted with 13 service providers in the service areas of food, housing, homeless services, veterans' services, AIDS services, and senior services.	See consultations Table 2	All comments accepted.	

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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)
3	Public Hearing	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Two public hearings: one before Planning Commission held April 10, 2018, to receive the draft Action Plan and public comment, and second before City Council on May 1, 2018, to review and consider for approval the Action Plan.	Comments to be included once they are received. Full comments are included as attachments to this document.	All comments accepted.	
4	Newspaper Ad	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Newspaper notices informing the public of the City's scheduled public meetings and hearings on the Action Plan, and notifying the public of the opening public comment period for the draft Action Plan. The public comment period opened on March 31, 2018, and closed May 1, 2018.	Comments received via email to be included when received. Emails are attached to this document.	All comments accepted.	

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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)
5	Internet Outreach	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing Public service Providers, Neighborhood and Business Associations	Copies of the Action Plan are posted on the City's website and available for review at public counters at the Housing Office, City Clerk's Office, Planning Office, and the Monterey Public Library.	Comments to be included if comments are received through this outreach.	All comments accepted.	

Table 3 – Citizen Participation Outcomes

Expected Resources

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

Introduction

A key challenge in effective administration of the City of Monterey's CDBG funding is addressing the ratio of program income to entitlement that the City receives each year. While entitlements have been fairly stable, the amount of program income received is unpredictable and has ranged from less than \$500,000 to more than \$1,000,000. The average program income received over the last 10 years is about \$677,000; however, the State of California is experiencing rapidly rising housing costs, and many loans are being repaid to the CDBG fund. The 2016–17 program year saw about \$1.1 million in program income. The 2017–18 program year is expected to provide about \$1.2 in program income. To meet CDBG expenditure timeliness requirements and comply with HUD's program funding reporting and public outreach requirements, it is important to make a best estimate regarding the total funding expected to roll over from the prior year and the amount of program income to be received. The City is budgeting for about \$1 million in program income for the 2018–19 program year.

The table below includes the estimated CDBG revenues for the coming year. It also includes the estimated HOME and Former Redevelopment Agency Housing funds that the City typically receives each year. These funds are used to help support affordable housing in Monterey; however, they are not reported or regulated like CDBG funds and are not included in the CDBG budget. They are included in this table for reference only.

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Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narration Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBS	Public-federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$200,000	\$1,000,000	0	\$1,200,000	\$1,200,000	All prior year funds will have been obligated and will not be available for reprogramming.
Other	Public-state	Admin and Planning Housing	\$440,000	0	0	\$440,000	0	HOME funds are utilized for two activities only. The first activity is the maintenance, capital repairs, and oversight of the City-owned B-unit Estrella Apartments building. This second activity is down payment assistance (DPA). DPA funding is limited to loan repayments. As opportunities arise, HOME DPA will be used to assist income-qualified first-time homebuyers to purchase housing.

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Program	Source	Uses of Funds	Expected Amount Available Year 1				Expected	Narrative Description
Other	Public-local	Admin and Planning Housing	\$300,000	0	0	\$300,000	.0	Former Redevelopment Agency Housing Funds are generated by loan and interest payments from past RDA housing activities, such as housing developments and down payment assistance loans, and proceeds from sales of deed-restricted units that were purchased with RDA Housing Funds.

Table 4 - 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

The City's current housing resources do not have matching fund requirements. However, the City will be using PY 18 funds to leverage other resources, including HOME program income and repayment of housing loans made by the redevelopment agency. These resources are dedicated to affordable housing activities, while the City's CDBG allocation provides support through infrastructure, public facility, and public services.

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

During PY 18, the City will be providing technical assistance from the City's CDBG planning and administration funds for City-sponsored housing projects initiated in PY 2016 and continued in PY 17 that will supply housing for lower-income senior households. This project is the Van Buren Senior Housing project on land purchased with CDBG funds. This project is under construction and is projected to be completed in summer 2018. The City does not currently anticipate any additional affordable housing projects for PY 2018 because at this time, there are no new identified housing projects that will be ready for construction and eligible for CDBG funding assistance. However, the City has a program to purchase and rehabilitate homes and then resell them to low-income first-time homeowners. The City is currently looking for a housing unit for this program.

Discussion

To prevent future problems with backlogged funding, the City has worked to develop a pipeline of CDBG-eligible projects that meet community priorities and can be added quickly and effectively to prevent funding accumulation and to get projects completed in a timely manner. The City identifies upcoming eligible projects and categorizes them by readiness into project tiers.

- Tier 1 projects are those that either are shovel-ready or are ready for the public bid process, will either be completed or have the CDBG-funded component of the project completed within the program year, have completed entitlements as appropriate, and have already procured or identified all the necessary funding except for the CDBG gap funds. Tier 1 projects will have priority funding. Criteria include CDBG eligibility, location in a CDBG target area, completed predevelopment, and fully identified funding.
- Tier 2 projects are those that are near shovel-ready and may be on schedule for either mid-year funding or following-year funding. Tier 2 projects are eligible for funding during a given program year if (a) the City received more funding than there are Tier 1 projects, or (b) Tier 1 projects are delayed or canceled.

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- Tier 3 projects are those on schedule for a future year's funding cycle. The intent of tracking Tier 3 projects is to monitor the City's inventory of CDBG-eligible projects and help to make sure there are sufficient Tier 1 projects ready for funding in each program year.

The City will continue to actively monitor program spending and is continuing to work on developing and managing the pipeline of eligible shovel-ready projects that can be fast-tracked for funding.

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	Suitable living environment	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Del Monte-Laguna Grande Van Buren Street Lower Old Town	Senior Services Handicapped Services Youth Services Fair Housing Services	CDBG: Estimated \$127,000	Public service activities other than Low/Moderate Income Housing Benefit: Estimated 1,131 persons assisted
2	Public Infrastructure	2015	2019	Non-Housing Community Development	Del Monte-Laguna Grande Van Buren Street Lower Old Town	Neighborhood Facilities Parks and/or Recreation Facilities Sidewalks - Accessibility	CDBG: Estimated \$363,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: Estimated 1,000 persons assisted
3	Housing opportunities	2015	2019	Affordable Housing		Rehabilitate LMI Ownership Housing Units	CDBG: Estimated \$393,500	Homeowner Housing Rehabilitated: Estimated 12 household housing units

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Efficient Administration and Oversight	2015	2019	Affordable Housing Homeless Non-Housing Community Development		Planning Monitoring	CDBG: Estimated \$243,500	N/a

Table 5 – Goals Summary

Goal Descriptions

1	Goal Name	Suitable living environment
	Goal Description	This goal includes providing or finding funding for owner-occupied housing rehabilitation, purchase, repair, and resale of housing for low- and moderate-income households, emergency shelters, outreach, counseling, food assistance, transportation, assistance for disabled persons, and blight and nuisance investigations. See the 2015–2019 Consolidated Plan for additional details.
2	Goal Name	Public Infrastructure
	Goal Description	This goal is to find or provide funding for infrastructure improvements, including accessibility improvements and infrastructure repairs and improvements in the city's low- and moderate-income neighborhoods.
3	Goal Name	Housing opportunities
	Goal Description	This goal involves providing or finding funding for new low-income rental units, down-payment loan assistance for ownership units, maintenance of the Estrella Apartment rental units, and rental unit rehabilitation. Refer to the 2015-2019 Consolidated Plan, Section AP-20 for details.
4	Goal Name	Efficient Administration and Oversight
	Goal Description	Efficient and timely oversight of the CDBG programs.

Projects

AP-35 Projects – 91.220(d)

Introduction

The US Department of Housing and Urban Development (HUD) requires all government entities receiving federal Community Development Block Grant (CDBG) funds to prepare an Annual Action Plan. The Action Plan outlines funding priorities and discusses how activities will meet the community priority needs identified in the Consolidated Plan. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2018, and June 30, 2019. Key projects undertaken during the 2018–2019 funding year will address the following priority needs:

#	Project Name
1	Planning and Administration
2	Public Services
3	Public Infrastructure Projects
4	Housing Preservation Programs

Table 6 – Project Information

In prior years, housing projects funded through other funds were included in the CDBG projects tables. While this method provides a centralized record of all the housing projects, the CDBG Action Plan is really intended to focus on CDBG funds, and the inclusion of other funding sources has resulted in reporting inconsistencies and program administration problems. To resolve this issue, only CDBG projects are included in the following projects and activities planning.

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

The needs assessment portion of the Five Year Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water make it very difficult to provide sufficient new housing supply to address the lack of affordable housing. Although the Consolidated Plan identifies strategies that emphasize development of new housing with City assistance, and focus this housing to supply needed low-income rental units, there are no housing projects of this type ready for development or funding assistance in PY 2018.

AP-38 Project Summary**Project Summary Information**

The below project summaries include rough funding estimates based on estimated entitlement revenues. If the entitlement announcement is either increased or decreased from the estimate, the below projects and services will be adjusted according to their percentage of the overall budget and the applicable program caps.

1	Project Name	Planning and Administration
	Target Area	Citywide
	Goals Supported	Efficient Administration and Oversight
	Needs Addressed	Economic Development Planning Monitoring
	Funding	Estimated CDBG: \$243,500 (capped at 20% of Entitlement and current year program income)
	Description	Provide general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) administration, program setup, reporting, planning, and subrecipient training and monitoring. Project 1 is categorized under HUD Matrix Code 21A. A National Objective designation does not apply.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Planning and Administration provides oversight to the CDBG program to ensure compliance with HUD regulations.
	Location Description	Citywide
	Planned Activities	1. General Planning and Administration (estimated at \$192,500) 2. Complete the analysis of service levels offered to extremely low, very low and low-income and other vulnerable populations (\$51,000)

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2	Project Name	Public Services
	Target Area	Citywide
	Goals Supported	Suitable living environment
	Needs Addressed	Senior Services Handicapped Services Youth Services Other Public Service Needs Homeless Services Disabled Services Nutrition Support Services
	Funding	Estimated ODBG: \$127,000 (capped at 15% of Entitlement and prior year program income)
	Description	Provide public services to low- and moderate-income households and individuals, including services for seniors, persons with disabilities, and homeless persons, youth, and families.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	About 1,131 individuals, including seniors, youth, persons with disabilities, homeless, and low-income households.
	Location Description	Citywide
	Planned Activities	<ol style="list-style-type: none"> 1. Food Bank of Monterey County: provide nutrition support to an estimated 340 persons (approximately 13% of available public services funding @ \$17,000) 2. Legal Services for Seniors: legal advocacy and support for an estimated 125 low-income seniors (approximately 8% of available public services funding @ \$10,000) 3. Community Human Services: homeless outreach and support to serve an estimated 120 homeless persons and at-risk youth (approximately 12% of available public services funding @ \$15,000) 4. Interim, Inc.: homeless services, emergency and temporary housing outreach, and case management for an estimated 27 persons with mental illnesses (approximately 16% of available public services funding @ \$20,000)

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	<p>5. Meals on Wheels: meal delivery to homebound seniors and disabled persons; will serve an estimated 86 persons annually (approximately 7% of available public services funding @ \$9,000)</p> <p>6. Alliance on Aging: tax assistance and ombudsman services and referrals to assist 172 low-income seniors (approximately 10% of available public services funding @ \$13,000)</p> <p>7. Josephine Kermes Memorial Pool: warm-water exercise and therapy for 22 senior and disabled persons (approximately 7% of available public services funding @ \$9,000)</p> <p>8. ECHO Fair Housing Support Services: fair housing support services to low income households and housing providers in the city for an estimated 25 persons (approximately 7% of available public services funding; may be augmented by funding from Planning and Administration @ \$9,000 from public services)</p> <p>9. Salvation Army Homeless Support Services: case management, voucher assistance, and homeless outreach services in the city for an estimated 185 persons (approximately 13% of available public services funding @ \$16,000)</p> <p>10. Gathering for Women: will provide case management and day-center services to homeless women in the city to assist an estimated 30 persons (approximately 7% of available public services funding @ \$9,000)</p>	
3	Project Name	Public Infrastructure Projects
	Target Area	Del Monte-Laguna Grande Van Buren Street Lower Old Town
	Goals Supported	Suitable living environment Public Infrastructure

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Needs Addressed	Rehabilitate LMI Rental Units Handicapped Center/Facility Homeless Facilities Youth Centers Neighborhood Facilities Parks and/or Recreation Facilities Street Improvements Sidewalks - Accessibility Other Infrastructure Needs
Funding	Estimated CDBG: \$363,000
Description	Facility and infrastructure improvements to publicly funded facilities, nonprofit public service facilities, public facilities, parks, and public infrastructure in the CDBG target area.
Target Date	6/30/2019
Estimate the number and type of families that will benefit from the proposed activities	Approximately 1,000 persons will receive benefits, including seniors, youth, homeless persons, and low-income households. Additionally, some neighborhoods will experience area benefits from park and public infrastructure improvements.
Location Description	Public facilities, parks, public infrastructure in the CDBG target area, publicly funded facilities, and nonprofit public service facilities citywide

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	<p>Public Infrastructure, Public Park, and Public Facility Improvements: Accessibility and sustainability improvements for park and public facilities located in the CDHG target area or that predominantly serve low-income households; specific projects still to be determined. See tiering below.</p> <p>a. Tier 1 Improvements: projects that are ready for public bid or that are near shovel-ready and that can be completed prior to the completion of the program year – June 30, 2019 (Tier 1 projects will be recommended for priority funding).</p> <ol style="list-style-type: none"> 1. Veterans Transition Center: \$125,000 for renovation of three currently uninhabitable duplexes to provide 18 permanent supportive housing units in Marina for homeless veterans and their families 2. Montecito Park Phase 3 - \$75,500 for park upgrades in a low- and moderate-income (LMI) census tract block group in Monterey 3. Community Human Services: \$62,500 for Phase 3 renovations for Safe Place in Monterey, which provides counseling, family reunification, temporary shelter and street outreach for homeless youth 4. Food Bank Cold Storage Unit: \$50,000 for a cold storage refrigeration unit for the new food bank facility in Salinas 5. MidPen Housing: \$50,000 for street rehabilitation work for the Van Buren Senior Housing Project located on the 600 block of Van Buren Street in Monterey <p>b. Tier 2 Improvements: projects that are in development for the following program year or that may be fast tracked for shovel-readiness within the first quarter of the program year and that could be completed prior to the end of the following calendar year – December 31, 2019 (Tier 2 projects will be considered for funding as funding is available, or pending reallocation from delayed or canceled Tier 1 projects)</p> <p>c. Tier 3 Improvements: projects that are in development that may be ready for implementation in the next two to three funding cycles, but that may be fast-tracked for shovel-readiness within the current program year for implementation in the next program year (Tier 3 projects will be considered for funding as funding is available or pending reallocation from delayed or canceled Tier 1 and 2 projects)</p>
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4	Project Name	Housing Preservation Programs
	Target Area	Citywide
	Goals Supported	Housing opportunities suitable living environment
	Needs Addressed	Rehabilitate LMI Ownership Housing Units
	Funding	Estimated CDBG: \$593,500
	Description	Emergency housing repairs, minor home repairs, accessibility improvements for low-income homeowners, purchase and repair for resale of low-income first-time homebuyers deed-restricted ownership housing units, and administration of these activities
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 12 low-income households will be assisted.
	Location Description	Citywide
	Planned Activities	<ol style="list-style-type: none"> 1. Mr. Fix-It Grants: small grants to low-income households to make minor repairs to improve overall housing quality (estimated \$35,000 in grants) 2. Home Safety Grants: small grants to low-income households to make emergency health and safety repairs to meet code (estimated \$35,000 in grants) 3. Home Accessibility Grants: small grants to low-income households to make accessibility improvements for disabled household members (estimated \$35,000 in grants) 5. Rehabilitation and repair of ownership units purchased for resale to low-income first-time homebuyers (estimated \$100,000 direct costs) 6. Housing Rehabilitation Activity Delivery: staff and project activity delivery costs (estimated \$156,115)

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

The City expects to use about 30 percent of CDBG funds in the CDBG target area.

Geographic Distribution

Target Area	Percentage of Funds
Del Monte-Laguna Grande	15
Van Buren Street Lower Old Town	15

Table 7 – Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City has committed to spending approximately 30 percent of CDBG funds as geographically prioritized funding for housing and infrastructure projects in low- and moderate-income (LMI) census tract block groups. This prioritization includes a portion of public services grant activity and public infrastructure funding that is targeted to LMI census tract block groups. The City does not have any racial/ethnic concentrations of poverty (RECAPS) and only has a handful of census block groups that qualify as low-mod according to HUD's income data. The diversified distribution of the low-mod population across the city makes it necessary to split the use of CDBG funds between low-mod neighborhoods and low-mod needs citywide.

Discussion

The decision to distribute funding citywide is based on the limited number of low-income census tract block groups that will qualify for HUD's Low-Mod Income Area benefit. Only a handful of census block groups are classified as low income based on the percentage of households with income at or below 80 percent of Area Median Income. For this reason, there is limited ability for the City to target CDBG funds to specific areas and receive Low Mod Area (LMA) benefit. Additionally, Monterey's most significant unmet needs are for affordable housing and housing rehabilitation, and these needs are generally citywide in geographic distribution. In recognition of this housing need, the City Council has directed that affordable housing and homeless services should be placed above the priority for public infrastructure improvements. The funding that is proposed for geographic targeting reflects the limited number of LMI areas and the City's policy preferences to focus funds toward preserving affordable housing and other citywide LMI and disadvantaged needs programs that service the homeless, elderly, and disabled populations.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Census and survey data show that a high percentage of low-income households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be used to produce a new supply of EL-I and VL-I rental units. During PY 2016, the City prioritized several major affordable housing efforts. The City has significantly fewer funds available for affordable housing in PY 2018. However, the City will continue to provide technical assistance and management support to the prior year projects and will provide housing repairs and accessibility improvements to eligible owner-occupied households, as well as focus on infrastructure and public facility improvements that improve access for low-income households and persons.

One Year Goals for the Number of Households to Be Supported	
Homeless	0
Non-Homeless	13
Special-Needs	0
Total	13

Table 8 – One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	
The Production of New Units	
Rehab of Existing Units	12
Acquisition of Existing Units	1
Total	13

Table 9 – One Year Goals for Affordable Housing by Support Type

Discussion

During PY 2017, the City focused on several specific housing activities funded with federal CDBG funds, including rehabilitation projects, rental assistance, and opportunity purchase of units for LMI first-time homebuyers. The City will continue to support affordable housing through the home repair and accessibility improvement programs, as well as ongoing technical support for the Van Buren Senior Housing project.

The primary assistance strategy to address issues related to housing affordability presented in the PY 2018 Action Plan continues to be provision of financial assistance through grants for a range of

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supportive services and housing programs to meet the needs of lower-income residents and those at risk of becoming homeless. As a basic tenet and to meet this goal, the City will continue to work with the County of Monterey and service organizations that are able to provide direct services and outreach to those experiencing or at risk of homelessness. Additionally, City staff will continue to meet with other jurisdictions and service providers in an effort to identify opportunities to support new affordable housing projects.

AP-60 Public Housing -- 91.220(h)**Introduction**

The Housing Authority of the County of Monterey (HACM) administers the Public Housing and Housing Choice Voucher programs on behalf of jurisdictions in Monterey County. Currently there are 168 HACM public housing units in Monterey. HACM has also converted all of its public housing units to Project-Based Rental Assistance. The conversion of HACM properties to Project-Based Rental Assistance might offer the City an opportunity to collaborate with the Housing Authority to provide funding assistance for rehabilitation and repair of HACM units.

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

The Housing Authority of the County of Monterey (HACM) administers the Public Housing and Housing Choice Voucher (HCV) programs on behalf of jurisdictions in Monterey County. Currently, there are 168 HACM public housing units in Monterey. The City will continue to review the HACM annual plans for consistency with the City's Consolidated Plan and will annually certify consistency statements.

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

The City will continue to refer qualified residents to HACM for Housing Choice Voucher applications and housing opportunities.

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

HACM is not designated as troubled.

Discussion

HACM administers the Public Housing and Housing Choice Voucher (HCV) programs on behalf of jurisdictions in Monterey County. There are challenges with successfully implementing the HCV program. While 45,000 vouchers are currently available in Monterey County, only 32,000 are in use, which is due to a lack of funding for the remaining vouchers. Additionally, holders of the 32,000 vouchers experience a lack of landlords willing to accept the vouchers because of the high level of competition and high rents the market will currently bear. Currently, there are 168 HACM public housing units in the City of Monterey. HACM is not designated as troubled. City staff will continue to coordinate with HACM to place qualified residents in HACM-operated properties in the city.

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

Homelessness in Monterey County has increased, and a similar trend has been documented in the City of Monterey. In 2017, Monterey County prepared a Homeless Point-In-Time Census & Survey Comprehensive Report with details regarding the distribution of homeless persons in the county at a jurisdictional level of detail. The 2017 survey recorded a total of 338 homeless persons in the City of Monterey. This number represented an increase of one person over the number of homeless recorded in the 2015 survey, maintaining the same overall level of homelessness identified 2 years previously. In the past 3 years, the community, in numerous public comments before the City Council and in other public forums, has continued to express great concern over the number of homeless in the community and the unmet needs of this population.

The point-in-time data and public comments expressed to the City Council identify a significant need for homeless services.

Describe the jurisdiction's one-year goals and actions for reducing and ending homelessness including**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City is preparing an analysis of gaps in services that may limit the effectiveness of programs intended to serve extremely low- and very low-income persons in the community and how public policies and best practices might be implemented to address and help alleviate identified service gaps. This study is being funded in part with CDBG planning and administration funds. It will incorporate information from the Continuum of Care as well as public service providers that assist extremely low-income and very low-income persons and families. The study will provide a more comprehensive understanding of the conditions that limit the effectiveness of existing programs to alleviate homelessness and prevent households at risk of losing their housing from becoming homeless.

The primary homeless assistance strategy in FY 2018 is to provide financial assistance through grants for a range of supportive services and housing programs to meet the needs of those at risk of becoming homeless, as well as the currently homeless. Community organizations that will be assisted in this manner include Community Human Services, Interim, Inc., Gathering for Women, the Salvation Army, and Legal Services for Seniors. As a basic tenet and to meet this goal, the City will continue to work with the County and service organizations that are able to provide direct services and outreach to those experiencing homelessness. These funding priorities are estimated to provide assistance to about 300 homeless individuals and families through a variety of services and outreach activities.

Addressing the emergency shelter and transitional housing needs of homeless persons

The funding of public service grants to public service organizations that offer direct services to homeless persons is anticipated to provide outreach and food supplemental services and limited emergency shelter services. These funds are intended to support street outreach, food supplemental services, and case management. The programs are not intended as a funding source for operating a specific emergency shelter location or for assisting in the establishment of an emergency shelter. If an emergency shelter location is identified in the future, the City will reevaluate funding opportunities for rehabilitation, conversion, and/or repair that might be needed to facilitate the establishment of such a shelter. If a potential emergency shelter facility project is identified in this program year, the reevaluation of funding will necessitate a Substantial Amendment to the PY 2018 Action Plan. The Substantial Amendment process includes both a public noticing requirement and a public comment period.

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

In PY 2018, the City will provide public service grant funding to 10 organizations. Four of these organizations provide direct services to the homeless: The Salvation Army, Gathering for Women, Interim, Inc., and Community Human Services.

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.

In PY 2018, the City will provide public service grant funding to 10 organizations. Four of these organizations provide direct services to the homeless: The Salvation Army, Gathering for Women, Interim, Inc., and Community Human Services.

The six other organizations provide direct supportive services to persons of low income or below with special needs. These organizations and services are Josephine Kemes Memorial Pool, Alliance on Aging, Food Bank of Monterey, Legal Services for Seniors, Meals on Wheels, and ECHO Fair Housing Services. The City also supports three housing rehabilitation programs to help prevent at-risk households from becoming homeless.

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Discussion

The City will also be investigating opportunities to affirmatively further fair housing via fair housing outreach and education. Previously, fair housing support was provided through multi-jurisdiction agreements. Actions may include contracting with a third-party service provider, providing services in-house, and partnering with neighboring jurisdictions to provide regional services and to complete the regional assessment of fair housing, as required by HUD's 2015 Fair Housing Rule and the obligation to affirmatively further fair housing.

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

Introduction

As described in detail in the Housing Market Analysis of the Consolidated Plan, housing costs and affordability are the primary and most significant housing problems in the City of Monterey. These problems extend both to ownership housing opportunities and to rental opportunities, and particularly impact households that earn below 80 percent of Monterey AMI. Rental units that are priced at market rent and available in Monterey are generally affordable to moderate-income households up to 120 percent of AMI. However, even at this income level, the supply of housing is very limited. The inventory of very low-income and low-income housing in the city is not sufficient to meet the needs of the community's lowest-income residents. Constraints on development of new supply due to land constraints and limited water limit the development of new units.

Census and survey data show that a high percentage of low-income and below households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be utilized to produce a new supply of EL-I and VL-I rental units and to preserve existing affordable housing units.

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

In respect to actions planned to remove or ameliorate the negative effects of public policies such as land use controls, zoning ordinances, building codes, fees, and charges that serve as barriers to affordable housing, the City has initiated a number of actions. These include:

- The City continues to implement the goals of the General Plan Housing Element that was updated in 2016. It pursues the retention and building of new housing units in the city. Recent implementation actions include:
 - Amending the City's Zoning Ordinance to add a reasonable accommodation procedure, update the density bonus section, and allow emergency shelters and transitional and supportive housing as required by state law.
 - Preparing a brochure for owners and managers of rental housing in the city regarding property upkeep and setting reasonable rental rates. The brochure also includes dispute resolution information.
- The City acknowledges that Monterey is built out, with very little vacant land, so most new housing is anticipated to be higher density and on previously developed sites. To facilitate this type of development, the City will continue to implement the goals and programs set forth in

EXHIBIT A

the Downtown, Lighthouse Area, and North Fremont Street specific plans for mixed-use neighborhoods.

- The City has been able to demonstrate that its fair share of the regional housing supply can be achieved through mixed-use development, provided there is sufficient water supply for new development.
- The City closely monitors and supports, when appropriate, the efforts of the California American Water Company and the Monterey Peninsula Water Management District to secure additional water supply for the Monterey Peninsula.

Discussion

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide sufficient new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance and focus this housing to supply needed EL-I, VL-I, and L-I rental housing units.

AP-85 Other Actions – 91.220(k)

Introduction

This section describes the activities that are planned by the City to implement strategies to maintain and increase the supply of affordable housing, reduce lead-based paint (LBP) hazards, reduce the number of families at poverty level, develop institutional structure, and improve coordination among regional agencies and public service organizations so that these identified community development needs might be effectively addressed during the 5-year term of the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

The needs assessment portion of the Consolidated Plan identified the lack of affordable housing as a key unmet need. The Consolidated Plan acknowledges that land constraints and limited water will make it very difficult to provide sufficient new housing to address the lack of affordable housing. However, the Consolidated Plan identifies strategies that will emphasize development of new housing with City assistance, and focus this housing to supply needed EL-I, VL-I, and L-I rental housing units.

Additionally, in support of new housing, the City will continue to work collaboratively with regional jurisdictions and the Coalition of Housing Services Providers to improve coordination and strengthen institutional structures in the city and the region.

Furthermore, the PY 2018 Action Plan proposes to:

- Use CDBG funds in support of public service organizations that provide direct services to homeless and special needs populations.
- Allocate funds for LMI housing rehabilitation loans and grants. All projects that provide interior rehabilitation assisted with CDBG funds will be assessed for lead-based paint hazards, and identified hazards will be remediated/abated as part of rehabilitation.

Actions planned to foster and maintain affordable housing

As described in detail in the Housing Market Analysis of the Consolidated Plan, housing costs and affordability are the primary and most significant housing problems in the City of Monterey. These problems extend both to ownership housing opportunities and to rental opportunities to those households that earn below 80 percent of Monterey AMI. Rental units that are priced at market rate and available in the city are generally affordable to moderate-income households up to 120 percent of AMI. However, even at this income level, the supply of housing is very limited. The inventory of VL-I and L-I housing in the city is not sufficient to meet the needs of the community's lowest-income residents. Constraints on development of new supply due to land constraints and a lack of water severely limit the development of new units.

EXHIBIT A

Census and survey data show that a high percentage of low-income and below households in the community experience housing costs at 30 percent or greater of household income. The City intends through the 5 years of the Consolidated Plan to explore funding strategies that can be used to produce a new supply of EL-I and VL-I rental units and preserve existing affordable units wherever possible. The City is interested in creating a rental assistance program.

The City is also using alternative funds mentioned earlier in this document to support affordable housing. These efforts include:

- Management of Estrella Apartments (low-income housing, funded through HOME funds)
- Technical assistance for the Van Buren affordable housing project
- Technical assistance for the Monterey Hotel affordable housing project.

While these funds are not reported or tracked as part of the CDBG program, the City uses them to leverage affordable housing projects and to preserve affordable housing in Monterey.

Actions planned to reduce lead-based paint hazards

Eighty-one percent (81%) of the city's housing stock was built before 1980 (11,043 of 13,586 homes). In housing constructed prior to January 1, 1978, there is the possibility that lead-based paint was used. The City is conscious of the potential threat to human health this paint could present. Additionally, the City will conduct lead-based paint assessments as a component of any rehabilitation grant or loan project using CDBG funds.

Information and Education

Households that participate in housing activities under this plan, including home purchase, rental assistance, or rehabilitation, will be given educational materials regarding the hazards of lead-based paint, signs of lead poisoning, and strategies to reduce exposure. Materials will include the use of HUD/EPA publications such as "Protect Your Family from Lead in Your Home." Information will be provided in English and Spanish. Publications and referral information will be placed on the City's website in order to educate the public.

Actions planned to reduce the number of poverty-level families

The City's anti-poverty strategy is based on the preservation and repair of existing housing units in the community and attracting a range of businesses to support workforce development to provide jobs for low-income residents. In addition, the City provides support for projects and services to several agencies offering a variety of supportive services to low-income residents.

The provision of social services for the elderly, homeless, veterans, families, and youth will expand opportunities for growth and encouragement. Supportive and legal services for seniors will ensure that these persons are not victims of fraud or abuse and will assist them to live independently in their homes.

Actions planned to develop institutional structure

The City will continue to use CDBG funds to administer and monitor the Consolidated Plan and Annual Action Plans and to complete the Consolidated Annual Performance Evaluation Report. The City will continue to support public service organization that are providing direct services to the city's lowest-income individuals and households, which helps the organizations remain in the community.

The City has established a committee consisting of staff and the chair of the Planning Commission to annually review grant applications submitted by public services providers. The City also participates in the 10-Year Plan to End Homelessness and reviews and comments on proposals and grant proposals submitted to the Coalition of Homeless Services Providers. The City also closely coordinates CDBG planning efforts and Housing Element update planning efforts.

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

The City contracts with nonprofit agencies for ongoing support services and housing programs. Affordable housing development projects are administered by the Housing Authority of the County of Monterey (HACM), the Community Housing Improvements Systems and Planning Association, Interim, Inc., and for-profit developers.

In addition to these entities, the City considers proposals from other for-profit developers and housing nonprofit agencies for affordable ownership and for transitional and permanent housing projects. In previous years, the City provided grant and loan funds to facilitate project completion and rehabilitation of nonprofit housing facilities owned by Community Human Services, Interim, Inc., and Monterey County Housing Inc., Affordable Acquisitions (MCHI, AA).

The City considers opportunities to support potential projects and requests for funding on a case-by-case basis. The City intends to continue cooperative relationships with other public agencies and nonprofit organizations including HACM, Community Housing Improvement Systems and Planning Association (CHISPA), Alliance on Aging, Housing Resource Center, and Interim, Inc., to develop additional affordable housing opportunities and provide public services for low- and moderate-income households and other special needs populations identified as priorities in the Consolidated Plan.

The City of Monterey will continue to coordinate with these agencies to ensure that available resources are fully utilized and leveraged to the maximum extent possible. Applicants for funds administered by

EXHIBIT A

the City will also be encouraged to combine federal, state, and private resources with grants or loan funds from the City.

Discussion

The FY 2018 Action Plan anticipates full entitlement funding. The FY 2018 Action Plan prioritizes support for public service organizations providing direct services to disadvantaged and homeless residents, and for public facility improvements intended to increase access and provide long-term sustainability for public assets. Ensuring conformance with HUD regulations is an ongoing activity.

Program Specific Requirements

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

Introduction

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 which 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.	85.00%



Minutes CDBG Technical Workshop

Thursday
January 25, 2018
Council Chambers
500 Pacific Street
Monterey, CA

EXHIBIT A

Exhibit A

Review Panel:

Stephen Millich, Planning Commission Chair
Bill Clark, Assistant Police Chief
Kimberly Cole, Acting Community Development Director
Elizabeth Caraker, Housing and Community Development Manager
Maryn Ljubimow, Administrative Analyst

City Staff:

Sandy Barajas, Accounting Assistant

Presenter:

Maryn Ljubimow, Administrative Analyst

Meeting opened:

10:00 A.M.

Maryn Ljubimow started the workshop by welcoming all the attendees and proceeded with the introduction of the 2018-19 Community Development Block Grant Program (CDBG). The power point was not available due to technical difficulties, but was emailed out to all attendees after the meeting. A summary was given of the City's five year Consolidated Plan and how it ties in with our Grant Program.

Until the City hears from HUD on what the awarded grant amount will be, the City estimate available grant funding on the amount from the current grant year, which is \$126,000. This next grant year the City will also be giving out approximately \$166,000 for non-profit Infrastructure Improvement grants. The timeline was announced regarding the Draft Action Plan and the CDBG Grant process from the workshop to getting approval by Council and submitting it to HUD.

It was explained that per HUD's requirement we will be doing desk and on-site monitoring to assure that sub-recipient agencies are reporting correctly and following the guidelines.

The meeting was opened up for comments and questions on the grant application process.

Question

Judy Karas, Gathering for Women volunteer, wanted to know how the grant information is shared. It was explained the City follows the HUD required Citizen Participation Plan and summarized that the City produces a media publication, legal notices in the local newspaper, email blasts, posts information on the City's Housing website, and distributes hard copies of draft plans at public counters.

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EXHIBIT A

Teresa Sullivan, Alliance on Aging, asked if the Draft Action Plan was an evolving draft, and also asked if the City will ever transition to a two-year grant cycle. Maryn explained the draft is updated all the way to getting it approved by City Council, and the 30 day comment period starts on March 31, 2018. A two-year grant cycle will be considered for future Action Plans. City staff would like to review with HUD, and will also look at how other agencies are handling multi-year grant cycles.

Melissa Kendrick, Food Bank, asked about transitioning to an online system for application submission, and if that could be something that we can look at for the next grant year. Maryn responded that the City will consider switching to an online-based system for subsequent years. The group gave their preference for City Data Services.

Maryn reminded everyone that any Infrastructure Improvement grant questions need to be directed to her, and that projects have to be shovel ready when the application is submitted.

Community Needs:

The meeting was opened up for comments and questions regarding unmet community needs.

Edith Malkin, Monterey resident, asked what services are provided by the City. It was explained that services are provided by non-profits through the City's Public Service Grant program. Her main concerns were affordable workforce housing, and if it is not addressed soon it would cause a future strain on the other agencies that would have to provide services for the newly homeless residents or workforce. It was explained that workforce housing is out of the scope of the CDBG program, but that her concern is acknowledged and City staff will work on other programs to address workforce housing needs.

The need for a warming shelter and transitional housing was brought up. Elizabeth Cerkler gave a brief update on the status of the warming shelter project. She stated that the City has conducted a study to identify possible locations. This study will be presented to the City Council for further direction. The City is also looking for opportunities to support new affordable housing projects.

Rob Rapp, Community Human Services, says they are experiencing a 70% increase in clients with mental or substance abuse issues.

Melissa Kendrick mentioned the increase of homelessness among families with children. She also expressed concern with the high cost of all these surveys and studies that need to be done and the use of consultants. City staff acknowledged her concern and said that certain studies are necessary either because they are required by HUD, or they are required as part of project development. However, City staff does try to limit the use of consultants, and also partners with other local agencies on required studies when feasible. For example, this year the City is partnering with other local agencies on a regional Analysis of Impediments to Fair Housing Choice.

Lynn Young, Kermes Pool, recommended that the non-profits get together and coordinate more. She gave the example of the Human Care Alliance in Santa Cruz County.

Meeting was adjourned at 11:45 A.M

EXHIBIT A

Respectfully submitted,


Sandy Barajas
Accounting Assistant

Approved,

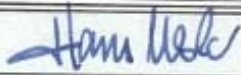

Maryn Liebhorn
Administrative Analyst

Grantee SF-424's and Certification(s)

OMB Number: 4040-0204
Expiration Date: 12/31/2019

Application for Federal Assistance SF-424			
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		* 2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision * If Revision, enter appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>	
* 3. Date Received: 05/15/2019		4. Applicant Identifier: 2-18-9C-05-004	
5a. Federal Entity Identifier: 945002378		5b. Federal Award Identifier: <input type="text"/>	
State Use Only:			
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:			
* a. Legal Name: City of Monterey			
* b. Employee/Taxpayer Identification Number (EIN/TIN): 94-6000274		* c. Organizational OUNS: 21-190-5329	
d. Address:			
* Street1: 500 Pacific Street Street2: <input type="text"/> * City: Monterey Country/Parish: <input type="text"/> * State: CA, California Province: <input type="text"/> * Country: USA, UNITED STATES * Zip / Postal Code: 93940-2808			
e. Organizational Unit:			
Department Name: Community Development		Division Name: Housing Programs	
f. Name and contact information of person to be contacted on matters involving this application:			
Prefix: <input type="text"/> * First Name: Daryn Middle Name: <input type="text"/> * Last Name: Subinov Suffix: <input type="text"/> Title: Administrative Analyst Organizational Affiliation: <input type="text"/> * Telephone Number: (831) 646-5616 Fax Number: (831) 646-5616 * Email: dsubinov@montreay.org			

Application for Federal Assistance SF-434	
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="C: City or Township Government"/>	
Type of Applicant 2: Select Applicant Type: <input type="text"/>	
Type of Applicant 3: Select Applicant Type: <input type="text"/>	
* Other (specify): <input type="text"/>	
* 10. Name of Federal Agency: <input type="text" value="U.S. Department of Housing and Urban Development"/>	
11. Catalog of Federal Domestic Assistance Number: <input type="text" value="14-128"/>	
CFDA Title: <input type="text" value="Community Development Block Grant"/>	
* 12. Funding Opportunity Number: <input type="text" value="N/A"/>	
* Title: <input type="text" value="N/A"/>	
13. Competition Identification Number: <input type="text"/>	
Title: <input type="text"/>	
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <div> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div>	
* 15. Descriptive Title of Applicant's Project: <input type="text" value="City of Monterey will utilize funding to support various public services, housing programs and public infrastructure projects serving low-and census tract block groups."/>	
Attach supporting documents as specified in agency instructions. <div> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/> </div>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: CA-20	* b. Program/Project: CA-20
Attach an additional set of Program/Project Congressional Districts if needed.	
<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
17. Proposed Project:	
* a. Start Date: 07/01/2018	* b. End Date: 06/30/2019
18. Estimated Funding (\$):	
* a. Federal	230,789.00
* b. Applicant	0.00
* c. State	480,000.00
* d. Local	300,000.00
* e. Other	0.00
* f. Program Income	1,000,000.00
* g. TOTAL	1,970,789.00
19. Is Application Subject to Review By State Under Executive Order 12372 Process? <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372.	
20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", provide explanation and attach <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. By signing this application, I certify (1) to the statements contained in the list of certifications ¹ and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances ² and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 28, Section 1001) <input checked="" type="checkbox"/> I AGREE <small>¹ The list of certifications and assurances, or an internal site where you may obtain this list, is contained in the announcement or agency specific instructions.</small>	
Authorized Representative:	
Prefix: Mr.	* First Name: Hans
Middle Name:	
* Last Name: Balag	
Suffix:	
* Title: Interim City Manager	
* Telephone Number: (811) 646-3760	Fax Number: (811) 646-3793
* Email: hbalag@cityofmarietta.org	
* Signature of Authorized Representative: 	* Date Signed: 5/14/18

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing –The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying –To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction –The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan –The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 – It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.


Signature of Authorized Official

5/14/11
Date

Interim City Manager
Title

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation – It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan – Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds – It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. **Overall Benefit.** The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) 2018 - 2019 [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force – It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws – The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint – Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.


Signature of Authorized Official

5/14/18
Date

Interim City manager
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
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Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

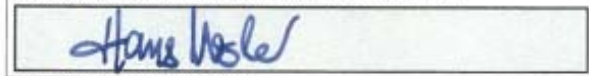
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4901 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-265), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§260 dd-3 and 260 ee. 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

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Standard Form 424-D (Rev. 7-87)
Prescribed by GMB Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1506 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276e-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-160) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11890; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-206).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1960, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 108(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Producing a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Zacharia City Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of Monterey	5/14/18

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