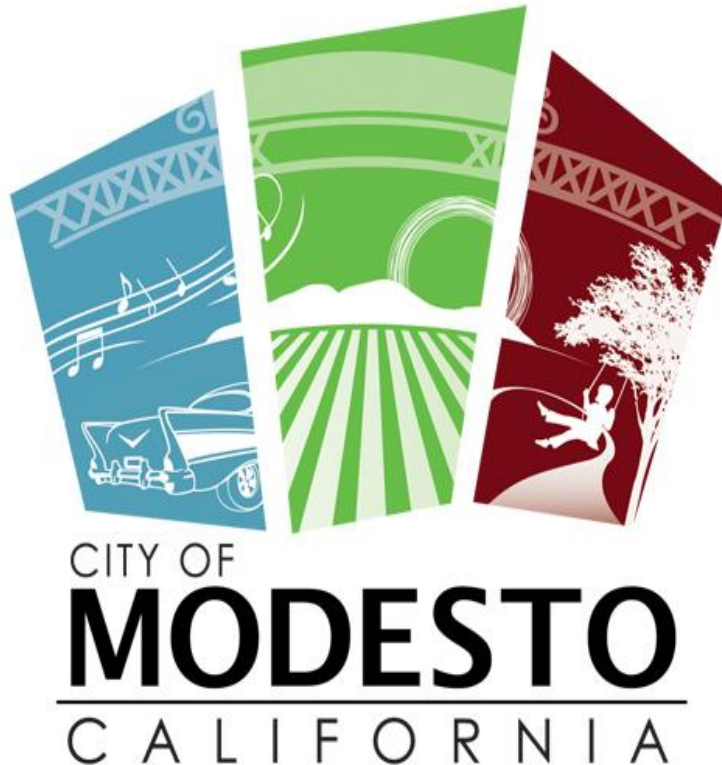


# Consolidated Annual Performance Evaluation Report (CAPER) Program Year 2016-2017



City Of Modesto  
Community and Economic Development Department  
1010 10<sup>th</sup> Street, Suite 3100  
Modesto, CA 95354  
[www.modestogov.com](http://www.modestogov.com)  
[housing@modestogov.com](mailto:housing@modestogov.com)

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## **CR-05 - Goals and Outcomes**

**Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

**This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.**

The Program Year 2016 (PY16) Consolidated Annual Performance Evaluation Report (CAPER) captures the expenditures, accomplishments and progress made with activities identified in the Fiscal Year 2016-2017 (July 1, 2016 - June 30, 2017) Annual Action Plan and related amendments. The CAPER outlines the City of Modesto's achievements in the areas of affordable housing, homeless services and community development programs. The PY16 CAPER is the second annual report of the 5-year City of Modesto 2015-2020 Consolidated Plan. The programs are primarily administered and overseen by the Community & Economic Development Department (CEDD) in cooperation with other City of Modesto departments.

The City of Modesto's primary focus during PY 2016 was to continue improving neighborhoods, provide homeownership opportunities, improve living conditions, and the provision of services for the homeless, including individuals with special needs.

Goals contained in the City of Modesto Strategic Plan that the City of Modesto deemed relevant for the Consolidated Plan were also among the bases for assigning priorities

### **Amendments to the PY16 Annual Action Plan**

The City of Modesto completed four substantial (4) amendments to the 2016-2017 Program Year Annual Action Plan. The following is a description of each amendment and an update on each amendment, if applicable:

**Amendment #1.** Allocated \$250,000 CDBG funding for Acquisition, Public Facility Improvement, and Clearance and Remediation Activities related to a Homeless Access Center.

**Update:** Funds have been reserved for a permanent Homeless Access Center location, once approved via a public outreach process. Currently there is a temporary Homeless Access Center funded by philanthropic and Stanislaus County funding.

**Amendment #2:** Allocated \$13,257.50 of uncommitted FY 2016-2017 Emergency Solutions Grants (ESG) funds for Rapid Rehousing and Homeless Prevention Activities; allocated an additional \$100,000 in CDBG entitlement funds for the Acquisition, Public Facility Improvement, Clearance and Remediation Activities related to a Homeless Access Center; allocated \$400,000 in CDBG entitlement funds for a Homeowner Sewer and Water connection program; added \$10,000 to support a Fair Housing activity, utilizing CDBG entitlement funds; and establish the use of Activity Delivery costs associated with CDBG eligible projects;

**Update:** FY 2016-2017 ESG funds were competitively awarded to Family Promise of Greater Modesto for Rapid Rehousing and Homeless Prevention Activities. Additional funds (\$100,000) reserved for the

Homeless Access Center will assist with Acquisition, Public Facility Improvement, Clearance and Remediation Activities. See Amendment #1 update a project description.

**Substantial Amendment #3:** Allocated \$400,000 in CDBG entitlement funds to a Homebuyers Assistance Program by creating a Revolving Loan Fund (RLF) for this activity.

**Update:** Shortly after conducting this Substantial Amendment, HUD notified the City of Modesto that the 2017 timeliness test would include funds in RLF accounts. Therefore, the activity planned under this Substantial Amendment did not take place and this funding type was reallocated to housing rehabilitation activities, to meet HUD's timeliness expenditure test.

The City will be utilizing HOME funding in place of CDBG funding, as it is better suited to utilization for a First Time Homebuyer program.

**Substantial Amendment #4:** Allocated \$1,200,000 in CDBG funds to establish a Rental Housing Rehabilitation Program to serve low income housing; amended an existing program name to Affordable Housing Acquisition Program and allocated an additional \$400,000 in funding. This program is essential due to aging affordable rental housing stock throughout the City of Modesto. This program allows participants to remain in housing that has units brought up to current health and safety standards.

**Update:** This amendment was also conducted in an effort to meet the 2016 CDBG timeliness expenditure threshold. The City of Modesto partnered with local affordable housing developers to undertake housing rehabilitation activities. The City of Modesto partnered with Stanislaus County Affordable Housing Corporation (STANCO) and the Housing Authority of the County of Stanislaus (HACS) to rehabilitate a total of 92 affordable housing units designed to house special needs populations.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Acquisition and Rehabilitation	Affordable Housing		Homeowner Housing Rehabilitated	Household Housing Unit	73	22	30.14%	7	22	314.29%
At-risk Housing Services	Non-Housing Community Development		Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	473	280	59.20%	130	140	107.6%
Child Care Services	Non-Housing Community Development	CDBG: \$20819	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1455	427	29.35%	161	270	167.7%
Emergency Shelter Beds	Homeless	ESG: \$65129	Homeless Person Overnight Shelter	Persons Assisted	3750	1383	37%	750	688	91.73%
Fair Housing Services and Education	Fair Housing	CDBG: \$10000	Other	Other	2184	3155	144%	149	154	103.36%
HMIS Implementation	Homeless	ESG: \$1440	Other	Other	1	1	100.00%	1	1	100.00%
Homebuyers Assistance	Affordable Housing	CDBG: \$400000	Direct Financial Assistance to Homebuyers	Households Assisted	36	1	2.78%	7	1	14.29%
Housing Crisis Counselling	Homeless	CDBG: \$17299.22 / ESG: \$45530.72	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	290	92	31.72%	60	66	110%

Housing Crisis Counselling	Homeless	CDBG: \$17299.22 / ESG: \$45530.72	Homeless Person Overnight Shelter	Persons Assisted	125	80	64%	25	36	144.00%
Housing Crisis Counselling	Homeless	CDBG: \$17299.22 / ESG: \$45530.72	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds Added	100	56	56%	20	31	155.00%
Housing Preservation	Affordable Housing		Rental units rehabilitated	Household Housing Unit	300	92	30.67%	60	92	153%
Housing Rehabilitation Program	Affordable Housing	CDBG: \$400000	Homeowner Housing Rehabilitated	Household Housing Unit	35	32	62.86%	7	22	314.29%
Local LMI Hiring Initiative	Non-Housing Community Development	CDBG: \$250000	Jobs created/retained	Jobs	35	2	5.71%	7	2	28.57%
Local LMI Hiring Initiative	Non-Housing Community Development	CDBG: \$250000	Businesses assisted	Businesses Assisted	20	1	5%	4	1	25.00%
Minor Home Repair - Energy Efficiency	Affordable Housing	CDBG: \$184000	Homeowner Housing Rehabilitated	Household Housing Unit	60	10	16.67%	10	10	100.00%
Neighborhood Clean-up	Non-Housing Community Development	CDBG: \$71082	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	10,920	412	4%	2184	235	10.76%
Permanent Supportive Housing	Homeless		Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	30	26	86.67%	6	26	433%

Rental Housing Construction	Affordable Housing	HOME: \$873622	Rental units constructed	Household Housing Unit	44	50	113.64%	74	50	67.57%
Senior Housing Production	Affordable Housing		Homeowner Housing Rehabilitated	Household Housing Unit	125	22	17.60%	25	10	40%
Senior Supportive Services	Non-Housing Community Development	CDBG: \$29772	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	875	883	100.9%	1200	883	73.58%
Services - Anti-poverty	Non-Housing Community Development	CDBG: \$135660.42	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	171500	64649	38%	34308	30680	89.43%
Supportive Housing	Affordable Housing		Rental units constructed	Household Housing Unit	90	92	102%	18	92	511%
Supportive Services - Homeless	Homeless	ESG: \$58748.36	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	3000	2015	0.00%	600	982	163.6%
Supportive Services - Homeless	Homeless	ESG: \$58748.36	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	20	26	130%	5	26	520%
Supportive Services - Housing	Non-Homeless Special Needs		Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1250	0	0.00%	250	0	0.00%

Transitional Housing Units	Homeless	CDBG: \$100000 / ESG: \$55900	Homelessness Prevention	Persons Assisted	195	48	25%	39	14	35.90%
Transitional Housing Units	Homeless	CDBG: \$100000 / ESG: \$55900	Housing for Homeless added	Household Housing Unit	35	4	11%	7	4	57%

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The City of Modesto’s Consolidated Plan identified Priority Needs that were ranked from Low, Moderate, to High in level of priority. The City of Modesto identified a total of 16 priority need areas broadly categorized as:

Affordable Housing – High

Fair Housing - Low

Ending Chronic Homelessness - High

Public Services - High

Public Facilities Improvements - High; and

Public Improvements - High

The majority of funded activities fall within the high priority needs identified in the Consolidated Plan. Each CDBG funded activity funded was appropriately vetted to ensure that it met one of the above listed priority needs, and, more importantly, that it met a CDBG National Objective.

The City of Modesto’s overall priority is to increase self-sufficiency and economic opportunity for lower-income residents and individuals with special needs so that they can achieve a reasonable standard of living. The City of Modesto’s approach to assist lower-income individuals achieve increased self-sufficiency and economic opportunity has been through the provision of a combination of the following: affordable housing; supportive services to maintain independence; investment in lower-income and deteriorating neighborhoods, and in facilities that serve lower-income populations; and education and technical skills that allow individuals to obtain jobs paying self-sufficiency wages.

The City of Modesto, by focusing on these overall priorities, seeks to address community concerns such as:

- A need for additional affordable housing to address housing problems such as overcrowding, overpayment, homelessness, and substandard housing conditions for the City of Modesto’s lowest income residents;
- Supportive services that increase the ability of seniors, persons with disabilities, and others with special needs to live independently and avoid institutions;
- A network of shelter, housing, and support services to prevent homelessness, move the homeless to permanent housing and independence, and decrease the number of homeless households

with children; and Programs that promotes economic development and creates jobs, and that increase the job skills of potential employees from the targeted lower-income groups.

**CR-10 - Racial and Ethnic composition of families assisted**

**Describe the families assisted (including the racial and ethnic status of families assisted).**

**91.520(a)**

	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>
White	20263	8	761
Black or African American	2776	5	121
Asian	637	2	11
American Indian or American Native	585	0	27
Native Hawaiian or Other Pacific Islander	411	0	20
<b>Total</b>	<b>24,672</b>	15	940
Hispanic	9,512	2	327
Not Hispanic	15,160	13	613

**Table 2 – Table of assistance to racial and ethnic populations by source of funds**

**Narrative**

The City of Modesto offers services and programs to eligible households regardless of race or ethnicity of Modesto. Beneficiary demographic data is collected and validated throughout the program year. The demographic data reported in this table is a representation of beneficiaries served through each entitlement program during Program Year 2016-2017.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	\$6,105,705	\$3,227,230
HOME	HOME	\$4,013,028	\$2,015,148
HOPWA	HOPWA		
ESG	ESG	\$223,660	\$204,889
Other	Other		

Table 3 - Resources Made Available

### Narrative

The City made available approximately \$10 million of CDBG, ESG, and HOME funds. Approximately \$5.4 million were invested in local programs and services such as affordable housing projects, public services, public facility improvements, owner-occupied rehabilitation projects, Section 108 loan repayment, homeless and emergency shelter services, and planning and administration activities.

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
LOW INCOME CENSUS TRACTS	80%	80%	Public Services; Owner Occupied Housing Rehabilitation; Rental Housing Rehabilitation

Table 4 – Identify the geographic distribution and location of investments

### Narrative

The City of Modesto distributed HUD funding to primarily benefit low and moderate income persons and families. HUD funds were also targeted to low income Census Block Groups as designated by HUD. The attached maps show the census tracts that were the focus of assistance during the program year. Map #1 shows the low-income census tracts where median household incomes are below 80% of the area's median income. Map #2 map shows the areas of minority concentration for those who identified themselves as Hispanic, Black-African/American, Asian, and American Indian/Alaskan Native.

If 51 percent or more of the households in a given Census Tract qualify as low- or moderate-income, or 51 percent or more of the population are members of minority groups, then the tract is defined as an area of concentration. Nine Census Tracts mainly located along Highway 99 and surrounding downtown Modesto, have low- or moderate-income concentrations. Fourteen Census Tracts, including most of the Census Tracts west of Highway 99 and a couple other tracts on the edges of the City of Modesto limits, have minority concentrations.

## Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

Leverage, in the context of the City of Modesto's three HUD programs, means bringing local, state, and federal financial resources to maximize the impact of the City of Modesto's HUD funded programs. Leverage is also a way to increase project efficiencies and benefit from economies of scale that often come with combining sources of funding for similar scopes. HUD encourages the City of Modesto to demonstrate that efforts are being made to strategically leverage additional funds in order to achieve greater results. HUD funds will be considered leveraged if financial commitments toward the costs of a project from a source, other than the originating HUD source, are documented.

In Program Year 2016-2017, the City of Modesto began tracking leverage amounts from all CDBG and ESG public service sub-recipients via the ZoomGrants™ software reporting/invoicing system. Public Service sub-recipients are required to submit leverage amounts with supporting documentation as part of the City of Modesto's quarterly monitoring reviews. The City of Modesto uses this data for its HUD reports in IDIS.

### HOME – 25% Match Requirement

The 25% HOME match requirements are met through the contributions or layers of funds that the developers provide for each HOME -assisted project. The match includes private financing, waiver or deferral of development fees approved by the Modesto City of Modesto Council, Tax Credit Allocations, and any other eligible source.

### ESG – 100% Match Requirement

For the ESG program, the City of Modesto required that ESG sub-recipients provide a dollar-for-dollar match for ESG funds received. Typically, the City of Modesto is able to generate significantly more match than the amount required through its allocation of CDBG funds for ESG activities and primarily through the cash and non-cash contributions provided by ESG sub-recipients as a result of the generosity of their donors, supporters, and other funders.

The City of Modesto has a vacant parcel in the Airport Neighborhood that was acquired with NSP2 funds. The intent is to transfer the parcel to a non-profit organization that could, in turn, develop a single family housing unit and sell it to a low income household, or to provide permanent supportive housing for a homeless family. Additionally, the City of Modesto, as the successor housing entity to the former Redevelopment Agency of the City of Modesto, owns a parcel that will be utilized to develop 74 affordable housing units for low and very low income households.

<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	\$0.00
2. Match contributed during current Federal fiscal year	\$11,528,046

<b>Fiscal Year Summary – HOME Match</b>	
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$11,528,046
4. Match liability for current Federal fiscal year	856,410
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	10,671,636

**Table 5 – Fiscal Year Summary - HOME Match Report**

<b>Match Contribution for the Federal Fiscal Year</b>								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
IDIS #995	7/1/16	\$490,000	\$458,800				\$10,579,246	\$11,528,046

<b>Program Income – Enter the program amounts for the reporting period</b>				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
77,392.76	135,106.38	174,753.88	0	37,745.26

**Table 7 – Program Income**

<b>Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period</b>						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
<b>Contracts</b>						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
<b>Sub-Contracts</b>						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	14010	0	0

	Total	Women Business Enterprises	Male
<b>Contracts</b>			
Dollar Amount	0	0	0
Number	0	0	0
<b>Sub-Contracts</b>			
Number	0	0	0
Dollar Amount	0	0	0

**Table 8 – Minority Business and Women Business Enterprises**

<b>Minority Owners of Rental Property</b> – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

**Table 9 – Minority Owners of Rental Property**

<b>Relocation and Real Property Acquisition</b> – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

**Table 10 – Relocation and Real Property Acquisition**

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	35	4
Number of Non-Homeless households to be provided affordable housing units	17	50
Number of Special-Needs households to be provided affordable housing units	2	0
<b>Total</b>	<b>54</b>	<b>54</b>

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	35	0
Number of households supported through The Production of New Units	10	50
Number of households supported through Rehab of Existing Units	7	22
Number of households supported through Acquisition of Existing Units	2	0
<b>Total</b>	<b>54</b>	<b>72</b>

Table 12 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals upon CAPER creation.**

Although goals were not met by affordable housing type/category, the overall annual goal of serving 54 households was met.

4 = Glendale Veterans Quarters

50 = Tower Park

22 = Owner Occupied Rehab

**Discuss how these outcomes will impact future annual action plans.**

As discussed above the outcomes have a major role in developing future Consolidated Annual Action Plans as well as their future goals. CDBG Funds were used for housing activities such as home repair loans and grants to assist eligible homeowners.

Annually, the City of Modesto continues to set priorities to meet the goals in the 5-Year Consolidated Plan shifting focus, as needed, to prioritize activities based on available funding.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	8,370	21
Low-income	1,377	3
Moderate-income	382	0
<b>Total</b>	<b>10,129</b>	<b>24</b>

**Table 13 – Number of Households Served**

**Narrative Information**

The City of Modesto's Housing Rehabilitation Program served 22 low income families. The City of Modesto assisted eligible households with health and safety repairs such as installation of energy efficient windows, energy efficient HVAC system, re-roof improvements, ADA bathroom improvements, electrical repairs, and ADA ramps.

The City of Modesto completed a 50 unit multi-family housing complex (Tower Park) during Program Year 2016-2017. The Tower Park Senior Apartments housing project was funded with HOME was completed in PY2016. Tower Park Tower project was a 50-unit new construction rental development to provide affordable housing opportunities to low-income seniors (55+ years) earning 30% - 60% AMI. The development consists of 49 one-bedroom apartments and a two-bedroom manager's unit in a 3-story elevator building located in the heart of downtown Modesto in Stanislaus County. The project includes 29 surface parking spaces. The project developer was Satellite Affordable Housing Associates (SAHA).

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

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

The City of Modesto has participated in the Stanislaus Community System of Care (CSOC) (the local Continuum of Care - CoC) planning process to move individuals and families from homelessness to permanent housing and independent living through a network of housing linked to supportive services. The primary strategy document is the annual CoC Exhibit #1 Application. Additionally, the CSOC is currently working with its members in the first steps toward a continuum-wide coordinated entry system (CES). The first step in the coordinated system of care (SOC) is the development of a temporary Access Center that on August 1, 2017.

The local CoC (CSOC) also formally added homeless or individuals with lived experience onto the CoC Council as voting members to ensure a more thorough perspective of the challenges facing the community in the realm of affordable housing and wraparound services for the homeless.

All ESG subrecipients that carried out emergency shelter activities had a street outreach component to its operations. Additionally, ESG subrecipients participated in the local CoC Point-In-Time (P.I.T.) and the Housing Inventory Count (H.I.C.) count in January 2017, which afforded them an opportunity to reach out to unsheltered persons. The City of Modesto's ESG subrecipients that provide emergency shelter, also provide case management with prerequisite assessment so that they may develop an individualized plan comprised of personal goals.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

As the county seat of Stanislaus County, the City of Modesto is where most services (including shelter and transitional housing) are located in Stanislaus County. Therefore, many people experiencing homeless who utilize available services live in Modesto. The City of Modesto uses CDBG public service and ESG funds to support emergency shelter providers.

In Program Year 2016-2017, the City of Modesto partnered with Stanislaus County Affordable Housing Corporation (STANCO) and the Housing Authority of the County of Stanislaus (HACS) to rehabilitate a total of 92 rental housing units designed to provide affordable housing choices to special needs populations, including chronically homeless individuals and youth aging out of foster care. Projects like these extend the life of affordable housing complexes thereby ensuring that much needed housing opportunities remain within the City's affordable housing stock for many years to come.

Other strategies designed to address homelessness, such as financial assistance and supportive housing, were carried out through other City of Modesto funding sources, such as using Focus on Prevention

(FoP) funding , and various partnerships with the Housing Authority to build affordable housing designed to serve those experiencing homelessness and other extremely low-income/homeless populations.

In addition to helping these persons make the transition to stable housing using its ESG funds, the City of Modesto has invested millions of dollars using federal stimulus funds (NSP) to develop, in partnership with its sub-recipient, the Housing Authority, a 32-unit complex designed to serve youth experiencing homelessness and former foster youth (ages 18-28) with permanent supportive housing. Center for Human Services' Pathways serves as a transitional supportive housing pathway to this 32-unit permanent supportive housing project.

#### *The Intent of a Coordinated Entry*

1. Allow anyone who needs assistance to know where to go to get that assistance, to be assessed in a standard and consistent way, and to connect with the housing/services that best fit their needs;
2. Ensure clarity, transparency, consistency and accountability for homeless clients, referral sources and homeless service providers throughout the assessment and referral process;
3. Facilitate exits from homelessness to stable permanent housing in the most rapid manner possible given available resources;
4. Ensure that clients gain access as efficiently and effectively as possible to the type of support most appropriate to their immediate and long-term housing needs;
5. Ensure that people who have been homeless the longest and/or are the most vulnerable have priority access to scarce permanent supportive housing resources.

The implementation of coordinated entry necessitates significant, community-wide coordination and alignment of all services to help ensure that the system will be effective and manageable for homeless persons and persons at-risk of homelessness and for the housing and service providers tasked with meeting their needs. A comprehensive group of stakeholders was involved in its design to assist in the facilitation of this endeavor. A periodic evaluation (at least annually) of the coordinated entry process will provide ongoing opportunities for stakeholder feedback.

The City of Modesto awarded CDBG and/or ESG funds to the following emergency shelter and transitional housing providers: Emergency shelter housing services were offered through The Salvation Army, Havens Women's Center and Family Promise Services, The Salvation Army and Center for Human Services provided transitional housing services.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City of Modesto has invested years of effort and millions of dollars of HOME, CDBG, and ESG funds to develop and address the affordable housing needs of other special needs populations (e.g., elderly and frail elderly; persons with mental, physical, and/or developmental disabilities; persons with alcohol and other drug addiction; persons with mental illness; persons with HIV/AIDS and their families; and public housing residents).

The City of Modesto has been working in collaboration with the local Continuum of Care (now named CSOC) for over 15 years to improve services to the homeless and those at risk of becoming homeless.

### ***Focus on Prevention Homelessness Initiative***

The Stanislaus County Board of Supervisors launched the Focus on Prevention countywide initiative with the aim to improve the quality of life for all Stanislaus residents and families through coordinated prevention efforts that work across multiple sectors and address root causes. These sectors include arts, entertainment and sports; business; education; faith; government; healthcare; media; non-profits; neighborhoods; and philanthropy. The initial area of focus was preventing and reducing homelessness and a Homelessness Action Council (HAC) convened to develop results, indicators, and strategies to guide this effort.

The HAC began meeting in May 2015 to map the current realities for people who are experiencing homelessness or at-risk of homelessness in Stanislaus County. The HAC developed recommendations for high leverage strategies that can have both immediate and long-term positive impacts on preventing and reducing homelessness. Over 150 people participated in seven half-day sessions between May and December 2015 including people who have been and are currently homeless, neighbors of parks impacted by homelessness and vagrancy, and homelessness service providers. In December of 2015, the HAC reached consensus and endorsed a set of priority results, indicators and strategies. This set of results and strategies are now known as the “Common Agenda to Prevent and Reduce Homelessness in Stanislaus County”.

At the heart of the Common Agenda are four broad strategies to help people who are homeless, or at risk of homelessness, permanently escape this experience. These strategies include:

1. **Engagement:** Improving community-based engagement strategies to build relationships with people who are homeless or at risk of homelessness;
2. **Coordinated Access:** Developing a countywide Coordinated Access System integrating public and community based supports;
3. **Housing:** Improving both the quantity and quality of temporary, transitional, and permanent supportive housing in the county; and
4. **Supportive Services:** Increasing the availability and effectiveness of supportive services that help people escape from and stay out of homelessness.

Instead of isolated interventions of the past, multiple homelessness service agencies and community partners in Stanislaus County have come together, to align their efforts and form partnerships that have resulted in a Homelessness Community System of Care. Homelessness service providers and agencies have convened to develop a new system of care in which all sectors have a role and are contributing to

the desired results and acknowledge that service providers and partners can accomplish much more working together rather than separately.

Multiple partners have since participated in a variety of workgroups to provide input on the development of a Homelessness Community System of Care which at the center encompasses coordinated entry. A multi-sector leadership collaborative of 25 board members, named the Stanislaus Community System of Care Council, was established to provide overall guidance for the Homelessness Community System of Care.

Behavioral Health & Recovery Services Director

Community Service Agency Director

Entitlement Jurisdiction – City of Modesto Community Development Manager

Entitlement Jurisdiction – City of Turlock Assistant to the City Manager for Housing and Economic Development

Entitlement Jurisdiction – Stanislaus County Director of Planning & Community Development

Non-Entitlement Jurisdiction – City of Riverbank Representative

Non-profit Housing Provider: Permanent Supportive Housing Representative

Non-profit Housing Provider: Transitional/Rapid Re-Housing Representative

Non-profit Housing Provider: Emergency Shelter Representative

Youth Services Provider Representative

Victims Services Provider Representative

Housing Authority of Stanislaus County Representative

Veterans Representative

Health Care Provider Representative

Stanislaus County Director of Aging & Veterans Services

Three (3) people who are or have experienced homelessness

Advocate for people who are homeless

Faith sector representative

Neighborhood Representative

Education community Representative

Business community Representative

Philanthropy Representative

Law Enforcement Representative

The coordinated entry process described in this manual is designed to coordinate and strengthen access to housing for families and individuals who are homeless or at risk of homelessness within Stanislaus County.

**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**

The City of Modesto, its ESG subrecipients, the CSOC and other partners have been especially strategic in building housing that will stably house and promote the self-sufficiency of these subpopulations of persons experiencing homelessness. ESG subrecipients have also had to find strategic ways to assist clients find housing and keep their housing.

For example, in Program Year 2016-2017, Family Promise, through its new Renter Restoration & Prevention Services program provided tenant education to help participants become better tenants with an end goal of restoring tenants to the mainstream rental market. Through this program Family promise worked with landlords to find ways for landlords to accept previously evicted tenants and establish a plan that would minimize the risk and encourage landlord participation.

In addition, the City of Modesto has partnered in the past with the Housing Authority of the County of Stanislaus, do develop a 32-unit complex designed to serve youth experiencing homelessness and former foster youth (ages 18-28) with permanent supportive housing. Center for Human Services' Pathways serves as a transitional supportive housing pathway to this 32-unit permanent supportive housing project.

Most recently through the alignment of the CSOC and the Focus on Prevention effort the community has been able to leverage approximately \$2.9 Million dollars of non-federal funding to address affordable homeless housing and coordinated entry efforts.

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

The City of Modesto and the Housing Authority of the County of Stanislaus (HACS) have a strong working relationship and continue to work toward furthering decent, safe, and affordable housing within the City of Modesto and Stanislaus County. The HACS is the largest affordable housing property manager of multi-family and single household public housing units for lower income people in Stanislaus County. According to the HACS' 2017 PHA Plan, the HACS currently operates 647 public housing units and 4,763 Housing Choice Vouchers (Section 8 Program).

The City of Modesto worked in collaboration with the Housing Authority of the County of Stanislaus (HACS) by seeking ways to increase and support the maintenance level of permanent supportive housing for special populations and persons with disabilities. As discussed in Section CR-25, the City of Modesto partnered with the HACS to rehabilitate 68 of HACS' public housing units to address maintenance needs of these housing units.

In addition, the HACS completed a four unit homeless Veterans Housing Project during Program Year 2016-2017 – Glendale Veterans Quarters.

During Program Year 2016, the Housing Authority continued to lease 32 units of supportive housing for Emancipated Foster Youth that also includes supportive services provided by various agencies working with foster youth.

The City of Modesto participates in the County wide CSOC (CoC) along with the local Housing Authority, our CHDOs, and other local agencies to identify housing needs within the county, including resident initiatives.

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

The HACS has a Resident Advisory Board which is comprised of Public Housing Authority (PHA) and Housing Voucher program participants. This Resident Advisory Board is engaged when there are proposed policy changes. The Resident Advisory Board is notified of substantial policy changes and is given the opportunity to support or reject subject policy changes.

The Housing Authority provides homeownership resources to participants in the Housing Choice Voucher (HCV) Program. The Family Self-Sufficiency (FSS) Program has established partnerships with a variety of community resources to refer participants for services including pre- and post-secondary education, health care, child care, employment development, supported employment, and small business development including micro-loans. The FSS Program also encourages families to participate in financial wellness programs including financial literacy and credit repair with an emphasis on long-term financial stability for the purposes of homeownership.

**Actions taken to provide assistance to troubled PHAs**

Not Applicable. The Housing Authority of the County of Stanislaus is a Standard Performer, not a troubled Public Housing Authority.

## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken 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. 91.220 (j); 91.320 (i)**

The City of Modesto took the following efforts/actions to ameliorate the effects of public policies that may act as barriers to affordable housing:

1. City of Modesto Housing Element: The City of Modesto's 2015-2023 Housing Element includes goals, policies and implementation programs that support the provision of housing programs and opportunities for extremely low, very low, low, and moderate income households.
2. Capital Facility Fee (CFF) Deferral/Waiver: The City of Modesto supports economic development through the growth of Modesto businesses. It also encourages the construction of Very Low and Low Income Housing development projects within the City. The City of Modesto provides CFF deferral, credit, and exemption programs. CFF deferral, credit, and exemption programs granted to affordable housing projects benefit economic growth and development by allowing the deferral, credit and/or waiver of impact fees. These deferrals or exemptions can be provided when developments are supplied to low and very-low income (in this case 60% or less of the Area Median Income) permanent housing units, combined with a minimum of 10 consecutive years of affordability. This can be considered as long as the overall exemptions do not exceed two percent (2%) of the cumulative total CFF program housing units.
3. Mobile Home Rental Ordinance: The City of Modesto enacted a Mobile Home Rent Stabilization (MHRS) ordinance in 2007. The MHRS ordinance imposes rent increase limits (100% of the annual Consumer Price Index (CPI), but no more than 6% of base rent annually) on mobile home park owners who do not enter into a city Memorandum of Understanding (MOU). Mobile home park owners who voluntarily enter into the MOU must offer a City-approved long-term lease to certain groups of residents and allow park owners to raise mobile home space rents 100% of the CPI, and as much as 15% of the existing rent when a mobile home is vacated. The ultimate goal of the MHRS ordinance and MOU is to limit park owners' ability to raise rents to unaffordable levels, especially to those who are low-income.
4. Relocation Assistance Program: The City's Relocation Assistance Program (Article 5 of the City of Modesto Ordinance 3514-C.S.) was adopted June 2019 to provide a method for reimbursement to tenants forced to relocate due to severe code violations which threaten the life, health, and safety of the tenants and require the units or rooms to be vacated to allow for extensive repairs. The City of Modesto is currently assisting tenants forced to move out because of health and safety code violations at an apartment complex in Modesto. Tenants may be receiving relocation assistance through this program.

## **Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

The City of Modesto is a partner in the local Focus on Prevention Initiative led by Stanislaus County. The Focus on Prevention initiative is a county-wide initiative that aims to improve the quality of life of all Stanislaus residents and families through coordinated prevention efforts that work across multiple sectors to promote health and wellbeing. These sectors include government; business; health; non-profit; philanthropy; education; faith; neighborhood; media; and arts, entertainment, and sports. [Focus on Prevention](#) extends beyond a simple initiative and leads to a shared community vision and lays the foundation for ongoing transformation and culture change that inspire deeper connections and tangible improvements in the lives of Stanislaus County residents.

To see positive community outcomes in Stanislaus County—less crime, higher educational attainment, more jobs, and healthier lifestyles—then all ten community sectors must come together and align intentions and objectives around shared goals. This type of alignment comes from authentic relationships, mutual trust, ongoing communication, a willingness to hold ourselves accountable to measurable outcomes, and a commitment to ongoing learning about what works and what doesn't work for our community.

During Program Year 2016-2017, as a part of this alignment effort, the City of Modesto was designated as the "Collaborative Applicant" for Continuum of Care grant funds. Each year, the CSOC brings approximately \$3 million to Stanislaus County. The funds are used by non-profit organizations to provide permanent housing, transitional housing, supportive services, and homelessness prevention. This alignment will help provide additional oversight and technical assistance opportunities to the City's non-profit partnerships to reduce instances of concern from Housing and Urban Development.

Also, the City of Modesto has worked to eliminate barriers to the development of affordable housing through the following ongoing efforts:

- The City of Modesto's CDBG Public Services and ESG allocations reflect the City of Modesto's priorities in meeting underserved needs, such emergency shelter and street outreach (individuals, survivors of domestic violence, families, and children), homelessness prevention and rapid re-housing, food security, neighborhood revitalization, foster youth, seniors, youth, and persons with disabilities.
- Providing funding for land acquisition, secondary financing, or infrastructure costs;
- Assisting qualified households to purchase homes utilizing the homebuyer assistance programs;
- Exemption or deferral of Capital Facilities Fees for projects providing low-income housing;
- Using the adopted streamlining process for environmental review and the development of programmatic environmental review records where applicable to reduce program down time;
- Continuing to work with non-profit housing agencies in the provision of supportive services and

programs;

- Using streamlined application review and permit processing; and
- Reduction of parking standards. There is an ongoing gap in the availability of services across most categories of underserved needs, including seniors, persons with disabilities, individuals with chronic illness, persons with other conditions affecting their ability to function independently and productively, foster youth and homeless. In addition, there is a need to link access to supportive services to affordable and appropriate housing.

### **Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

All housing-related programs administered by the City of Modesto have policies in place which require that all units constructed before 1978 be screened for lead based paint (LBP) hazards. The LBP regulation that became effective April 22, 2010, added a requirement that contractors bidding on the rehabilitation of housing built prior to 1978 provide documentation of EPA Lead Renovation and Repair and Painting certification. If a project does not incorporate the lead presumption standard, and lead is found in any housing units, an LBP clearance test is conducted after the work has been completed by a licensed contractor with expertise in this type of work. In cases, like this final payment is not released until the unit has passed the LBP testing requirement. These requirements assisted the City of Modesto in its goal to eliminate the lead-based paint hazards in the units of the community. In PY15 the City of Modesto hired an Environmental Specialist to assist with this task.

### **Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

Among the City of Modesto's funding priorities to reduce poverty are affordable housing, homeless services, public services projects and programs. Providing opportunities for low-income families to improve their economic status is an area of focus for the City of Modesto, and is reflected in the City of Modesto's Consolidated Plan. The City of Modesto leverages its federal grant funds from CDBG and ESG to:

- Support organizations and businesses interested in furthering economic development opportunities through the use of small business loans to create and retain jobs for low and moderate-income workers.
- Increase the supply of affordable housing in our community. While the production and preservation of affordable housing on its own will not raise people's income or lift them from poverty, it does contribute to stabilizing living expenses for low-income families, so that they have more discretionary income for other living expenses. During PY15 the City of Modesto allocated CDBG funds ESG funds to community-based organizations for various programs to assist individuals and families experiencing homelessness or at risk of experiencing homelessness and low and moderate-income individuals and families achieve self-sufficiency.

## **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

The City of Modesto is the lead agency responsible for preparation of the Consolidated Annual Performance Plan (CAPER) and for administration of each grant program and its associated funding source(s). Primary oversight of the City of Modesto's HUD entitlement grant programs comes from the Citizens' Housing and Community Development Committee (CH&CDC). This 13-member committee is appointed by the City of Modesto Council and is comprised of representatives from the City of Modesto Council, Planning Commission, Housing Rehabilitation Loan Committee, Human Relations Commission and/or Citizens Redevelopment Advisory Commission and several citizens-at-large. Generally, the citizens-at-large represent low-income and racial minority groups. The CH&CDC makes funding recommendations to the City of Modesto Council regarding HUD CDBG, ESG and HOME Grant programs as well as other one-time HUD funded programs.

To avoid a perceived conflict of interest, any individual who is a member of a board of directors or is employed by an agency that applies for or receives CDBG, ESG, HOME, or other HUD funding, is ineligible to vote on funding decisions involving their respective agencies.

The CH&CDC meets approximately once a month. These are meetings that are publicly noticed, are open to the public and are generally held at Tenth Street Place, 1010 Tenth Street, Modesto, California. Public comments are both encouraged and welcomed. On September 14, 2017, the CAPER was presented to the CH&CDC. During this public meeting, CH&CDC members made a motion to submit the CAPER to City of Modesto Council for final approval and submittal to HUD.

CEDD Housing Staff and Finance Department personnel continued to meet on a monthly basis to review processes and to monitor Federal program expenditures. Staff verified and cross-referenced the information on the monthly budget activity reports with supporting documentation maintained by the Division. For easy identification on both the City of Modesto's financial reporting system and the Federal Integrated Disbursement and Information System (IDIS), Staff assigned an IDIS Activity number to all financial transactions.

Staff worked closely with Finance, Public Works Departments and Parks Planning and Development Division to ensure:

- Capital Improvement Projects (CIPs) and Multi-Year Projects were on schedule and consistent with Federal program requirements (both statutory and regulatory), and
- Invoices for work completed were paid in a timely manner. The Community Development Department has experienced staffing turnover and other unforeseen circumstances during PY15/16. These challenges attributed to the City of Modesto not meeting the timely expenditure of HUD funds (the second timeliness standard) as required in provision 24 CFR 570.902 of the CDBG regulations. City of Modesto Council approved to restructure the housing unit providing management an opportunity to recruit and acquire experienced individuals to fill these gaps. These additions to staff will assist with ensuring this requirement is met in future program years.

Program Year 2016-2017 accomplishments were reported to several community groups as well as the CSOC (local CoC).

During Program Year 2016-2017, the City of Modesto took measures to assist in meeting future timeliness expenditure deadlines. In February 2017, HUD notified the City of Modesto that the “Adjusted” letter of credit balance, which includes Program Income (PI) and Revolving Loan Fund (RLF) would be used to calculate the May 2, 2017 Timeliness Expenditure Test, which in past years was not included within the calculation matrix. In an attempt to meet the timeliness expenditure test the City promptly identified and implemented additional housing rehabilitation projects which helped address the City’s threshold under the Entitlement threshold. The City is committed to diligently monitoring subrecipients’ expenditures, and to address this commitment, staff will continue to work closely with every subrecipient to develop expenditure plans, if needed to address potential expenditure deadlines in the future.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

City of Modesto Staff provided technical assistance workshops to non-profit agencies on the types of services that are eligible for CDBG Public Services funding, as well as a detailed explanation of ESG requirements. City Staff also conducted a post-award workshop for reporting requirements and Federal regulatory and statutory requirements for these programs.

Staff participated in housing, homeless and public service funding committees. (i.e. Community System of Care (CSOC – which is the local Continuum of Care), Emergency Food and Shelter Board (EFSP), and United Way Impact Councils). City staff regularly attends local stakeholder and community meetings such as Airport Neighborhood Collaborative and Homeless Management Information System (HMIS) update meetings.

Additionally, City staff attends CSOC and other neighborhood meetings during the development of the Annual Action Plan and CAPER to inform them of planned activities and accomplishments respectively and seek public comment.

The Community Development Manager and Housing and Urban Development lead met with the two approved Community Housing Development Organizations (CHDOs) to review projects, anticipate and resolve issues, and monitor spending.

The City of Modesto worked closely with the Focus on Prevention stakeholder groups which represent entities from all sectors of the community including government, business, health, non-profit, philanthropy, education, faith, neighborhood, media, arts, entertainment, and sports.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

The City of Modesto's Analysis of Impediments (AI) identified the following potential fair housing concerns:

- Access to information about housing availability and choices among recent immigrants who are disproportionately lower-income;

Actions Taken: The Housing Authority of the County of Stanislaus (HACS) operates seasonal migrant housing units. The HACS works with local government agencies and family resource centers to promote migrant housing opportunities.

Community Development Staff have also met organizations such as World Relief Modesto to determine if there are any local affordable housing alignment efforts that can be considered as a part of the Focus on Prevention effort, in order to address the recent influx of refugees from countries such as Syria.

- Lack of access to adequate housing due to poor credit history, insufficient funds for moving expenses, and other factors among financially vulnerable groups, such as female-headed households with children and the homeless;

Actions Taken: The City of Modesto supported non-profit housing developers in their efforts to make housing more affordable to lower income households. Specifically, the City of Modesto provided leverage funding (CDBG) to Stanislaus County Affordable Housing Corporation (STANCO) to rehabilitate twenty four (24) affordable housing units in Modesto; the City of Modesto provided leverage funding (CDBG) to The Housing Authority of the County of Stanislaus to rehabilitate twenty eight (28) affordable housing units in Modesto; Both programs assist vulnerable housing groups.

- Barriers faced by large, low-income and moderate income families due to occupancy restrictions imposed by rental property owners;

Actions Taken: The City works with service providers to assist families facing issues related to occupancy restrictions imposed by rental property owners. The City of Modesto contracts with Project Sentinel, the local fair housing service provider within Stanislaus County, educates families/individuals of their rights under the law. Community Housing and Shelter Services is piloting a project with a local for profit housing developer to set aside 10 units to assist families unable to find affordable housing options.

- The need to assist homeowners who have experienced foreclosure, who are disproportionately minority households, to find alternative living arrangements.

Actions Taken: The City of Modesto offers affordable housing programs such as the Homebuyer Assistance Program (HAP) to assist first time buyers purchase a home. The City of Modesto may also partner with those who have experienced foreclosure, regardless of race or ethnic background, if the foreclosure occurred 3 years prior to the date of application. The City of

Modesto also provides housing referral services to find alternative living arrangements to those who are experiencing foreclosure.

## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

Staff assesses risk of CDBG and ESG subrecipients according to the following risk factors to determine extent of monitoring for any given CDBG-/ESG-funded activity.

As the lead agency for HUD Entitlement funds, the City of Modesto monitors all subrecipients on a regular basis through written contacts, phone conversations, electronic information transfers, face-to-face monitoring visits (at least once annually), and project file review, pursuant to applicable regulations. Monitoring is conducted to ensure statutory and regulatory requirements are met and that information submitted to City of Modesto is accurate and complete.

City Staff assesses risk of CDBG and ESG subrecipients according to the following risk factors to determine extent of monitoring for any given CDBG-/ESG-funded activity.

Monitoring is normally conducted utilizing a three (3) tiered approach, depending upon the risk involved:

**Limited Review:** A limited review is conducted of all subrecipients and projects on an annual basis. The timing of this monitoring will be in alignment with an organization's submittal of a Quarterly Performance Report and an Invoice for Payment for expenses incurred against their City grant over the previous 90 days.

**On-Site Monitoring Review:** An on-site monitoring review will be a site visit to a subrecipient program assisted with HUD funds and will achieve a balance between programmatic and fiscal reviews, and much documentation review can be done prior to the on-site visit. The on-site monitoring includes a tour of the program facilities as appropriate, an explanation of the services provided, discussions with program and administrative staff, and introduction to one or more actual beneficiaries, if possible. As a result of this visit, staff will determine whether an in-depth review is needed for further clarification of one or more issues identified during the on-site visit

**In-Depth Review:** An in-depth review will be a concentrated and focused review around a particular activity or program area. This will typically be a concentrated review of a known high-risk area or critical function, such as but not limited to: a financial review for expenditures for eligible activities; financial review for expenditures that cannot be traced through supporting documentation; a program that requires donations as a condition of receiving service; management practices in affordable housing; section 504 and ADA compliance reviews upon receipt of a complaint; a fair housing complaint; denial of services for no valid reason; or failure to meet prevailing wage requirements in construction activities subject to Davis Bacon or other federal requirements.

**Citizen Participation Plan 91.105(d); 91.115(d)**

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

Objectives of the Citizen Participation Plan (CP) is to provide for and encourage citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of areas of slum or blight, residents of low and moderate income neighborhoods, and residents of areas in which federal entitlement funds are to be used; To make proposed plans for the use of federal entitlements funds available to persons, public agencies, and other interested parties. Information to be provided will include the amount of entitlements the City of Modesto expects to receive (including program income), the range and nature of activities to be undertaken, the estimated benefit of those activities to low and moderate income persons, and the performance of those activities in providing such benefits

It is the intent of the City of Modesto to encourage and facilitate citizen participation by: soliciting needs in the neighborhood; obtaining community input regarding how funds should be invested; building a sense of community among residents; encouraging community empowerment and greater community voice; and providing neighborhoods with information about City of Modesto services a publically noticed informing the public of the availability of the report and the start of the public comment period was published in the Modesto Bee and Vida En El Valle Publications.

A series of community meetings were held throughout the City of Modesto to present the Program Year 2016-2017 accomplishments reported in the CAPER. At least one community meeting was held in each City of Modesto Council District. The following table represents the 2016-2017 CAPER Citizen Participation Calendar of Events identifying the public meetings held and the Council District and Census Tract which was covered:

<b>Date/Time</b>	<b>Meeting Name/Location</b>	<b>Council District/Census Tract</b>
September 18, 2017 4:00 pm	West Modesto Neighborhood Meeting 608 Spencer Ave, Modesto CA 95351	District 2/Census Tract 16.01/Block Group 1
September 22, 2017 11:00 am	Airport Community Chats 801 Empire Ave, Modesto CA 95354	District 4/Census Tract 21.00/Block Group 1
September 22, 2018 9:00 am	Shackelford Elementary 100 School Avenue, Modesto CA 95351	District 2/Census Tract 23.01/Block Group 4

Spanish-speaking translators are available at all meetings. If a request for other language translators is made at least five working days prior to a public meeting, translators will be provided. All community

input meetings will be held at public buildings with disabled access. The Citizens Housing & Community Development Committee (CH&CDC) provides overall review of the City of Modesto's HUD funds. This Council-appointed committee provides policy and funding recommendations to the City of Modesto Council regarding the City of Modesto's use of HUD entitlement funds.

The City of Modesto's CH&CDC reviewed and discussed the draft CAPER on September 14, 2014 and consider recommending that the CAPER be forwarded to the City of Modesto Council for review and approval. The public review period to review and comment on the draft document will be closed with a public hearing at the City of Modesto Council meeting on Tuesday, September 26, 2017.

## **CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

With the addition of a new program supervisor for the Housing Rehabilitation unit, the Housing Division accomplished the following during Program Year 2016-2017.

1. Updated the Housing Rehabilitation Program Policies and Procedures on October 25, 2016 to address and overcome programmatic challenges faced in previous program years;
2. Audited existing project files and presented recommendations to the HRLC Committee for outstanding items that needed to be addressed;
3. Worked with the Housing Rehabilitation team to develop effective delivery of services, including service timelines, and a Program Desk Manual that includes eligibility, housing rehabilitation tasks, bidding, updated documents, Environmental Review, Section 3, and minimum Housing Quality Standards processes;
4. Provided a presentation for the Housing Rehabilitation Loan Committee (HRLC) that provided an overall program overview under new program policies.
5. Updated the City of Modesto's Citizen Participation Plan for HUD programs on December 6, 2016 to ensure compliance with 24 CF 91.105.
6. Updated the City of Modesto Emergency Solutions Grant Program Policies on December 6, 2016 to align with current HUD requirements and ensure ESG policies encompassed all program policy requirements.
7. Updated the City of Modesto Homebuyer Assistance Program Policies on January 24, 2017 to address challenges and re-start the program.
8. Updated the Community Development Block Grant (CDBG) Program Policies on May 2, 2017 to align with current HUD requirements and ensure that CDBG policies encompassed all program policy requirements.
9. Began the process to become the collaborative applicant for the newly formed Stanislaus Community System of Care (CSOC) recognized by HUD as the local Continuum of Care (CoC).

In the coming Program Year 2017-2018, the City of Modesto Housing Division will continue to address a few outstanding challenges related to past programmatic deficiencies (findings). The Housing Division is positioned to successfully, effectively, and efficiently implement all HUD programs and will make every effort to continue on this forward-looking path.

<b>Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?</b>	No
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**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

## **CR-50 - HOME 91.520(d)**

**Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations.**

**Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.**

It is the intent of the City of Modesto, that HOME-assisted rental units are inspected for rent, income, housing quality, and other affordability criteria in accordance with section 92.252 as follows:

- HOME-assisted units containing one to four units, the monitoring is performed not less than once every three (3) years;
- HOME assisted complexes containing five to 25 units are monitored once every two (2) years;
- HOME assisted projects containing 26 units or more are monitored every year (1).

On-site inspections of units began early Program Year 2017-2018 and have not yet been completed. On-site inspection results will be reported in the Program Year 2017-2018 CAPER.

### **Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)**

The City of Modesto implemented an Affirmative Marketing Policy for use in its HOME program in, order to comply with HUD fair housing objectives. Both the borrower/developer and the City of Modesto share the responsibility to inform the public about federal fair housing laws. The City of Modesto, through its monitoring of the HOME units, evaluates the effectiveness of the marketing efforts. The beneficiaries are held to the terms of the policy by reference in the HOME Loan Agreement and Trust Deed executed to secure the HOME loan.

Additionally, the City of Modesto Council appoints representative members of the community to serve on a joint Equal Opportunity/Disability and Human Relations Commission, whose primary responsibility is to advise and assist the City of Modesto Manager and staff in matters that relate to equal opportunity and persons with disabilities, and to make recommendations for furthering human relations and fair housing in the community, respectively. These commissions are comprised of members of protected classes, such as women, racial and ethnic minorities, persons with disabilities, etc.

### **Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)**

Per 24 CFR 91.220(k) the goal in the coming year to address obstacles to meeting underserved needs, foster and maintain affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies will be to reach out to our Entitlement Community Partner leads Stanislaus County, the City of Turlock, and the Housing Authority of the

County of Stanislaus (HACS) and work together to combine efforts in the development of an aligned Assessment of Fair Housing (AFH) Plan. This will be accomplished by utilizing the new Assessment tool and the AFFH Data and Mapping Tool. Meetings will begin no later than Fall 2018.

**CR-60 - ESG 91.520(g) (ESG Recipients only)**  
ESG Supplement to the CAPER in *e-snaps*

**For Paperwork Reduction Act**

**1. Recipient Information—All Recipients Complete**

**Basic Grant Information**

<b>Recipient Name</b>	MODESTO
<b>Organizational DUNS Number</b>	060125051
<b>EIN/TIN Number</b>	946000374
<b>Identify the Field Office</b>	SAN FRANCISCO
<b>Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance</b>	Turlock/Modesto/Stanslaus County CoC

**ESG Contact Name**

<b>Prefix</b>	Mr
<b>First Name</b>	Aaron
<b>Middle Name</b>	D
<b>Last Name</b>	Farnon
<b>Suffix</b>	0
<b>Title</b>	HUD Supervisor

**ESG Contact Address**

<b>Street Address 1</b>	1010 10th Street
<b>Street Address 2</b>	3rd Floor
<b>City</b>	Modesto
<b>State</b>	CA
<b>ZIP Code</b>	95353-
<b>Phone Number</b>	2095775328
<b>Extension</b>	0
<b>Fax Number</b>	0
<b>Email Address</b>	afarnon@modestogov.com

**ESG Secondary Contact**

<b>Prefix</b>	Mrs
<b>First Name</b>	Tina
<b>Last Name</b>	Rocha
<b>Suffix</b>	0
<b>Title</b>	Community Development Manager
<b>Phone Number</b>	2095775321
<b>Extension</b>	0
<b>Email Address</b>	trocha@modestogov.com

## 2. Reporting Period—All Recipients Complete

**Program Year Start Date** 07/01/2016  
**Program Year End Date** 06/30/2017

### 3a. Subrecipient Form – Complete one form for each subrecipient

**Subrecipient or Contractor Name:** COMMUNITY HOUSING AND SHELTER SERVICES  
**City:** Modesto  
**State:** CA  
**Zip Code:** 95350, 5417  
**DUNS Number:** 835658782  
**Is subrecipient a victim services provider:** N  
**Subrecipient Organization Type:** Other Non-Profit Organization  
**ESG Subgrant or Contract Award Amount:** 60000

**Subrecipient or Contractor Name:** THE SALVATION ARMY (EMERGENCY)  
**City:** Modesto  
**State:** CA  
**Zip Code:** 95354, 2225  
**DUNS Number:** 085341261  
**Is subrecipient a victim services provider:** N  
**Subrecipient Organization Type:** Other Non-Profit Organization  
**ESG Subgrant or Contract Award Amount:** 65129

**Subrecipient or Contractor Name:** FAMILY PROMISE OF GREATER MODESTO  
**City:** Modesto  
**State:** CA  
**Zip Code:** 95358, 9501  
**DUNS Number:** 023267225  
**Is subrecipient a victim services provider:** N  
**Subrecipient Organization Type:** Other Non-Profit Organization  
**ESG Subgrant or Contract Award Amount:** 37280

**Subrecipient or Contractor Name:** Center for Human Services

**City:** Modesto

**State:** CA

**Zip Code:** 95350, 4373

**DUNS Number:** 038119202

**Is subrecipient a victim services provider:** N

**Subrecipient Organization Type:** Other Non-Profit Organization

**ESG Subgrant or Contract Award Amount:** 30000

## CR-65 - Persons Assisted

### 4. Persons Served

#### 4a. Complete for Homelessness Prevention Activities

Number of Persons in Households	Total
Adults	28
Children	20
Don't Know/Refused/Other	
Missing Information	
<b>Total</b>	<b>48</b>

Table 16 – Household Information for Homeless Prevention Activities

#### 4b. Complete for Rapid Re-Housing Activities

Number of Persons in Households	Total
Adults	30
Children	16
Don't Know/Refused/Other	
Missing Information	
<b>Total</b>	<b>46</b>

Table 17 – Household Information for Rapid Re-Housing Activities

#### 4c. Complete for Shelter

Number of Persons in Households	Total
Adults	671
Children	226
Don't Know/Refused/Other	
Missing Information	
<b>Total</b>	<b>897</b>

Table 18 – Shelter Information

#### 4d. Street Outreach

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
<b>Total</b>	<b>0</b>

Table 19 – Household Information for Street Outreach

#### 4e. Totals for all Persons Served with ESG

<b>Number of Persons in Households</b>	<b>Total</b>
Adults	724
Children	267
Don't Know/Refused/Other	0
Missing Information	0
<b>Total</b>	<b>991</b>

Table 20 – Household Information for Persons Served with ESG

#### 5. Gender—Complete for All Activities

	<b>Total</b>
Male	563
Female	350
Transgender	2
Don't Know/Refused/Other	1
Missing Information	75
<b>Total</b>	<b>991</b>

Table 21 – Gender Information

## 6. Age—Complete for All Activities

	<b>Total</b>
Under 18	267
18-24	78
25 and over	646
Don't Know/Refused/Other	0
Missing Information	0
<b>Total</b>	<b>991</b>

Table 22 – Age Information

## 7. Special Populations Served—Complete for All Activities

### Number of Persons in Households

<b>Subpopulation</b>	<b>Total</b>	<b>Total Persons Served – Prevention</b>	<b>Total Persons Served – RRH</b>	<b>Total Persons Served in Emergency Shelters</b>
Veterans	56	1	1	54
Victims of Domestic Violence	153	8	6	139
Elderly	67	1	1	65
HIV/AIDS	5	0	0	5
Chronically Homeless	183	0	1	182
<b>Persons with Disabilities:</b>				
Severely Mentally Ill	293	5	4	284
Chronic Substance Abuse	156	0	0	156
Other Disability	340	10	9	321
Total (unduplicated if possible)	1,253	25	22	1,206

Table 23 – Special Population Served

## **CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes**

### **10. Shelter Utilization**

Number of New Units - Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	47,085
Total Number of bed-nights provided	38,973
Capacity Utilization	82.77%

**Table 24 – Shelter Capacity**

### **11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)**

## CR-75 – Expenditures

### 11. Expenditures

#### 11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Expenditures for Rental Assistance	0	29,176	22,405
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	0
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	15,561
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	0	0	24,650
<b>Subtotal Homelessness Prevention</b>	<b>0</b>	<b>29,176</b>	<b>62,616</b>

Table 25 – ESG Expenditures for Homelessness Prevention

#### 11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Expenditures for Rental Assistance	0	20,293	23,498
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	5,883	2,479
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	27,477
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	0	0	11,211
<b>Subtotal Rapid Re-Housing</b>	<b>0</b>	<b>26,176</b>	<b>64,665</b>

Table 26 – ESG Expenditures for Rapid Re-Housing

#### 11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Essential Services	0	78,750	50,129
Operations	0	14,523	15,000
Renovation	0	0	0
Major Rehab	0	0	0
Conversion	0	0	0
<b>Subtotal</b>	<b>0</b>	<b>93,273</b>	<b>65,129</b>

Table 27 – ESG Expenditures for Emergency Shelter

**11d. Other Grant Expenditures**

	Dollar Amount of Expenditures in Program Year		
	2014	2015	2016
Street Outreach	0	0	0
HMIS	0	0	1,440
Administration	0	0	11,040

Table 28 - Other Grant Expenditures

**11e. Total ESG Grant Funds**

Total ESG Funds Expended	2014	2015	2016
	0	148,625	204,890

Table 29 - Total ESG Funds Expended

**11f. Match Source**

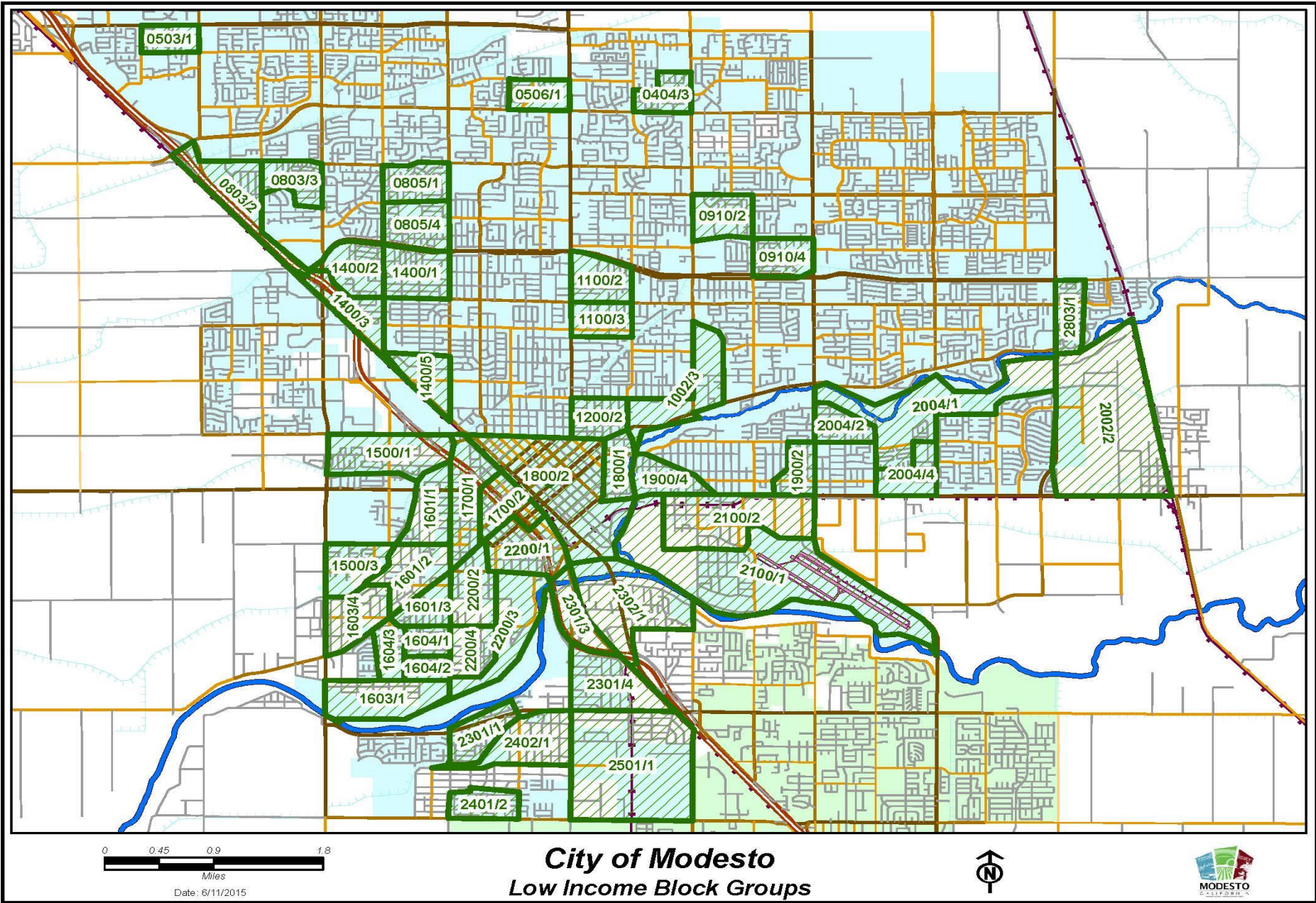
	2014	2015	2016
Other Non-ESG HUD Funds	0	0	58,432
Other Federal Funds	0	55,310	17,138
State Government	0	0	0
Local Government	0	0	10,583
Private Funds	0	164,336	86,588
Other	0	22,888	30,800
Fees	0	0	0
Program Income	0	0	0
<b>Total Match Amount</b>	<b>0</b>	<b>242,534</b>	<b>203,541</b>

Table 30 - Other Funds Expended on Eligible ESG Activities

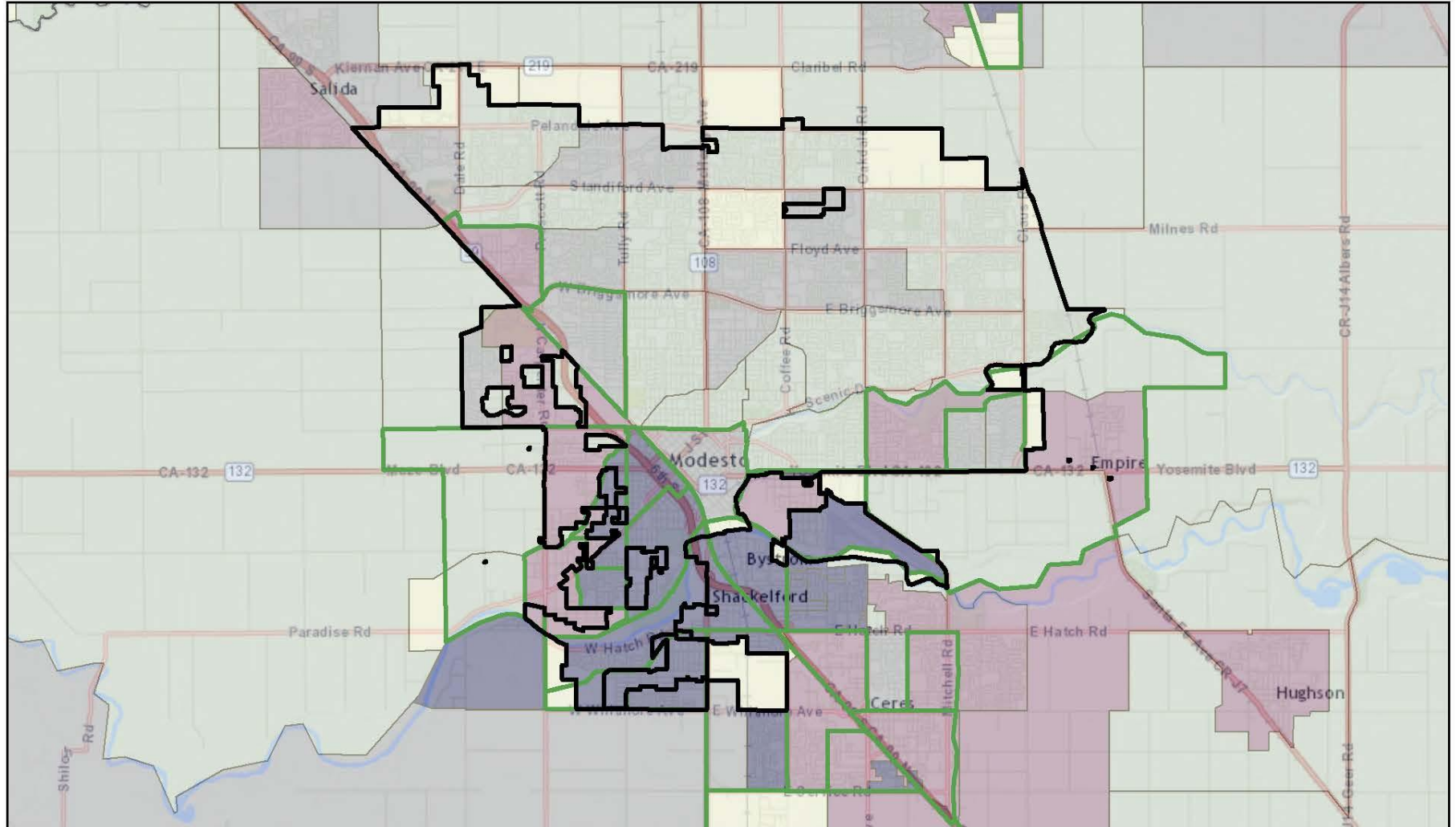
**11g. Total**

Total Amount of Funds Expended on ESG Activities	2014	2015	2016
	0	391,159	408,431

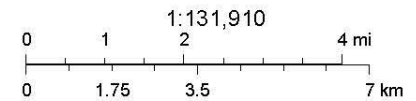
Table 31 - Total Amount of Funds Expended on ESG Activities



### Person of Hispanic Origin - Race/Ethnicity vs Low-Mod Census Tracts

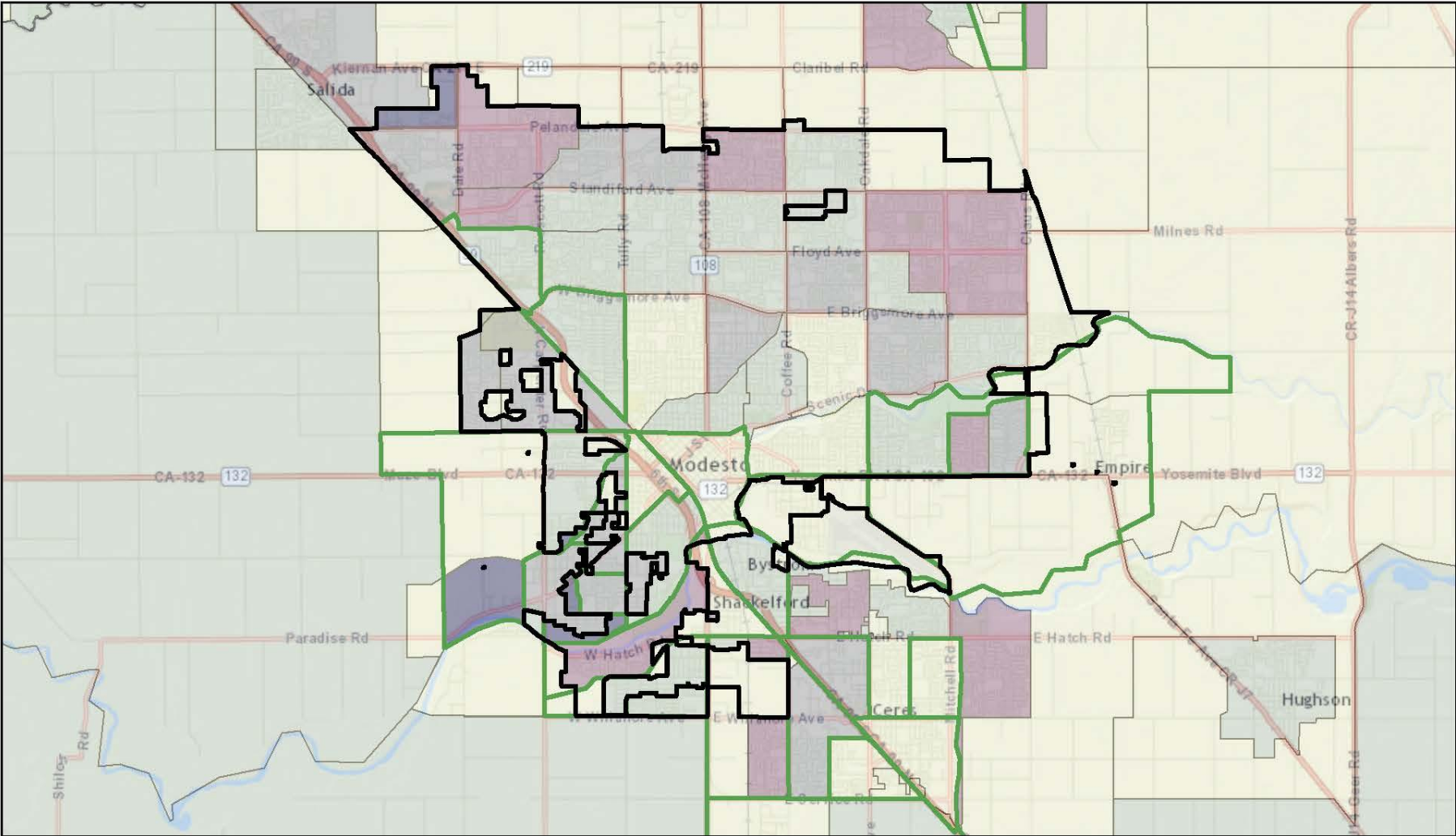


June 4, 2015

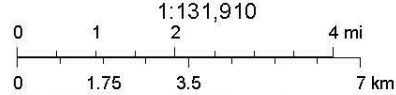
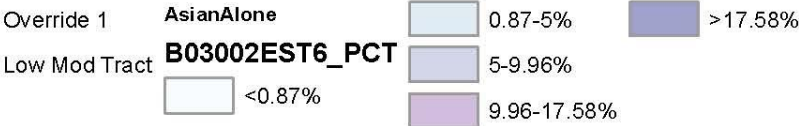


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### Asian alone (not Hispanic) - Race/Ethnicity vs Low-Mod Census Tracts

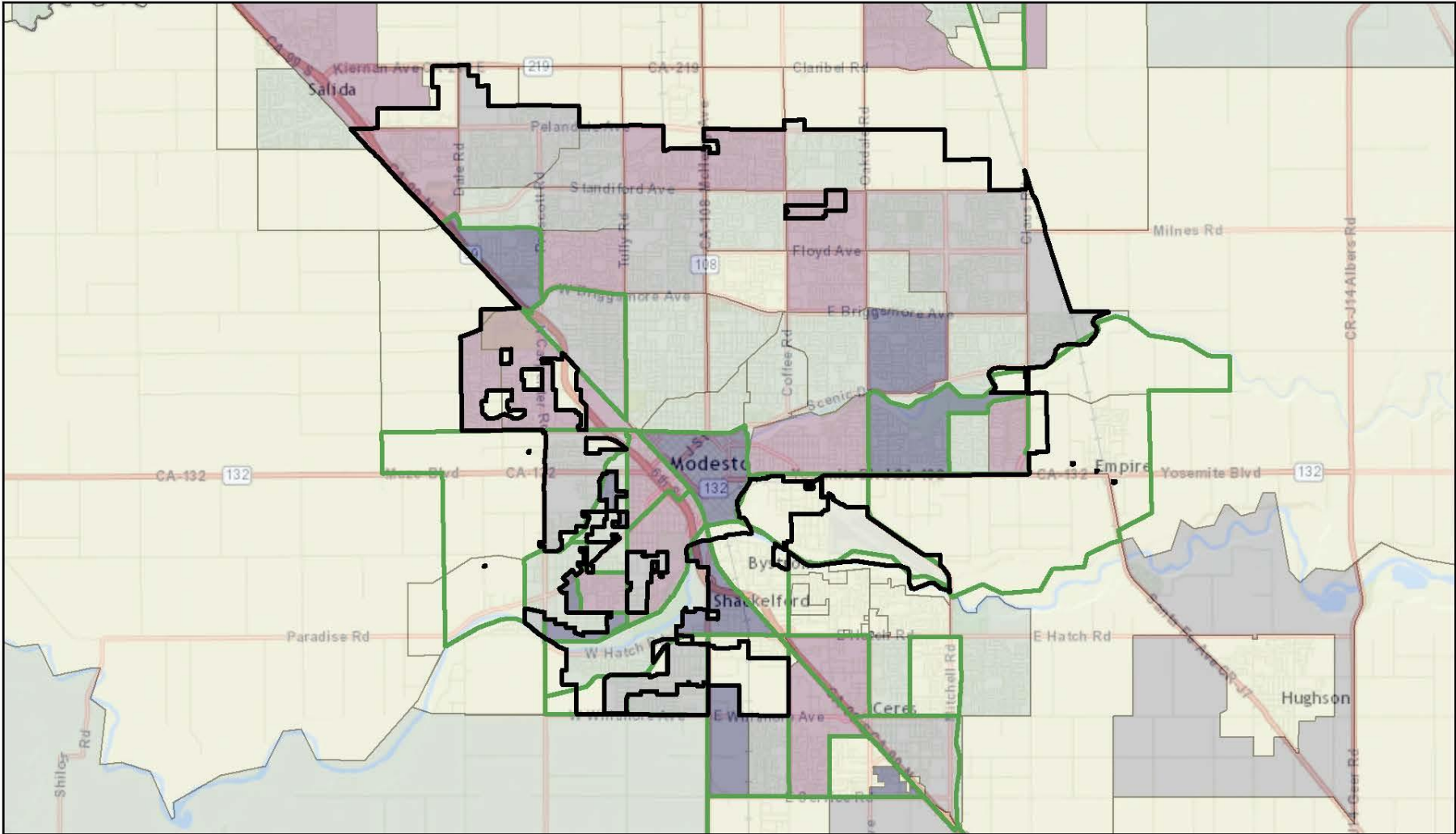


June 4, 2015



Sources: Esri, HERE, DeLorme, USGS, Intermap, Incent P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, Mapnyndia, © OpenStreetMap contributors, and the GIS User Community

### Black or African American alone (not Hispanic) - Race/Ethnicity vs Low-Mod Census Tracts



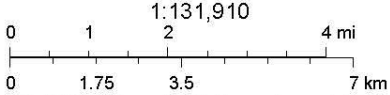
June 4, 2015

Override 1 **BlackAfricanAmericanAlone**

	0.55-2.25%		>6.02%
	2.25-3.82%		3.82-6.02%

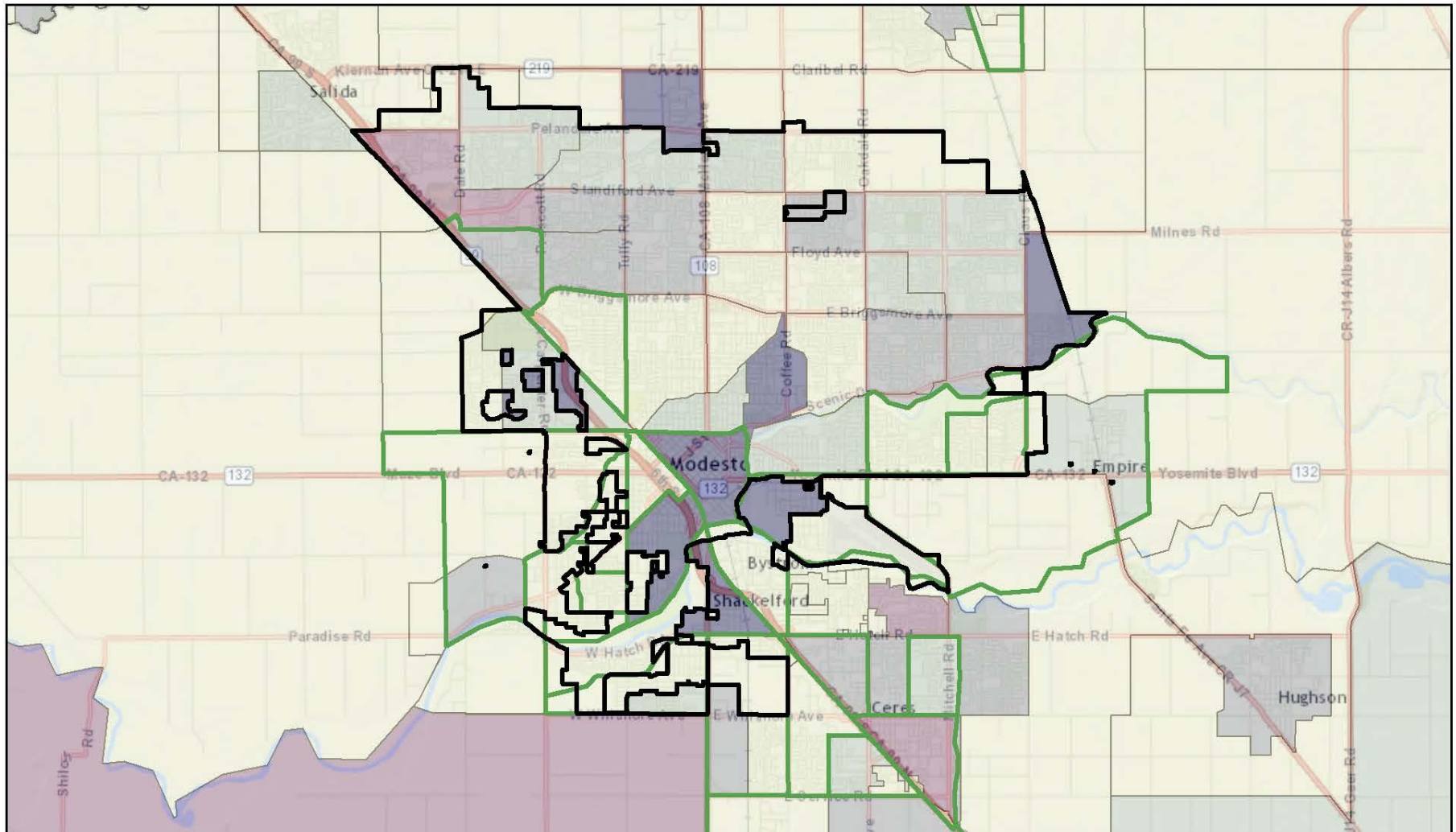
Low Mod Tract **B03002EST4\_PCT**

	<0.55%
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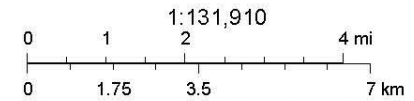


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# American Indian/Alaska Native alone (not Hispanic) - Race/Ethnicity vs Low-Mod Census Tracts



June 4, 2015



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