

**Program Year 2019-2020  
Consolidated Annual Performance and Evaluation  
Report  
(CAPER)**



**MODESTO**  
C A L I F O R N I A



<b>MAYOR</b>		
<b>Ted Brandvold</b>		
<b>CITY COUNCIL</b>		
<b>Mani Grewal, District 1</b> <b>Tony Madrigal, District 2</b> <b>Kristi Ah You, District 3</b> <b>Bill Zoslocki, District 4</b> <b>Jenny Kenoyer, District 5</b> <b>Douglas Ridenour, District 6</b>		
<b>CITY ATTORNEY</b>		
<b>Jose Sanchez</b>		
<b>CONTRIBUTING AGENCIES AND CITY OF MODESTO DEPARTMENTS</b>		
Stanislaus Regional Housing Authority Stanislaus Community System of Care Stanislaus County, Community Services Agency		
<b>CITIZEN HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE</b>		
<b>Kristi Ah You</b> <b>Jenny Kenoyer</b> <b>Omar Silva</b> <b>Dewey Bedford</b>	<b>Julie Scherer</b> <b>Kyle Fliflet</b> <b>David Wright</b>	<b>Sonja Hurst</b> <b>Douglas Parman</b> <b>Rosa Escutia-Braaton</b>

## Contents

CR-05 - Goals and Outcomes .....	4
CR-10 - Racial and Ethnic composition of families assisted .....	14
CR-15 - Resources and Investments 91.520(a) .....	15
CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c) .....	25
CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j).....	36
CR-40 - Monitoring 91.220 and 91.230.....	45
Citizen Participation Plan 91.105(d); 91.115(d).....	47
CR-60 - ESG 91.520(g) (ESG Recipients only) .....	53
CR-65 - Persons Assisted .....	55
CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes.....	57
CR-75 – Expenditures.....	58

DRAFT

## 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.

This Consolidated Annual Performance Evaluation Report (CAPER) provides accomplishment information and status updates of projects and activities funded with U.S. Department of Housing and Urban Development (HUD) funds from funding source programs such as Community Development Block Grant (CDBG) funds, Emergency Solutions Grant (ESG) funds, and HOME Investment Partnerships Program funds for Program Year 2019-2020 (PY 2019). The projects and activities outlined within this PY 2019 CAPER were administered and overseen by the City's Community & Economic Development Department (CEDD).

This report represents the fifth and final annual performance report under the City of Modesto's 2015-2020 5-year Consolidated Plan. The PY 2019 CAPER captures the expenditures, accomplishments and progress made with activities identified in the Fiscal Year 2019-2020 (July 1, 2019 – June 30, 2020) Annual Action Plan. Specifically, the CAPER outlines the City of Modesto's achievements in the areas of affordable housing, homeless services, and community development programs including public services and other activities.

The City of Modesto's primary focus during PY 2019 was to continue improving neighborhoods, partnerships with community organizations to provide affordable housing opportunities to those in need, 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.

Some accomplishment highlights that took place during Program Year 2019-2020 include:

#### **Infrastructure Improvements - CDBG**

##### **West Modesto Water Line Replacement Project**

This project replaced an upgraded existing water mains around the South Marin Luther King Boulevard neighborhood in West Modesto. The existing water mains in the area were old and undersized galvanized steel mains, which were prone to leaking and low pressures. Water mains were upsized from 2 to 4 inch lines to new 8 inch PVC pipe mains. The project involved installing approximately 3,100 linear feet. This project benefitted approximately 2,060 low/mod people.

## **CDBG PROJECTS:**

### **Affordable Housing – Acquisition - CDBG**

#### **Kansas House – 722 Kansas Ave - CDBG**

The Kansas House project was a collaborative project in partnership with the Housing Authority . The City awarded \$2,500,000 in CDBG funds to assist with acquisition of a motel at 722 Kansas Ave, Modesto CA to provide 103 permanent supportive housing units and assist approximately 200 homeless individuals. Project rehabilitation has been completed and approximately all units have been occupied.

### **Affordable Housing – Rehabilitation – CDBG**

#### **Kansas House Water Line & Fire Hydrant Install**

The City contributed \$150,00.00 of CDBG funds for the design and construction of an on-site fire hydrant located at 722 Kansas Avenue, Modesto, 95351 Stanislaus County, California. The project scope for the on-site fire hydrant included: fencing removal, trenching, underground pipe installation approximately 400 feet, back-fill, asphalt laying, installation of fire hydrant and valve box, and reinstallation of removed fencing.

### **Public Facilities – Acquisition – CDBG**

#### **Youth Navigation Center**

The City awarded \$1,000,000 in CDBG funds to the Cener for Human Services for the acquisition of a 14,297 square foot building located at 2000 W. Briggsmore Ave, Modesto CA 95351. The property will be converted into a “Youth Navigation Center” to serve as a “one stop shop” service hub providing a continuum of services for young people (13-24 year old) who are experiencing cirisis, housing instability, and/or homelessness.

#### **Edwards Estates:**

The City provided a \$488,657 CHDO loan to Great Valley Housing Development Corporation (Great Valley) in 2018 to construct two single family home ownership units for low income households. During PY 2019 Great Valley continued construction of these units and with project onstruction being completed Feburyary 2020; units will be sold to first time homebuyers.

### **Affordable Housing - Owner Occupied Housing Rehabilitation**

A total of \$208,428 was distributed in loans and grants through the City’s Homeowner Housing Rehabilitation Program. A total of ten (10) eligible homeowners were served through this program. The City assisted eligible households with health and safety repairs including, but not limited to installation of energy efficient windows, energy efficient HVAC systems, re-roof , ADA bathroom improvements, electrical repairs, and ADA ramps.

## **CDBG & ESG Public Services Program**

Every year, the City has the opportunity to provide funding (via a competitive grant application process) to local non-profits for new or expanded services to the low-income community. A total of 3,243 individuals were assisted with CDBG funds by ten (10) non-profit subrecipients and 1,710 individuals were assisted with ESG funds by 3 non-profit homeless service providers. The following are highlights of some CDBG Public service and ESG service provider partners:

### **CDBG Public Service Providers**

#### **Center for Human Services – Pathways Program**

Pathways is a 16-bed transitional living program that addresses the need for shelter and support services for homeless youth 18 to 24 years of age. Shelter is provided up to 21 months. The Pathways Program provided transitional housing services to 31 unduplicated youth as well as basic life skills, interpersonal and jobs skills training, assistance with obtaining medical insurance and assistance related to advancing educational opportunities.

#### **Downtown Streets Team**

The Downtown Streets Team (DST) provides case management and employment services to homeless individuals. Homeless volunteers work collaboratively on beautification projects around the community. Team members pick up litter, needles, trash, and encampment debris and other such garbage items in the program area. The Downtown Streets Team works with existing housing and shelter providers, other service providers, employers, and local government agencies to remove barriers to self-sufficiency. A total of 65 homeless individuals participated through the program of which 16 obtained employment and 14 were placed in housing.

#### **Project Sentinel – Fair Housing and Tenant/Landlord Mediation**

Project Sentinel opened a total of 24 fair housing investigation cases during the program year. Complaint cases investigated included cases related to disability discrimination, race/national origin, family composition, and sex discrimination. Project Sentinel also served a total of 1,082 individuals with fair housing and tenant/landlord mediation services, one-on-one counseling and group workshops for housing providers, consumers and social service agencies to educate them about fair housing laws.

### **ESG Providers**

#### **Community Housing and Shelter Services (CHSS) – Homeless Prevention**

CHSS provided financial assistance such as rent, security deposit, utilities, utility deposit and arrears as well as housing relocation and stabilization services (primarily case

management) to persons experiencing homelessness or at risk of experiencing homelessness. A total of 11 households received assistance with housing search, placement, case management, and budget workshops

**The Salvation Army – Berberian Emergency Shelter:**

The emergency shelter is a year round program, offering emergency beds for at-risk homeless individuals who are unable to find shelter elsewhere. Located at 320 Ninth Street, the facility provides up to 211 beds per night to homeless citizens of Modesto a refuge of warmth and safety. The Shelter's target population is adult homeless persons who are over the age of 18 and without dependents. During Program Year 2019 a total of 909 unduplicated individuals were provided emergency shelter services as documented through the HMIS system.

In addition to the above activities, the City of Modesto's Housing Division accomplished the following during Program Year 2019:

The Housing Rehabilitation team continued improvement to the effective delivery of services, including service timelines, housing rehabilitation tasks, bidding, updated documents, Environmental Review, Section 3, and minimum Housing Quality Standards processes;

Facilitated the application process for the Stanislaus Community System of Care (CSOC) (which is recognized by HUD as the local Continuum of Care (CoC)), NOFA application homeless program funding.

Transitioned the CoC Collaborative Applicant and Homeless Management Information System (HMIS), to Stanislaus County.

**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	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	Rental Housing Rehabilitated	Household Housing Unit	73	93	127%	0	0	0%
At-risk Housing Services	Non-Housing Community Development	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	473	454	96%	24	23	96%
Child Care Services	Non-Housing Community Development	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1455	1154	79%	320	332	103%
Emergency Shelter Beds	Homeless	Homeless Person Overnight Shelter	Persons Assisted	3750	3855	103%	650	909	140%
Fair Housing Services and Education	Fair Housing	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	2184	5401	247%	350	357	102%



Goal	Category	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Homebuyers Assistance	Affordable Housing	Direct Financial Assistance to Homebuyers	Households Assisted	36	3	8%	2	0	0%
Housing Crisis Counselling	Homeless	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	290	301	104%	38	36	211%
Housing Preservation	Affordable Housing	Rental units rehabilitated	Household Housing Unit	300	155	52%	0	0	0%
Housing Rehabilitation Program	Affordable Housing	Homeowner Housing Rehabilitated	Household Housing Unit	60	73	122%	20	10	50%
Independent Living Services	Non-Housing Community Development	Other	Other	55	11	20%	0	0	0%
Shelter	Homeless	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	30	283	943%	156	237	152%
Public Improvements - Accessibility	Non-Housing Community Development	Other	Other	0	1	100%	1	1	100%
Rental Housing Construction	Affordable Housing	Rental units constructed	Household Housing Unit	44	58	132%	4	4	100%

Senior Housing Production	Affordable Housing	Homeowner Housing Rehabilitated	Household Housing Unit	125	22	18%	0	0	0%
Senior Supportive Services	Non-Housing Community Development	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	875	889	102%	0	0	0%
Services - Anti-poverty	Non-Housing Community Development	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	2061	100%	2060	2060	100%
Services - Anti-poverty	Non-Housing Community Development	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	5748	100%	2026	3243	160%
Services - Anti-poverty	Non-Housing Community Development	Jobs created/retained	Jobs	0	219	100%	17	17	100%
Supportive Housing	Affordable Housing	Rental units constructed	Household Housing Unit	90	96	106%	4	4	100%
Supportive Housing Services	Non-Housing Community Development	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	0	13	100%	14	13	92%

Supportive Services - Homeless	Homeless	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	3000	5032	168%	802	1071	134%
Supportive Services - Homeless	Homeless	Homelessness Prevention	Persons Assisted	0	23	100%	24	23	96%
Supportive Services - Housing	Non-Homeless Special Needs	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1250	3052	244%	1360	1406	103%
Transitional Housing Units	Homeless	Housing for Homeless added	Household Housing Unit	35	0	0.00%	0	0	0%

**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;

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 such as acquisition/rehabilitation or construction multifamily housing projects for large families, homeless, and/or special needs populations;
- Supportive services that increase the ability of seniors, persons with disabilities, and others with special needs to live independently and avoid institutional living situations;
- 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.

This Program Year, the city funded activities that addressed the following Consolidated Plan priority areas:

- **Affordable Housing:**
  - The City funded 10 homeowner housing rehabilitation loans to low income households
  - Kansas House (722 Kansas Ave): Partnered with the Housing Authority to acquire a 103 unit hotel to convert into permanent supportive housing for people who were previously homeless.
  
- **Public Services:**
  - Provided CDBG public service grants to ten (10) non-profit service providers to provide essential services to low income individuals and households.
  
- **Public Improvements:**
  - West Modesto Water Line Replacement: This project replaced an upgraded existing water mains in West Modesto. Water mains were upsized from 2 to 4 inch lines to new 8 inch PVC pipe mains. The project installed approximately 3,100 linear feet. This project benefitted approximately 2,060 low/mod people.
  
- **Public Facilities:**
  - Youth Navigation Center: Partnered with Center for Human Services to serve as a “one stop shop” service hub providing a continuum of services for young people (13-24 year old) who are experiencing cirisis, housing instability, and/or homelessness.
  - 24 new emergency low-barrier shelter beds for 18-24 year olds
  - 16 new transitional housing beds for 18-24 year olds
  
- **Fair Housing:**
  - Partnered with Project Sentinel to provide tenant landlord dispute resolution and further fair housing by combating housing discrimination.
  
- **Ending Chronic Homelessness**

- Partnered with four (4) homeless service providers to address chronic homelessness through homeless prevention and rapid rehousing.

## 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)

	CDBG	HOME	ESG
White	1964	1	770
Black or African American	277	2	134
Asian	60		17
American Indian or American Native	75		18
Native Hawaiian or Other Pacific Islander	26	1	9
Other	226		120
<b>Total</b>	<b>2628</b>	<b>4</b>	<b>1068</b>
Hispanic	985		312
Not Hispanic	1633		722

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

### Narrative

The demographic numbers reported in this table represent unduplicated persons served via all PY 2019-2020 funded activities, including but not limited to, public services, housing programs, and homeless services.

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 2019-2020.

## 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	\$7,604,021.19	\$5,835,326.06
HOME	HOME	\$3,914,920	\$42,624.15
ESG	ESG	\$170,023	\$158,227.59

Table 3 - Resources Made Available

### Narrative

Table 3 identifies the resources made available and expended during the program year. Resources made available in PY 2019 include program income received and carryover funds from previous program years. Any unexpended resources will be carried over into the following program year.

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
LOW INCOME CENSUS TRACTS	-	-	See Narrative description below

Table 4 – Identify the geographic distribution and location of investments

### Narrative

The City of Modesto did not identify target areas for the geographic distribution of investments. However, The City of Modesto uses all CDBG, ESG, and HOME funds to primarily benefit low income households and individuals (at or below 80% of the Area Median Income). Area based projects are distributed only within low-income Census Block Groups as designated by HUD.

If 51 percent or more of the households in a given Census Block Group qualify as low- or moderate-income, or 51 percent or more of the population are members of minority groups, then the Block Group is defined as an area of low income concentration.

The following are examples of area based projects that took place in low income Census Block Groups:

#### West Modesto Water Line Replacement

**Description:** West Modesto Water Line Replacement: This project replaced an upgraded existing water mains in West Modesto. Water mains were upsized from 2 to 4 inch lines to new 8 inch PVC pipe mains. The project installed approximately 3,100 linear feet. This project benefitted approximately 2,060 low/mod people.

**Area:** West Modesto – Census Tract 16.01, Block Group 01,

**Percent low/mod:** 77.91%

**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.

The City was able to leverage additional resources in several of its projects. Leverage amounts are listed under each program section below:

**CDBG Leverage:**

<b>Project Name</b>	<b>CDBG Funds Committed</b>	<b>Leverage Amount</b>	<b>Leverage Source</b>
<b>West Modesto Water Line Replacement</b>	<b>\$450,884</b>	<b>\$468,600</b>	<b>Local Funds</b>
<b>Youth Navigation Center</b>	<b>\$1,000,000</b>	<b>\$2,900,000</b>	<b>Local &amp; State Funds</b>
<b>Kansas House 722 Kansas Ave</b>	<b>\$2,500,000</b>	<b>\$8,565,869</b>	<b>State &amp; Private</b>
<b>Kansas Water Line</b>	<b>\$148,500</b>	<b>\$219,000</b>	<b>Local Funds</b>
<b>Volt Institute</b>	<b>\$50,000</b>	<b>\$197,265</b>	<b>Private Funds</b>



<b>Public Services</b>	<b>\$311,201</b>	<b>\$1,779,951</b>	<b>Federal, State, Local</b>
<b>Total</b>	<b>\$4,462,085</b>	<b>\$13,911,685</b>	

### HOME – 25% Match Requirement

There were no new HOME projects funded in PY 2019. However, the City has built surplus match through projects funded in previous program years. See table 5 for excess match information.

<b>Project Name</b>	<b>Funds Committed</b>	<b>Minimum Match Required</b>	<b>Match Contributed</b>	<b>Excess Match</b>	<b>Match Source</b>
<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	

### 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.

A total of \$320,336 was contributed as match in PY 2019.

The City continues to take an inventory of city-owned properties to determine which properties could be used to create affordable housing. Once identified, one potential method will be to issue a Request for Proposals for affordable housing developers to submit housing proposals that best address Consolidated Plan priorities.

### Publicly Owned land to address needs identified in the Consolidated Plan

During PY 2019, the City continued to work with EAH for the planning and development of Archway Commons Phase II, a 74 unit multi-family affordable housing project. This site was previously owned by the City and has been transferred to EAH for this housing development. In PY 2019, the City and EAH were successfully awarded a \$14,276,157 Affordable Housing and Sustainable Communities grant from the State of California for this project.

In 2019, the State of California took several actions to make state and local public lands available for affordable housing development including:

- An executive order to make excess state land available for affordable housing
- Connecting affordable housing developers to local surplus land and strengthening enforcement of the Surplus Lands Act
- Requiring cities and counties to inventory and report surplus and excess local public lands to include in a statewide inventory

In the coming year, the City will work to identify of City owned properties to meet this requirement with the intent to continue to add to the City’s affordable housing stock. The intent is to transfer eligible properties to non-profit organizations to utilize the properties for low income households or rehabilitate the units and sell them to a low-income household.

**HOME Program**

<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	\$10,985,241.21
2. Match contributed during current Federal fiscal year	\$0.00
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$10,985,241.21
4. Match liability for current Federal fiscal year	\$157,722.77*
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$10,827,518.44

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

\* Match Liability per PR33 Report.

<b>HOME Match Contribution for the Federal Fiscal Year</b>								
<b>Project No. or Other ID</b>	<b>Date of Contribution</b>	<b>Cash (non-Federal sources)</b>	<b>Foregone Taxes, Fees, Charges</b>	<b>Appraised Land/Real Property</b>	<b>Required Infrastructure</b>	<b>Site Preparation, Construction Materials, Donated labor</b>	<b>Bond Financing</b>	<b>Total Match</b>
No new HOME projects funded in PY 2019	NA	NA	NA	NA	NA	NA	NA	NA

**Table 6 – Match Contribution for the Federal Fiscal Year**

**HOME PROGRAM INCOME**

<b>Program Income – Enter the program amounts for the reporting period</b>				
<b>Balance on hand at begin-ning of reporting period</b>	<b>Amount received during reporting period</b>	<b>Total amount expended during reporting period</b>	<b>Amount expended for TBRA</b>	<b>Balance on hand at end of reporting period</b>
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
\$488,096.49	\$161,172.48	\$0.00	\$0.00	\$649,268.97

**Table 7 – HOME Program Income**

DRAFT

<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>						
Number	1	0	0	0	0	1
Dollar Amount	\$47,557	0	0	0	0	\$47,557
<b>Sub-Contracts</b>						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
<b>Contracts</b>						
Number	1	0	1			
Dollar Amount	\$47,557	0	\$47,557			
<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 – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted</b>						
	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						
Parcels Acquired		0	0			
Businesses Displaced		0	0			
Nonprofit Organizations Displaced		0	0			
Households Temporarily Relocated, not Displaced		0	0			
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

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

While there were no HOME funded contracts awarded to MBE/WBE, the following MBE/WBE businesses were awarded contracts with CDBG program funds:

- 2 general contracts and 1 subcontract awarded to Asian/Pacific Islander businesses in a cumulative amount of \$33,454.67.

2 general contracts and 4 subcontracts awarded to Hispanic minority owned businesses in a cumulative amount of \$203,803.52. 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.**

Population Type	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	1	1
Number of Non-Homeless households to be provided affordable housing units	22	21
Number of Special-Needs households to be provided affordable housing units	8	4
<b>Total</b>	<b>31</b>	<b>26</b>

**Table 11 – Number of Households**

Service Type	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	11
Number of households supported through The Production of New Units	9	5
Number of households supported through Rehab of Existing Units	20	10
Number of households supported through Acquisition of Existing Units	2	0
<b>Total</b>	<b>31</b>	<b>26</b>

**Table 12 – Number of Households Supported**

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

Actual numbers served by Population and Service Type were 26 of 31, or 84% of the projected goal. Four of the 26 units are related to 522 E. Granger which was a project carried over from prior years.

Among the projects, included in the 26 units completed were:

- Eleven (11) households were assisted with rental assistance (CHSS); this goal was met
- One (1) public facility for homeless youth was acquired; this goal was met
- Production of four (4) new housing units via 522 E. Granger; this project was carried over from previous program years and was completed in PY 2020
- Ten (10) non-homeless households assisted through the Homewoner Rehabilitation Program; the goal of 20 households was not met due to the demand being less than expected for the housing rehabilitation program.

The production of 9 new units for special needs population was expected through the 416 E. Coolidge Project. This project experienced delays during PY 2019 due to storm drain requirements and was not completed. This project will be completed in PY 2020 and will be reported in such CAPER.

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

Because 416 E. Granger will be completed in PY 2020, accomplishment numbers for this project will be reported in the FY 2020-2021 CAPER.

The City of Modesto will continue working with its partners to expand the supply of affordable housing units in the coming annual action plan program year. The City continues to have dialogue with affordable housing developers and the local Continuum of Care to identify potential resources and housing projects to address the housing needs of homeless and non-homeless population within the low income spectrum in the City of Modesto.

**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 persons Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	2231	4
Low-income	211	
Moderate-income	149	
<b>Above Moderate</b>	27	
<b>Total</b>	2618	4

**Table 13 – Number of Persons Served**

**Narrative Information**

The figures on this table reflect individuals served via the City’s CDBG Public Service Program (2604 persons), Housing Rehabilitation program (10 persons), and Rental Housing construction projects (4 persons).

DRAFT

## **Worst-Case Housing Needs**

Worst-case housing needs are defined as low-income renter households who pay more than half their income for rent, live in seriously substandard housing (includes homeless people) or have been involuntarily displaced. The City of Modesto serves the worst-case needs by working with the Housing Authority, public service agencies and with the Community System of Care, to maintain an umbrella of services to assist residents in their time of need. In 2019, a Multi-Disciplinary Team (MDT) made up of police & fire department from the Homeless Engagement and Response (HEART) Team, behavioral health and recovery services clinicians and other support services were deployed as a pilot program model to engage this priority population, determine how individuals might be helped, and how ongoing issues might be addressed including housing. This year the HEART team continued to actively engage with the homeless community offering 1649 individuals access to services and 401 of these individuals agreeing to pursue the services offered.

Further, the City's efforts to addressing the worst case needs included the assistance to low income households via the City's Homeowner Rehabilitation Program. Prior to participating in the program, many of the units assisted were considered to be substandard housing units in need of major health and safety related improvements and/or improvements to assist persons with disabilities in making their homes more accessible.

In a local rental housing market where rental costs have significantly increased, lower income households have a higher likelihood of being cost burdened, paying more than half their income for rent, and/or live in substandard housing. For worst-case housing needs households that are paying more than half their income for rent, the city's efforts at addressing their needs consisted of partnerships with local affordable housing providers and/or public service providers through the investment of federal resources to assist such households via rental assistance programs, and/or programs that assist households realize cost savings such as child care programs, and food assistance. In addition, the City funded economic development programs (VOLT Institute) aimed at providing job training opportunities with the end goal of increasing the incomes of low-income households.

## **Helping Needs of Persons with Disabilities**

With regard to addressing the needs of persons with disabilities, the City of Modesto continued to partner with Stanislaus County Affordable Housing Corporation (STANCO) on affordable housing projects that serve mental health clients, a population that at high-risk of homelessness.

Further, ESG funds were used to partner with Center for Human Services and Community Housing and Shelter Services to assist households at risk of homelessness or those who are homeless. Services provided were related to shelter and homeless prevention and rapid rehousing.



## 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 continues to participate in the Stanislaus Community System of Care's (CSOC) (the local Continuum of Care - CoC) effort to move all population types from homelessness towards permanent housing and independent living opportunities through a network of affordable housing options linked to wraparound supportive services. During this past year, the City continued to partner with the CSOC in the development and implementation of a community wide coordinated entry system (CES) under which ongoing street outreach is being conducted to assess and determine the needs of unsheltered persons. The following programs were carried out within the community with relation to reaching out to homeless persons:

- ***Center for Human Services – Street Outreach***

The City partnered with Center for Human Services by awarding ESG funds to assist with the street outreach program which targets homeless youth within the community. The program provided street outreach and navigation/case management services specifically targeted toward Modesto youth, ages 13-24 years of age who are homeless and unsheltered. Program staff worked directly with the Community System of Care's Homeless Outreach & Engagement team through the Access Center. The program's objective was to become familiar with youth hangouts and become a consistent presence among the youth with the end goal of engaging homeless youth and connecting them to services including but not limited to shelter to access shelter, housing, and/or support services. During this program year the program was able to contact 126 youth, and engage 58 into support services.

- ***Community Assessment, Response, and Engagement (CARE) Multidisciplinary (MDT) personnel strategy:***

On June 26, 2018, the Stanislaus County Board of Supervisors approved the adoption of the Community Assessment, Response, and Engagement (CARE) Multidisciplinary (MDT) personnel strategy, a joint City of Modesto and Stanislaus County strategy.

The CARE Team mission is to facilitate the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services within Stanislaus County subject to the provisions of the Welfare and Institutions Code (WIC) section 18999.8. This WIC Code section was added effective January 1, 2018, to authorize California counties to establish multidisciplinary personnel teams to address homelessness within the county.

Every CARE Team member is tasked with conducting outreach and engagement. The strength of the CARE Team comes from the ability to leverage experience and expertise from multiple disciplines when assisting a CARE client. During the initial and on-going client contacts, rapport is developed, and client issues are identified and prioritized. When issues are general, CARE Team members will link the client to a resource; whereas when the need is more specific, the relevant team member provides specialized care. For example, when the CARE Team identifies a CARE client who has agreed to take a mental health assessment, the CARE Team clinician will respond to the location to provide brief counseling, and schedule and conduct the mental health assessment. The need for this type of service was identified during the CARE planning process, and by implementing this, the CARE program is utilizing an innovative approach to meet the needs of the CARE population.

From July 1, 2019 through June 30, 2020, CARE Team members tracked every contact with CARE clients. During this timeframe, 1055 clients were contacted resulting in 255 clients accepting services. These contacts account for all actions taken by CARE Team members—engagement, location of a client, connection to intervention services, and transportation, as well as numerous other responsibilities related to case management.

Program Year Outcomes: 24% (255 of 1055 CARE clients) Received on-going services

All ESG subrecipients that carried out emergency shelter activities had a street outreach component added to their respective 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 2020, which afforded them an opportunity to reach out to unsheltered persons in need and developed a better picture of community need. City of Modesto's ESG subrecipients provide emergency shelter, and also provide case management with prerequisite assessments, so that they may develop an individualized plan comprised of personalized goals that will help lead to individual independence and success.

- **Homeless Engagement and Response (HEART) Team**

The Modesto Police Department received over 10,000 calls for service in 2019 related to quality of life issues and over 7,000 quality of life calls for service so far in 2020. A vast majority of

these calls for service are related to homelessness and include offenses such as illegal panhandling, unlawful camping, littering, intoxication, trespassing, and obstructing sidewalks.

The response to these calls is currently handled by sworn police officers who attempt to provide resource education, opportunities to accept emergency shelter, and conduct enforcement when appropriate. Due to the complexity of these calls, sworn officers are often removed from active service for significant lengths of time while dealing with these calls, especially when individuals are willing to accept services and need assistance with connecting to social services or need transportation to the Access Center or emergency shelter.

In the coming program year, the HEART team will be expanded. Expanding the HEART to include outreach workers, will not only allow sworn officers to remain in service and available to respond to significant criminal calls for service, but it will also allow the outreach professionals to conduct a much more in-depth assessment and evaluation of an individual in hope of breaking the cycle of homelessness.

#### **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 congregate in Modesto. The City of Modesto uses CDBG public service and ESG funds to support emergency shelter providers.

#### **Emergency Shelter:**

In response to the September 4, 2018 ruling 9<sup>th</sup> U.S. Circuit Court of Appeals ruling that states that Cities cannot prosecute homeless individuals for sleeping on the streets when no shelter beds are available, the City of Modesto opened Beard Brook Park as a temporary outdoor shelter. The homeless response task force quickly assembled and from October 2018 to February 2019, established and opened the Modesto Outdoor Emergency Shelter (MOES) on February 20, 2019. This area under the 9<sup>th</sup> Street Bridge at the Tuolumne River Regional Park was set up to provide the necessary access and a safer and more secure place for those staying at this shelter. MOES was a temporary solutions that allowed the regional leaders to access and triage the homeless crisis and as such, MOES closed on December 12, 2019.

MOES Statistics at Closure	
Total Services Provided	3,116
Total campers Exited MOES to various housing detinations	250

Upon the closure of MOES, the City of Modesto, Stanislaus County Community Services Agency, and the City of Modesto partnered in the creation of 182 beds at the newly formed Access Center and Emergency Shelter (ACES). The ACES Center allowed for a low barrier shelter option for individuals that could not be successfully housed in other local shelters due to housing barriers. The ACES shelter opened its doors on November 26, 2019 and has served 263 individuals.

In Program Year 2019-2020, the City of Modesto continued its partnership with Salvation Army, Modesto Citadel by awarding CDBG and ESG grant funds (total of \$145,085.50) to support the Salvation Army's 9<sup>th</sup> Street Berberian emergency shelter. The Salvation Army has a Case Management Team designed to interrupt the cycle of homelessness and recidivism using case management and partnerships to move individuals from being homeless to permanent housing. This program will utilize the different resources of the Salvation Army Shelter and Transitional Living Center as well as partnerships with Community Impact Central Valley, Stanislaus County Affordable Housing Corporation, The Stanislaus County Sheriff's Department and many other collaborated resources to identify clients who show stability and desire to move from homelessness to permanent housing.

#### **Youth Shelter – Youth Navigation Center:**

The City also partnered with Center for Human Services in the acquisition of a property at 2000 West Briggsmore Avenue to be used as a Youth Navigation Center. This one-stop hub will provide a continuum of youth services for homeless and runaway youth (13-24 years old). This location will house the following wrap around services for youth:

- Street outreach and engagement services
- Homelessness prevention & diversion services
- Coordinated entry and assessment
- Crisis/Drop-in and Shelter for 13-17 year olds (8 beds)
- Crisis/Drop-in and Low-Barrier Shelter for 18-24 year olds (24 beds)
- Transitional housing for 18-24 year olds (15 beds)
- Access to housing services including permanent housing slots designed for youth with diverse circumstances
- On-site education and employment services

#### **Project Roomkey**

In April 2020, the County Board of Supervisors approved the use of the Modesto Hotel as a non-congregate shelter for the susceptible homeless population to be affected by COVID-19. This project, known as Project Roomkey, was funded through a State of California project aimed at

mitigating the spread of COVID-19 amongst at risk populations. This program ran from April 21, 2020 and as of September 10 2020 a total of 192 individuals have been sheltered.

This location provided wrap around case management services in partnership with Turning Point Community Programs. Twenty-eight (28) homeless individuals moved from sheltered residents to a variety of housing opportunities:

- 19 individuals moved to Kansas House;
- 3 individuals were placed in Permanent Supportive Housing through Community Impact Central Valley;
- 3 individuals were connected to Shelter Plus Care vouchers;
- 2 individuals were placed in Transitional Housing; and
- 1 individual is pending move-in to Non-Program Housing.

This project will be closed as of December 31, 2020.

#### **Youth Housing – Pathways Program:**

The City continued its support of Center for Human Services Pathways program by awarding a CDBG grant of \$23,100 to help with essential program services. Pathways is a 16 bed transitional housing program that addresses the need for shelter and support services for homeless youth 18 to 21 years of age. Shelter is provided up to 21 months. Using a positive youth development and trauma informed approach, Pathways promotes the social and emotional well being of the young people it serves. Program goals for youth served at Pathways are: obtaining employment, leaving to stable housing and having supportive relationships. Additional support services available to youth include: basic life, interpersonal and job acquisition and maintenance skills training, assistance with obtaining medical care and advancing educational opportunities, service learning opportunities, recreation, referral and after care services.

**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 creating housing opportunities 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.

Through coordinated entry and consistent communication, the following are key highlights of the Community System of Care's efforts in 2019-2020.

**Coordinated Entry:**

The Stanislaus Community System of Care (CSoC) has formed a Coordinated Entry System (CES) to coordinate the intake, assessment, and referral process within the Continuum of Care (CoC) and efficiently expand the system's ability to deliver the appropriate resources to individuals and families who are experiencing homelessness.

This system is used to guide the evaluation of individuals' and families' eligibility for assistance, and to guide the determination and prioritization of how eligible individuals and families will be referred to prevention and other services and housing through a closing monitored assessment, housing match & prioritization, documentation & housing navigation, and housing placement. Ensuring that homeless individuals and families are placed in the appropriate housing model for their individual needs and access level.

Since the opening of the Kansas House at 722 Kansas Avenue, Modesto, the CoC has used Coordinated Entry System measures to prepare homeless individuals and be housed at Kansas House. To date, a total of 140 previously homeless individuals have been provided permanent supportive housing at Kansas House. Supportive services supported by local service providers include but not limited to budgeting, behavior health, and general counseling. In addition, these individuals received a housing choice voucher and have the opportunity to use the housing voucher to obtain housing in other areas. Through intensive case management, these individuals will have the opportunity to remain and retain permanent affordable housing.

Coordinated Entry meetings are held weekly with all local housing providers and outreach staff where CoC homeless service providers are able to assist with housing placement.

***Empire Migrant Center***

Supported by the Community System of Care and Stanislaus Homeless Alliance, the Stanislaus County Community Services Agency's (CSA) partnered with the Housing Authority to house currently homeless families during the cold-weather months in vacant family units at the Empire Migrant Center. The Empire Migrant center consists of 90 single family dwelling units used for farmworker housing from April to October each year. This project allowed CSA to use 22 units to place homeless families in these units during the months of November through March. In 2019-2020 a total of 24 families were housed; 92% were placed into permanent housing, 25% increased employment engagement, and 50% saw an increase in income by securing employment. This project will be a multi-year partnership allowing CSA to place homeless families each winter in housing and provide case management services with a goal to

permanently house homeless households. The Empire Cold Weather Family Shelter project was recognized by the Board of Supervisors in 2019 to receive the Effective Partnership Award.

For those individuals at risk for homelessness whether or not its related to COVID-19, in Program Year 2019-2020 the City provided ESG grant funds to Community Housing and Shelter Services for Homeless Prevention services. Through this program CHSS provided short-term rental assistance and intensive case management services.

### ***The Family Housing Facility***

In coordination with the countywide strategy to address the critical issue of homelessness especially as it impacts families with school aged children, Stanislaus County entered into a five-year lease with a motel located at 1128 South 9th Street in Modesto. The property has 21 units and a three room office space.

In November 2019, the Community Services Agency began operations of a year round shelter for families using the successful model implemented at the Empire Cold Weather Family Shelter. The Family Housing Facility (FHF) operates 24 hours a day with onsite property management. CSA has contracted with the Stanislaus County Affordable Housing Corporation for property management which includes security.

The target population served at FHF are families who meet the following criteria: currently being case managed in CSA's HSP unit, have used all available temp shelter nights, are still engaged in permanent housing search and have been unsheltered the longest from date of referral to the HSP program. Due to the room capacity, consideration is made to match small sized families.

Community Services Agency (CSA) works in partnership with Community Housing and Shelter Services (CHSS) for placement at FHF. CHSS services include primary case management oversight which include, assisting participants with household budget, understanding their income, housing options, completing housing application), landlord outreach and housing search workshops, working with families to remove barriers to self-sufficiency, and connecting families to applicable and relevant community resources.

During the 2019-2020 program year 46 families were served and 77% of these families exited to permanent housing. This program has run at full capacity during this program year.

In the coming year, the City is excited to implement additional innovative approaches to addressing homelessness through a three pronged approach at addressing homelessness:

### **Camp2Home Program Launch**

The goal of the Camp2Home program is to implement a homeless action plan that reduces encampments in public spaces, ensures the provision of supportive services and identifies strategies for permanent housing.

With nearly \$5 million total funding from federal Emergency Solutions Grants-CV (ESG-CV) and state Community Development Block Grants-CV (CDBG-CV), this program is offering an innovative solution and a hand up, not a hand out to those in need.

Program leaders will reach out to individuals and partner with low barrier shelters to house those willing to engage. Individuals will participate in a “job ready” curriculum from the Downtown Streets Team that assists in writing resumes, calculating budgets, and obtaining government-issued identification, like ID cards and birth certificates.

Those enrolled in the program will work in four different city departments over the course of a year, expanding their resumes and gaining hands-on job experience. After graduation, these individuals can be hired for full-time work at a number of local businesses with ongoing case management and will be assisted in finding permanent housing.

#### **SCRG Creation**

The City and County are partnering in a multijurisdictional agreement called the Stanislaus Community Response Guidelines for Individuals Experiencing Homelessness (SCRG).

Certain locations within the City are under the jurisdiction and control of the State or County, which complicates the procedure for enforcing encampments on the City’s side.

This agreement will standardize how to address encampments crossing City or County lines to significantly increase the probability of successful outcomes for all involved: those experiencing homelessness, responding staff, and the community.

#### **HEART Expansion**

The City will be expanding its police department’s outreach program, Homeless Engagement and Response Team (HEART). Six part-time employees will widen the scope of outreach and to ensure a variety of services are offered to individuals experiencing homelessness in the City.

The City is working hard to partner with organizations and devise programs to help solve homelessness in ways that will make a measurable difference.



Those experiencing homelessness are taking advantage of the programs the City provides in order to better their lives and the lives of those around them.

### **Homeless Discharge Coordination:**

The City of Modesto is engaged in homeless discharge coordination from health care facilities through the Stanislaus County Hospital & Shelter Partners (SCHSP) meetings. Since April 2019, the Hospital Council of Northern California has coordinated SCHSP monthly meetings with representatives from local hospitals, homeless shelters, public agencies, and stakeholder groups to plan for the discharge of homeless individuals from health care facilities to comply with SB 1152. The objective has been to create a community standard of care and greater connection and cooperation between discharging and receiving providers of services for the homeless. For the major part of 2019, the focus of the SCHSP has been to coordinate on the shelter and treatment of homeless individuals impacted by COVID19.

### **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 been working in collaboration with the local Continuum of Care (now named CSOC) for over 19 years to improve services to the homeless and those at risk of becoming homeless. The following are key highlights of the work being conducted in our community to assist individuals and families avoid becoming homeless:

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

Over four years ago, the Stanislaus County Board of Supervisors launched the Focus on Prevention (FOP) 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 community sectors and address root causes of homelessness and other issues. The City of Modesto has been a stakeholder in the FOP movement since its inception, supporting the efforts to assist residents in escaping homelessness.

### **Stanislaus Homeless Alliance**

In May 2019, the Regional governments, local CSOC, Focus on Prevention, as well as representatives from various shelters and homeless interests came together to form the

Stanislaus Homeless Alliance (SHA). This body provides insight and recommendations on homeless issues and other regional homeless projects to the local CoC and federal funding organizations. This body of representatives created a global conversation to the homeless issues at a regional level that provides a barometer for what programs and ideas are working and help improve on the overall response to homelessness in the Region. The City of Modesto's Mayor is a voting member on this board.

#### **Homeless Discharge Coordination:**

The City of Modesto continues to be engaged in homeless discharge coordination from health care facilities through the Stanislaus County Hospital & Shelter Partners (SCHSP) meetings. Since April 2019, the Hospital Council of Northern California has coordinated SCHSP monthly meetings with representatives from local hospitals, homeless shelters, public agencies, and stakeholder groups to plan for the discharge of homeless individuals from health care facilities to comply with SB 1152. The objective has been to create a community standard of care and greater connection and cooperation between discharging and receiving providers of services for the homeless. For the major part of 2019, the focus of the SCHSP has been to coordinate on the shelter and treatment of homeless individuals who have been impacted by COVID19.

During Program Year 2019-2020, the City also partnered with the HACS on projects such as 722 Kansas House that resulted in 103 permanent supportive housing units.

In response to COVID-19, the City is actively communicating with the community and service providers to minimize the affect of COVID-19 on individuals and families at risk for eviction. The City has contracted with several service providers to make sure that there are enough resources in the community for low income individuals to remain housed.

### **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) continue to partner on furthering decent, safe, and affordable housing within the City of Modesto. 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' 2020 PHA Plan, the HACS currently operates 647 public housing units and 4903 Housing Choice Vouchers (Section 8 Program).

Over this past Consolidated Plan Cycle, 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. The City and PHA partnered on several housing projects providing decent and safe affordable housing to low income families.

From Program Years 2015-2019, the City partnered with the Housing Authority on several projects including the following:

- Rehabilitation of a 40 unit multifamily apartment complex at 201 E. Coolidge Ave
- New construction of an 8 unit single family housing project at 416 E. Coolidge
- Acquisition of property at 0 Vine Street to develop public housing opportunities to low income individuals.
- Acquisition of a 103 unit hotel converted into affordable housing for homeless households
- New construction of 2 single family residences at Havencove Way known as Edwards Estates
- New construction of Glendale Veterans Quarters which consisted of 4 single family housing units for veterans

The City of Modesto participates in the County wide CSOC (CoC) along with the local Housing Authority, the CHDOs, and other local agencies to identify housing needs within the county, including resident initiatives. The CoC Housing and Homeless Populations Committee is inventorying and identifying all affordable housing stock designated to serve this population in order to assess needs and gaps in advance of new State one-time funding designations for affordable housing.

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

The Housing Authority 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.

The Housing Authority is actively using engaging FSS participants by promoting homeownership opportunities such as the two Edwards Estates units funded with HOME funds and built by Great Valley Housing Development Corporation which is a non-profit arm of the Housing Authority.

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

Not Applicable. According to the 2020 PHA plan, the Housing Authority of the County of Stanislaus is a High 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)**

In order to ameliorate the negative effects of public policies that serve as barriers to affordable housing, the City of Modesto has policies in its impact fee program for affordable housing. The current CFF Policies and Procedures provide, with respect to very low and low income housing exemptions, the total number of housing exemptions granted are not to exceed two percent (2%) of the cumulative total CFF program housing units. The CFF Policies and Procedures also allow a Community Housing and Development Organization (CHDO) to submit an application and request CFF be waived on new affordable units for households earning sixty (60%) or less of the Area Median Income.

Since 1989, a total of 14,857 residential building permits have been issued, of which 689 were granted CFF exemptions.

In December 2018, the City of Modesto declared a shelter crisis. This declaration allows the City to adopt by ordinance reasonable local standards and procedures for the design, site development, and operation of homeless shelters and the structures and facilities therein, to the extent that it is determined at the time of adoption that strict compliance with state and local standards or laws in existence at the time of that adoption would in any way prevent, hinder, or delay the mitigation of the effects of the shelter crisis.

During the shelter crisis, provisions of any housing, health, habitability, planning and zoning, or safety standards, procedures, or laws shall be suspended for homeless shelters, provided that the city, county, or city and county has adopted health and safety standards and procedures for homeless shelters consistent with ensuring minimal public health and safety and those standards are complied with.

In 2019, the City used the shelter crisis declaration to assist with the expansion of 182 beds at the local Salvation Army shelter now known as the Access Center and Emergency Shelter (ACES). The ACES Center allowed for a low barrier shelter option for individuals that could not be successfully housed in other local shelters due to stricter standards in traditional shelter settings.

The City of Modesto is committed to the provision of affordable housing for residents of all income groups. The City's commitment is evidenced by its continued efforts to rehabilitate housing owned or occupied by lower-income households, helping lower-income families purchase homes, financial commitment partnerships with affordable housing developers, and adoption of local policies that act as incentives for the development of affordable housing.

Through the following measures, the City of Modesto attempts 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 2016 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.
5. Accessory Dwelling Unit Ordinance:
6. Housing Plan: In 2019 the City of Modesto applied for and was awarded \$625,000 in State of California SB2 Planning Grants Program. The PGP program is intended for the preparation, adoption, and implementation of plans that streamline housing approvals and accelerate housing production. Grant Funds will be partially used for the development of an Affordable Housing Plan (AHP). To assist in mitigating barriers to affordable housing, the City will utilize California SB2 funds to develop an Affordable Housing plan to identify opportunity sites for affordable housing; funds will also be used to of explore zoning code amendments to facilitate housing development.

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

The City of Modesto continues to participate 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.

Each year, the Stanislaus Community System of Care (CSOC) (recognized as the local HUD Continuum of Care) 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.

From 2016 to 2019, the City of Modesto acted as the "Collaborative Applicant" for Continuum of Care grant funds. In 2019, the Collaborative Applicant role was transferred to Stanislaus County Community Services Agency. Stanislaus County now leads all CoC related efforts with the City of Modesto being an active partner.

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 as 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 for affordable housing projects.

The CSOC continues to actively work on closing any gaps in the availability of services across all categories of underserved needs, including but not limited to seniors, persons with disabilities, individuals with chronic illness, persons with other conditions affecting their ability to function independently and productively, foster youth and homeless.

The community is currently working on improved data collection standards and more effective communication efforts between funding agencies to better position the community to begin reducing these needs and gaps, by mutually aligning and focusing efforts.

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

The City of Modesto has adopted policies to be implemented in its housing programs, which comply with HUD requirements relating to lead-based paint hazards. In alignment with HUD's requirements, lead-based paint remediation actions will depend on the level of subsidy provided on a project by project basis.

Most housing rehabilitation projects are subject to federal regulations for Lead-Based Paint and contractors must be certified in safe work practices when completing the rehabilitation work. This effort in the past has resulted in more contractors being able to bid on and participate in the projects that contain lead-based paint. The following is a summary of lead-based paint activity in the City's housing programs during PY 2019:

- 6 homeowners received *"Protect Your Family from Lead in Your Home, June 2017"* lead-based paint informational packets as their homes were built prior to 1978; 5 projects were exempt with no paint disturbance. One project exceeded qualified to identify and eliminate lead hazards. The Homeowner Rehabilitation Program project was inspected by a California Department of Public Health Certified Lead Inspector/Assessor and passed a visual clearance. In addition, the certified inspector collected wipe and soil samples from the home and sent them in for laboratory analysis. The DHS dust standards are more stringent than HUD dust standards and were adhered to for this project. A Clearance Report was provided by the DHS certified inspector. The homeowner was provided a copy of the report. The City of Modesto retains a copy of the report
- 6 rapid rehousing / homeless prevention recipients received *"Protect Your Family from Lead in Your Home, June 2017"* lead-based paint informational packets as the properties were built prior to 1978.

The cost for the stabilization of lead based paint can be included in the City of Modesto's housing rehabilitation loan program. The cost of the lead-based paint inspection and/or clearance is paid from entitlement funds.

The City of Modesto will continue to provide lead-based paint testing as a component of its housing repair and rehabilitation programs when required by HUD regulations. Given the age and condition of the City of Modesto's housing stock, there are a significant number of homes where lead-based paint testing is needed.



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

The City of Modesto, through its engagement in the local Community System of Cares played a key role in the development of a Coordinated Entry system. Coordinated entry (also known as coordinated assessment system) is a consistent, community wide process to match people experiencing homelessness or at-risk of homelessness to community resources that are the best fit for their situation. In a community using coordinated entry, homeless individuals and families complete standard triage assessment survey that identifies the best type of services for that household. Participating programs accept referrals from the system, reducing the need for people to traverse the county seeking assistance at every provider separately. The process helps prioritize housing and homeless assistance based on vulnerability and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner. The process also provides information about service needs and gaps to help plan assistance and identify needed resources in our community. The community has worked hard to improve on this process, and ensure that we are assisting poverty-level families not only with prioritizing them for their housing needs, but assessing all other needs. Now that these needs are assessed case managers will continue reaching out to the members to connect to applicable services until housing becomes available.

In Program Year 2019, the City continued its partnership with Opportunity Stanislaus, a local economic development agency, in support of the VOLT Institute program. The VOLT Institute is an industry led manufacturing training center that teaches advanced manufacturing skills to area workers and was officially launched on October 30, 2017 offering job training in maintenance mechanics. This training is designed to provide hands-on training on industrial systems and equipment. The curriculum guides students through: the basics of print reading; fasteners; machine tools; proper installation, repair, and maintenance of pumps; mechanical drives; and pneumatic and hydraulic systems. Safe welding and torching techniques are covered as well as electrical theory and circuits as applicable to mechanical systems.

The Section 3 program of the Housing and Urban Development Act of 1968, as amended, requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting and other economic opportunities to qualified low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons. In compliance with the Section 3 requirement, the City of Modesto requires contractors, developers, and subrecipients seeking to work on or within programs being funded by HUD to complete certifications as acknowledgment of the Section 3 contracting and employment provisions at the time of submitting bids/proposals to the City of Modesto. The City of Modesto submits annual reports to HUD whereby Section 3 activity (new hires and/or trainees)

are reported. During PY 2019, CDBG funds created a total of 24 new jobs and provided training to 109 Section 3 residents. For a summary of Section 3 reported activity, refer to the 2019 Section 3 reports included with this CAPER.

Through the City's Small Business Assistance loan program funded with CARES Act funds, the City was able to assist

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

The City of Modesto has a well-developed institutional structure and service delivery system. The City 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 several citizens-at-large. 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 meetings are publicly noticed, open to the public and are held at Tenth Street Place, 1010 Tenth Street, Modesto, California. Public comments are encouraged and welcome. All HUD documents are vetted through the CH&CDC for review, approval, and forwarding to the City Council.

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

Program Year 2019 accomplishments were reported to several community groups as well as the CSOC (local CoC).

The City continues to carefully monitor 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.

City staff provide ongoing Technical Assistance and/or training opportunities including but not limited to HMIS compliance; as well as Capacity Building sessions for grant applicants who may lack the expertise to apply for grant funding opportunities effectively (as explained in further detail below).

Institutional structure developments during Program Year 2019 include the continuance of the Stanislaus Homeless Alliance. In October 2018, a workgroup consisting of City Managers, the County Chief Executive Officer (CEO), Focus on Prevention staff, and the existing CSOC leadership council developed the Stanislaus Homeless Alliance (SHA) after recognizing that the community was missing a leadership structure that would provide vision, strategy, and funding allocation guidance.

The intent of the SHA, as a community-wide leadership structure, is to develop one vision, one program strategy, one funding strategy, and one annual report card to communicate performance outcomes to the community and serve as the framework for mutual accountability. To accomplish this, the SHA is intentionally designed to include elected officials, executive staff, and nongovernment community leaders to reinforce the core principle that effective solutions must include all sectors of the community working together with a common purpose and strategy. The SHA consists of the following organizations: Stanislaus County, City of Modesto, City of Turlock, City of Ceres, west County representative, east County representative, Focus on Prevention, Community System of Care, and Stanislaus Regional Housing Authority.

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

Actions taken to enhance coordination between public and private housing and social services agencies included the following:

- Close consultation with the CSOC, which is made up of community representative stakeholders including but not limited to HUD entitlement jurisdictions, City and County service agencies, and non-profit service providers;
- Monthly meetings with its public and private housing development partners, which include local private CHDOs (e.g., Habitat for Humanity, Stanislaus County and Stanislaus

Affordable Housing Corporation, and Great Valley Housing Development Corporation (GVHDC)) and the Housing Authority (to enhance coordination in the areas of community housing and social services.

- Participation in Focus on Prevention initiative;
- Participation in the recently formed Stanislaus Homeless Alliance.
- CSOC membership efforts toward landlord engagement to secure additional housing units for the low income population
- Public and private partnerships built through the Camp2Home program to be implemented in PY 2020.

**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 throughout multiple communities within the county. The HACS works with local government agencies and family resource centers to promote migrant housing opportunities. Staff also, periodically meets with migrant service providers to educate their staff about affordable housing resources and how to access those resources (if not restricted to this population).

- 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. These efforts include the support of intensive case management services to clients on a one-to-one basis to better ensure long-term housing success. In addition, the City partners with local public service providers that offer credit counseling and case management services as an effort to position families in securing adequate housing.

- 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 services include a project with a local for profit housing developer to provide leased units to assist families unable to find any other affordable housing options.

In addition the Community System of Care continues to explore ways to provide landlord incentives in an effort to entice landlords to participate in subsidized housing programs.

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

Actions Taken: This is no longer a major impediment since foreclosure rates have significantly decreased since the recovery of the housing market. The City continues to observe housing market conditions and will work with local partners to provide assistance if foreclosure rates increase, depending on what transpires in the housing market.

## **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**

As the lead agency for City of Modesto HUD Entitlement funds, staff monitors all subrecipients on a regular basis through written contacts, phone conversations, electronic information transfers, face-to-face monitoring visits 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.

The City uses several project checklists to serve as project monitoring tools during project funding consideration, implementation, and completion. The first checklist is a project proposal checklist that identifies all agency and project related documentation needed for consideration of a project application for HUD funding. The information collected through this checklist is used to gauge and determine organizational capacity and project feasibility.

If awarded, a “project implementation” checklist is used to monitor the project from inception

to completion and to ensure all project implementation documentation is collected for the project file including but not limited to procurement documentation, Section 3 and MBE/WBE compliance, Davis Bacon Act labor standards compliance, progress inspections, and collection of quarterly project status reports.

**Minority Business Outreach Related to Monitoring:** The City conducts due diligence in reaching out to minority owned businesses, also known as minority business enterprises (MBE), and encourages participation in HUD funded projects by such businesses. All HUD project proposal requests include information relating to compliance with Minority Business Enterprise and Woman Business Enterprise (MBE/WBE) reporting. MBE/WBE documentation is included in all Homeowner Rehabilitation Program bid solicitation packets and MBE solicitation is required of all City subrecipients. In PY 2019, the City enhanced its outreach efforts through ongoing collaboration and partnerships with South Modesto Partnerships, a local grassroots organization serving South Modesto. In addition, public notices related to any of the City's HUD programs are posted in Spanish for greater opportunity to WBE/MBE businesses.

Monitoring is normally conducted utilizing a three (3) tiered approach. Depending upon the risk involved the following approaches are undertaken to monitor HUD funded projects:

**Limited Review:** A limited review is conducted of all contracts 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:** 12.4.2.1. An on-site monitoring review will be a site visit to a contract 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 visit 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 sampling randomly selected files that includes 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.

The City's overall monitoring efforts include tools that assist in the oversight of the City's progress toward meeting its comprehensive planning requirements. The City assesses its progress toward Consolidated Plan goals on an annual basis and plans the following year's objectives according to the progress made toward meeting its goals.

### **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.**

Reasonable notice and opportunity to comment was provided to citizens in the following ways:

The City of Modesto followed its citizen participation plan by releasing the Draft CAPER for public review on November 11, 2020, with a public review period to begin November 11, 2020 and end on December 8, 2020. A public hearing notice was published in both English and Spanish in The Modesto Bee on November 11, 2020 defining the CAPER review process and how persons, agencies, and interested groups may participate; as well as instructions on how to submit written comments. As part of the public review process, the Draft CAPER was distributed to the Stanislaus Community System of Care Collaborative (also known as the Continuum of Care).

Also, the Draft CAPER will be made available on November 11, 2020, for public review and input, via the internet, on the City's Community Development Division's Publications and Reports website and copies of the Draft CAPER will be made available for review at the Community Development Division's office. A final public hearing to consider approval of the CAPER will be held December 8, 2020, before the Modesto City Council.

The City of Modesto's CH&CDC will review and discuss the draft CAPER on November 12, 2020, 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, December 8, 2020.

Due to COVID-19, no in person meetings were held; instead virtual meetings were held during the Citizen Participation process. The following table represents the virtual meetings held for the 2019-2020 CAPER Citizen Participation:

Date/Time	Meeting Name/Location	Council District/Census Tract	Public Comments
November 12, 2020 at 12:00 p.m.	Citizens Housing and Community Development Committee	Citywide	TBD
November 19, 2020 at 2:30 p.m.	Stanislaus Community System of Care (CSOC) Meeting (local CoC)	Citywide	TBD
December 8, 2020 at 5:30 p.m.	City Council Meeting/CAPER Public Hearing	Citywide	TBD

Spanish-speaking translators are available at all meetings. If a request for other language translators is made at least five (5) working days prior to a public meeting, translators will be provided. All community input meetings were held virtually in accordance with the “CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response and plan amendment waiver” Memo and the City of Modesto’s Citizen Participation Plan. 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.

In PY 2019, the City conducted citizen participation meetings in disadvantaged communities in an effort to engage low income residents in the planning and development of the 2020-2024 Consolidated Plan and Annual Action Plan.

**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.

The following changes/adjustments occurred during Program Year 2019-2020:

- Annual Action Plan Amendments: There were four (4) Annual Action Plan Amendments to the 2019 AAP. Through these amendments, the following activities were defunded/postponed for future program years due to challenges that prevented the activities to be carried out within the program year:

### Amendment #1

- The purpose of Amendment #1 was to 1) Defund several activities and fund new or existing activities to assist with expenditure of CDBG and HOME funds in a timely manner and 2) Convert NSP Program Income into CDBG for CDBG eligible activities.

### Amendment #2

- The purpose of Amendment #2 was to convert NSP program income into CDBG for economic development activities to assist local businesses in response to COVID-19.

### Amendment #3

- The purpose of Amendment #3 was to program COVID-19 CDBG-CV and ESG-CV CARES Act funds into the 2019 Annual Action Plan. CDBG-CV Funds will be used to 1) provide economic development assistance to local business in the retention and creation of full-time equivalent jobs for low to moderate income persons. 2) Provide public services to persons impacted by COVID-19, and 3) Allocate funds for planning and program administration for CDBG-CV and ESG-CV funds.
- ESG-CV funds will 1) Provide Emergency Shelter/Outreach 2) Homeless prevention/rapid rehousing assistance to individuals impacted by COVID-19, and 3) HMIS funds to assist with updating the City's system and time associated with COVID-19 FEMA requirements.

### Amendment #4

- The purpose of Amendment #4 was to allocate COVID-19 CDBG Round 3 (CDBG-CV3) and ESG Round 2 (ESG-CV2) funds into the 2019 Annual Action Plan. ESG-CV2 funds will be used for the following activities: 1) Street Outreach, 2) Emergency Shelter, 3) Rapid Re-housing, 4) Homeless Prevention.
- CDBG-CV3 will be used for the following eligible activities: 1) Public Services, 2) Public Facilities

The City constantly monitors projects to ensure they are meeting the timelines which were originally anticipated. If a project was to be delayed, the City would know this immediately, and complete an Annual Action Plan Amendment to adjust funds to another eligible project.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

Not Applicable. The City of Modesto does not have any open Brownfields Economic Development Initiatives.

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

Not Applicable.

***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 the schedule provided in 24 CFR Part 92.252 as follows:

- Properties must be maintained to meet applicable State and local laws, and be free of all health and safety defects all defects will be clearly identified for correction.
- Housing must meet lead-based paint requirement in 24 CRF part 35.
- Procedures put into place to ensure owner addresses deficiencies in a timely manner.
- Establish written inspection standards that include detailed inspection checklist, a description of how and by whom inspections will be carried out.
- All HOME- assisted rental projects must be inspected at least once every three years during the affordability period.

During Program year 2019-2020, the City was not required to conduct on site Housing Quality Standard inspections (HQS) for any of the HOME assisted rental housing units. Any and all identified deficiencies from the previous fiscal year have been documented and corrected.

Corrections were verified by re-inspection, photo documentation, and or part/repair receipts. The following is a summary of the rental housing complexes at which major concerns were identified in the previous fiscal year:

608 Brighton Ave had presented the most extensive health and safety issues. These issues included large areas of moisture damage, broken windows, electrical hazards and various appliances missing hardware. The repairs at this property were monitored closely to ensure proper completion of repairs. All corrections were properly made and documented in our files. The property affordability period ended fiscal year 2019-2020 and therefore no longer requires additional on-site HQS inspections.

1005 Maze Blvd though a small property (3 Units) had various deficiencies. The units had inoperable and or broken windows, blocked egress, and were missing smoke/carbon monoxide detectors. There were also electrical issues and tripping hazards. All corrections have been made and properly documented in our files. The property will be due for additional on-site HQS inspections during Program year 2021-2022.

During Program year 2019-2020, the City created an updated monitoring plan to be implemented program year 2020-2021. The purpose of updating the monitoring plan was to create a more efficient process. The updates to the monitoring plan include:

- Updated risk-based analysis
- Updated internal audit process
- Updated forms
- Updated monitoring/tracking software

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

The City's HOME Program Policies and Procedures include an Affirmative Marketing Policy for use in its HOME funded projects. The policy reads:

- The City shall use a variety of public service announcements to inform persons of all genders, races, ages, ethnic groups, religious orientation, employment status, sources of income, marital status and sexual orientation of the availability of the housing opportunities made under the HOME Program.

To enforce this policy, the City:

- Publishes information about programs it is implementing. Such information will include reference to the Affirmative Marketing Policy; Federal, State and local fair housing laws;

and contain information on the program and housing units.

- Includes the requirements of an Affirmative Marketing Policy in its contractual agreements with subrecipients in the HOME Program.
- Use the Equal Housing Opportunity logo, slogan, or statement in all advertising.

Both the borrowers/developers and the City of Modesto share the responsibility to inform the public about federal fair housing laws and affirmative marketing efforts. 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.

**Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics**

In PY 2019, a total of \$161,172 in HOME program income was received. The program income received will assist with the current HOME projects scheduled for construction in 2020.. Two of projects that will be funded within the next year are 35 permanent supportive housing units for Veterans and Seniors, and well as 74 affordable rental units for families through the Archway Commons project. The City will report beneficiary data upon project completion in IDIS.

**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 Analysis of Impediments to Fair Housing.

Through the City's homeowner rehabilitation program we were able to address health and

safety concerns of 10 housing units in the City of Modesto. This year, we have also reached out and partnered with our Code Enforcement Team. All code enforcement violations are given further information regarding our Homeowner Rehabilitation Program, so the City can assist with addressing these code concerns, and maintaining the affordable housing stock.

The City continues to review its loan profile affordability periods. For those projects which are approaching their affordability period, we intend to reach out to our community partners to see if we can extend the affordability on those units to ensure that we foster and maintain the affordable housing stock. The City works closely with public and private partners to renew or extend periods off affordability for housing complexes for which their affordability periods are nearing expiration.

**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>	

**ESG Contact Name**

**Prefix**  
**First Name**  
**Middle Name**  
**Last Name**  
**Suffix**  
**Title**

**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-

**Phone Number**  
**Extension** 0  
**Fax Number** 0  
**Email Address**

**ESG Secondary Contact**

**Prefix**  
**First Name**  
**Last Name**  
**Suffix**  
**Title**  
**Phone Number**  
**Extension**  
**Email Address**

**2. Reporting Period—All Recipients Complete**

**Program Year Start Date**  
**Program Year End Date**

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

**Subrecipient or Contractor Name**  
**City**  
**State**  
**Zip Code**  
**DUNS Number**  
**Is subrecipient a victim services provider**  
**Subrecipient Organization Type**  
**ESG Subgrant or Contract Award Amount**

## CR-65 - Persons Assisted

### 4. Persons Served

Per HUD instructions, CR-65 data (tables 16 to 23) are to be reported via the Sage report. The Sage report is included as part of this document as Attachment 1.

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

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

Table 16 – Household Information for Homeless Prevention Activities

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

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

Table 17 – Household Information for Rapid Re-Housing Activities

#### 4c. Complete for Shelter

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

Table 18 – Shelter Information

**4d. Street Outreach**

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

**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	Pending SAGE Report
Children	Pending SAGE Report
Don't Know/Refused/Other	Pending SAGE Report
Missing Information	Pending SAGE Report
<b>Total</b>	Pending SAGE Report

**Table 20 – Household Information for Persons Served with ESG**

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

	<b>Total</b>
Male	Pending SAGE Report
Female	Pending SAGE Report
Transgender	Pending SAGE Report
Don't Know/Refused/Other	Pending SAGE Report
Missing Information	Pending SAGE Report
<b>Total</b>	Pending SAGE Report

**Table 21 – Gender Information**

**6. Age—Complete for All Activities**

	<b>Total</b>
Under 18	Pending SAGE Report
18-24	Pending SAGE Report
25 and over	Pending SAGE Report
Don't Know/Refused/Other	Pending SAGE Report
Missing Information	Pending SAGE Report
<b>Total</b>	Pending SAGE Report

**Table 22 – Age Information**



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

Number of Persons in Households				
Subpopulation	Total	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters
Veterans				
Victims of Domestic Violence				
Elderly				
HIV/AIDS				
Chronically Homeless				
<b>Persons with Disabilities:</b>				
Severely Mentally Ill				
Chronic Substance Abuse				
Other Disability				
<b>Total (unduplicated if possible)</b>	<b>See SAGE Report</b>			

**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	54,020
Total Number of bed - nights provided	53,974
Capacity Utilization	99.9%

**Table 24 – Shelter Capacity**

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

ESG funds were used for Emergency Shelter, Homeless Youth Street Outreach, and Homeless Prevention. Performance outcomes are reported in the SAGE report.

As part of the COC, the City of Modesto measures the performance of the ESG recipients through the System Performance Measures.

The System Performance Measures are completed every year for the entire COC and submitted to HUD on an annual basis. This report measures:

- Number of homeless persons served
- Length of homelessness
- Returns to homelessness
- Number of sheltered homeless persons
- Job and income growth
- First time homelessness
- Exit and retention of permanent housing.

The outcomes of the above measured factors are included in the SAGE report included with the PY 2018 CAPER.

**CR-75 – Expenditures**

**11. Expenditures**

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

	Dollar Amount of Expenditures in Program Year		
	2017	2017	2019
Expenditures for Rental Assistance	21,430	30,000	\$30,338
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance			
Expenditures for Housing Relocation & Stabilization Services - Services			
Expenditures for Homeless Prevention under Emergency Shelter Grants Program			
<b>Subtotal Homelessness Prevention</b>	<b>\$21,430</b>	<b>\$30,000</b>	<b>\$30,338</b>

**Table 25 – ESG Expenditures for Homelessness Prevention**

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

	Dollar Amount of Expenditures in Program Year		
	2017	2018	2019
Expenditures for Rental Assistance	6,488		\$15,259
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	2,553		
Expenditures for Housing Relocation & Stabilization Services - Services	25,527		
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	13,258		
<b>Subtotal Rapid Re-Housing</b>	<b>\$47,826</b>	<b>\$0.00</b>	<b>\$15,259</b>

Table 26 – ESG Expenditures for Rapid Re-Housing

### 11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2017	2018	2019
Essential Services	77,552		
Operations	22,286	40,060	\$67,013
Renovation			
Major Rehab			
Conversion			
<b>Subtotal</b>	<b>\$99,838</b>	<b>\$40,060</b>	<b>\$67,013</b>

Table 27 – ESG Expenditures for Emergency Shelter

### 11d. Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year		
	2017	2018	2019
Street Outreach		32,252	\$34,192.95
HMIS	2,130		
Administration	10,505	12,158	
<b>Subtotal</b>	<b>\$12,635</b>	<b>\$44,410</b>	<b>\$34,193</b>

Table 28 - Other Grant Expenditures

### 11e. Total ESG Grant Funds

Total ESG Funds Expended	2017	2018	2019
	<b>\$181,729</b>	<b>\$114,470</b>	<b>\$146,803</b>

Table 29 - Total ESG Funds Expended

**11f. Match Source**

	<b>2017</b>	<b>2018</b>	<b>2019</b>
Other Non-ESG HUD Funds	42,327	11,306	15,259
Other Federal Funds		23,743	4,966.98
State Government			25,371.01
Local Government			0.00
Private Funds	97,170	123,044	34,192.95
Other	51,080		67,013
Fees			0.00
Program Income			0.00
<b>Total Match Amount</b>	<b>\$190,577</b>	<b>\$158,093</b>	<b>\$146,803</b>

**Table 30 - Other Funds Expended on Eligible ESG Activities**

**11g. Total**

<b>Total Amount of Funds Expended on ESG Activities</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
ESG + Total Match (11e+11f)	<b>\$372,306</b>	<b>\$272,563</b>	<b>\$293,606</b>

**Table 31 - Total Amount of Funds Expended on ESG Activities**