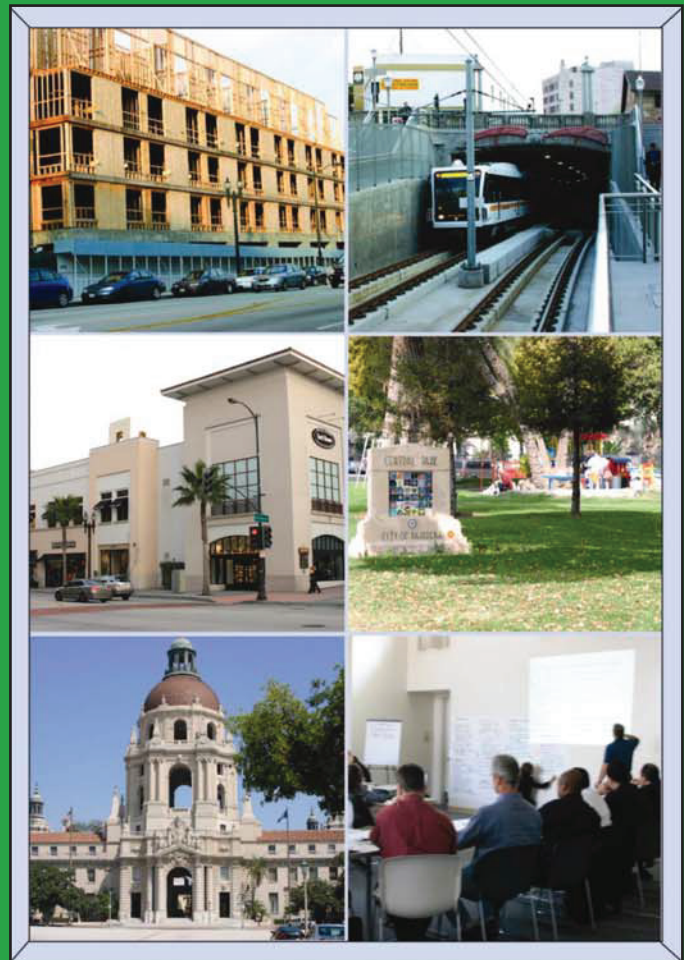


City of Pasadena

2024-25 Annual Action Plan (DRAFT)



City of Pasadena

ANNUAL ACTION PLAN 2024 (Draft)

CITY COUNCIL

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Executive Summary

Introduction

The City of Pasadena (City) is an entitlement jurisdiction that receives federal funds from the U.S. Department of Housing and Urban Development (HUD) to invest in local communities. The funds are provided under the Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME), and Emergency Solutions Grants Program (ESG) entitlement programs. All funds must assist low- to moderate-income (LMI) individuals and families.

Every five years, HUD requires a single coordinated process for consolidating the planning, application, reporting, and citizen participation process for the above-mentioned entitlement programs. This planning process is referred to as the Consolidated Plan, which assists the City in determining community needs and provides a community-wide dialogue regarding affordable housing and community development priorities.

The Consolidated Plan is carried out through the Annual Action Plan, which provide a concise summary of the actions, activities, and the specific deferral and non-federal resources that will be used each year to address the priority needs and specific goals identified in the Consolidated Plan. The goals of the HUD federally funded entitlements programs are to provide decent housing, a suitable living environment, and expanded economic opportunities for its Low/Moderate Income (LMI) residents. These goals are further explained as follows:

PROVIDE DECENT HOUSING through:

- assisting homeless persons to obtain appropriate housing;
- assisting persons at-risk of becoming homeless;
- retention of the affordable housing stock;
- increasing the availability of permanent housing in standard condition and affordable cost to low-income and moderate-income families; particularly to members of disadvantaged minorities, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;
- increasing the supply of supportive housing which includes structural features and services needed to enable persons with special needs (including persons with HIV/AIDS) to live with dignity and independence; and
- providing housing affordable to low-income persons accessible to job opportunities.

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PROVIDE A SUITABLE LIVING ENVIRONMENT through:

- improving the safety and livability of neighborhoods;
- increasing access to quality public and private facilities and services;
- reducing the isolation of income groups within areas through the spatial de-concentration of housing opportunities for lower income persons and the revitalization of deteriorating or deteriorated neighborhoods;
- restoring and preserving properties of special historic, architectural, or aesthetic value; and
- conservation of energy resources.

EXPANDED ECONOMIC OPPORTUNITIES through:

- job creation and retention;
- establishment, stabilization and expansion of small businesses (including micro-businesses);
- the provision of public services concerned with employment;
- the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;
- availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices;
- access to capital and credit for development activities that promote the long-term economic and social viability of the community; and
- empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The goals of the federally funded entitlement programs were incorporated into the objectives of this Action Plan, and are as follows:

Goal Objectives:

- ❖ Improve the quality of existing housing stock to support community and neighborhood stability.

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- ❖ Expand the number of affordable rental units available to low- and moderate-income households.
- ❖ Increase homeownership opportunities for low- and moderate-income households.
- ❖ Expand homeless prevention and intervention services.
- ❖ Increase availability of supportive services to special populations (i.e. seniors, disabled persons, at-risk youth, person living with HIV/AIDS, veterans).
- ❖ Support programs that provide services to low- and moderate-income households.
- ❖ Support capital improvement and financial assistance activities for small business development.
- ❖ Increase employment opportunities through business creation, expansion and technical assistance.
- ❖ Improve accessibility of programs that provide services to low- and moderate-income households.
- ❖ Support renovation and rehabilitation of facilities that provide access to community services for low- and moderate-income households.
- ❖ Improve the infrastructure in low- and moderate-income neighborhoods.

It is the City's intent that every activity funded with entitlements will work towards one of the above listed objectives, and will achieve one of the three outcomes listed below:

Plan Outcomes

- **Availability/Accessibility** This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to LMI people, including persons with disabilities. In this category, accessibility does not refer to only physical barriers, but also to making the basics of daily living available and accessible to LMI people where they live.
- **Affordability** This outcome category applies to activities that provide affordability in a variety of ways to LMI people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such

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as transportation or day care. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit LMI households.

- **Sustainability** This outcome category applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of LMI or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

Evaluation of past performance

During the City's 2015-2019 Consolidated Plan period, the City entitlement allocations increased consistently but are still lower than the all-time highs of the 2000 decade. All goals for the plan period were met by an 87% average. The City will increase its public service goals and the amount of funding towards moderate to very low-income homeowners.

Summary of citizen participation process and consultation process

In accordance with Federal regulations 24 CFR 91.105 and 91.200, the City of Pasadena implements a process which encourages citizen participation. Towards this end, the City of Pasadena has established advisory bodies to assist in the allocation and monitoring of federal entitlement funds. The two (2) advisory boards are the Human Services Commission, which consists of fifteen participating members, and the Northwest Commission, which consists of eleven participating members. All participating members represent various segments of the community including: 1) low/moderate income residents; 2) minority groups; 3) residents from area where community development activities are ongoing or proposed; 4) elderly; 5) handicapped; and 6) businesses.

In preparation for this Action Plan, consultation with community-based organizations, commissions, city departments, and other local stakeholders were conducted, which contributed to the assessment of community development needs regarding human services, housing, economic development, facility and infrastructure improvements.

Any increase or decrease in funding to match actual allocation amounts will be applied to public services and facility improvements under the authority of the City Manager.

Summary of public comments

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No public comments received to date.

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

No public comments received to date.

Summary

PY24 Annual Action Plan CDBG award recommendations were presented to the Northwest Commission on March 12, 2024 & the Human Service Commission on April 10, 2024. Both commissions resulted in approval of staff's award recommendations. Grant awards to be presented for final approval from City Council on May 20, 2024.

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PR-05 LEAD AND RESPONSIBLE AGENCIES

Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
Lead Agency, CDBG Administrator	City of Pasadena	Housing Department
HOME Administrator	City of Pasadena	Housing Department
ESG Administrator	City of Pasadena	Housing Department

The City of Pasadena (City) is the Lead Agency for the CDBG, HOME, and ESG entitlement programs. The City's Housing Department is responsible for the administration and preparation of the Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance Evaluation Reports (CAPER). The mission of the Housing Department is to:

Provide affordable housing and community development opportunities for low- and moderate-income persons and employment resources to enhance and strengthen our community.

Consolidation Plan Public Contact Information

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AP-10 CONSULTATION

Introduction

For the Consolidation Plan, multiple community partners were utilized in the development of its goals, objectives, and strategies. To identify areas in need of improved coordination, the Housing Department consulted with other City departments, commissions, the Pasadena Continuum of Care (CoC), program staff, community-based organizations, interested citizens, and other community stakeholders.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies.

City staff engaged in collaborative efforts to consult with commissions, city departments, and beneficiaries of entitlement programs to develop strategic priorities and strategies contained within this 5-year plan. City staff facilitated a comprehensive outreach to enhance coordination and discuss new approaches and efficiencies with assisted housing, governmental health, mental health, service agencies, and other stakeholders that utilize funding for eligible activities, projects, and programs. City staff oversee the Continue of Care which includes several committees that bring together housing providers as well as private and governmental health, mental health, and service agencies.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City is both the local entitlement jurisdiction to receive CDBG, ESG, and HOME funds, as well as the Continuum of Care (CoC) Collaborative Applicant, so collaboration happens daily. The City collaborated with the Pasadena CoC, also known as the Pasadena Partnership to End Homelessness, to respond to the needs of people experiencing homelessness locally through coordinated planning for and allocation of funding. The Pasadena Partnership has approximately 102 members that represent a broad spectrum of the community including service providers, government agencies, academic institutions, and the private sector. The City is represented on the CoC Board by Housing Department staff. City staff from the Fire, Police, and Public Health Departments are represented at CoC committees. The Pasadena CoC maintains several committees that meet regularly and appoints subcommittees or working groups as needs arise. The purpose of these working groups is to develop recommended efforts and solutions to address the needs of people experiencing homelessness. These committees are comprised

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of members of the CoC and outside individuals with expertise in the subject matter. Committees meet four times a year or more frequently depending on the tasks to be accomplished.

Additionally, throughout PY 2022 and 2023, City staff conducted extensive community engagement as well as a gaps analysis to develop the Continuum of Care's new Five-Year Homelessness Plan, which was adopted in January 2024. Engagement efforts included a community survey that received 216 responses, nine stakeholder interviews with regional and system partners, and eight listening sessions with CoC committees, the CoC Board, and City commissions. Additionally, eight focus groups made up of people with lived experience of homelessness were held including groups specifically made up of chronically homeless individuals, transitional aged youth, families, veterans, domestic violence survivors, Latinos and Spanish speakers, and other BIPOC individuals. Five Planning Workgroups made up of subject matter experts including staff from ESG sub-recipient agencies met over the course of two months to flesh out the goals within each of five focus areas. The draft Homelessness Plan was reviewed by the City's Economic Development and Technology Committee of the City Council prior to final approval by the Continuum of Care Board.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies, and procedures for the administration of HMIS.

Allocating Funds

The Pasadena CoC is contained within the geographical boundaries of the City of Pasadena. Both CoC funds and ESG funds come to the City of Pasadena, which acts as the lead agency in the coordination of homeless services for the jurisdiction. The Pasadena Partnership to End Homelessness serves as the principal planning entity for ESG funds and provides guidance to the Department of Housing in allocating ESG dollars. Consultation includes feedback on local need and funding priorities which guides the utilization of ESG funds to prevent and end homelessness. Funds are awarded through an RFP process, and proposals are reviewed by City staff and non-ESG funded CoC members.

Operating and Administrating Homeless Management Information System (HMIS)

The City of Pasadena, as a member of the Southern California Regional HMIS Collaborative requires HMIS participation from CoC and ESG recipients and sub-recipients and actively promotes increased participation from non-publicly funded homeless services providers. The City maintains records of all participating agencies that

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have attended basic user training, including training on privacy policies, HUD required data elements, system navigation, and signed required agreements from each participating agency and end users, such as but not limited to HMIS Agency Agreements, HMIS User Agreements, and HMIS Policies and Procedures. To maintain participation and high data quality, the City has designated an HMIS administrator to generate monthly reports to ensure all HUD-required data is complete, accurate, and entered into the system in a timely manner. The City has also met reporting requirements and submitted reliable data for the System-Performance Measures (SPM), Longitudinal Systems Analysis (LSA), Annual Performance Reports (APR), Housing Inventory Count (HIC), and other HUD-mandated reports. The HMIS Administrator and the CoC’s HMIS database are funded by a CoC HMIS grant. The City of Pasadena continues to improve HMIS and update policies and procedures from input and recommendations from HMIS Users, in collaboration with the Los Angeles HMIS Collaborative.

Describe agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities.

Table 2 – Agencies, groups, organizations who participated.

Agency/Group/ Organization	Agency/Group/ Organization Type	What section of the Plan was addressed by Consultation?	How the Agency/ Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
Southern California Association of Governments	Regional organization	Housing Need Assessment	Participated in stakeholder interview during Homelessness Plan development.
City of Pasadena Planning & Community Development Department	Other government - Local	Housing Need Assessment Economic Development	Communication was made in writing. Outcome was better alignment of City goals and goals expressed in Consolidated Plan.
Union Station Homeless Services	Local homeless organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Los Angeles Homeless Services Authority	Other government- Regional	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.

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Agency/Group/ Organization	Agency/Group/ Organization Type	What section of the Plan was addressed by Consultation?	How the Agency/ Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
Affordable Housing Services	Local organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
United Way Greater Los Angeles	Regional organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Pacific Clinics	Regional organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Housing Works	Local homeless organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Friends In Deed	Local homeless organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Door of Hope	Local homeless-DV organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Volunteers of America, Los Angeles	Local homeless organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
The Salvation Army	Regional organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.

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Agency/Group/ Organization	Agency/Group/ Organization Type	What section of the Plan was addressed by Consultation?	How the Agency/ Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
Pasadena Community College	Services-Education	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.
Foothill Unity Center, Inc.	Regional organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Pasadena Department of Public Health	Other government - Local	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Huntington Hospital	Services-Health	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.
Sycamores	Regional Organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Elizabeth House	Local Organization	Homeless Needs Homeless Strategy Anti-Poverty Strategy	Communication was made through meetings, and electronic transmittal of reports. The reports provided up-to-date homeless data.
Chap Care	Services-Health	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.
LA County Probation Office	Publicly Funded Institution/System of Care	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.

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Agency/Group/ Organization	Agency/Group/ Organization Type	What section of the Plan was addressed by Consultation?	How the Agency/ Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
Los Angeles County Department of Children and Family Services	Publicly Funded Institution/System of Care Child Welfare Agency	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.
Los Angeles County Department of Public Social Services	Other government - County	Homeless Needs Homeless Strategy	Participated in stakeholder interview during Homelessness Plan development.

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

Not applicable.

Other local/regional/state/federal planning efforts considered when preparing the Plan.

Table 3 – Other local / regional / federal planning efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care Homelessness Plan	Pasadena Partnership to End Homelessness	Some overlap in the area of homelessness prevention and housing goals.
Regional Housing Needs Assessment	Southern California Association of Governments	Some overlap in the area of affordable housing production goals.
Housing Element 2021-2029	City of Pasadena Planning & Community Development Department	Some overlap in the areas of affordable housing production goals.

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Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Public Housing Agency 5-Year Plan 2020-2025 and 2024 Administrative Plan for the Section 8 Program	City of Pasadena Housing Department	Some overlap in the areas of housing goals.

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan.

The City relies on the state and county indirectly in the implementation of the Consolidated Plan. For example, some state and county funds are used to subsidize several affordable housing projects that are identified in the Consolidated Plan. Also, approvals from the state’s Office of Historic Preservation are required for certain projects.

Consultation with community-based organizations, commissions, city departments, and other local stakeholders were conducted, which contributed to the assessment of community development needs regarding human services, housing, economic development, facility, and infrastructure improvements.

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AP-12 CITIZEN PARTICIPATION

Summary of citizen participation process/efforts made to broaden citizen participation. Summarize citizen participation process and how it impacted goal setting.

The City follows HUD's guidelines for citizen and community involvement concerning the Consolidation Plan. As the Lead agency for the Consolidation Plan, it is the intent of the City to provide for and encourage citizen participation throughout the process of implementing the federal entitlement programs (specifically CDBG, HOME, and ESG). Hearings are conducted to allow the public to provide input and comments.

Towards this end, the City has established advisory bodies to assist the City in allocating and monitoring the use of federal entitlement funds. The two advisory bodies utilized for implementing federal entitlement funds are known as the Northwest Commission and Human Services Commission. Please refer to City Ordinance No. 6507 establishing the Human Services Commission and City Ordinance No. 6404 establishing the Northwest Commission. These advisory bodies represent various segments of the community including:

- ❖ Low/Moderate income residents;
- ❖ Minority groups;
- ❖ Elderly;
- ❖ Handicapped; and
- ❖ the Business community

Northwest Commission

This advisory commission consists of 11 members who are appointed by City Council. The northwest part of the City has the highest concentration of low/moderate income residents. The purpose of the commission is to advise and make recommendations to City Council regarding economic development in Northwest Pasadena. This advisory board monitors the allocation of CDBG funds used for non-public service activities.

Human Services Commission

This advisory commission consists of 13 members, 8 of which are appointed by City Council, one by the Pasadena Community College Board of Trustees, one by the Pasadena Unified School District, and 3 members who are recommended by agencies that provide human services to Pasadena. This commission was established to respond to significant unmet human service needs and gaps in the city. The purpose of the board is to advise and make recommendations to City Council regarding human service needs of people of

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all ages in the community. This advisory body monitors the allocation of funds used for public service activities.

Community Needs Survey

As representatives of the community, the Northwest and Humans Services Commissions took a *Community Needs Survey* (a copy of the survey can be found in Appendix B) in paper form. Respondents were asked to rank every item listed in order of need, from 1 to 5, with 1 indicating the lowest need and 5 indicating the highest need.

Throughout the year the commissions receive input from citizens, service agencies, businesses and city departments on the needs of the community. In addition, the commissions were presented with information gathered from the Needs Assessment and Housing Market Analysis discussed in this Consolidated Plan. The results of the survey are utilized within the Notice of Funding Availability (NOFA) process in the allocation of entitlement funds.

Survey Results

Overall Community Priority

The first section of the survey asks respondents to rate the level of priority in four overall areas. Creation of more jobs and affordable housing ranked amongst the highest priorities.

Table 4 – Overall Community Priority

Overall Community Priorities	Ranking
Create More Affordable Housing Available to Low Income Residents	1
Improve City Infrastructure	2
Improve Facilities Providing Public and Community Services	3
Create More Jobs Available to Low Income Residents	4

Community Needs

The second section consisted of a variety of housing and community development needs for 52 specific improvement types organized into the following categories: Public Services, Housing, Public Facility Improvements, Infrastructure Improvements, and Economic Development. Although creation of more jobs to low-income residents was

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ranked the highest overall priority, the top ten community needs were mostly dominated by public service projects.

Ten Highest Needs in All Categories

Five public services ranked amongst the highest top ten community needs including services for employment, youth, mental health, health, and childcare.

Table 5 – Ten Highest Needs in All Categories

Rank	Specific Need	Average Rating	Need Category
1	Services for Abused & Neglected Children	3.38	Public Services
2	Mental Health Services	3.38	Public Services
3	Abused & Neglected Children Facilities	3.28	Public Services
4	Slum/Blighted Neighborhood Cleanup	3.26	Housing
5	Homeless Facilities	3.25	Public Facilities
6	Permanent Housing For Homeless	3.23	Housing
7	Services for Victims of Domestic Violence	3.20	Public Services
8	Increase Affordable Rental Housing	3.18	Housing
9	Street Improvements	3.16	Public Facilities
10	Youth Services	3.14	Public Services

Top Five Needs Identified for Each Category

Public Services	
Services for Abused & Neglected Children	3.38
Mental Health Services	3.38
Services for Victims of Domestic Violence	3.20
Youth Services	3.14
Health Services	3.10

Public Facility Improvements	
Abused & Neglected Children Facilities	3.28
Homeless Facilities	3.25
Youth Centers	3.10
Neighborhood Facilities	3.05
Child Care Centers	3.04

Economic Development	
Micro-Enterprise Assistance	2.51

Housing	
Slum/Blighted Neighborhood Cleanup	3.26

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Publicly Owned or Privately Owned Commercial/Industrial Rehabilitation	2.44
Commercial/Industrial Improvements	2.43
Store Front Improvements	2.36
Technical Assistance	2.30

Permanent Housing for Homeless	3.23
Increase Affordability Rental Housing	3.18
Energy Efficiency Improvements	2.89
Housing Accessibility (ADA) Improvements	2.80

Infrastructure Improvements	
Street Improvements	3.16
Water/Sewer Improvements	3.14
Sidewalk Improvements	2.98
ADA Accessibility	2.83
Flood Drainage	2.81

Citizen Plan Outreach

The Annual Action Plan (draft) was released April 18, 2024, for a 30-day public review and comment period. The plan was available electronically at www.cityofpasadena.net/housing/cdbg/#annual-action-plans.

Public Hearings

The City will hold one public hearing regarding this Annual Action Plan at its regularly scheduled City Council meeting at City of Pasadena City Hall located at 100 N. Garfield Ave. Pasadena, CA 91109 on May 20, 2024, at 5:00 p.m.

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AP-15 EXPECTED RESOURCES

Introduction

The following table outlines the resources which include CDBG, HOME, and ESG that the City anticipates having available during the 2024-2025 period covered by this Annual Action Plan. It is followed by narratives about other resources these funds will leverage. Highlighted portions are subject to change upon congressional final budget approval.

Table 6 – 2024 CDBG Budget Priorities

CDBG Program Year 2024 Annual Budgetary Priorities		
PY2024 Award	\$2,133,306	
Administration	20%	\$431,921
Public Services	15%	\$323,941
Non-Public Service	65%	\$1,403,746

Table 7 – 2024 ESG Budget Priorities

ESG Program Year 2024 Annual Budgetary Priorities		
PY2024 Award	\$189,807	
Administration	7.5%	\$14,235
Emergency Shelter/Street Outreach	55.5%	\$105,343
Homelessness Prevention	37%	\$70,229

Table 8 – 2024 HOME Budget Priorities

HOME Program Year 2024 Annual Budgetary Priorities		
PY2024 Award	\$685,489	
Administration	10%	\$74,442
CHDO Reserves	15%	\$111,663
Construction/Rehabilitation	75%	\$558,315

Explain how federal funds will leverage those additional resources (private, state, and local funds), including a description of how matching requirements will be satisfied.

The federal funding listed above is funding which is received annually to support activities outlined in this Plan. Although there are no guarantees of this funding, particularly in the

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current budget environment, the City has historically received these funds and expect to continue to receive CDBG, HOME, and ESG funds for the period covered by this Plan.

All sources and types of matching funds are more limited now due to the current economic climate, along with the demise of California redevelopment, loss of Low-Moderate Income Housing set-aside funds, and less than average historic level of Inclusionary Housing Trust Fund growth. However, as in the past, the jurisdiction will be as creative as possible to find other sources of funding from state, federal, private developer, state tax-credit, or local funding, such as the Housing Successor funds, in order to develop and deliver efficient and cost-effective projects.

HOME Match

The primary sources of matching funds will be a) Inclusionary Housing Trust Funds which are generated from the City's Inclusionary Housing Ordinance; b) Housing Successor Funds, which are program income funds generated from the repayment of housing loans made by the City's former redevelopment agency; and c) Permanent Local Housing Allocation funds which are awarded by the State of California in February 2021.

ESG Match

ESG Match is provided by the non-profit sub-recipient agencies. The source of these funds is unrestricted agency funds, State of California grant funds, or County of Los Angeles Measure H funds. Funds utilized by the City of Pasadena are matched with City general funds.

Pasadena Assistance Fund (PAF)

The PAF is an endowment fund managed by the Pasadena Community Foundation. Profits from the fund are used to award grants to Pasadena community-based organizations to provide public services. The funds are used as a supplement to CDBG funding.

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

Continued rehabilitation of a City-owned office building located at 1015 N. Lake Ave are expected. The building is currently utilized as a non-profit resource center for organization providing service to low- to-moderate income persons in the community.

The City also owns a vacant site at 280 Ramona St. which is designated for the development of 100+ units of affordable, low- and very low-income senior housing by developer National Community Renaissance of Southern California. On 6/13/22, the City earmarked \$2,756,073 in HOME funds for the project through a Substantial Amendment to the Annual Action Plan. On 11/14/22, the City approved the key business terms of a Development and Lease Agreement with the developer for the project.

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The City owns a development site, “Heritage Square South”, located at 710 N. Fair Oaks Ave. The site is designated for the development of a 70-unit permanent supportive housing project for chronically homeless seniors. Construction commenced in early-FY 2023 and is scheduled to be completed by April 2024.

Table 9 - Anticipated Funding Availability

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation:	Program Income:	Prior Year Resources:	Total:		
CDBG	public - federal	Admin and Planning Economic Development Housing Public Improvements Public Services	\$2,159,608	\$381,550	\$0	\$2,541,158	\$0	A formula-based program that annually allocates funds to metropolitan cities, urban counties, and states for a wide range of eligible housing and community development activities.
HOME	public - federal	Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership	\$685,48	\$0	\$126,416	\$811,905	\$0	A formula-based program that provides allocations to states and units of general local governments, known as participating jurisdictions. Its purpose is to retain and expand the supply of affordable housing principally for low- and extremely low-income families through housing rehabilitation, new construction, first-time home buyer financing, and rental assistance.
ESG	public - federal	Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Emergency Shelter	\$189,807	\$0	\$0	\$189,807	\$0	A formula -based program that allocates funds to states, metropolitan cities, and urban counties to support emergency shelters for homeless individuals and families.

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AP-20 ANNUAL GOALS AND OBJECTIVES

Goals Summary Information

Table 10 – 2024 Goals Summary

Sort Order	Goal Name	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Owner-Occupied Housing	Affordable Housing	City of Pasadena	Housing	CDBG: \$560,000 HOME: \$300,000	Homeowner Housing Rehabilitated: 41 Housing Units
2	Affordable Housing	Affordable Housing	City of Pasadena	Housing	HOME: \$361,905	Multi-Unit New Construction: 100 Housing Units
3	Public Services	Non-Homeless Special Needs Non-Housing Community Development	City of Pasadena	Public Services; Non-Homeless Special Needs	CDBG: \$322,236	Public Service Activities: 500 Persons Assisted
4	Homeless Intervention and Prevention	Homeless	City of Pasadena	Homelessness	ESG: \$175,572	Homeless Prevention: 40 Persons Assisted Emergency Shelter/Street Outreach: 25 Persons Assisted

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Sort Order	Goal Name	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Public Facility Improvements	Non-Homeless Special Needs Non-Housing Community Development	City of Pasadena	Public Facility Improvements	CDBG: \$387,000	Public Facility Activities: 7,500 Persons Assisted
6	Infrastructure Improvements	Non-Homeless Special Needs Non-Housing Community Development	City of Pasadena	Infrastructure improvements	CDBG: \$400,000	Infrastructure Activity: 10,000 Persons Assisted

Goal Descriptions

Table 11 – Goal Descriptions

Goal Name	Goal Description
Affordable Housing	Expansion and/or preservation of affordable housing to low- and moderate-income households.
Owner-Occupied Housing	Rehabilitation to single-family owner-occupied housing.
Public Services	Activities that provide services to low-income individuals and families or non-homeless special needs groups.
Homeless Intervention and Prevention	Activities that provide services exclusively to persons who are homeless or at risk of homelessness.
Public Facility Improvements	Activities that improve access to facilities, energy efficiency, as well as rehabilitation of a structure of facility that houses a public use

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Infrastructure Improvements	Public improvements that support existing or future community development which benefit an entire area or site.
Economic Development	Activities designed to support, increase, or stabilize business development, as well as to create or retain jobs, or expand the provision of goods and services.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

Extremely low-income: 0

Low-income: 3

Moderate-income: 0

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AP-35 PROJECTS

Introduction

The following a preliminary list of projects to be funded in program year 2024-2025:

Projects

Table 12 - Project Information

#	Project Name
1	Administration
2	Public Services
3	Housing - Rehabilitation
4	Public Improvements
5	Section 108
6	Affordable Housing
7	ESG 2024

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

CDBG

The CDBG Program offers local government, along with citizen participation, the opportunity to fund certain projects, programs and/or public services provided that they meet one of the following required national objectives:

- Benefit low/moderate-income (LMI) persons, OR
- Prevent or eliminate slums and blight, OR
- Meet an urgent need.

CDBG funds were allocated using a competitive process to ensure that national objectives are met. The Notice of Funding Availability (NOFA) incorporates an evaluation based on a scoring matrix which ranks proposal on 1) project description & activity scope; 2) service benefit; 3) outcomes; 4) administrative capacity; and 5) budget & cost narrative.

HOME

The construction, rehabilitation, and preservation of affordable housing are key affordable housing objectives identified in the City's Housing Element. The proposed allocation priorities are intended to address the underserved housing needs of very low- and low-income households, a substantial percentage of which overpay for housing and/or live in substandard housing conditions. Key obstacles to addressing these underserved needs include insufficient funding.

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ESG

Homelessness Prevention is also a prioritized need as an effective method to keep households in housing. The Weather Activated Motel Voucher program is funded as a hypothermia prevention program and a tool to engage, assess and prioritize for housing a hard-to-reach chronically homeless population. The Mobile Integrated Services Team is a street outreach program that prioritizes services for those identified as most vulnerable to dying on the streets.

PROJECT SUMMARY

1	Project Name	Administration
	Description	The project will cover the administration of the CDBG and HOME program.
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	\$581,922 (CDBG & HOME)
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide
	Planned Activities	Housing Department - CDBG Administration (\$431,922 CDBG) Housing Department - HOME Administration (\$150,000 HOME)

2	Project Name	Public Services
	Description	The project will cover activities that provide services to individuals and/or households.
	Goals Supported	Public Service
	Needs Addressed	Outcome: Availability/ Accessibility
	Funding	\$327,543 - CDBG
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Public service activities other than low/moderate income housing benefit: 500 Persons Assisted
	Location Description	Citywide
	Planned Activities	Young & Healthy – Gateway to Better Health (\$49,291)

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	<p>Pasadena Unified School District – Primary Health Clinic (\$60,062)</p> <p>The Flintridge Center – Youth of Promise (\$75,000)</p> <p>College Access– College Champions (\$28,800)</p> <p>Housing Rights Center - Fair Housing Services – (\$75,000)</p> <p>Armenian Relief Society – Community Social Services (\$39,390)</p>
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3	Project Name	Housing Rehabilitation
	Description	The project will cover activities related to rehabilitation of single-family homes.
	Goals Supported	Housing
	Needs Addressed	Outcome: Affordability & Sustainability
	Funding	\$860,000 (CDBG & HOME)
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Homeowner Housing Rehabilitated: 41 Housing Units
	Location Description	Citywide
Planned Activities	<p>Housing Department – MASH Residential Rehabilitation (\$250,000 CDBG)</p> <p>Housing Department – HELP (\$300,000 HOME)</p> <p>Water & Power – Solar Panel Installations (\$210,000)</p> <p>Water & Power – EV Charger Installations (\$100,000)</p>	

4	Project Name	Public Improvements
	Description	The project will cover activities related to infrastructure and public facility improvements.
	Goals Supported	Infrastructure & Public Facility Improvements
	Needs Addressed	Outcome: Availability/Accessibility
	Funding	\$787,000 CDBG
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Infrastructure/Public Facility activities other than Low/Moderate Income Housing Benefit: 10,000 Persons Assisted
	Location Description	CDBG Eligible Census Tracts
Planned Activities	<p>Public Works Department – ADA Sidewalk Improvements (\$400,000)</p> <p>Public Works Department – Washington Park Security Enhancements (\$163,000)</p> <p>Public Works Department – JRCC Improvements (\$224,000)</p>	

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5	Project Name	Section 108 Repayment for Robinson Park Construction
	Target Area	City of Pasadena
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	\$440,000 (CDBG)
	Description	The project will make repayments of principal and interest of a \$6 million Section 108 loan.
	Target Date	6/30/38
	N/A	N/A
	Planned Activities	Repay loan.

6	Project Name	Affordable Rental Housing
	Target Area	City of Pasadena
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	\$303,280 (HOME)
	Description	New Construction of Multiunit Rentals
	Target Date	6/30/26
	Estimate the number and type of families that will benefit from the proposed activities	100 Low Income Units
	Planned Activities	Affordable Housing (\$303,280)

7	Project Name	ESG 2024
	Description	The project will cover activities related homelessness.
	Goals Supported	Homeless Intervention and Prevention
	Needs Addressed	Outcome: Availability/Accessibility
	Funding	\$189,807 ESG
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Homeless Shelter: 45Persons Assisted Homelessness Prevention: 22 Persons Assisted

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Planned Activities	Housing Department – ESG Administration (\$14,235) Homelessness Prevention Program – (\$70,229) Street Outreach/Emergency Shelter - (\$105,343)
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AP-50 GEOGRAPHIC DISTRIBUTION

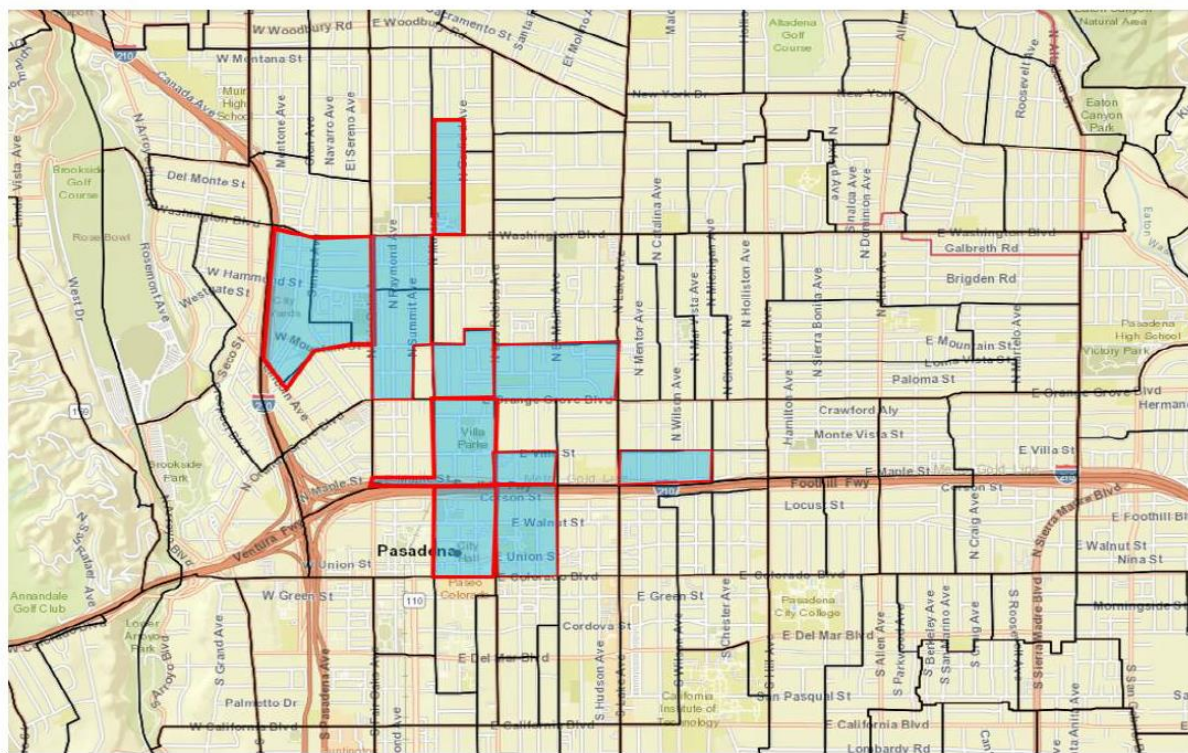
Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

CDBG eligible LMI census tracts, Hispanic and African American households are concentrated in the same area. The concentration is in northwest Pasadena.

Rationale for the priorities for allocating investments geographically.

The City seeks to target federal entitlement dollars strategically within low-and moderate-income (LMI) census tracts block groups. Specifically housing and investment opportunities to neighborhoods where over 51% of the census tract earns less than 50% AMI. These areas are where the most vulnerable residents live with higher cost burdens, and lower income.

Map 1 – Block Groups with >51% of Households & Earn <50% AMI



2011-2015 American Community Survey

■ Census Tract Block Group Where Over 51% of Household Earn Less Than 50% AMI

National Geographic, Esri, Garmin, HERE, UNEP-WCMC, USGS, NASA,

U.S. Department of Housing and Urban Development, Web AppBuilder for National Geographic, Esri, Garmin, HERE, UNEP-WCMC, USGS, NASA, ESA, METI, NRCAN, GEBCO, NOAA, increment P Corp. |

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AP-55 AFFORDABLE HOUSING

Introduction

The table below pertain specifically to HOME-funded affordable housing activities consisting of a single-family rehab, multi-unit rehab, and new construction multi-units.

Table 13 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	3
Special-Needs	0
Total	3

Table 14 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	3
Acquisition of Existing Units	0
Total	3

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AP-6o PUBLIC HOUSING

All Pasadena residents have an equal right to live in decent, safe and affordable housing in a suitable living environment for the long-term well-being and stability of themselves, their families, their neighborhoods and their community. The housing vision for Pasadena is to maintain a socially and economically diverse community of homeowners and renters who are afforded this right.

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

- Provide annual rental assistance for extremely low and low-income households.
- Promote Section 8 lease-up by utilizing an appropriate payment standard that enables families to rent units throughout the city.
- Promote and maintain continued participation by property owners in rental assistance programs.
- Support the General Plan goal of an inclusionary zoning ordinance that requires 20 percent of the total number of housing units in new developments to be affordable to extremely low-, low- or moderate-income households.
- Continue to administer the rental assistance programs in a manner that reflects the City's commitment to building better lives and better neighborhoods while maintaining program integrity and compliance with all applicable Federal, State and local housing regulations.
- Continue to earn SEMAP High Performer scores.
- Continue to provide information regarding housing opportunities through our printed listing and as well as at community outreaches. The briefing packet for the Section 8 participants are updated monthly, to include the most up to date federal, state and local information on fair housing and equal opportunity.
- Support a Housing Mediation Program that provides the opportunity for local residents (tenants, owners, and managers) to resolve rental issues in an objective and constructive manner. These services are provided by the City through a contract with the Housing Rights Center (HRC). Free mediation services are available to foster early solutions to problems along with free phone consultations regarding Fair Housing issues.
- Continued participation by the Resident Advisory Board (RAB) to allow program participants to be actively involved in the planning, programming and implementation of Pasadena rental housing activities. The RAB ensures that

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appropriate actions are taken by the Pasadena to address the needs of program participants in their efforts to lease properties in the City.

- Utilizing the Project Based Voucher (PBV) program to induce property owners to participate and make rental housing available to low-income families (Section 8 Housing Choice Voucher Program participants). Through PBV, Pasadena shall encourage the creation of new affordable housing units and maintain the continued affordability of existing units.
- Work with the Pasadena Continuum of Care to implement rental subsidy opportunities for households experiencing homelessness, including through the development of permanent supportive housing assisted with PBVs and the implementation of limited preferences for the HCV program.
- Apply for voucher opportunities as they become available, including special needs vouchers.

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

The City of Pasadena Housing Department has developed a Resident Advisory Board (RAB), which consist of all the Housing Choice Voucher (HCV) recipients. At least once a year, RAB meetings are conducted to allow program participants the opportunity to be actively involved in the planning, programming, and implementation of Pasadena's rental assistance program activities.

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

The PHA is designated as a high performer by HUD.

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AP-65 HOMELESS AND OTHER SPECIAL NEEDS ACTIVITIES

Introduction

As the principal planning entity for the Pasadena Continuum of Care (CoC), the Pasadena Partnership to End Homelessness (Pasadena Partnership) coordinates and funds housing and services for individuals, families, and youth experiencing homelessness. The Pasadena Partnership is made up of more than 50 public and private agencies that provide supportive services and resources to people experiencing homelessness in Pasadena. For the past 30 years, the Pasadena Partnership has served as the primary community planning entity concerning housing and service needs for people experiencing homelessness. The Pasadena CoC appoints committees, subcommittees, or working groups as needs arise. The purpose of these committees and working groups are to develop recommended efforts and solutions to address the needs of people experiencing homelessness. These committees are comprised of members of the CoC and external stakeholders with subject matter expertise on homelessness. Committees meet a minimum of four times a year or more frequently depending on the tasks to be accomplished.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

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

The CoC's Street Outreach teams conduct outreach throughout the entire geographic area and target known hotspots such as parks, churches, train stations, the hospital emergency room, and encampments to quickly identify and engage all people experiencing unsheltered homelessness to connect them to services and housing resources. Street outreach teams canvass the CoC regularly looking for signs of encampments or unhoused people and approach everyone they encounter. Street outreach teams are racially and ethnically diverse, include staff with lived experience, and emphasize non-coercive engagement techniques. Outreach logs are maintained to track engagement and food/drink is offered as an icebreaker. Outreach is conducted more frequently to hidden areas (i.e. freeway embankments) to ensure that all people experiencing homelessness are identified and engaged. The Pasadena Outreach Response Team (PORT) is a multidisciplinary team comprised of a firefighter, a street outreach worker, a case manager, and a registered nurse. PORT is integrated with the Pasadena Police Department's dispatch center and responds to non-emergency calls and calls from the local hospital. Street outreach teams work closely with churches, healthcare and nonprofit providers, and are integrated with a publicly available online portal which allows community members to make outreach requests. If appropriate, street outreach teams will engage family members who can offer support. Multiple teams that conduct street

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outreach in Pasadena meet monthly to discuss opportunities for continued coordination and service improvement. At least three street outreach teams have full-time, 40-hour schedules and others have standing weekly scheduled shifts to ensure street outreach is conducted regularly throughout the city.

The City of Pasadena works in collaboration with the City of Glendale and the Los Angeles Homeless Services Authority (LAHSA) to provide comprehensive Coordinated Entry System (CES) coverage for Los Angeles County. The Pasadena CoC participates in the Los Angeles CES and uses the CES to prioritize and match people to available housing resources, The Pasadena CoC will continue to fund for street outreach services using ESG and City General Fund dollars to address identified gaps in existing programs. This funding directly supports people experiencing unsheltered homelessness by providing linkages to community resources and housing navigation that will get people connected to the services they need to move forward in their permanent housing plan.

Goal: Continue to Prioritize Street Outreach

Action: Allocate \$199,000 in City General Funds to maintain two homeless services liaisons on the Police Department's Homeless Outreach-Psychiatric Evaluation (HOPE) Team and utilize state grant funds to support additional outreach teams.

Addressing the emergency shelter and transitional housing needs of homeless persons

Emergency shelter plays an effective role in the housing crisis response system because it enables people to take refuge from the streets and begin to stabilize while connecting to needed services and permanent housing. Pasadena's emergency shelter programs support the flow from a housing crisis to housing stability by promoting linkages to necessary supportive services and connections to appropriate permanent housing so that people can move through the system more quickly. Pasadena has two year-round congregate shelters (one for single adults and one for families), a season congregate shelter for single adults which operates on a weather-activated basis during winter months, multiple transitional housing programs for families, and congregate and non-congregate recovery bridge housing programs. Additionally, the CoC utilizes local, state, and federal funding to expand emergency shelter bed inventory with motel vouchers.

Goal: Increase emergency shelter capacity

Action: Utilize local, state, and federal funds to expand congregate and non-congregate shelter capacity.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and

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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.

Pasadena remains committed to investing in proven long-term solutions and strategic initiatives that are grounded in evidence-based best practices to make homelessness rare, brief and non-recurring, including permanent supportive housing using a Housing First approach. The City continues to provide tenant-based rental assistance (TBRA) vouchers for people exiting chronic homelessness with HUD Continuum of Care funding. The City opened and leased up two new permanent supportive housing projects which together provide over 130 units of housing to formerly homeless seniors, single adults, and veterans. Further, the CoC has paired CoC-funded supportive services with Housing Choice Vouchers to create a new scattered-site permanent supportive housing program for up to 20 individuals exiting chronic homelessness. The CoC will also expand its existing CoC-funded rapid rehousing program for DV survivors in the coming year.

In an effort to shorten the length of time people experience homelessness, the City has invested state funding in dedicated housing locators to rapidly place clients into housing. The City has also increased our investment in landlord incentive programs which provide financial incentives to landlords who rent to people exiting homelessness. Our goal is to increase the number of landlords who participate in our programs by offsetting perceived financial risk.

The Continuum of Care currently participates in the Built for Zero initiative, setting a goal to reduce chronic and veteran homelessness to functional zero through a systems change and optimization approach. The CoC has developed a by-name-list and custom dashboards embedded in the Homeless Management Information System database which track movement through the homeless response system.

Existing permanent supportive housing projects in Pasadena that largely serve people who formerly experienced chronic homelessness demonstrate a 97% housing retention success rate. Once in permanent housing, tenants are provided with wraparound supportive services for as long as they are in their homes which contributes to this high retention rate and low instances of returns to homelessness. Finally, the City maintains a Housing Retention Specialist to assist rental assistance program participants within the Department of Housing who previously experienced homelessness to maintain the terms of their lease and remain in compliance with rental assistance program requirements in order to maintain their housing and rental subsidy.

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Goal: Create new and maximize existing permanent housing opportunities for formerly homeless households.

Action: Expand existing rapid rehousing programs and bolster supportive services in permanent supportive housing programs.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The CoC identifies risk factors for first-time homelessness through collaboration with homelessness prevention and mainstream providers, ongoing data analysis, and direct conversations with people who have lived expertise of homelessness. The CoC engages subject matter experts to leverage the growing understanding of drivers/predictors linked to first-time homelessness to inform prevention strategies. The CoC's strategy to address first-time homelessness includes partnerships with service providers to fund expanded rental and utility assistance, relocation assistance, legal services and tenant rights education, mediation services, and increase connections to mainstream and public benefits. The CoC also collaborates with faith-based organizations and system partners (e.g. education, criminal justice, healthcare) to outreach to high-risk communities and increase access to resources via co-location of services. Problem solving and diversion are embedded in the CES to quickly resolve housing crises and prevent households from falling into homelessness.

The City of Pasadena boasts strong tenant protections including its Tenant Protection Ordinance and Rent Stabilization Ordinance, which recently enacted rent control. These measures serve to support renters' abilities to stay in their homes and not be displaced.

Goal: Engage systems partners outside of the homeless services sector to identify people who are at high risk of falling into homelessness and refer them for prevention assistance.

Action: Facilitate connections between the City's leading homelessness prevention service provider and systems partners, including Flintridge Center (employment and reintegration), Huntington Hospital Senior Care Network (healthcare), Lake Ave Church (faith-based organization), Pasadena Senior Center (high-risk older adults), Families In Transition (McKinney Vento office of Pasadena Unified School District) and Los Angeles County's probation department (re-entry).

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AP-75 BARRIERS TO AFFORDABLE HOUSING

Introduction

The City of Pasadena has played a significant role in addressing the housing needs of the community. Pasadena's history has been marked by forward-thinking housing policy. The City's record of accomplishment of providing quality affordable housing through new construction, rehabilitation, and homeowner and renter assistance is well known. The 2020 Analysis of Impediments report identified specific recommendations to address barriers to affordable housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment:

1. Land Use and Zoning

- Amend the City's Housing Code to be consistent with the Zoning Code regarding the definition of family.
- Amend the Zoning Code to address the following:
 - Low Barrier Navigation Center (AB 101)
 - Supportive Housing (AB 2162)
 - Emergency and Transitional Housing (AB 139)
 - Density Bonus for 100% Affordable Housing (AB 1763)
 - Accessory Dwelling Units (ABs 68, 671, 881, and 587, and SB 13, and others)

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AP-85 OTHER ACTIONS

Introduction

The following are actions the City takes to address various community needs.

Actions planned to address obstacles to meeting underserved needs:

Pasadena’s General Plan sets forth various policies to ensure that each neighborhood receives an equitable level of services. This includes: 1) promoting the location of public and private community service facilities, and public and private recreation facilities throughout the community as a function of population distribution and need; and 2) promoting the accessible location of public and private community services facilities; and 3) reconfiguring the City’s transit system to help residents access job centers and health facilities located outside their immediate neighborhood. The City will continue to examine various sites in Pasadena for the development of parks, analyze ways to use public transit to allow residents of Northwest Pasadena to access other park facilities, and evaluate the fee structure to determine whether it is sufficient to fund the acquisition, development, and maintenance of parks.

Actions planned to foster and maintain affordable housing:

- The Burbank-Glendale-Pasadena Regional Housing Trust began operations in May 2023. The City will commence administering its initial allocation of \$6.9M in Trust funds.
- Implement SB 959, signed into law in 2022, enabling the City to purchase I-710 properties from Caltrans to resell and generate funds for the development of affordable housing. Caltrans offered 17 properties to the City in July 2023 and the two parties are preparing to enter into purchase contracts.
- Continue to implement programs funded with Permanent Local Housing Allocation grant funds awarded by the State.
- Identify and secure state and county funding sources to assist affordable housing projects in Pasadena. In March 2024, the City secured the commitment of \$1M from the County of Los Angeles to support the development of a 10-unit project for transition age youth.
- Support the financial restructuring of older HUD rental projects with expiring affordability covenants.
- Continue to administer the conversion of 997 market rate rental units into “missing middle” workforce housing within apartment projects that were acquired by the California Statewide Communities Development Authority, a joint powers authority.

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- Launch 2nd round of ADU loan program.
- Work with state and federal lobbyists on legislative matters which relate to or impact affordable housing.
- Conduct public forums and workshops on affordable housing issues.

Actions planned to reduce lead-based paint hazards:

The City will continue to address housing conditions through its Occupancy Inspection and Quadrennial Inspection Program, and through its housing rehabilitation programs.

Actions planned to reduce the number of poverty-level families.

The City will design programs to provide investment opportunities for low-moderate income families.

Actions planned to develop institutional structure:

The Pasadena’s institutional structure is high-functioning and collaborative—particularly the relationship between local government and the non-profit sector which is comprised of a network of capable non-profit organizations which deliver a full range of services to residents. Strong City departments anchor the administration of HUD grant programs, and the housing and community activities that are implemented support and enhance this existing institutional structure. The City of Pasadena will continue to utilize CDBG and ESG funds to build upon this collaborative partnership to benefits is lowest-income and most vulnerable residents.

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

The Pasadena Partnership to End Homelessness has several standing committees that meet regularly to provide the CoC guidance, incorporating the unique knowledge and experience of members, including housing and service providers, people with lived experience of homelessness, healthcare providers, local government officials, law enforcement, mainstream systems, faith-based and educational organizations, and community members. Committees include the Street Outreach Collaborative, the Healthcare Committee, and Faith Community Committee. These committee meetings are critical platforms to gather feedback on emerging and unmet needs and provide opportunities for cross-system collaboration and strategic evaluation of CoC initiatives. Feedback from these multidisciplinary partners is incorporated into the actions taken by the CoC to prevent and end homelessness, including informing system-level priorities, policy recommendations, and resource allocation decisions.

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AP-90 PROGRAM SPECIFIC REQUIREMENTS

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	\$0
3. The amount of surplus funds from urban renewal settlements	\$0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	\$0
5. The amount of income from float-funded activities	\$0
Total Program Income	\$0

Other CDBG Requirements

1. The amount of urgent need activities	\$0
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HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

- Inclusionary Housing Trust Funds. These are generated under the City's Inclusionary housing ordinance when a developer opts to pay a fee in lieu of providing affordable housing within their market rate housing development.
- Program income from the repayment of former redevelopment agency housing loans is available to support affordable housing activities.
- The City owns the "Heritage Square South" site which will be used for affordable housing development.
- On June 26, 2020, the City and developer BRIDGE Housing Corp. entered into an agreement to develop the site with a mixed-use project, which includes a 70-unit permanent supportive housing project for very low-income seniors.

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- 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

RESALE AND RECAPTURE POLICIES (5/18/20)

Participating Jurisdictions (PJs) undertaking HOME-assisted homebuyer activities, including any projects funded with HOME Program Income (PI), must establish written resale and/or recapture provisions that comply with HOME statutory and regulatory requirements. These provisions must also be set forth in the PJ's Consolidated Plan. The written resale and/or recapture provisions that a PJ submits in its annual Action Plan must clearly describe the terms of the resale and/or recapture provisions, the specific circumstances under which these provisions will be used (if more than one set of provisions is described), and how the PJ will enforce the provisions for HOME-funded ownership projects. HUD reviews and approves the provisions as part of the annual Action Plan process.

The purpose of this section is to provide the “resale” and “recapture” policies of the City of Pasadena (the “City”). As stated above, HOME requires that PJs utilize resale and/or recapture provisions to ensure continued affordability for low-income homeowners and as a benefit to the public through the wise stewardship of federal funds.

The City may utilize HOME funds to assist homeowners or homebuyers in the following ways:

1. Acquisition and development assistance for developers of new homeownership housing;
2. Down payment assistance for new homebuyers; and;
3. Single-family rehabilitation assistance for existing homeowners.

City of Pasadena Resale Policy

This option ensures that the HOME-assisted units remain affordable over the entire affordability period. The Resale method is used in cases where HOME funding is provided directly to a developer for site acquisition and/or construction for homeownership housing projects.

Specific examples where the City of Pasadena would use the resale method include:

1. Providing funds for the developer to acquire property and/or to develop new homeownership housing projects;
2. Providing funds for the developer (or the City itself using such funds) to acquire existing dwelling units to be utilized for affordable homeownership housing; and
3. City use of funds for acquisition and preparation of a site (including demolition)

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for development of new homeownership housing.

Notification to Prospective Buyers. The resale policy is explained to the prospective homebuyer(s) prior to signing a contract to purchase the HOME-assisted unit. The prospective homebuyer(s) sign a “Borrower Disclosure Statement” document acknowledging that they understand the terms and conditions applicable to the resale policy as they have been explained.

Enforcement of Resale Provisions. The resale policy is enforced through the use of the City’s regulatory agreement Notice of Restrictions Affecting Real Property (the “Notice of Restrictions”) signed by the homebuyer at closing. The Notice of Restrictions will specify:

1. the length of the affordability period which will typically be 45 or 55 years;
2. that the home remain the Buyer’s principal residence throughout the affordability period; and
3. the conditions and obligations of the Owner should the Owner wish to sell before the end of the affordability period, including;
 - a. the Owner must formally notify the City in writing if intending to sell the home (“Notice of Intent to Sell”) prior to the end of the affordability period;
 - b. the subsequent purchaser must be low-income as defined by HOME, and occupy the home as his/her new purchaser’s primary residence for the remaining years of the affordability period. (However, if the new purchaser receives direct assistance through a HOME-funded program, the affordability period will be re-set according to the amount of assistance provided);
 - c. the sale price to the subsequent purchaser shall be such that the total housing cost for the new buyer (principal, interest, taxes, insurance, utilities, HOA) does not exceed 35 percent of the new Buyer’s annual income (the “Affordable Housing Cost”, as calculated by the City); and
 - d. Upon City’s receipt of the Notice of Intent to Sell, City shall have the right of first refusal to acquire the home at an Affordable Sale Price.

Fair Return on Investment. The City will administer its resale provisions by ensuring that the Owner receives a fair return on his/her investment and that the home will continue to be affordable to a specific range of incomes. Fair Return on Investment means the Owner’s investment which is the sum of the down payment, capital improvements, and an Equity Share as described below:

1. The amount of the Owner’s original down payment;
2. The cost of any capital improvements documented with receipts provided by the

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homeowner. All capital improvements shall be approved in advance by the City.

3. An “Equity Share” amount which, as described in detail in the City’s homebuyer documents, increases proportionately with the number of years of Owner residency in the home during the affordability period.

Affordability to a Range of Buyers. The City will ensure continued affordability to a range of buyers, particularly those whose total household incomes range from 65 percent to no greater than 80 percent of the Los Angeles Area Median Income.

Sales prices shall be such that the total housing cost (principal, interest, taxes, insurance, utilities, HOA) does not exceed the product of 30 percent times 80 percent of the Los Angeles County Area Median Income adjusted for family size appropriate for the unit (the “Affordable Housing Cost”), as calculated by the City. In a high housing cost area such as Pasadena, this would most likely require the City to provide additional financing assistance to the new homebuyer.

Example: The Owner originally purchased a home seven (7) years ago at the original purchase price of \$400,000 with City homebuyer assistance in the amount of \$150,000. The Owner now wishes to resell his home which has a fair market value of \$490,000, representing an appreciation in value of \$90,000. The Owner’s mortgage at the time of original purchase was in the principal amount of \$242,000.

Calculating Fair Return on Investment.

Down payment: The original homeowner was required to put down \$8,000 earnest money at the signing of the sales contract.

Cost of Capital Improvements: The Owner had handicapped-accessibility improvements made to the home four years ago at the cost of \$3,000. The work was pre-approved by the City and Owner has receipts to document the improvement.

Equity Share: Of the \$90,000 appreciation in the value of the home, Owner would receive \$59,625.

Calculating the Fair Return to the Original Owner:

Down payment:	\$ 8,000
Capital Improvements:	\$ 3,000
Equity Share:	\$59,625
\$70,625 Fair Return on Investment	

In order for the sales transaction to realize the Fair Return on Investment to the Owner, it may be necessary for the City to provide additional financing assistance to the new homebuyer.

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3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

**RESALE PROVISIONS
FOR HOME-FUNDED SUBSIDIES
IN HOMEOWNERSHIP DEVELOPMENT PROJECTS**
per CFR 92.254(a)(4)
(Revised 6/1/15)

These resale provisions apply to homeownership projects that are subsidized by the City with a HOME-funded below-market rate development or construction loan. The HOME funds are not used to lower the homebuyer's purchase price from fair market value to an affordable price.

Pursuant to HOME resale requirements, the City is required to ensure that, when an owner in a HOME-assisted for-sale housing development sells his or her property ("Property"), either voluntarily or involuntarily, during the affordability period:

- (a) The Property is sold to another low-income homebuyer who will use the property as his or her principal residence;
- (b) The owner receives a fair return on investment (i.e., the original down payment plus capital improvements made to the property); and
- (c) The Property is sold at a price that is "affordable to a reasonable range of low-income buyers".

Long-Term Affordability

The Property must be acquired by an eligible low-income family, and it must be the principal residence of the family. If the Property is transferred, voluntarily or involuntarily, it must be made available for subsequent purchase only to a buyer whose family qualifies as low-income, and will use the Property as its principal residence. The HOME resale provisions shall be in effect for the duration of the period of affordability, based on the amount of the City's HOME investment in the development of the project.

Fair Return on Investment

If the Property is sold during the period of affordability, the price at resale shall provide the owner a "fair return on investment" (including the owner's initial investment and any subsequent capital improvements). "Fair return on investment" shall be measured by the percentage change in the Consumer Price Index over the period of ownership. Details on the calculation of fair return, definitions of initial investment and eligible capital improvements, and how such capital improvements will be valued by the City, shall be contained within the City's homebuyer loan documents.

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Continued Affordability

The resale requirements must also ensure that the Property will remain “affordable to a reasonable range of low-income homebuyers”. The City defines “affordable to a reasonable range of low-income homebuyers” as:

- (a) **Target Population:** A family with a gross household income that is greater than 50% of Area Median Income (“AMI”), but not exceeding 80% of AMI, adjusted for family size; and
- (b) **Housing Affordability:** Housing costs (mortgage, property taxes, insurance, HOA, utility allowance) do not exceed 40% of the family’s gross household income.

The City must set a resale price that provides a fair return to the owner while ensuring that the Property is affordable to its target population. In such instances, the City may provide additional direct funding assistance to the subsequent homebuyer to ensure that the original owner receives a fair return and the Property is affordable to the defined low-income population.

Homebuyer Loan Documents

Typically, when the City provides a HOME loan to assist the development of a homeownership housing project, the development loan is recast as individual homebuyer loans after the project is completed and the housing is sold to qualified buyers. These homebuyer loans are originated under the City’s Homeownership Opportunities Program (“HOP”). The HOP loan is typically structured in two ways: a) fully deferred for the term of the loan; of b) deferred for the first five (5) years with amortized monthly payments required for the balance of the loan term.

HOP loan documentation consists of the following:

- (a) A Promissory Note and a Deed of Trust which is recorded against the property.
- (b) A Request for Notice of Default and Resale which is recorded against the property to ensure that all parties to a resale transaction are aware that the City’s participation is required.
- (c) To secure compliance with HOME resale and other requirements applicable to the homeowner, a regulatory agreement Notice of Restrictions Affecting Real Property Including HOME Recapture Provisions (the “Regulatory Agreement”) is recorded against the property.
- (d) Other key homebuyer loan documents include a Loan Agreement and a Borrower Disclosure Statement.

4. Plans for using HOME funds to refinance existing debt secured by

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multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City has no plans to use HOME funds to refinance existing debt on multifamily housing projects that have been rehabilitated with HOME funds.

Emergency Solutions Grant (ESG) Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

Allocating Funds

The Pasadena CoC is contained within the geographical boundaries of the City of Pasadena. Both CoC funds and ESG funds come to the City of Pasadena, which acts as the lead agency in the coordination of homeless services for the jurisdiction. The Pasadena Partnership to End Homelessness serves as the principal planning entity for ESG funds and provides guidance to the Housing Department in allocating ESG dollars. Consultation includes: feedback on local need and funding priorities; review and comment on proposed funding allocations prior to funding award; direct input in performance and evaluation measures; and guidance on best practices nationwide for utilizing ESG funds to prevent and end homelessness. Funds are awarded through an RFP process, and proposals are reviewed by non-ESG funded CoC members and representatives administering ESG funds from outside the CoC.

Setting Performance Outcomes

The Pasadena CoC will consult the HUD CoC Systems Performance Measures, ESG guidelines, as well as grant recipients to establish performance targets appropriate for population and program type. The CoC will maintain and review HMIS, Annual Performance Reports, and other documentation as necessary to measure progress in meeting HUD CoC Program Grant goals and objectives.

Operating and Administrating Homeless Management Information System (HMIS)

The City of Pasadena, as a member of the Southern California Regional HMIS Collaborative administers an HMIS that is in compliance with current HUD HMIS Data Standards and has successfully executed an implementation plan that has increased HMIS participation from CoC and ESG recipients and sub-recipients. The City maintains records of all participating agencies that have attended basic user training, including training on privacy policies, HUD-required data elements, system navigation, and signed required agreements from each participating agency and end

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users, such as but not limited to HMIS agency Agreements, HMIS User Agreements, and HMIS Policies and Procedures. To maintain participation and high data quality, the City has designated a HMIS administrator to generate monthly reports to ensure all HUD-required data is complete, accurate, and entered into system in a timely manner. The City has also met reporting requirements and submitted reliable data for System Performance Measures, Longitudinal Systems Analysis, Annual Performance Reports, and other HUD-mandated reports. The HMIS Administrator and the CoC's HMIS database are funded by a CoC HMIS grant. The City of Pasadena continues to improve HMIS and update policies and procedures from input and recommendations from HMIS Users.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The CoC participates in the Los Angeles Coordinated Entry System, which is co-administered by the Glendale and Los Angeles Continuums of Care. The shared CES provides an initial, comprehensive assessment of the needs of individuals and families for housing and services.

Key elements of the CES include the following:

Standardized Evaluation

The CES establishes standard policies and procedures for evaluating individuals' and families' eligibility for assistance under CoC and ESG programs.

Prioritization of Clients to Receive Assistance

The CES also establishes policies and procedures for determining and prioritizing which eligible individuals and families will permanent supportive housing assistance.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City awards ESG funds to sub-recipients through a Request for Proposals process. This process is publicized through the City's online Open Gov procurement system, announcements at the CoC's Pasadena Partnership to End Homelessness meetings, and email list mailings. Proposals are reviewed by a committee made up of non-ESG funded CoC members, and awards are approved by Pasadena's City Council.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless

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individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City meets the homeless participation requirement as outlined in 24 CFR 576.405(a). The CoC Board includes at least one member who is a formerly homeless person.

5. Describe performance standards for evaluating ESG.

ESG projects are evaluated through annual monitoring and with data pulled from HMIS. Programs performance standards are set in consultation with the CoC based on HUD System Performance Measures and overall goals for ending homelessness. Individual programmatic goals are developed through the RFP process. Programs that do not meet established goals are subject to reduction or non-renewal of funding.

APPENDIX A

APPENDIX B

**PUBLIC NOTICE BY THE CITY OF PASADENA
OF A SCHEDULED PUBLIC HEARING BY THE CITY COUNCIL
RELATING TO THE APPROVAL OF
THE ANNUAL ACTION PLAN (2024-2025)**

The City of Pasadena announces that the draft Annual Action Plan (2024-2025) as required by the Department of Housing and Urban Development (HUD) is available as of April 18, 2024, for public review. This action if approved is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3).

The Annual Action Plan (2024-2025) functions as an annual application for federal funds under HUD formula grant programs, specifically, the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), Home Investment Partnership Act (HOME) and any other HUD entitlement programs potentially available to the City of Pasadena. The Annual Action Plan describes the strategy to carry out federal programs, indicates the general priorities for allocating funds and describes the basis for assigning the funding to each priority. The document includes a description of the proposed activities, funded with the HUD Community Development formula grant funds during the upcoming program year (July 1, 2024 – June 30, 2025) to address priorities.

The Pasadena City Council and Housing Department are vitally interested in improving and increasing communication with Pasadena citizens in the area of housing, community development, and economic development.

The Annual Action Plan is available for public review as of April 18, 2024 on the Housing Department website at: <https://www.cityofpasadena.net/housing/cdbg/#cdbg-plans>. Persons wishing to submit written comments during the public review and comment period may mail them, postmarked no later than May 15, 2024, to the following address:

City of Pasadena
Housing Department
Attention: Randy Mabson, Program Coordinator
649 N. Fair Oaks Blvd. #202
Pasadena, CA 91103

The public hearing will be held at the following location and time:

City Council - Public Hearing
Monday, May 20, 2024, at 5:30 p.m.
Pasadena City Hall – City Council Chambers
100 N. Garfield Avenue
Pasadena, CA 91101

All interested persons may submit correspondence to correspondence@cityofpasadena.net prior to the start of the City Council meeting. During the meeting and prior to the close of the public hearing, members of the public may provide live public comment in person, or by submitting an online speaker card form at the following webpage: www.cityofpasadena.net/city-clerk/public-

[comment](#); or, by calling the Speaker Card Helpline at (626) 744-4124. Please refer to the City Council agenda when posted for instructions on to how to provide live public comment. If you challenge the matter in Court, you may be limited to raising those issues you or someone else raised at the public hearing, or in written correspondence sent to the City Council or the Housing Department's designated comment recipient at, or prior to, the public hearing.

Miguel Márquez, City Manager
P.O. Box 7115
Pasadena, CA 91109