

THE MODEL CITY CITY OF COMMERCE



2014-2021 Housing Element Adopted November 5, 2013



Prepared for
City of Commerce
by ESA



City of Commerce

2014-2021 Housing Element

Prepared for:

City of Commerce
2535 Commerce Way
Commerce, CA 90040

Prepared by:

Environmental Science Associates (ESA)
626 Wilshire Drive, Ste 1100
Los Angeles, CA 90017

Adopted November 5, 2013



Acknowledgements:

City Council

Joe Aguilar, Mayor
Lilia R. Leon, Mayor Pro Tem
Tina Baca Del Rio, Councilmember
Ivan Altamirano, Councilmember
Denise M. Robles, Councilmember

Planning Commission

Nancy Beragon, Commissioner
John Diaz, Vice Commissioner
Annelle Grajeda, Commissioner
Jorge Montes, Commissioner
Julissa Altamirano, Commissioner

City Administrator's Office

Jorge Rifa, City Administrator

City Staff

Alex Hamilton, Assistant Director of Community Development
Matt Marquez, City Planner
Viviana Molinar, Community Development Assistant

Consultant Team

Alexa Washburn, Project Director
Sarah McKearnan Walker, Project Manager
Dana Martinez, Project Planner





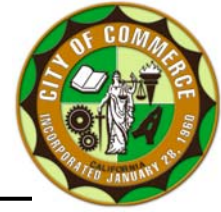
TABLE OF CONTENTS

1. Introduction	7
1.1 - Overview of Housing in Commerce	7
1.2 - A History of Affordable Housing	9
1.3 - Purpose & Authority of Element	10
1.4 - Scope & Content of Element	11
1.5 - Public Participation	13
1.6 - Incorporation in the General Plan	14
1.7 - Format of the Housing Element	15
2. Housing Plan	17
2.1 - Issues & Opportunities	17
2.2 - Housing Goals	18
3. Quantified Objectives	43
4. Community Profile	45
4.1 - Housing Characteristics in Commerce	45
4.2 - Commerce Planning Areas	47
4.3 - Residential Planning Areas	49
4.4 - Residential Neighborhoods	52
4.5 - Population Characteristics	54
4.6 - Household Characteristics	57
4.7 - Housing Stock Characteristics	62
4.8 - Assisted Housing At-Risk of Conversion to Market Rate Housing	70
4.9 - Special Housing Needs Groups	73
5. Housing Constraints	83
5.1 - Governmental Constraints	83
5.2 - Non-Governmental Constraints	94
5.3 - Environmental Constraints	96
6. Housing Resources	99
6.1 - Regional Housing Needs Assessment	99
6.2 - AB 1233 Compliance	100
6.3 - 2014-2021 Sites Inventory	102
6.4 - Summary of Available Sites	108
6.5 - Constraints to Housing Production	109
6.6 - Financial Resources	110
6.7 - Energy Conservation	119
7. Progress Report	121
Appendix A. Community Outreach	143



LIST OF TABLES

Table 1-1: State Housing Element Requirements	11
Table 2-1: Housing Plan Summary	41
Table 3-1: Quantified Objectives.....	44
Table 4-1: Housing Assistance Needs of Income Groups by Tenure 2000.....	46
Table 4-2: Population Growth Trends 1970-2011	54
Table 4-3: Age Distribution	55
Table 4-4: Race and Ethnicity: 2010	55
Table 4-5: Employment by Sector	56
Table 4-6: Household Growth Trends (1990 – 2010)	57
Table 4-7: Number of Persons in Household	58
Table 4-8: Household Size by Tenure.....	58
Table 4-9: Overcrowding by Tenure	59
Table 4-10: Household Income.....	60
Table 4-11: Summary of Housing Overpayment.....	61
Table 4-12: Housing Unit Type	62
Table 4-13: Age of Housing Stock.....	63
Table 4-14: Calculation of Affordable Housing Costs by Tenure.....	64
Table 4-15: Housing Values.....	66
Table 4-16: Median Home Prices	66
Table 4-17: Median Housing Rental Rates	67
Table 4-18: Rents by Number of Bedrooms.....	68
Table 4-19: Housing Affordability by Income Group.....	69
Table 4-20: Existing Affordable Units for Rent.....	70
Table 4-21: Existing Affordable Units for Sale.....	71
Table 4-22: Disability Type by Age, 2000.....	74
Table 4-23: Disability Type by Age, 2010.....	74
Table 4-24: Developmentally Disabled Residents by Age.....	76
Table 4-25: Housing Problems for All Households.....	78
Table 4-26: Inventory of Homeless Services and Facilities in the Region	80
Table 5-1: City of Commerce General Plan Land Use Designations.....	85
Table 5-2: Development Standards by Residential Zone District	86
Table 5-3: Housing Types by Residential District	89
Table 5-4: Development Fees per Unit.....	90
Table 5-5: Development Application Cost and Processing Times	93
Table 5-6: Disposition of Loans.....	96
Table 6-1: RHNA 2014-2021	100
Table 6-2: RHNA 2008-2014	100
Table 6-3: Combined 2008-2014 and 2014-2021 RHNA Allocations	101
Table 6-4: 2014-2021 RHNA with AB 1233 Shortfall.....	101
Table 6-5: Combined 2008-2014 and 2014-2021 RHNA Allocations	103
Table 6-6: Housing Opportunity Overlay Parcel Inventory	104
Table 6-7: Accommodation of the 2014-2021 RHNA	108
Table 6-8: Density and Lot Size Calculations for Existing Multi-Family Projects.....	109
Table 6-9: Financial Resources Available for Housing Activities	111
Table 7-1: Effectiveness of Previous Housing Element Programs	122
Table A-1: Identified Stakeholder Groups	149



1. INTRODUCTION

1.1 - OVERVIEW OF HOUSING IN COMMERCE

The City of Commerce is a unique jurisdiction that presents both opportunities and barriers to affordable housing. Incorporated in 1960, the City is located six miles east of downtown Los Angeles and bordered by Bell, Bell Gardens, Downey, East Los Angeles, Montebello and Vernon. Commerce is home to 3,377 families and 1,800 businesses. The City's mix of residential areas, retail stores, business parks, manufacturing, and entertainment venues allows the city to provide high quality services for City residents while maintaining a pro-business climate. The City is primarily made up of industrial uses (more than 60% of Commerce's total land area is industrial), which presents challenges to both the identification of new sites for development and the maintenance of existing residential neighborhoods. A major challenge for the City since its incorporation has been the coexistence of industry near and among the area's existing residential neighborhoods.

Many of the original housing units constructed in the City were developed in the 1960's as work force housing for employees working at the various companies located in the City. Developed as separate communities, identified with specific names, residential areas in Commerce are islands surrounded on at least two sides by commercial and industrial uses creating a unique set of issues and opportunities. Following the City's incorporation the Commerce Community Development Commission was very active in its efforts to implement a residential relocation program to move households from older industrial districts to newer residential neighborhoods. Through these efforts, the Commission was able to relocate residents living in older households in the midst of industrial areas to homes in newly established residential neighborhoods. The older, often substandard units were then demolished and the land was then used for industrial expansion. Over time, these and similar programs have eliminated many of the land use conflicts in the City.

In addition to relocating housing units, Commerce has also aggressively established programs focused on upgrading substandard housing and replacing dilapidated units. These programs will continue to ensure that existing and future residents of the city are provided safe, sound, and decent housing. The city has also been active in promoting the redevelopment of its aging and obsolete industrial plants. Increased competition from industries abroad has had a significant impact on domestic industry, in general, and on the industrial base in the city of Commerce and neighboring cities, in particular. The City has attempted to meet this challenge through the construction of new modern business parks. New challenges that may be encountered by Commerce in the opening years of the 21st Century will be perceived as opportunities rather than as obstacles.

The unique aspects of the City that require consideration in the formulation of land use and housing policy include the following:



City of Commerce Housing Element

- The general nature and location of land uses has changed very little since the City incorporated. As such, Commerce was, and remains, predominantly industrial, providing employment for tens of thousands of persons living throughout the Los Angeles region.
- The potential for adverse land use conflicts has been lessened through past planning efforts that recognized the need to provide adequate buffers between dissimilar uses; however the introduction of new residential projects will always require an adequate assessment of on-site and surrounding land uses. In some instances there may be a need to conduct a soil analysis or other additional studies to ensure that the site is appropriate and safe for mixed use and residential development, particularly if the previous use was industrial.
- Similarly, very little vacant land remains in the City meaning that in most instances future development will involve the recycling of land that was previously occupied by older businesses or homes. While the transition from lower density residential to higher density residential may be appropriate, the transition from commercial or industrial uses to new residential may require additional abatement and mitigation to ensure the site is appropriate for housing.
- Additionally, many of the city's industries produce and store hazardous materials. The policies contained in the General Plan Community Development Element, and those included in other elements, call for residential properties to be protected from the hazards and health risks associated with industrial development.
- To accommodate the volume of commuters traveling throughout Commerce and the region, two heavily utilized freeways, Interstate 5 and Interstate 710 dissect the City. While freeways provide key access to Commerce and the greater area, they also are known to create air quality and noise impacts. Historically, the City has also had to address proposed freeway expansions that resulted in the removal of housing units and that located freeways in closer proximity to residential homes. Generally, it is not recommended for housing to be within 500 feet of a freeway to avoid health impacts for long term residents.
- The industrial land uses that surround the City's residential neighborhoods also generate significant amounts of truck traffic. During a typical weekday, the City's arterial roadways located near the residential areas (Eastern Avenue, Washington Boulevard, and Atlantic Boulevard) all experience significant truck traffic volumes almost four times the national average resulting in attendant noise and air quality impacts. As a means to protect the City's neighborhoods from the intrusion of truck traffic, regulations defining truck routes and prohibitions of on-street truck parking have been implemented. Railroads are also a critical component of the industrial districts of Commerce. Major rail yards are found in close proximity to several residential neighborhoods which also present unique challenges to the community. Several years ago, a derailment destroyed and damaged a number of homes in the Ferguson neighborhood. The City has been very proactive in petitioning the Federal Government to ensure that rail operations are conducted in a safe manner.
- In many of the City's neighborhoods, older industrial uses were located in close proximity to homes. Over the past several decades, the City has undertaken programs to acquire older lots in order to eliminate land use conflicts. Much of the infill housing constructed in the past several decades was developed in this fashion. Notable examples of these efforts include the Village development in the Rosewood Neighborhood, the Vista del Rio development in the Southeast neighborhood, and the more recent infill developments in the Northwest neighborhood.

To address these potential concerns, the City of Commerce has carefully studied the existing land uses and identified the Housing Opportunity Overlay area within the General Plan as an appropriate area to



accommodate future housing. The Housing Opportunity overlay area is the ideal location for the development of new housing including market rate and affordable units as stand-alone projects or incorporated into mixed use development. The overlay is intended to locate employment opportunities, dining, shopping, neighborhood services, and residential uses in close proximity of one another thereby reducing vehicle trips and encouraging walkability. The overlay area is ideal for the development of affordable units for residents that may need access to services, as it is close to existing residential development, City Hall, the City's transit center, the library, Rosewood Park, the City of Commerce Employment Center, the City of Commerce Aquatorium, and numerous commercial businesses. The potential constraints of housing development within the Overlay area and the City in general are further discussed in the Housing Constraints analysis.

1.2 - A HISTORY OF AFFORDABLE HOUSING

Despite the industrial nature of the City, Commerce has historically been successful in providing affordable housing for very low-, low- and moderate-income households that is compliant with the existing zoning and General Plan land use designations. The City of Commerce, like many cities in Los Angeles County, faces the challenge of limited vacant land, which requires creative development on infill lots that may be smaller than the State's ideal site size of 5 to 10 acres. Commerce, however, through its partnerships with affordable housing developers, like TELACU and Mayans Development has produced projects on small infill lots, that through density bonuses and development incentives, meet the State's default density in order to provide a variety of affordable housing options throughout the City.

Since 1980, the City of Commerce has shown a strong commitment towards providing housing assistance to its low-income population. Over 300 units of affordable housing have been developed in Commerce in the last three decades. In the City there is a mix of both single family and multi-family housing as well as both rental and homeownership properties. There are currently three federally assisted multifamily rental complexes in Commerce with affordability covenants including: 94 units at the Rosewood Park Senior Apartments, 24 units at TELACU Gardens and 76 units at TELACU Manor. The City's most recent senior project, TELACU Manor, is a Section 202 project consisting of 76 units of rental housing for lower income seniors, developed in 1992.

In addition to the three multifamily rental projects identified, the City has worked with Mayans Development to construct affordable single-family residential developments on infill properties. Three developments known as Lanto/Pacific, Los Jardines and Jardines de Bristow have been constructed or acquired through joint developer-City efforts. The three developments contain a total of 18 single-family homes that were sold to low-income families with first time home buyer or developer price reduction assistance. Currently, all of the units are occupied by the original owners who purchased the homes. The City intends to monitor the units to ensure that if a resident vacates their home, that the City can make every effort possible to resell the unit to a new low-income qualified family.

The City of Commerce also has a number of ownership units with deed restrictions, many of which have utilized City rehabilitation programs or were rehabilitated through partnerships with local non-profits (i.e. Habitat for Humanity) in exchange for long term affordability covenants. There are at least 13 properties with affordability covenants that extend to 2023 and beyond. The majority of the housing units were assisted through the City's First Time Homebuyer Program, with two properties recently assisted through the Substantial Rehabilitation Program. The City of Commerce recognizes that their existing



affordable housing stock is a valuable resource that should be conserved, and if necessary, improved to meet habitability standards. To achieve this, the City has established a housing conservation program to monitor the continued participation of these projects that participate in the HUD Section 221 and Section 8 programs.

1.3 - PURPOSE & AUTHORITY OF ELEMENT

The City of Commerce first initiated a comprehensive general plan update, including an update of the Housing Element, in the mid-1980s. This initial Element was subsequently updated and adopted in January 2008 pursuant to the required updates by the California Department of Housing and Community Development (HCD). Subsequently, the City updated their Housing Element again for the 2008-2014 planning period, achieving certification in April 2010.

The current Housing Element builds upon the previous elements by updating technical information and assessing the City's progress in implementing its earlier housing goals, objectives, and programs. In addition, the current Element outlines those strategies and programs that will enable the City to meet its current Regional Housing Needs Assessment (RHNA). Finally, the document serves as a critical link between housing policy and the long-range land use plan that calls for continued infill housing development as well as new opportunities for housing in areas that were previously developed as commercial or industrial uses.

Within the past several decades, the State Legislature has focused increased attention on housing-related issues in California. The State's growing population, particularly in the heavily-urbanized areas of Los Angeles County, has placed increased demands on both the existing and new housing stock. In recognition of the need for all persons to have sound, safe, and affordable housing, the State has established definitive guidelines for housing elements. The City of Commerce Housing Element fulfills the State's housing element requirements. The Element includes a technical background component identifying housing and population demographics, a housing plan with identified quantified objectives outlining the City's goals for the future and a progress report evaluating the City's past housing accomplishments.

The State Legislature understands the importance of local housing elements in implementing statewide goals for providing decent and suitable housing for all persons. The legislature also recognizes the importance of providing affordable housing to households with low- or moderate- incomes. State law makes it clear that the provision of affordable housing is the responsibility of all local governments, and using vested powers, local governments should make a conscious effort to see that there are housing opportunities for all income groups. The intent of the state housing element requirements is based on the following concerns (Section 65581):

- Local governments should recognize their responsibilities in contributing to the attainment of the State's housing goals.
- Cities and counties should prepare and implement housing elements that are coordinated with state and federal efforts in achieving the state's housing goal.
- Each local jurisdiction should participate in determining the necessary efforts required to attain the State's housing goals.



- Each local government must cooperate with other local governments to address regional housing needs.

It is evident from review of the City's historic efforts in promoting new housing, especially infill housing, that Commerce is committed to accommodating its housing need. In addition, the City has been an active participant in the regional planning efforts undertaken as a member of the Gateway Cities Council of Government and the Southern California Association of Governments (SCAG).

1.4 - SCOPE & CONTENT OF ELEMENT

State law contains very specific information concerning the content and effect of programs identified to implement the housing element. The state's housing element requirements are summarized in **Table 1-1**.

**Table 1-1:
State Housing Element Requirements**

Issues Requiring Analysis	Gov. Code Section	Reference in Housing Element
Analysis of employment trends.	Section 65583.a	Chapter 4, Community Profile
Projection and quantification of existing and projected housing needs for all income groups.	Section 65583.a	Chapter 4, Community Profile
Analysis and documentation of the City's housing characteristics, including cost for housing compared to ability to pay, overcrowding, and housing condition.	Section 65583.a	Chapter 4, Community Profile
An inventory of land suitable for residential development, including vacant sites and sites having redevelopment potential.	Section 65583.a	Chapter 5, Housing Resources
Analysis of existing and potential governmental constraints upon the maintenance, improvement or development of housing for all income levels.	Section 65583.a	Chapter 4, Community Profile
Analysis of existing and potential non-governmental (private sector) constraints upon maintenance, improvement or development of housing for all income levels.	Section 65583.a	Chapter 4, Community Profile
Analysis concerning the needs of the homeless.	Section 65583.a	Chapter 4, Community Profile
Analysis of special housing needs: handicapped, elderly, large families, farm workers, and female-headed households.	Section 65583.a	Chapter 4, Community Profile
Analysis of opportunities for energy conservation with respect to residential development.	Section 65583.a	Chapter 4, Community Profile



City of Commerce Housing Element

Issues Requiring Analysis	Gov. Code Section	Reference in Housing Element
Identification of Publicly-Assisted Housing Developments.	Section 65583.a	Chapter 4, Community Profile
Identification of Units at Risk of Conversion to Market Rate Housing.	Section 65583.a	Chapter 4, Community Profile
Identification of the City's goal relative to the maintenance, improvement, and development of housing.	Section 65583.a	Chapter 2, Housing Plan
Analysis of quantified objectives and policies relative to the maintenance, improvement, and development of housing.	Section 65583.b	Chapter 3, Quantified Objectives
Identification of adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels.	Section 65583.c(1)	Chapter 5, Housing Resources
Identification of strategies to assist in the development of adequate housing to meet the needs of low and moderate-income households.	Section 65583.c(2)	Chapter 2, Housing Plan
Identification of governmental constraints to the maintenance, improvement, and development of housing in Commerce.	Section 65583.c(3)	Chapter 4, Community Profile
Strategies to conserve and improve the condition of the existing affordable housing stock.	Section 65583.c(4)	Chapter 2, Housing Plan
Strategies to promote equal access to housing for all groups.	Section 65583.c(5)	Chapter 2, Housing Plan
Strategies to preserve the existing low-income housing stock.	Section 65583.c(6)	Chapter 2, Housing Plan
Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.	Section 65583.d	Chapter 1, Introduction
Description of the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments.	Section 65583.e	Chapter 4, Community Profile
Review of the effectiveness of the past Element, including the City's accomplishments during the previous planning period.	Section 65583.f	Chapter 6, Progress Report

Source: State of California, Department of Housing and Community Development.



1.5 - PUBLIC PARTICIPATION

California Government Code requires that local governments make a diligent effort to achieve public participation from all economic segments of the community in the development of the housing element. In the preparation of the Housing Element Update, a number of organizations and agencies that provide housing, or housing related services, were contacted. Stakeholder groups that have been identified as influential to the development of housing and the provision of services in the community are:

- Commerce Industrial Council
- Salvation Army Bell Homeless Shelter
- Fair Housing Foundation
- L.A. County Public Social Services
- Eastern Los Angeles Regional Center
- Esperanza Community Housing Corporation
- Legal Aid Foundation of LA
- WLCAC Homeless Access Center
- Shelter Partnership
- Housing Authority of LA County
- Su Casa Family Support Center
- Habitat for Humanity
- Abode Communities
- National CORE
- TELACU Development Corporation
- LINC Housing

The City held one workshop meetings prior to the submittal of this Housing Element draft to HCD for an initial review. This initial meeting with the Planning Commission took place on April 24, 2013 and was intended to provide Commissioners and the public with general information regarding the Housing Element (i.e. contents, process and information on the RHNA). A second workshop with the City Council occurred on June 4, 2013 and was streamlined to focus on Housing Element content and next steps for the update process. For both meetings the Housing Element workshop was noticed on the City's website, at City Hall, and in other public places such as the Bristow Library. Stakeholder groups were also identified and a flyer and letter invitation to the meetings was distributed several weeks before the first workshop. Informational materials for the public workshops are presented in Appendix A.

Present at the meeting were several stakeholder groups including a representative from Southern California Rehabilitation Services, Inc. who represents the developmentally disabled in the community. Despite the City's efforts to engage the public, no public comments were made at Planning Commission meeting regarding the Housing Element. The Planning Commissioners did have questions regarding the changes in planning period length from 4 years to 8 years consistent with SB 375, clarification on SB2, and requested additional information on the RHNA allocation process.

On July 22, 2013, the State Department of Housing and Community Development issued confirmation that the Housing Element was found to be in compliance with State law. The City then held a public hearing with the Planning Commission on October 23, 2013 to review the final draft. Following the Planning Commission hearing, the Housing Element was adopted by the City Council on November 5, 2013. These meetings were noticed and open for public comment on the final Housing Element draft. After adoption, the final Housing Element was sent to the State Department of Housing and Community Development (HCD) for final State certification.



1.6 – INCORPORATION IN THE GENERAL PLAN

The Elements that comprise the Commerce General Plan are required by State law to be internally consistent. Together these Elements provide the framework for the development of facilities, services, and land uses necessary to address the needs and desires of the City's residents. To ensure that these needs are clearly addressed throughout the General Plan, the Elements must be interrelated and interdependent.

This Housing Element is most directly related to the Community Development Element, since it is the Community Development Element that designates the location and extent of residential development throughout the City. With regard to the other General Plan Elements, the following findings of conformity may be made:

- This Housing Element promotes the development of new housing in certain areas where housing does not presently exist. New housing is encouraged in the Housing Opportunity Overlay area as is consistent with the General Plan Land Use Element. This Element does not involve any land use recommendations that are inconsistent with the Community Development Element or with the other General Plan Elements.
- This Housing Element will not change the land use and/or development standards included in the Community Development Element, however a program has been recommended in the Housing Plan that allows for lot consolidation and flexibility in development standards in order to encourage infill development.
- This Housing Element does not promote or propose any land use changes requiring the instillation of any new streets or infrastructure not already anticipated in the General Plan.
- The focus of this Housing Element is to identify strategies that will be effective in conserving existing housing, while at the same time, to investigate opportunities to accommodate new infill residential development.
- Finally, this Housing Element updates important background information used in the evaluation and/or formulation of housing policy.



1.7 - FORMAT OF THE HOUSING ELEMENT

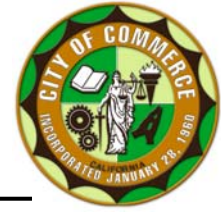
The City of Commerce Housing Element consists of six sections that together fulfill the State's housing element requirements. These sections are organized in a manner that will facilitate future updating in accordance with State law and to ensure conformity among the various elements. The Housing Element consists of the following components:

1. An **Introduction**, providing information on the Housing Element document and the City of Commerce.
2. A **Housing Plan** that addresses Commerce's identified housing needs, including housing goals, policies and programs.
3. A **Quantified Objectives** analysis to estimate the City's realistic accomplishments that will be achieved from 2014-2021.
4. A **Community Profile** providing an analysis of the City's population, an evaluation of housing need and an examination of governmental and non-governmental constraints.
5. Identification of **Housing Resources** available to encourage and facilitate housing development including the preparation of an inventory of potential housing sites in the community.
6. A **Progress Report**, proving an assessment of past housing element accomplishments.



City of Commerce Housing Element





2. HOUSING PLAN

2.1 - ISSUES & OPPORTUNITIES

Virtually all of the land area within Commerce's corporate boundaries was developed prior to the City's incorporation in 1960. Over the years, the lack of available land has presented unique challenges to the City's efforts to provide housing for its growing population. Innovative redevelopment projects and housing rehabilitation programs have led to significant improvements in both the quantity and quality of available housing. However, the average household size has held steady, placing increased pressure on the existing housing stock. Key issues related to housing that are the focus of this Housing Element are described below.

- Nearly 99% of the City of Commerce's residents live in the eleven well-defined neighborhoods that are scattered throughout the City. Most housing units in these neighborhoods were constructed before 1960, although in general the housing stock is in good condition.
- The City's distinct neighborhoods are surrounded by industrial and commercial uses leaving them impacted by the related truck traffic, freeway noise, air quality issues, and environmental justice concerns. New residential development must be strategically located and the proper environmental analyzes completed before construction occurs.
- The average household size has increased due to trends toward larger families. In 1990, the U.S. Census reported that the City's average household size was 3.7 persons. By 2000, the average household size had increased to 3.8 persons. In 2010, the average household size remained the same, at approximately 3.77 persons per household, as reported in population estimates based on the American Community Survey.
- There has been an increase in the number and percentage of elderly residents (over 65) in the City. The City's population as a whole has aged, although the median age (32.7 years) remains lower than the county median (34.8 years). Over time, the City's population (as defined by median age) will continue to increase, reflecting national trends.
- A significant number of households in Commerce are overcrowded, and the garages of some homes have been illegally converted into living quarters. The City estimates that approximately 10% of the City's housing stock may be considered for participation in rehabilitation programs.
- While housing costs in Commerce are relatively low in comparison to the region, there are a significant number of households overpaying for housing due to the lower incomes of Commerce households.
- In 2010, the City's housing inventory included 3,388 housing units. Of this total, 2,595 units (77%) are classified as single-family, 246 units (7%) are in structures containing between 2 to 4 units, and 547 units (16.0%) are located in multiple-family developments containing five or more units.



2.2 – HOUSING GOALS

For the City of Commerce the enduring objective is to facilitate and encourage housing that fulfills the diverse needs of the community. To achieve this goal the Housing Plan identifies long-term housing goals and shorter-term policies to address the identified housing needs. The goals and policies are then implemented through a series of housing programs. Programs identify specific actions the City plans to undertake toward achieving each goal and policy.

The goals, policies, and programs within the Housing Plan build upon the identified housing needs in the community, constraints confronting the City, and resources available to address the housing needs. This Plan will guide City housing policy through the 2014-2021 planning period. Commerce's housing goals, policies, and programs address the following five major areas:

1. Conservation of the City's existing housing stock;
2. Increased opportunities for affordable housing;
3. Removal of constraints to the construction of affordable housing;
4. Equal housing opportunity; and
5. Identification of adequate sites to achieve a variety and diversity of housing.



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Continued maintenance and preservation of the existing housing stock in Commerce is crucial to ensure quality neighborhoods. Housing programs focused on the achievement of this goal include rehabilitation of single- and multi-family housing units, code enforcement, and efforts to preserve assisted housing units at risk of converting to market-rate housing. Through code enforcement, neighborhood, and home improvement programs, the City is able to maintain the condition of existing housing units.

- Policy 1.1:** Continue to promote, maintain, and enhance the character and identity of the City's residential neighborhoods through adequate code enforcement.
- Policy 1.2:** Provide financial assistance, when available, to rehabilitate dwelling units owned or occupied by seniors and low-income individuals.
- Policy 1.3:** Encourage property owners to rehabilitate substandard residential units and maintain their properties to the greatest extent possible.
- Policy 1.4:** Promote increased awareness among property owners and residents of the importance of property maintenance to long-term affordable housing.
- Policy 1.5:** Design new higher-density residential projects at a scale (number of units, height, etc.) that is compatible in design with adjacent residential areas.
- Policy 1.6:** Cooperate with non-profit housing providers in the acquisition, rehabilitation, and maintenance of older apartment complexes, single-family houses and hotel/motels to be preserved as long-term affordable housing.
- Policy 1.7:** Continue to monitor affordable housing developments, second units, and vacant units within the City, and work to preserve existing affordable housing in the City that is considered at risk of converting to market-level rents.

Programs

Program 1.1 - Code Enforcement

The objective of the City's Code Enforcement Program is to bring substandard units into compliance with City codes. Potential code violations are identified based on exterior windshield surveys and complaints reported to the City. The City's code enforcement officers work closely with Housing Division and Planning Division staff, as well as property owners, to identify units in need of housing assistance. To address the continuing problem of illegal units and garage conversions, code enforcement officers survey the City to identify such units. They then notify the property owner that they are in violation of City law, and enforce the necessary actions required to bring properties into compliance with City Codes. These



City of Commerce Housing Element

efforts are intended to improve the condition of housing units and maintain neighborhood character throughout the City.

When appropriate, code enforcement officers provide property owners notice of any rehabilitation loans or grants for which they may be eligible to assist in correcting code violations. Eligible residents are typically referred to the Substantial Housing Rehabilitation Program (Program 1.2), the Environmental Rehabilitation Program (Program 1.3), the Neighborhood Fix-Up Grant (Program 1.4), and the CDBG Home Preservation Grant Program (Program 1.5).

- **Timing of Implementation:** *Ongoing, 2014-2021*
- **Implementation Responsibility:** *Community Development Department*
- **Funding Source:** *General Fund*
- **Objectives:** *To maintain and improve the condition of the City's existing housing stock and promote the use of established City programs for rehabilitation and revitalization of housing units in the City. Corrections will be addressed on a case by case basis.*

Program 1.2 – Substantial Housing Rehabilitation Loan Program

The Substantial Housing Rehabilitation Program was established by the former Commerce Community Development Commission¹ in 2004. This program provides deferred loans of up to \$100,000 for the rehabilitation of owner-occupied single-family homes. Generally, the Substantial Housing Rehabilitation Loan Program offers residents the opportunity to work with a general contractor to complete substantial improvements to their home. Repairs that may be financed under this program include improvements designed to remedy health and safety code violations, building code violations, and general repairs. This program facilitates funding for the substantial rehabilitation of qualifying units that will then be purchased or rented at affordable prices under long term affordability covenants. This program is often applied in conjunction with the First Time Homebuyer Program, when funds are available.

During the 2008-2014 planning period, the elimination of the Commerce Community Development Commission resulted in the loss of a permanent funding source for this program. For the 2014-2021 planning period the City will investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information about the program at City Hall, on the City's website and in other public places to increase awareness and solicit applications.

- **Timing of Implementation:** *Ongoing, 2014-2021*
- **Implementation Responsibility:** *Housing Division*
- **Funding Source:** *General Fund; Additional funding sources needed.*

¹ The Commerce Community Development Commission previously functioned as the City of Commerce's redevelopment agency. Pursuant to AB 1x26 and AB 1484, all redevelopment agencies in the state have been terminated.



- **Objectives:** Investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information at City Hall, on the City's website and in other public places to encourage residents to utilize the program.

Program 1.3 – Environmental Rehabilitation Program

As the land uses in Commerce are predominantly industrial and due to the proximity of residential uses to freeways and rail lines, the former Commerce Community Development Commission established the Environmental Housing Rehabilitation Grant Program to address and mitigate when possible the negative air quality and noise impacts created by the operation of rail road yards, freeways, and heavy industrial uses within the City. The grant is available to all low- and moderate-income residents in owner-occupied dwellings within the “Ayers Residential Neighborhood” which is significantly affected by these uses. This program is structured to provide assistance up to \$30,000 for improvements or repairs to homeowners throughout the City.

This program was historically funded by the Redevelopment Agency Low and Moderate Income Housing Fund (“Housing Set-Aside Funds”), however the elimination of the Commerce Community Development Commission in the previous planning period, resulted in the loss of a permanent funding source for this program. For the 2014-2021 planning period, the City will investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information about the program at City Hall, on the City's website and in other public places to increase awareness and encourage resident applications.

- **Timing of Implementation:** Ongoing, 2014-2021
- **Implementation Responsibility:** Housing Division
- **Funding Source:** General Fund; Additional funding sources needed.
- **Objectives:** Investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information at City Hall, on the City's website and in other public places to encourage residents to utilize the program.

Program 1.4 - Neighborhood Fix Up Grant Program

The Commerce Community Development Commission established the Neighborhood Fix-Up Grant Program to provide financial assistance to City of Commerce residents for the improvement of their homes. The Neighborhood Fix-Up Grant Program reimburses residents with grant funds up to \$1,000 for the materials purchased to complete upgrades to the exterior portion of their home that is visible from the street. Over the years, the Neighborhood Fix-Up Grant Program has proven to be successful in revitalizing residential areas in the City. The program made a significant visual impact in the City's neighborhoods and has promoted unity by bringing residents together with a common goal to improve their communities. This program was historically funded by the Low and Moderate Income Housing Fund (“Housing Set-Aside Funds”), however the elimination of the Commerce Community Development Commission in the previous planning period, resulted in the loss of a permanent funding source for this



City of Commerce Housing Element

program. For the 2014-2021 planning period the City will investigate new funding opportunities, administer funds as they become available, and will also refer residents to the CDBG Home Preservation Program, when appropriate. If and when a permanent funding source is identified, the City will provide information about the program at City Hall, on the City's website and in other public places to increase awareness and encourage resident participation.

- **Timing of Implementation:** *Ongoing, 2014-2021*
- **Implementation Responsibility:** *Housing Division*
- **Funding Source:** *General Fund; Additional funding sources needed.*
- **Objectives:** *Investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information at City Hall, on the City's website and in other public places to encourage residents to utilize the program.*

Program 1.5 - CDBG Home Preservation Grant Program

The City of Commerce as a sub grantee of the Los Angeles Community Development Commission's Federal Community Development Block Grant (CDBG) funds, has implemented the Home Preservation Grant Program. This program was established to address substandard housing conditions and to promote property maintenance by providing residential rehabilitation grants to qualified low- and moderate-income residents living in single-family owner-occupied dwellings. The Housing Division administers the program and provides funds, up to \$20,000, to qualified applicants to complete improvements to their residence. The City expects to budget approximately \$60,000 annually for the program.

- **Timing of Implementation:** *Ongoing, 2014-2021*
- **Implementation Responsibility:** *Housing Division*
- **Funding Source:** *CDBG funds*
- **Objectives:** *Provide \$60,000 in available funding to assist approximately 3 households annually.*

Program 1.6 - Monitor and Preserve Affordable Housing

The City will inventory and gather information to establish an early warning system for publicly assisted housing units that have the potential to convert to market rate. This early warning system will include a regular and periodic review of the conversion status of all subsidized housing in the City. The City will maintain their AB 987 database to include detailed information on all subsidized units, including those that have affordability covenants. The database will indicate the expiration date of any covenant and any requirements governing reimbursement. The City will also continue to monitor at-risk developments throughout the planning period. Once the City receives notice of a potential conversion of the federally



assisted units, the Housing Division will contact the owners to ascertain what will be required to extend the participation of these projects in the HUD 221 program.

All dwelling units that receive public assistance in the City (including rehabilitation assistance and land write-down projects) shall continue to have affordable housing agreements filed with the land to ensure the long-term affordability of the units. At such time that a housing unit's affordability covenant nears expiration and the owner wishes to sell the unit at (market rate), the City will work with the seller to ensure that the affordability status is maintained.

- **Timing of Implementation:** Ongoing, 2014-2021.
- **Implementation Responsibility:** Housing Division
- **Funding Source:** General Fund
- **Objectives:** The City will strive to maintain all existing affordable rental units by monitoring their affordability and contacting property owners to discuss options for long term affordability.

Program 1.7 - Energy Efficient Design

The City will review ordinances and recommend changes, where necessary, to encourage energy efficient housing design and practices that are consistent with State regulations. The City will periodically distribute literature and post information on their website regarding energy conservation, including solar power, energy efficient insulation, and subsidies available from utility companies, and encourage homeowners and landlords to incorporate these features into construction and remodeling projects. When possible the City will encourage energy conservation devices including, but not limited to lighting, water heater treatments, and solar energy systems for all residential projects. As part of the Housing Rehabilitation Program, Environmental Rehabilitation Program, and the Neighborhood Fix-up Grant Program residents can apply for loans, if a replacement source of permanent funding is identified, to increase the energy efficiency of their home. Additionally, the Planning, Housing and Building and Safety divisions will encourage maximum utilization of Federal, State, and local government programs, such as the County of Los Angeles Home Weatherization Program, that assist homeowners in providing energy conservation measures.

- **Timing of Implementation:** Ongoing, 2014-2021
- **Implementation Responsibility:** Planning, Housing and Building and Safety Divisions
- **Funding Source:** General Fund
- **Objectives:** The Housing Division will advertise the appropriate information related to this program on the City's website. In addition, the Planning Division and code enforcement personnel will refer potential applicants to the Housing Rehabilitation Program or the Neighborhood Fix-up Grant Program as potential funding sources.



Goal 2: Provide a variety of housing types to accommodate all economic segments of the community.

Commerce strives to achieve a balanced community, with housing units available for all income segments of the population. The existing housing stock offers many affordable options throughout the City. The intent of this goal is to assist in the provision of adequate housing to meet the needs of the community, including the needs of both renter and owner households.

- Policy 2.1:** Provide homeownership assistance to low- and moderate-income households.
- Policy 2.2:** Continue to participate in State and federally sponsored programs designed to maintain housing affordability, including the Section 8 rental assistance program.
- Policy 2.3:** Explore opportunities for new residential development within those areas of the City occupied by vacant, obsolete commercial and industrial uses.
- Policy 2.4:** Continue to provide development incentives, when possible to support non-profit and for-profit organizations in their efforts to construct, acquire, and improve affordable housing.
- Policy 2.5:** Facilitate development of senior and low- income housing through use of financial and/or regulatory incentives.
- Policy 2.6:** Maintain lower densities in the Bandini-Rosini and Rosewood residential neighborhoods, while encouraging higher density residential development in the City's Southeast Planning Area.
- Policy 2.7:** Ensure that potential sites for residential development, located in those areas that were previously occupied by nonresidential land uses, are investigated to determine whether or not previous on-site uses present potential health risks.

Programs

Program 2.1 – First Time Homebuyer Program

In 2009, the former Commerce Community Development Commission successfully established the First Time Homebuyer Program. This Program was intended to operate in conjunction with the Substantial Housing Rehabilitation Loan, by providing residents the opportunity to apply for assistance to purchase homes acquired and rehabilitated by the City. Residents were also allowed to identify a non-City owned residence and apply for rehabilitation and financial assistance. To further homeownership opportunities the City of Commerce also partners with the Los Angeles County Housing Authority to assist Commerce residents currently on the County's Section 8 waitlist. During the 2008-2014 planning period, the elimination of the Commerce Community Development Commission resulted in the loss of a permanent funding source for this program. For the 2014-2021 planning period the City will investigate new funding opportunities and administer funds as they become available. If, and when, a permanent funding source



is identified, the City will provide information about the program at City Hall, on the City's website and in other public places to increase awareness and to encourage resident participation.

- **Timing of Implementation:** *Ongoing, 2014-2021 until funding is unavailable or the last participant is no longer active.*
- **Implementation Responsibility:** *Housing Division*
- **Funding Source:** *General Fund; Additional funding sources needed.*
- **Objectives:** *Investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information at City Hall, on the City's website and in other public places to encourage residents to utilize the program.*

Program 2.2 - (Senior and Handicapped) Rent Subsidy Program

To augment limited Federal resources for rental assistance, the City previously utilized redevelopment set-aside monies to provide rent vouchers to seniors and handicapped residents. With the dissolution of the Commerce Community Development Commission, the City has allocated money from their General Fund to continue the program, but has reduced and limited the number of recipients. The program provides subsidies to eligible households with residents that are at least 57 years of age or are physically handicapped. The prospective applicant must also qualify as low- or very low-income. The maximum monthly subsidy for a qualified household is \$200. Applicants are expected to pay a minimum of 25% of their income towards rent and the Commission will make the appropriate supplemental payments to the landlord. Landlords must agree to participate in the program and consent to a yearly inspection of the unit to insure it is up to Building and Safety standards. For the 2014-2021 planning period the City will investigate new funding opportunities and administer funds as they become available. If, and when, an additional funding source is identified, the City will provide information about the program at City Hall, on the City's website and in other public places to increase awareness and solicit additional applications.

- **Timing of Implementation:** *This program is ongoing and will be continued.*
- **Implementation Responsibility:** *Community Services Division*
- **Funding Source:** *General Fund*
- **Objectives:** *Investigate new funding opportunities and administer funds as they become available. If and when a permanent funding source is identified, the City will provide information at City Hall, on the City's website and in other public places to increase awareness and solicit additional applications.*



Program 2.3 – Los Angeles County Partnership

As a means of further leveraging housing assistance, the City will cooperate with the Los Angeles County Community Development Commission (CDC) and Los Angeles County Housing Authority to promote resident awareness and application for County run housing assistance programs. These programs include the:

- Mortgage Credit Certificate Program (MCC)
- Housing Economic Recovery Ownership (HERO) Program,
- Home Ownership Program (HOP),
- Mortgage Credit Certificate Program (MCC),
- Home Investment Partnerships Program (HOME),
- Single-family Grant Program (SFGP), and
- Single-family Rehabilitation Loan Program.

The County offers a variety of housing assistance programs that can supplement the City's current housing programs. The City has also begun to coordinate with the County to assist Commerce households currently on the County's Section 8 waitlist by referring them to the City. As the City has little control over how the County's programs are administered, the City will be responsible for providing program information on the City's website, in the City's newsletter and at City Hall.

- *Timing of Implementation:* Ongoing, 2014-2021
- *Implementation Responsibility:* Housing Division
- *Funding Source:* General Fund
- *Objectives:* Increase resident awareness about housing programs offered by the County by providing information at City Hall, on the City's website and in other public places to increase awareness



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Market, environmental, and governmental factors pose constraints to the provision of adequate and affordable housing. These factors tend to disproportionately impact lower and moderate-income households due to their limited resources for absorbing the costs. The City is committed to removing governmental constraints that hinder the production of housing and offers a streamlined permitting process to facilitate efficient entitlement and building permit processing.

- Policy 3.1:** Support innovative public, private and non-profit efforts toward the development of affordable housing.
- Policy 3.2:** Periodically review and revise the City's development standards, if necessary, to facilitate quality housing that is affordable to all income levels.
- Policy 3.3:** When feasible, consider reducing, subsidizing, or deferring development fees to facilitate the provision of affordable housing.
- Policy 3.4:** Continue the provision of incentives, including the density bonus incentive program, which encourages developers to include affordable units in their projects.
- Policy 3.5:** Allow second residential units on single-family parcels as a means of providing additional infill housing opportunities.
- Policy 3.6:** Identify funding to be used to lower land costs of proposed projects, to ensure that affordable units are incorporated within the development.

Programs

Program 3.1 – Housing Opportunity Overlay Program

During the 2008-2014 planning period, the City established a new Housing Opportunity Overlay in the 2020 General Plan to facilitate the transition of existing non-residential uses to new residential development. The overlay designation includes a cluster of industrial properties within the Rosewood Planning Area totaling 44.3 acres. Within the identified planning area, the overlay encourages manufacturing uses to redevelop into residential uses. For the 2014-2021 planning period, the City has identified 11 parcels located east of Eastern Avenue, totaling 19.9 acres as the key opportunity area to accommodate their RHNA allocation and AB 1233 carryover. If the Phase I area is redeveloped at a minimum 20 units per acre, the City conservatively estimates that approximately 298 new units could be provided.

To finalize the creation of the overlay, the City has established the development process required to implement the overlay area, including the creation of development standards and design guidelines. In developing the guidelines and standards the City plans to ensure that the development of high density, multifamily, affordable housing is allowed and encouraged. The City has specifically identified the



City of Commerce Housing Element

overlay area in the Housing Resources section as appropriate to meet the City's remaining RHNA. Throughout the planning period, the City will monitor the development of parcels within the overlay area and meet with land owners to discuss potential redevelopment opportunities.

- **Timing of Implementation:** *The City will ensure that the program is implemented concurrent with Housing Element adoption, (by October 2013), will continuously monitor development activity in the overlay area and will contact property owners in the overlay area periodically to discuss the future of the area.*
- **Implementation Responsibility:** *Planning Division*
- **Funding Source:** *General Fund monies will be used for planning administration.*
- **Objectives:** *Facilitate the redevelopment of underutilized sites by identifying housing opportunity sites. Approach land owners and business operators in the overlay area to discuss the future transition of uses. Provide information to interested developers about potential residential opportunity sites.*

Program 3.2 - Atlantic Blvd. Housing Program

In the 2020 General Plan, a Mixed-Use designation along the Atlantic Boulevard corridor between the Mixmaster (on the north) and Washington Boulevard (on the south) was created. This land use designation provides for both residential development and commercial development. The permitted residential development densities range from 0 to 27 units per acre. The land use designation permits stand-alone residential and/or residential units located on the upper levels of a multi-story building containing commercial uses on the ground floor. During the 2014-2021 planning period the City will develop standards and design guidelines for the Mixed Use Overlay in the City's Zoning Ordinance. The City will maintain an inventory of opportunity sites along Atlantic Boulevard and provide information about development opportunities and the development standards established for the overlay.

- **Timing of Implementation:** *Ongoing 2014-2021*
- **Implementation Responsibility:** *Planning Division and Housing Division*
- **Funding Source:** *General Fund monies will be used for planning and administration.*
- **Objectives:** *The City will contact developers in the area to inform them of opportunity sites, the established development standards, and other pertinent information. The City may also publish information online and at City Hall about the Atlantic Boulevard Housing Program.*



Program 3.3 - Lot Consolidation Program

Parcels located in specific areas of the City within the Housing Opportunity overlay and along Atlantic Boulevard tend to be narrow and shallow in size, which can act as a constraint to the development of larger housing projects. To encourage the development of higher density residential and mixed-use projects on vacant and underutilized sites, the City offers incentives to encourage lot consolidation, including but not limited to: development standard modifications (i.e. lot size, parking, and open space requirements) streamlined processing, and assistance with development fees, when funding is available.

- **Timing of Implementation:** Ongoing, 2014-2021
- **Implementation Responsibility:** Planning Division and Housing Division
- **Funding Source:** General Fund monies will be used for planning administration.
- **Objectives:** The City will notify housing developers of development incentives and opportunities for lot consolidation.

Program 3.4 - Density Bonus Program

In 2005, the State statute was modified, requiring density bonus law to give greater density bonuses for lower income housing. In compliance with State law, housing developments proposed within the City of Commerce are eligible for a 20% density bonus if 5% percent of the units are affordable to very low-income households or if 10% of the units are affordable to lower income households. Similarly, housing developments may qualify for a 5% density bonus if 10% of the units are affordable to moderate-income families.

To further facilitate the development of additional affordable units additional bonuses are granted according to a sliding scale. For example, an additional 2.5% density bonus is granted for each additional increase of 1% very low-income units, an additional 1.5% density bonus for each additional increase in lower income units, and an additional 1% density bonus for each 1% increase in moderate-income units. No total density bonus can be greater than 35% percent. A project qualifying as a senior citizen housing development is entitled to a 20% density bonus and cannot be combined with the bonuses granted for affordable housing. In addition to offering a density bonus, the City will offer fast track processing, fee modifications, reductions in development and parking standards, and funding for off-site improvements to encourage and facilitate the development of affordable housing.

Developers granted a density bonus enter into an Affordable Housing Agreement with the City to ensure the continued affordability of these units for a minimum of 45 or 55 years. Affordable units are rented at levels that do not to exceed 30% of gross monthly income, subject to annual rent adjustments based on changes in the tenant's income.

- **Timing of Implementation:** Implementation will occur concurrent with Housing Element adoption. The City will administer the program throughout the planning period.



City of Commerce Housing Element

- **Implementation Responsibility:** Planning Division
- **Funding Source:** General Fund monies will be used for planning administration.
- **Objectives:** To increase the number of affordable units throughout the City in new housing developments. The Density Bonus will be emphasized in future development within the Housing Opportunity Overlay Areas.

Program 3.5 - Streamlined Processing

The City continues to monitor permit processing times to ensure the fastest possible turnaround for applications and identify any impediments to affordable housing. Additionally, the processing time of applications for new construction or rehabilitation of housing for lower and moderate-income households and seniors will be prioritized.

- **Timing of Implementation:** Ongoing, 2014-2021.
- **Implementation Responsibility:** Planning Division
- **Funding Source:** General Fund monies will be used for planning administration.
- **Objectives:** Continue to monitor permit processing times and investigate ways to streamline the process. Prioritize the review of projects that include affordable housing units.

Program 3.6 - Incentives for Large Multi-Family Units

The City recognizes that housing priorities shift over time as housing needs change. The characteristics of the City's current housing need have been identified through the Community Profile, specifically the analysis of the special needs groups. Based on the needs analysis completed for this Housing Element, there is a need to provide affordable rental units for large families. Consequently, the City will prioritize its program activities to meet the needs of large families, as well as, other special needs groups, including extremely-low income households, and people with disabilities, including developmental disabilities. During the planning period City staff will periodically review the Zoning Ordinance to determine what incentives and/or regulations can be implemented as a means to promote the development of rental housing with three or more bedrooms. As part of the Housing Opportunity Overlay the City has also included development standards to encourage and facilitate an increased number of larger units. The requirements for mixed-use housing are applicable to both rental and owner occupied housing.

- **Timing of Implementation:** Ongoing, 2014-2021
- **Implementation Responsibility:** Planning Division
- **Funding Source:** General Fund monies will be used for planning administration.
- **Objectives:** To increase the number of affordable multi-bedroom units to accommodate larger low-income families



Program 3.7 – Residential Development Standards

On a regular basis, City staff will review the development standards for the R-1, R-2, and R-3 zones to identify standards that may constrain the development of affordable housing and housing for disabled individuals. Specifically, Staff will review requirements such as the minimum unit size, property line setbacks, parking requirements, height restrictions, etc. to ensure that they are necessary and pertinent. The City is committed to address any constraints identified in **Section 5, Housing Constraints**, during the update process. In the interim, Staff will on a case by case basis identify ways that standards can be relaxed if it is determined that such requirements are in any way impeding the development of affordable housing or housing for disabled residents. The City will also continue to provide fast track processing for applications related to the creation of affordable housing and will offer fee modifications for projects including affordable units that are required to apply for variations to the existing development standards.

- **Timing of Implementation:** Ongoing, 2014-2021
- **Implementation Responsibility:** Planning Division
- **Funding Source:** General Fund monies will be used for planning administration.
- **Objectives:** Review development standards to identify constraints and remove or offset constraints where possible.

Program 3.8 – Second Unit Ordinance

The City of Commerce recognizes that second units are a unique opportunity to provide affordable units in residential areas, particularly for elderly and low income residents. Consequently, the City will ensure that the second unit ordinance continues to comply with State law and will promote the ordinance to homeowners and property managers. In many of the City's neighborhoods there are a number of second units that have been constructed, however many do not comply with planning and building requirements. The City will encourage residents that have illegally constructed a second unit on their property to bring existing illegal units into compliance with City zoning and building codes. The City may recommend that homeowners apply for assistance through existing rehabilitation programs such as the Neighborhood Fix-Up Grant Program or the CDBG Home Preservation Grant Program to modify units.

- **Timing of Implementation:** The City will ensure that the ordinance is updated as required by State law concurrent with Housing Element adoption and will advertise the program throughout the planning period.
- **Implementation Responsibility:** Planning Division
- **Funding Source:** General Fund
- **Objectives:** Encourage the construction of 5 units over the planning period. To facilitate use of the ordinance the City will provide informational materials about the second unit ordinance at City Hall, on the City's website and in other public places to increase awareness.



Program 3.9- Off Site Improvements

On a case by case basis, the City will provide opportunities for public, private and non-profit groups to develop affordable housing by constructing off-site improvements and physical infrastructure as Capital Improvement Projects. Assistance provided by the City may include traffic, street and sewer upgrades as well as other pedestrian and mobility improvements. The City will work directly with developers, on a case by case basis, to determine the feasibility of providing assistance.

- **Timing of Implementation:** *Ongoing, on an annual basis*
- **Implementation Responsibility:** *Planning Division and Housing Division*
- **Funding Source:** *General Fund when funds are available.*
- **Objectives:** *Facilitate easier development of affordable housing by allowing improvements to be negotiated.*

Program 3.10 – Water and Sewer Service Providers

In accordance with Government Code Section 65589.7 as revised in 2005, immediately following City Council adoption, the City must deliver a copy of the 2014-2021 Housing Element to all public agencies or private entities that provide water or sewer services to properties within the City of Commerce.

- **Timing of Implementation:** *By December 2013*
- **Implementation Responsibility:** *Planning Division*
- **Funding Source:** *General Fund*
- **Objectives:** *Ensure that water and sewer providers are aware of the City's intentions for residential development throughout the City.*

Program 3.11 - Flood Management

In accordance with Government Code Section 65302, as part of the current General Plan update process the City reviewed and revised the Conservation and Safety Elements to consider flood risks as they relate to future land use decisions. The Conservation Element has been updated to identify rivers, creeks, streams, flood corridors, riparian habitats, and land that may accommodate floodwater for purposes of groundwater recharge and storm water management. Additionally, the Safety Element identifies information regarding flood hazards, including, but not limited to flood hazard zones, National Flood Insurance Program maps published by FEMA, information about flood hazards, designated floodway maps, dam failure inundation maps, areas subject to inundation in the event of the failure of levees or floodwalls, etc. as listed in Section 65302(g)(2) and establish a set of comprehensive goals, policies, and objectives for the protection of the community from the unreasonable risks of flooding. The City will



continue to utilize information from the General Plan and consider flood risks in all future land use decisions.

- ***Timing of Implementation:*** Ongoing, 2014-2021.
- ***Implementation Responsibility:*** Planning Division
- ***Funding Source:*** General Fund
- ***Objectives:*** Ensure that flood risks are considered when making land use decisions.



Goal 4: Promote equal housing opportunity for all residents.

To fully meet the community's housing needs, the City must assure that housing is accessible to all residents, regardless of age, race, religion, family status, or physical disability. The City, attempts to achieve this through their reasonable accommodation ordinance and through a partnership with Los Angeles County Community Development Commission.

- Policy 4.1:** Continue to enforce fair housing laws prohibiting discrimination in the building, financing, selling, or renting of housing on the basis of race, ethnicity, ancestry, national origin, religion, sex, disability, age, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.
- Policy 4.2:** Cooperate with the Los Angeles County Fair Housing Council in the enforcement of fair housing laws and in the review of violations of applicable Federal and State fair housing laws.
- Policy 4.3:** Assess the social service needs of the community and provide a wide variety of social service programs to City residents.
- Policy 4.4:** Provide that displacement of low-income households is avoided and, where necessary, is carried out in an equitable manner.
- Policy 4.5:** Encourage housing construction or alteration to meet the needs of residents with special needs such as the elderly and disabled.

Programs

Program 4.1 – Reasonable Accommodation Program for Disabled

The purpose of this program is to ensure that sufficient provisions are provided by the City to facilitate a resident's request for "reasonable accommodation." This means that City Staff will ensure that the established development requirements do not place an undue burden on disabled persons living or moving into the City. For example, a household with a handicapped resident may require modifications to the housing unit to accommodate that individual. Typical modification requests include the installation of wheel chair ramps (both interior and exterior), wider doorways, and installation of wheelchair elevators in units containing multiple-levels, and the installation of handrails and modified plumbing fixtures in bathrooms. Funds from the Housing Rehabilitation Program or the CDBG Home Preservation Grant Program are available and may be used to complete the necessary improvements.

During the previous planning period, the City developed procedures for reasonable accommodation in accordance with fair housing and disability laws and amended the City's Municipal Code to provide for clear rules, policies, procedures, and fees for reasonable accommodation in order to promote equal access to housing. Policies and procedures indicate the qualifying individuals who may request a reasonable accommodation (i.e., persons with disabilities, family-members, landlords, etc.) along with any specific procedures that must be followed. The City staff also provides referrals to rehabilitation and home modification programs for qualifying residents.



- **Timing of Implementation:** The City will ensure that a reasonable accommodation ordinance will be implemented concurrent with Housing Element adoption and will promote the program throughout the planning period, 2014-2021.
- **Implementation Responsibility:** Housing Division and Planning Division
- **Funding Source:** General Fund
- **Objectives:** Administer City operated programs to assist disabled households with architectural modifications to their homes and continue to implement the provisions of the Americans with Disabilities Act (ADA). Provide information in public places regarding the City's reasonable accommodation ordinance and make information on this program more widely available to residents. Referrals will be made whenever possible.

Program 4.2 – Fair Housing Program

The City will continue to contract with the Housing Rights Center to provide residents with fair housing services using Community Development Block Grant (CDBG) funds. Fair housing services provided by the Housing Rights Center include counseling and mediation between tenants and landlords. The Housing Rights Center also conducts seminars and information activities throughout the region. The City will refer fair housing complaints to the Housing Rights Center SGVFHC as appropriate. The City will assist in program outreach through placement of fair housing program brochures in both English and Spanish at the public counter, City library, post office, and other community locations such as the City's senior center.

- **Timing of Implementation:** Ongoing, 2014-2021.
- **Implementation Responsibility:** The Housing Division will cooperate with the Housing Rights Center in order to ensure that adequate information is provided to the City's residents.
- **Funding Source:** General Fund and CDBG funds.
- **Objectives:** Comply with all State and federal fair housing requirements when implementing housing programs or delivering housing-related services.

Action 4.3 – Housing for Developmentally Disabled Persons Program

The housing needs of persons with disabilities, including persons with developmental disabilities are typically not addressed by Title 24 Regulations. The housing needs of persons with disabilities, in addition to basic affordability, range from slightly modifying existing units to requiring a varying range of supportive housing facilities. To accommodate residents with developmental disabilities the City will seek State and Federal monies, as funding becomes available, in support of housing construction and rehabilitation targeted for persons with disabilities, including developmental disabilities. Commerce will also provide regulatory incentives, such as expedited permit processing and fee waivers and deferrals, to projects targeted for persons with disabilities, including persons with developmental disabilities. To further facilitate the development of units to accommodate persons with developmental



City of Commerce Housing Element

disabilities, the City shall reach out annually to developers of supportive housing to encourage development of projects targeted for special needs groups. Finally, as housing is developed or identified, Commerce will work with the Eastern Los Angeles Regional Center to implement an outreach program informing families within the City of housing and services available for persons with developmental disabilities. Information will be made available on the City's website.

- ***Timing of Implementation:*** Ongoing, 2014-2021.
- ***Implementation Responsibility:*** The Planning Division
- ***Funding Source:*** General Fund
- ***Objective:*** The City will continue to offer specific regulatory incentives throughout the planning period, when funding is available, apply for funding at least twice during the planning period to encourage development of unit specifically for persons with disabilities, will reach out annually to developers, and will initiate a cooperative outreach program with the Regional Center by 2014.



Goal 5: Identify Adequate Sites to Achieve Housing Variety.

Meeting the housing needs of all residents of the community requires the identification of adequate sites to accommodate a variety of housing types. By capitalizing on the allowances in the Development Code and continuing to maintain an inventory of potential sites, the City will assure that adequate residentially-zoned and mixed-use sites are available to accommodate the 2014-2021 RHNA allocation.

- Policy 5.1:** Provide a range of residential development types in Commerce, including low density single-family homes, moderate density townhomes, higher density multi-family units, and residential/commercial mixed use in order to address the City's share of regional housing needs.
- Policy 5.2:** Maintain zoning regulations that permit by right, in designated zones, housing that meets temporary and short-term housing needs for individuals and families.
- Policy 5.3:** Provide incentives to facilitate the development of senior housing options.
- Policy 5.4:** Require that housing constructed expressly for low- and moderate-income households not be concentrated in any single portion of the City.

Programs

Program 5.1 – Ensure Adequate Sites to Accommodate the RHNA

For the 2014-2021 planning period, the City of Commerce has an assigned RHNA allocation of 46 units and is also responsible for accommodating 13 lower income units from the 2008-2014 planning period, in accordance with AB 1233. Consequently, the City must show resources to accommodate a total of 57 units, including 32 lower income units, 7 moderate income units, and 20 above moderate income units. As the City of Commerce has little vacant land, future housing development is likely to occur as infill development. Under this program, the City will promote the development of multifamily housing, by right at a minimum of 20 dwelling units per acre, on specific sites as identified in the Housing Resources section. For the purposes of housing element law and in accordance with Chapter 724, by-right shall mean the local government's review shall not require: a conditional use permit; planned unit development permit; or other discretionary local government review or approval that would constitute a "project" for the purposes of Division 13 (commencing with Section 21100) of the Public Resources Code. To further encourage and facilitate the development of affordable housing, the City will offer streamlined processing, fee modifications, density bonus incentives, reductions in development and parking standards, and funding, when available, for off-site improvements and any required environmental cleanup.

To ensure sufficient residential capacity to accommodate the identified regional need for lower-income households is maintained within the Housing Opportunity Overlay, the City will develop and implement a formal monitoring program. The program will track development approvals on identified sites and for those that result in a reduction of potential affordable units below the residential capacity assumed in **Table 6-6**; the City will identify and designate additional sites to rezone to ensure that no net loss occurs. This means that if any one of the identified sites is not developed in accordance with the development



City of Commerce Housing Element

requirements outlined for the overlay, an alternative site or sites must be identified and rezoned to maintain the overall affordable unit capacity.

- **Timing of Implementation:** *The City will ensure that the Housing Opportunity Overlay is implemented concurrent with Housing Element adoption and will provide information on development opportunities throughout the planning period, 2014-2021.*
- **Implementation Responsibility:** *Housing Division and Planning Division*
- **Funding Source:** *General Fund*
- **Objectives:** *Continue to provide appropriate land use designations and maintain an inventory of suitable sites for residential development. Make the vacant and underutilized residential sites inventory available to non-profit and for-profit housing developers on the City's website.*

Program 5.2 – Extremely Low-Income and Special Needs Housing

Extremely low-income households and households with special needs have limited housing options in Commerce. Housing types appropriate for these groups include: emergency shelters, transitional housing, supportive housing, and single-room occupancy (SRO) units. To accommodate this population group the City has amended the Zoning Code to allow emergency housing by right in the Heavy Industrial (M-2) zone. The M-2 zone was selected as it is the City's most prevalent land use and allows for a significant number of opportunities to facilitate the provision of emergency housing. Additionally, the City has amended the language of the residential zones to permit transitional and supportive housing, including SRO units as a residential use, subject only to those regulations that apply to other residential uses within that zone.

To assist in the development of housing to meet the needs of extremely low-, very low- and low-income households, the City offers fast track processing, development fee modifications, density bonus incentives, reductions in development and parking standards, and funding for off-site improvements. The City prioritizes funding opportunities to ensure that extremely low- and very low-income housing are given precedence and are able to easily access the financial and regulatory incentives offered by the City.

- **Timing of Implementation:** *The City will ensure that the Zoning Code is updated to be consistent with SB2 provisions and implemented concurrent with Housing Element adoption.*
- **Implementation Responsibility:** *Housing Division and Planning Division*
- **Funding Source:** *General Fund*
- **Objectives:** *Monitor available sites for the development of emergency, transitional and supportive housing.*



Program 5.3 – Alternative Housing Models

The City recognizes the changing housing needs of its population, including aging seniors in need of supportive services. To meet such needs, the City can encourage, through development incentives, the provision of more innovative housing types that may be suitable for the community, including community care facilities, supportive housing, and assisted living for seniors. Assisted living facilities are designed for elderly individuals needing assistance with activities of daily living but desiring to live as independently as possible for as long as possible. Such facilities bridge the gap between independent living and nursing homes, and offer residents help with daily activities such as eating bathing, dressing, laundry, housekeeping, and assistance with medications. Assisted living can help to meet the housing and supportive services needs of Commerce’s relatively large and growing senior population.

- ***Timing of Implementation:*** *Ongoing, 2014-2021.*
- ***Implementation Responsibility:*** *Housing Division and Planning Division*
- ***Funding Source:*** *General Fund*
- ***Objectives:*** *Facilitate the development of alternative housing models suited to the community housing needs through the provision of flexible zoning regulations. Continue to provide appropriate standards to encourage development of senior housing to meet the needs of the City’s growing senior population.*



City of Commerce Housing Element





**Table 2-1:
Housing Plan Summary**

Housing Program	Responsible Agency	Funding Source	Time Frame	Objectives
Goal 1: Conservation of the City's existing housing stock.				
1.1 – Code Enforcement	Community Development	General Fund	Ongoing	Address violations
1.2 – Housing Rehabilitation Program	Housing	New source needed	Ongoing	Identify new funding sources
1.3 – Environmental Rehabilitation Program	Housing	New source needed	Ongoing	Identify new funding sources
1.4 – Neighborhood Fix Up Grant Program	Housing	New source needed	Ongoing	Identify new funding sources
1.5 – CDBG Home Preservation Grant Program	Housing	CDBG Funds	Ongoing	Assist 3 HH/year
1.6 – Monitor & Preserve Affordable Housing	Housing	General Fund	Ongoing	Maintain affordable units
1.7 – Energy Efficient Design	Housing/Planning	General Fund	Ongoing	Assist with energy efficiency
Goal 2: Increase affordable housing opportunities.				
2.1 – First Time Homebuyers Program	Housing	New source needed	Ongoing	Identify new funding sources
2.2– Senior Rent Subsidy Program	Housing	General Fund	Ongoing	Assist 30 HH/year
2.3 – Los Angeles County Partnership Program	Housing	General Fund	Ongoing	Advertise housing programs
Goal 3: Removal of constraints to new housing construction.				
3.1 – Housing Opportunity Overlay Program	Planning	General Fund	Ongoing	Publicize opportunities
3.2 – Atlantic Boulevard Housing Program	Housing/Planning	General Fund	Ongoing	Publicize opportunities
3.3 – Atlantic Blvd. Lot Consolidation Program	Housing/Planning	General Fund	Ongoing	Publicize opportunities
3.4 – Density Bonus Program	Planning	General Fund	Ongoing	Inform developers & residents
3.5 – Incentives for Large Multi-Family Units	Planning	General Fund	Ongoing	Inform developers & residents
3.6 – Residential Development Standards	Planning	General Fund	Ongoing	Review for constraints
3.7 – Second Unit Ordinance	Planning	General Fund	Ongoing	Provide 5 units/PP
3.8 – Off Site Improvements	Housing/Planning	General Fund	Ongoing	Easier affordable development
3.9 – Water and Sewer Providers	Planning	General Fund	Dec 2013	Provide Housing Element
Goal 4: Equal housing opportunity.				
4.1 – Reasonable Accommodation	Housing/Planning	General Fund	Ongoing	As needed basis
4.2 – Fair Housing Program	Housing	GF/RDA	Ongoing	Comply with the law



Table 2-1:
Housing Plan Summary

Housing Program	Responsible Agency	Funding Source	Time Frame	Objectives
Goal 5: Identify adequate sites to achieve housing variety.				
5.1 – Ensure Adequate Sites to Accommodate the RHNA	Housing/Planning	General Fund	Ongoing	Accommodate RHNA
5.2 – Extremely Low-Income & Special Needs Housing	Housing/Planning	General Fund	Ongoing	Accommodate ELI HH
5.3 – Alternative Housing Models	Housing/Planning	General Fund	Ongoing	Easier affordable development

Notes:

1. HH = households, PP = planning period, ELI = Extremely Low-Income

3. QUANTIFIED OBJECTIVES



California Housing Element Law requires jurisdictions to estimate the number of affordable housing opportunities that will be created over the planning period. The quantified objectives for the 2014-2021 Housing Element presents the anticipated and potential affordable housing development for the planning period starting on January 1, 2014 and ending June 30, 2021.

It is important to note that while the goal of the quantified objective section is to show how the City will meet its remaining RHNA allocation, and based on the premise that the City intends to make every effort to achieve these goals, Commerce cannot guarantee that these needs will be met given limited financial and staff resources, and the increasing gap in affordability of housing resources and incomes. Satisfaction of the City's regional housing needs will partially depend on the cooperation of private funding sources and resources of the State, Federal and County programs that are used to support the needs of the extremely low-, very low-, low-, and moderate-income households. Additionally, outside economic forces heavily influence the housing market. State law recognizes that a locality may not be able to accommodate its regional fair share housing need.

Table 3-1 presents the City's quantified objectives in three categories: construction of new affordable units, substantial rehabilitation of substandard units and the conservation of affordable housing. New construction of affordable units focuses on the City's ability to accommodate its combined RHNA allocation (57 units) on land identified in the sites inventory. It is important to note that this subcategory assumes optimum conditions for the production of housing and does not take into account how environmental, physical, and market conditions influence the timing, type and cost of housing production in a community.

During the planning period, the City anticipates that 57 units will produced in the upcoming planning period, 24 units (3 units assisted annually) will be assisted through the CDBG Housing Preservation Program, and the affordability of 30 units will be preserved through rent subsidies offered by the City. These programs are dependent on funding availability and the City will assist households to the extent possible given the existing economic climate. In total the City anticipates that 111 units will be constructed, preserved or rehabilitated during the planning period, which is sufficient to accommodate the City's remaining RHNA allocation.



City of Commerce Housing Element

**Table 3-1:
Quantified Objectives**

	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
New Construction ¹	6	13	13	7	20	57
Rehabilitation ²	--	--	12	12	--	24
Conservation/Preservation ³	--	--	30	--	--	30
Total	6	13	55	19	20	111

Notes:

1. Construction objectives represent the City's combined RHNA need including the 2014-2021 allocation and AB 1233 carryover.
2. Rehabilitation includes units assisted through the CDBG Home Preservation Program.
3. Conservation/Preservation includes households assisted through the Senior Rental Subsidy Program

4. COMMUNITY PROFILE



4.1 – HOUSING CHARACTERISTICS IN COMMERCE

This section of the Housing Element provides an overview of the demographic, housing, and socio-economic characteristics of the City of Commerce. This section provides information on the following:

- Residential Planning Areas, providing an introduction to the residential planning areas identified in the City of Commerce;
- Population Characteristics, including population growth trends in the City, age characteristics, and ethnicity;
- Housing Unit Characteristics focuses on trends in residential development, housing unit types, and housing tenure;
- Household Characteristics provides an overview of the key socio-economic characteristics germane to housing needs;
- Employment and Economic Characteristics describes those economic and market factors relevant to the maintenance of existing housing and the need for the production of new housing in the City; and,
- Special Housing Needs Groups includes a discussion of City residents that have special housing requirements.

The primary source of information used in the compilation of demographic, housing, and socio-economic information for the City includes data collected by the U. S. Bureau of the Census. A number of other sources were also consulted during the preparation of this analysis, including the Federal Department of Housing and Urban Development (HUD) and the Southern California Association of Governments (SCAG). SCAG is mandated under State law to prepare population, housing, and employment projections that are to be used in the development of the region's Growth Management Plan. These projections were used in the determination of the City's Regional Housing Needs Assessment (RHNA). Finally, the City's General Plan and the Five Year Implementation Plan were also reviewed and pertinent statistical data have been included.

Periodically, HUD provides data summarizing the state of housing for jurisdictions. This report is based on US Census data and is part of the Comprehensive Housing Assessment Strategy (CHAS) Databook. **Table 4-1** summarizes the assistance needs of all households in Commerce based on the most recent CHAS data. This data is broken down by household tenure (renter/owner), household type, and "housing problems." Households with "housing problems" includes units that: 1) have physical defects (lacking complete kitchen or bathroom); 2) are overcrowded (housing units with more than one person per room); 3) have a housing cost burden exceeding 30 percent of gross income; or 4) have a severe housing cost burden exceeding 50 percent of gross income.



Table 4-1:
Housing Assistance Needs of Income Groups by Tenure 2000

Household by Type, Income & Housing Problem	Total Renters	Total Owners	Total Households ¹
Extremely Low-Income (0-30% MFI)	525	185	710
% with housing problems	74%	78%	75%
% with cost burden > 30%	74%	76%	75%
% with cost burden > 50%	63%	57%	61%
Very Low-Income (31-50% MFI)	315	205	520
% with housing problems	79%	41%	64%
% with cost burden > 30%	73%	41%	61%
% with cost burden > 50%	30%	37%	33%
Low-Income (51-80% MFI)	330	440	770
% with housing problems	61%	73%	68%
% with cost burden > 30%	30%	68%	52%
% with cost burden > 50%	0%	32%	18%
Moderate-Income (81-120% MFI)	465	835	1,300
% with housing problems	41%	39%	40%
% with cost burden > 30%	2%	26%	17%
% with cost burden > 50%	0%	2%	1%
Total Households	1,635	1,665	3,300
% with any housing problems	63%	53%	58%
% with cost burden > 30%	45%	44%	45%
% with cost burden > 50%	26%	20%	23%

Source: HUD CHAS Data Book, "Housing Problems Outputs for all Households", 2000.

¹ Note: The total number of households reported may not match the total shown in other tables as different data sources were utilized.

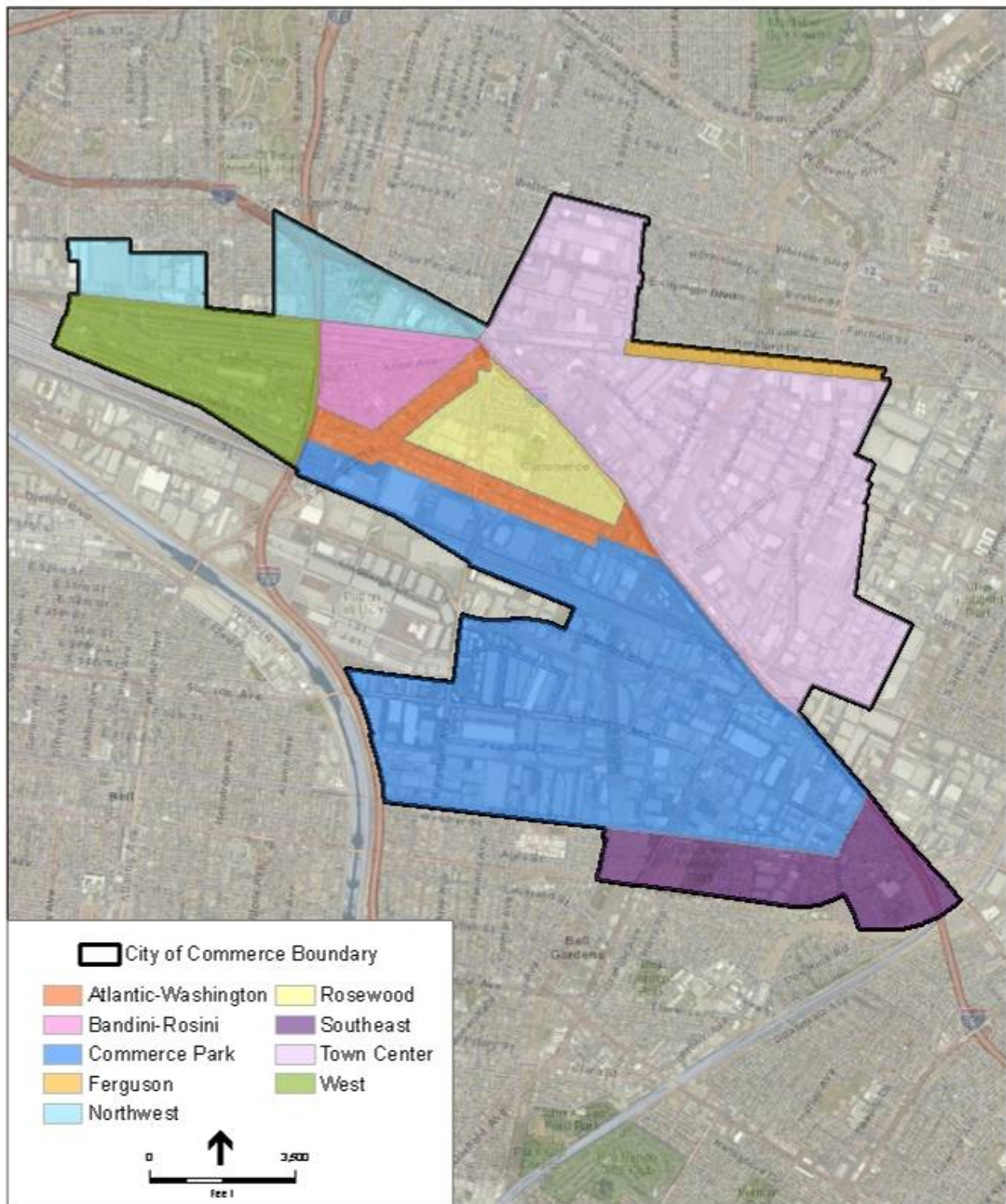
According to the CHAS Databook, nearly 58 percent of all households in the City of Commerce experienced some form of housing problem. The percentage of total households that experienced some type of housing problem was greater among renters than owners. This may reflect the fact that there are more single-family homes than multi-family units in the City. The statistics identified in **Table 4-1** indicate that housing cost is a contributing factor to housing problems, particularly for extremely low- and very low-income households. The CHAS data also indicates that throughout the City approximately 45 percent of households experience a cost burden of more than 30% while 23 percent experience a cost burden of greater than 50%. The issues and information provided in this table will be further examined in the following pages and are addressed in the City's Housing Plan in **Section 2**.



4.2 – COMMERCE PLANNING AREAS

For planning purposes, Commerce has been divided into nine planning areas, consistent with those identified in the previous general plan. The boundaries of the Planning Areas (as shown in **Figure 4-1**) were delineated using man-made features and land use characteristics. The nine identified Planning areas include:

- The Bandini-Rosini planning area is a residential neighborhood.
- The Rosewood planning area is a residential neighborhood.
- The Northwest planning area is largely residential with some industrial uses.
- The Ferguson planning area is a mixed residential neighborhood and industrial area.
- The Southeast planning area includes residential, commercial, and industrial land uses.
- The West Commerce Planning Area supports industrial and transportation uses.
- The Atlantic/Washington planning area consists of commercial uses.
- Commerce Park planning area supports commercial and industrial uses.
- The Town Center planning area is predominantly developed in industrial uses.



SOURCE: City of Commerce, ESRI Basemaps

City of Commerce - Housing Element, 120811

Figure 4-1

City Map and Planning Areas



4.3 – RESIDENTIAL PLANNING AREAS

Of the nine Planning Areas identified in the City, six are expected to include residential development. Planning areas with residential development include: the Bandini-Rosini Planning Area; the Rosewood Planning Area; the Northwest Planning Area; the Ferguson Planning Area; the Southeast Planning Area; and the Atlantic/Washington Planning Area. As the City of Commerce has a limited amount of residentially zoned land it is important to identify these areas and the opportunities for affordable housing they provide. A brief description of each residential planning area is provided below.

4.3.1 - BANDINI-ROSINI PLANNING AREA

The Bandini-Rosini Planning Area consists almost entirely of residential development, and includes three non-contiguous neighborhoods separated by the Long Beach Freeway and the Atlantic Boulevard commercial district. Land use policy for this Planning Area calls for residential densities that correspond with the intensity and density of existing residential development. The key land use policies related to housing applicable to this Planning Area include the following:

- High-density residential development will be located in that portion of the Planning Area along Eastern Avenue and along Jillson Street east of Strong Avenue.
- Medium-density residential uses will continue to be located in those portions of the Planning Area north of Astor Avenue, east of Cowlin Avenue, and south of Nobel Street. In addition, the medium-density residential land use designation will apply to those areas located west of the Long Beach Freeway. Medium-density residential development in this neighborhood will be permitted along Ayers Avenue and Leonis Street.
- New residential development is also permitted in the central portion of the Planning Area that is currently occupied by various industrial uses. Should these industrial uses be discontinued, residential uses will be implemented.
- The remainder of the Planning Area not designated as Medium-Density Residential or High-Density Residential is designated Low-Density Residential.

4.3.2 - ROSEWOOD PLANNING AREA

The land use policy for the Rosewood Planning Area emphasizes the community's desire to retain the lower-density character of this neighborhood, while encouraging higher density residential development in the Housing Opportunity Overlay area. The land use designations that have been applied to this Planning Area reflect a desire to preserve the existing intensity of residential development. The land use policies applicable to this Planning Area include the following:

- That portion of the Planning Area adjacent to Commerce Way, Jillson Street, and the west side of Senta Avenue is designated Medium-Density Residential, which is consistent with the existing type and density of residential development.
- The balance of the Planning Area, consisting of single-family residential development, is designated Low-Density Residential, reflecting the City's policy to preserve the neighborhood's existing single-family character.



City of Commerce Housing Element

- High-Density Residential development will continue to be applicable at the corner of Eastern Avenue and Harbor Street. The general plan permits the development of housing within those properties that are presently developed and zoned for industrial uses. At such time the property owner determines industrial uses are no longer economically viable, the property will transition to residential uses).

4.3.3 - NORTHWEST PLANNING AREA

The land use plan for the Northwest Planning Area presents a considerable challenge in that there are a significant number of dilapidated, substandard, and overcrowded units located within the planning area. The City has long recognized the need for specific measures to alleviate problems related to substandard housing and conflicts between residential and non-residential land uses.

- The former Commerce Community Development Department targeted the Northwest Planning Area for housing revitalization efforts.
- For the most part, the residential portions of the Planning Area are designated Medium-Density, which corresponds with the existing development type and density.
- General Plan land use policy calls for the segregation of residential and non-residential land uses. Primary goals include the elimination of scattered residential parcels located in industrial areas and elimination of the intrusion of industrial activities in residential neighborhoods.

4.3.4 - SOUTHEAST NEIGHBORHOOD PLANNING AREA

The Southeast Neighborhood Planning Area is predominantly residential, with a mix of other land uses, including commercial, public/quasi-public, parkland, and industrial. Land use policy recognizes the potential for land use conflicts among the diverse activities located within the area. The Land Use Map reflects measures to reduce potential land use conflicts while preserving the existing residential neighborhoods. Within the Planning Area there are six smaller residential neighborhood units that are separated by transportation corridors or expanses of non-residential uses. Land use policy for the Southeast Planning Area includes the following:

- The North Slauson residential district located north of Slauson Avenue is designated as Low-Density Residential, thus encouraging retention of the existing character and density of residential development in this area.
- The South Slauson neighborhood located south of Slauson Avenue and north of the Union Pacific railroad is designated as Medium-Density Residential. This land use designation permits slightly higher densities over the life of the plan. In addition, the land use policy encourages the discontinuation of conflicting commercial uses in this neighborhood.
- The Greenwood neighborhood includes those residences south of the Union Pacific railroad line and east of Nye Avenue. The entire district is designated High-Density Residential, which will allow older dilapidated single-family units to be replaced with newer, higher-density units.
- The Greenwood neighborhood also includes the residential area south of Gage and along Kuhl Drive near Veteran's Memorial Park. The residential area also is designated for High-Density Residential, reflecting the existing and proposed higher-density development.



- The Emil neighborhood is located along Emil Avenue and Pacific Drive and the interconnecting local streets. The majority of the Emil neighborhood is designated High-Density Residential, which is consistent with the multiple-family development in the neighborhood. Exceptions include the area east of Pacific Drive, properties adjacent to Agra, and the properties located adjacent to Danielson Court, all of which are designated Low-Density Residential or Medium-Density Residential. The latter areas will continue to support the attractive single-family residential development.
- A single linear block of units, located along Darwell Avenue west of Garfield, is the last distinct residential unit located in the Southeast Neighborhood Planning Area. The Darwell Avenue district consists of single-family homes interspersed with lower-density multiple-family units, primarily duplexes. The Medium-Density Residential land use designation applicable to this area will allow for some recycling to slightly higher-density development.

4.3.5 - ATLANTIC WASHINGTON PLANNING AREA

The Atlantic Washington Planning Area consists of predominantly commercial uses, however a segment of Atlantic Boulevard located in this Planning Area has been designated as Mixed Use to promote the development of new residential uses in the area. This land use designation would permit residential development within those parcels that are currently developed as commercial. The purpose of this mixed-use designation is to promote residential and/or commercial uses as infill development.

4.3.6 - WEST PLANNING AREA

Located directly west of the Atlantic Washington Planning Area, the West Planning Area is made up of predominately industrial and manufacturing uses; however a small portion of the eastern part of the Planning Area contains residential development. While the Ayers neighborhood already exists in the Planning Area, the City currently has no plans to develop any additional residential uses in the area.

4.3.7 - FERGUSON PLANNING AREA

The Ferguson Planning Area includes that portion of the City located south and adjacent to Ferguson Drive and west of Gerhart Avenue. Surrounding land uses include the Union Pacific Railroad right-of-way located immediately south of the Planning Area, and residential development opposite Ferguson Drive, located in an unincorporated portion of Los Angeles County. The land use policy for this Planning Area designates existing residentially developed properties as Low-Density Residential, and the balance of the industrial areas as Industrial. Implementation of such land use policy may result in the recycling of older residential units to new developments with lower densities.

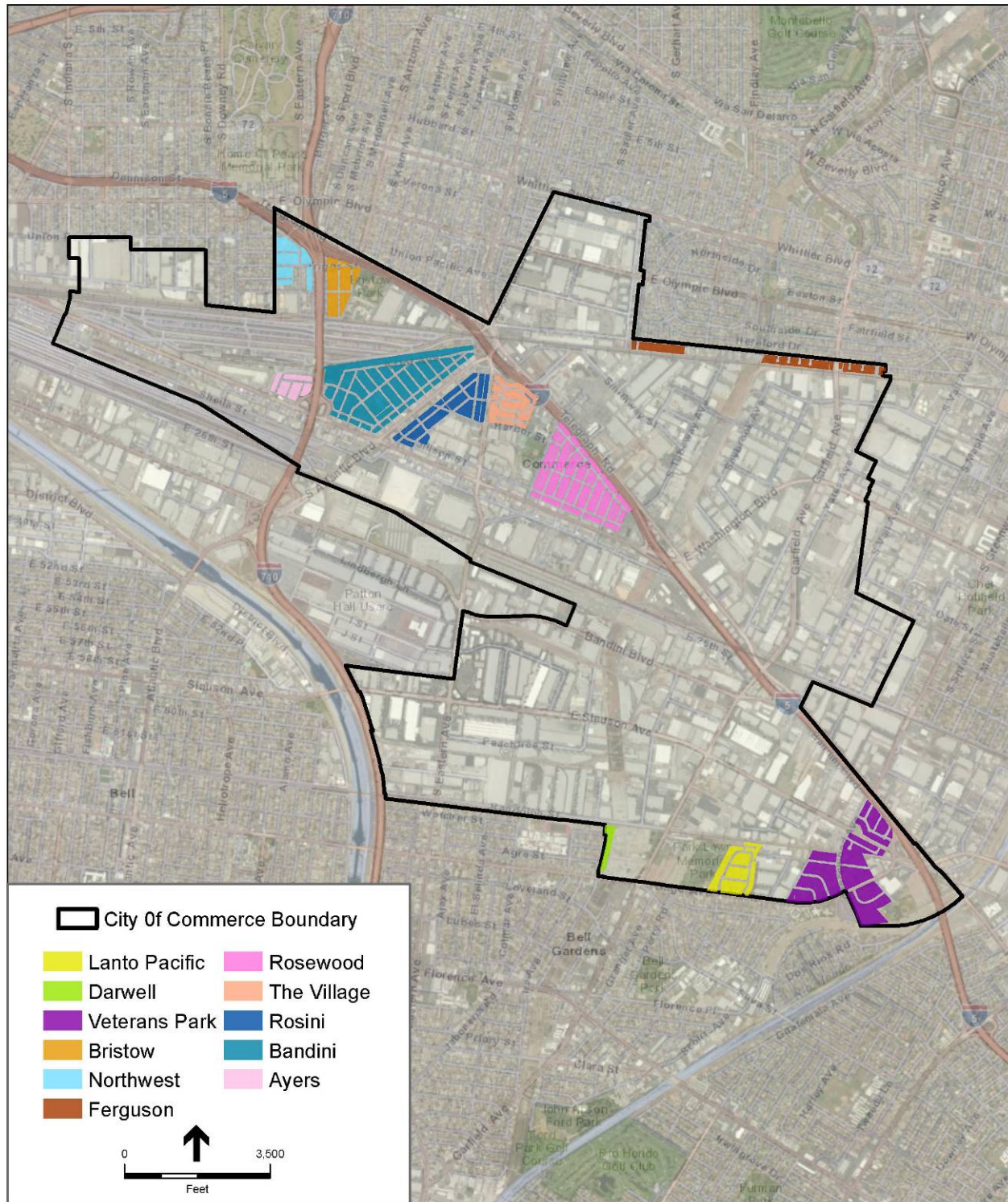


4.4 – RESIDENTIAL NEIGHBORHOODS

In addition to dividing the City into planning areas Commerce has established identifiable residential neighborhoods. There are currently eleven residential neighborhoods:

- The Ayers neighborhood, in the northwestern portion of the City.
- The Bandini neighborhood, also in the northwestern portion of the City.
- The Bristow neighborhood, in the northern tip of the City where the I-710 meets the I-5.
- The Northwest neighborhood, in the northern tip of the City, west of the Bristow neighborhood.
- The Darwell neighborhood, located at the southwestern border of the City.
- The Ferguson neighborhood, in the northern half of the City along the railroad tracks.
- The Lanto Pacific neighborhood along the City's southern boundary.
- The Rosewood neighborhood in the center of the City adjacent to the I-5.
- The Rosini neighborhood also in the center of the City east of Atlantic Boulevard.
- The Village neighborhood in the center of the City south of Atlantic and Eastern Avenues.
- The Veterans Park neighborhood in the southern tip of the City.

The name of each neighborhood typically reflects the housing development that is included in the area. The location of each neighborhood is shown in more detail in **Figure 4-2**.



SOURCE: City of Commerce, ESRI Basemaps

City of Commerce - Housing Element . 120811

Figure 4-2
Residential Neighborhoods



4.5 – POPULATION CHARACTERISTICS

Incorporated in 1960, the City of Commerce is a small jurisdiction encompassing 6.5 square miles in south central Los Angeles County. According to the U.S. Census, the City of Commerce had a population of 12,135 residents in 1990, and 12,568 residents by the year 2000. In the last decade, the City has generally maintained its size, with the 2010 Census reporting a population of approximately 12,823. Over the last decade, the City's population has increased by 255 residents, or 2.0 percent. Since 1970, the City's population has increased by approximately 2,188 persons, or 20.6 percent. **Table 4-2** presents population growth trends for the City of Commerce for the previous fifty years.

Table 4-2:
Population Growth Trends 1970-2011

Year	Population	Change (Number)	Change (Percent)
1970	10,635	--	--
1980	10,509	359	3.5%
1990	12,135	1,335	12.4%
2000	12,568	468	3.9%
2011	12,823	255	2.0%

Source: U. S. Bureau of the Census 1970- 2000. 2007-2011 American Community Survey 5-Year Estimates.

The City's average household size has increased over the last three decades indicating a trend towards larger families. In 1980, the U.S. Census reported the City's average household size to be 3.59 persons. By 1990, the average household size had increased to 3.7 persons, while the 2000 U.S. Census, reported the City's average household size as 3.80 persons per unit. More recently, the 2007-2011 American Community Survey estimates that the City's average household size has continued to increase above the 2000 level to 3.88 persons per household. In comparison, the average household size for the City of Commerce was higher than the average reported for Los Angeles County, which in 2011 estimated to be 2.99 persons per household.

4.5.1 – AGE COMPOSITION

According to the 2007-2011 American Community Survey, 908 persons (7.1 percent) living in the City were under 5 years of age. A total of 3,525 persons (27.6 percent) were between 5 years and 19 years of age. Roughly 46 percent or 5,936 persons were between the ages of 19 and 54 and, 1,000 persons (7.8 percent) were between the ages of 55 and 64 years of age. Finally, there were approximately 1,422 residents in the City over the age of 65, or roughly 11 percent. The median age for the City of Commerce is 30.3 years, which is significantly less than the national average of 37 years. Corresponding statistics for Los Angeles County indicated a median age of 34.6 years. These statistics indicate that the City's population growth was attributed to both natural increases (increased birth rates) and to in-migration. The City's population is also significantly younger overall, compared to the age of the larger regional population. **Table 4-3** shows the age distribution of the population of the City of Commerce according to the 2007-2011 American Community Survey.



Table 4-3: Age Distribution

Race/Ethnicity	Number	Percent
Preschool (0-4 years)	908	7.1 %
School (5-19 years)	3,525	27.6%
Prime Working (30-54 years)	5,936	46.4%
Retirement (55-64 years)	1,000	7.8%
Senior Citizen (65+ years)	1,422	11.1%
Total	12,791	93.6

Source: 2007-2011 American Community Survey 5-Year Estimates.

4.5.2 – RACE AND ETHNICITY

The racial and ethnic composition of a community affects housing needs due to the particular household characteristics of different groups. **Table 4-4** shows the changes in the racial/ethnic composition of Commerce residents in 2010.

Table 4-4:
Race and Ethnicity: 2010

Race/Ethnicity	Number	Percent
White ¹	7,712	60.3%
African-American	272	2.1 %
Asian/Pac. Islander	232	1.8%
American Indian	111	0.9%
Other	3,995	31.2%
Two or More Races	469	3.7%
Total	12,791	100.0
Hispanics ²	12,087	94.5%

Source: 2007-2011 American Community Survey 5-Year Estimates.

1. Hispanic persons are not included.

2. Hispanics are considered an ethnicity rather than a race. Source: U. S. Census, 2010.

Between 2000 and 2010, there was a continuing shift in the racial/ethnic composition in the City of Commerce, most significantly a further increase in the number of Hispanic residents. The 2010 Census indicates that approximately 95 percent of residents living in the City identify themselves as Hispanic, an increase of 1.0 percent from 2000. Looking to **Table 4-4**, it is likely that people, classified as “White” and “Other”, represent the Hispanic population in the City. The second most predominant group in the City were people of Two or More races, making up 3.7 percent of the total, followed by Black residents who comprise approximately 2 percent of the population. Generally, most racial groups experienced a slight increase as the City’s population continued to grow.



4.5.3 - EMPLOYMENT CHARACTERISTICS

According to the State of California Employment Development Department (EDD), there are approximately 55,000 jobs in the City. According to SCAG projections developed for the Regional Transportation Plan, the number of jobs in Commerce is projected to increase by 2,170 jobs by the year 2020.

Of the 9,557 residents age 16 or older living in the City, there are approximately 5,379 actively working in the civilian labor force. Of this total, approximately 4,798, or 89.3 percent are employed, and 572, or 10.7 percent, are unemployed. Residents living in the City of Commerce are employed in a diverse number of industries, with the largest percentage (21 percent) of the population employed in the Educational services, and health care and social assistance sector. The 2007-2011 ACS indicates that changes have occurred in the last ten years, as the Manufacturing sector was the predominant industry in 2000. **Table 4-5** presents the number of employees by sector in 2010. Despite the changes reported over the previous decade, the Manufacturing sector is still the second highest with 15.2 percent of residents employed in related jobs.

Table 4-5: Employment by Sector

Industry Sector	Jobs	Percent
Agriculture, forestry, fishing and hunting, and mining	63	1.3%
Construction	413	8.6%
Manufacturing	730	15.2%
Educational services, and health care and social assistance	1,011	21.2%
Wholesale trade	479	10.0%
Retail trade	408	8.5%
Transportation and warehousing, and utilities	266	5.5%
Information	55	1.1%
Finance and insurance, real estate and rental leasing	199	4.1%
Professional, scientific, management, and administrative services	339	7.1%
Arts, entertainment and recreation	343	7.1%
Public administration	178	3.8%
Other professions	314	6.5%
Total (civilian employed population)	4,798	100%

Source: 2007-2011 American Community Survey 5-Year Estimates.



4.6 - HOUSEHOLD CHARACTERISTICS

To better understand and plan for future housing needs of residents living in Commerce, housing occupancy characteristics need to be identified in the City. The following is an analysis of household types and sizes, income levels, and other household characteristics that may affect access and demand for housing and housing programs.

A household is defined by the Census as all persons occupying a housing unit. Families are defined by the Census as a subset of households and include all persons living together who are related by blood, marriage, or adoption. Single households include persons living alone in housing units, but do not include persons in group quarters such as convalescent homes or dormitories. Other households include unrelated people living together, such as roommates.

4.6.1 – HOUSEHOLD SIZE

The 2007-2011 American Community Survey reports an estimated, 3,246 households living in Commerce, a slight decrease from 3,284 households identified in 2000. The distribution of households as indicated by 2007-2011 American Community Survey indicates that approximately 80 percent of all households in Commerce are families. Families headed by single parents made up 31 percent of all households, an increase from 25 percent in 2000. This special needs group will be addressed in later sections. **Table 4-6** shows the change in the number of households from 1990 to 2009.

Table 4-6:
Household Growth Trends (1990 – 2010)

Year	Households	Numerical Change	Annual Percent Change
1990	3,249	--	--
2000	3,284	35	0.11%
2010	3,246	-38	-1.1%

Source: U.S. Census 1990 Summary Tape File 1 (STF1); U.S. Census 2000 Summary File 3 (SF3); 2007-2011 American Community Survey 5-Year Estimates

Table 4-7 indicates that in 2010 the highest percentage of households in the City of Commerce (19.8%) were three-person households, a shift from four-person households which were predominant in 2000. It is important to note that almost half the households in the City in 2010 had four or more occupants and there was a significant jump in the number of six person households from 9.5 to 14.6 percent. Generally, the average household size in the City is estimated to be 4.32 occupants for owner occupied units and 3.46 occupants for renter occupied units. In comparison, Los Angeles County is reported to have an average household size of 3.18 occupants for owner occupied units and 2.81 occupants for renter occupied units. As the City experiences a high number of large households and a high average household size, it is important to ensure that larger units with an adequate number of rooms are available to accommodate the identified need.



Table 4-7:
Number of Persons in Household

Number of Persons per Household	2000		2010	
	Number	Percent	Number	Percent
1 Person	508	15.5%	478	14.7%
2 Persons	580	17.7%	635	19.6%
3 Persons	519	15.7%	643	19.8%
4 Persons	600	18.3%	509	15.7%
5 Persons	431	13.1%	309	9.5%
6 Persons	313	9.5%	473	14.6%
7+ Persons	336	10.2%	199	6.1%
TOTAL	3,284	100%	3,246	100%

Source: U.S. Census 2000 Summary File 1 (SF1), 2007-2011 American Community Survey 5-Year Estimates.

4.6.2 – HOUSEHOLD COMPOSITION

Household composition and size are often two interrelated factors as communities with a large proportion of families with children tend to have a large average household size. Such communities have a greater need for larger units with adequate open space and recreational opportunities for children. Household size in Commerce remains higher than that of Los Angeles County. The City of Commerce average household size in 2010 was 3.88 according to the 2007-2011 American Community Survey 5-Year Estimates, as compared to the County average household size of 2.99.

To better understand types of households in Commerce, **Table 4-8** describes household size by renter and owner. Based on 2011 ACS data, it appears that among both renters and owners, there is a strong need for two and three bedroom units to accommodate the larger number of two to four person households. The Census also indicates that roughly one-third of the City's households have five or more persons. For these households, units with three or more bedrooms are best able to meet their needs.

Table 4-8:
Household Size by Tenure

	Renter		Owner	
	Number	Percent	Number	Percent
1 Person	285	17.3%	193	12.1%
2 Persons	393	23.9%	242	15.1%
3 Persons	375	22.8%	268	16.7%
4 Persons	222	13.5%	287	17.9%
5+ Persons	369	22.5%	612	38.2%
Total	1,644	100.0%	1,602	100.0%
Average Household Size	3.46		4.32	

Source: 2007-2011 American Community Survey 5-Year Estimates



4.6.3. OVERCROWDING

The federal government defines an overcrowded household as one with more than one occupant per room, excluding bathrooms, kitchens, hallways, and porches. An overcrowded household results from either a lack of affordable housing (which forces more than one household to live together) and/or a lack of available housing units of adequate size. A household is considered to be overcrowded if there are more than 1.01 occupants per room. A household is considered to be severely overcrowded if there are more than 1.51 occupants per room.

**Table 4-9:
Overcrowding by Tenure**

Tenure	Total Occupied Housing Units	Overcrowded Households	Percentage	Severely Overcrowded Households	Percentage
Renters	1,602	352	21.9%	76	4.7%
Owners	1,644	243	14.8%	222	13.5%
Total	3,246	595	18.3%	298	9.2%

Source: U.S. Census Bureau, 2007-2011 American Community Survey.

According to the 2007-2011 American Community Survey, 595 households, or 18 percent of all households in Commerce were overcrowded. Of this total approximately 352 were renter households, representing 59 percent of all overcrowded households and 22 percent of all renter households. In comparison, the number of owner occupied units that are classified as overcrowded was 243 households, representing 31 percent of all overcrowded households and 15 percent of all owner occupied units.

As shown in **Table 4-9**, the 2007-2011 American Community Survey also reports that approximately 298 households, or roughly 9 percent of all households in Commerce, that are considered to be severely overcrowded. Generally, the number of renter occupied units that were severely overcrowded (4.7 percent) was lower than the number of owner occupied units considered to be severely overcrowded (13.5 percent).

The incident of severe overcrowding is high in the City. In comparison in the County of Los Angeles approximately 7.1 percent of households were overcrowded and 4.8 percent of households were severely overcrowded. Overcrowding is an important housing issue for the City to monitor as overcrowded households can lead to neighborhood deterioration due to the intensive use of individual housing units leading to excessive wear and tear, and the potential cumulative overburdening of community infrastructure and service capacity. Furthermore, overcrowding in neighborhoods can lead to an overall decline in social cohesion and environmental quality. Such decline can often spread geographically and impact the quality of life and the economic value of property and the vitality of commerce within a City. The City is aware and has been told by businesses that increasing the housing stock should be a priority.



4.6.4 – HOUSEHOLD INCOME

According to the 2011 American Community Survey the median household income for Los Angeles County was \$52,280. A more recent calculation completed by the Department of Housing and Urban Development (HUD) indicates that for Los Angeles County the area median income for 2012-13 was \$70,100. In comparison to the County, the Census indicates that the City of Commerce experiences a lower household median income of \$48,878. While Commerce still lagged the County in median household income, the City has experienced a 44 percent increase from 2000 to 2010. The income estimates for Commerce total households for the year 2000 and 2010, are found in **Table 4-10**.

**Table 4-10:
Household Income**

Income	2000		2010	
	Households	Percent	Households	Percent
\$0-\$14,999	706	21.5%	459	14.1%
\$15,000-\$34,999	669	20.4%	750	23.1%
\$35,000-\$49,999	612	18.6%	458	14.1%
\$50,000-\$74,999	592	18.0%	596	18.4%
\$75,000-\$99,999	218	6.6%	485	14.9%
\$100,000-\$149,999	170	5.2%	338	10.4%
\$150,000+	23	0.7%	160	5.0%
Total	3,293	100%	3,246	100%
Median Household Income	\$34,040		\$48,878	

Source: 2007-2011 American Community Survey 5-Year Estimates

The 2011 ACS indicates the median household income in the City is \$48,878. This is a significant increase from the 2000 median of \$34,040. In 2000, it was estimated that: over 20 percent of households earned less than \$14,999 annually; this number decreased to 14 percent of households in 2010. The 2010 Census also reported that approximately 23 percent of households earned between \$15,000 and \$34,999 annually; 14 percent earned between \$35,000 and \$49,999 annually; 18 percent earned between \$50,000 and \$74,999 annually; and more than 30 percent of households earned above \$75,000 annually. It is important to note that in addition to the increase in median household income over the last decade the percentage of households earning greater than \$75,000 annually also increased substantially from 13 percent to more than 30 percent.

In identifying housing needs, State law recent established that jurisdictions must now identify and address the needs of extremely low-income (ELI) households. An ELI household is defined as any household earning less than 30% of the area median income which for Los Angeles County would equate to less than \$21,030 annually. Extremely low-income families are often considered “at-risk” as they may be only one paycheck away from homelessness. According to the 2011 ACS there are approximately 900 households or 28% of the total households in the City of Commerce that earn below 30% of the Los Angeles AMI. To address the needs of Extremely Low Income households the City has determined that



half (9 units) of its very low income RHNA allocation will be dedicated to meet the needs of ELI households. Additionally, the City recently amended the Zoning Code to address the housing needs of extremely low income households by allowing for transitional housing, emergency housing and single room occupancy units to be constructed in identified zones by-right. The City has also created and will continue to fund the Senior Rent Subsidy Program which provides lower income senior residents with a subsidy to assist in paying their monthly rent.

4.6.5 - HOUSING OVERPAYMENT

State and Federal standards indicate that a household paying more than 30 percent of its income for housing is overpaying. Overpayment for housing can cause an imbalance on the remainder of a household's budget. The 2007-2011 American Community Survey, indicates that there were 3,246 total households paying mortgage or rent, of those households 1,587 households (49 percent) were overpaying for housing. Of these overpaying households, 676 (42 percent) were households with a mortgage, while the remaining 911 households (58 percent) were in renter-occupied units. **Table 4-11** summarizes housing overpayment statistics by tenure for the City of Commerce and also Los Angeles County based on the 2007-2011 American Community Survey Five-Year Estimates.

**Table 4-11:
Summary of Housing Overpayment**

Overpayment	Households	Percent	LA County Percent
Owners with mortgage	1,602 ^(a)	--	--
Overpayment (>30% income on housing)	676	44.2%	55.1%
Occupied units paying rent	1,644	--	--
Overpayment (>30% income on housing)	911	55.4%	56.5%

Source: U.S. Census Bureau, 2007-2011 American Community Survey

Notes:

(a) The number of households represents the number of owner occupied housing units with an active mortgage, and may not match the total number of owner occupied households in the City.



4.7 – HOUSING STOCK CHARACTERISTICS

4.7.1 - HOUSING UNIT TYPES

According to the 2007-2011 American Community Survey Five-Year Estimates, there were 3,388 housing units in the City. **Table 4-12** compares the ACS estimates for the City with those of Los Angeles County.

Table 4-12:
Housing Unit Type

Unit Type	Los Angeles County		City of Commerce	
	Number	Percent	Number	Percent
Single-Family Detached	1,713,982	49.9%	2,299	67.9%
Single-Family Attached	226,826	6.5%	296	8.7%
2-4 Units	280,110	8.1%	246	7.3%
5+ Units	1,159,643	33.8%	547	16.1%
Mobile Homes/Other	57,023	1.7%	0	0.0%
Total	3,418,698	100.0%	3,388	100.0%

Source: U.S. Census Bureau, 2007-2011 American Community Survey

As shown in **Table 4-12**, 75 percent of the total housing units in the City are single family attached or detached units. Within the City an additional 7 percent of units were in structures with 2 to 4 units and 16 percent of units are in structures with 5 or more units. While manufactured units and mobile homes are permitted in the City, no such units are presently located in Commerce. In comparison to Los Angeles County, the City has a higher percentage of single family detached units and far fewer multi-family units.

4.7.2 – VACANCY RATES

The vacancy rate of a community's housing supply is a key indicator of whether an appropriate number of units are available in the City. If the vacancy rate is too high, this can have negative impacts on the community and the investment potential of a neighborhood. If the vacancy rate is too low, it may indicate that there are not enough units for any one income category to meet existing market demands, and that a portion of the population may be denied housing opportunities. The California State Department of Housing and Community Development has determined that the “healthy” vacancy rate for ownership is between 2 percent and 3 percent and 5 percent to 6 percent for rental complexes. This ensures the continued upkeep of rental properties and keeps housing costs down.

The 2007-2011 American Community Survey reported that the vacancy rate for ownership housing in the City was 3.1 percent while the rate for rental units was 0 percent. The vacancy rate for ownership housing is considered to be healthy based on the range recommended by HCD, while the rental housing vacancy rate is significantly lower than the target rate. These percentages suggest that there are few to no vacant rental housing units in the City which often results in higher rents as demand far exceeds supply.



This may be a reflection of the limited number of housing units in the City, the high jobs to housing ratio, and the desire of workers to live close to where they are employed.

4.7.3 - HOUSING CONDITION

Age is one measure of housing stock condition and a factor for determining rehabilitation or replacement need within the City. Without proper maintenance, housing units deteriorate over time. Units that are older are more likely to be in need of repairs (e.g. a new roof or plumbing). In general, houses 40 years or older are considered aged and are more likely to generate major repairs. In addition, older homes may not be built to current housing standards for fire and earthquake safety. The units of general concern are those that were constructed prior to 1969.

Majority of the City's current housing stock (67 percent) was constructed prior to 1969. The 2007-2011 ACS showed that Commerce has only 823 units that were constructed after 1980, or 24 percent of the total housing stock. **Table 4-13** provides information on the number of units constructed by decade. In addition to age, a lack in infrastructure and utilities often serves as an indicator of substandard conditions. According to the 2011 ACS, there were only 20 units lacking complete plumbing facilities, and 6 units lacking complete kitchen facilities in the City. Due to the number of units built prior to 1969, the City is aware that their rehabilitation programs and outreach to residents is crucial to update and maintain the existing housing stock.

Table 4-13:
Age of Housing Stock

Age of Structure	Number	Percent
1939 or earlier	304	9.0%
1940-1949	730	21.5%
1950-1959	838	24.7%
1960-1969	400	11.8%
1970-1979	293	8.6%
1980-1989	493	14.6%
1990-1999	220	6.5%
2000 or later	110	3.2%
Total	3,388	100%

Source: U.S. Census Bureau, 2007-2011 American Community Survey

During the previous planning period, a housing condition survey was conducted to assess the magnitude of rehabilitation needs in the City. The survey identified approximately 74 units that needed rehabilitation and 10 units needing replacement. The City has successfully addressed a number of units through the Substantial Rehabilitation Program and their smaller grant programs; however there are still units in need of repairs. The City's Northwest Neighborhood contained the highest percentage of substandard and dilapidated units, with over 20% of the units in some state of disrepair. In this area the age of the housing stock is a major contributing factor to overall housing conditions in the City. In general the housing stock throughout the City is in good shape and is less than 50 years old.



Approximately 51.2% of the existing units in the City were constructed prior to 1960 with 20.9% constructed after 1980.

4.7.4 – HOUSING COSTS

This section discusses new home prices and resale costs of existing housing, as well as the average rental prices, in the City. The information provided was obtained from reliable real estate industry data sources, the 2010 Census, 2007-2011 American Community Survey (ACS) and data provided by the City.

Affordability is determined by comparing the cost of housing to the income of local households. HUD defines affordable housing costs as contract rents or mortgage payments, including taxes and insurance, but not utilities, that are equal to or less than 30 percent of the gross income of very low-, low-, and moderate-income households.

Households spending more than 30 percent of gross annual income on housing experience a housing cost burden, which occurs when housing costs increase faster than household income. When a household spends more than 30 percent of its income on housing costs, it has less disposable income for other necessities such as health care. Lower income households with a burdensome housing cost are more likely to become homeless or experience overcrowding. Homeowners with a housing cost burden have the option of selling the homes and becoming renters. Renters, however, are vulnerable and subject to constant changes in the housing market.

For purposes of determining housing affordability, the California Health and Safety Code Section 50052.5 provides the following definition of affordable housing cost based on the area median income (AMI), which is adjusted by family size and income level for each multi-family income (MFI) range.

**Table 4-14:
Calculation of Affordable Housing Costs by Tenure**

Income Level	Owner	Renters
Extremely Low-Income(0-30% MFI)	30% of 30% AMI	30% of 30% AMI
Very Low-Income (0-50% MFI)	30% of 50% AMI	30% of 50% AMI
Low-Income (51-80% MFI)	30% of 70% AMI	30% of 60% AMI
Moderate-Income (81-120% MFI)	35% of 110% AMI	30% of 110% AMI

Source: California Health and Safety Code Section 50052.5

In 2010, Census data indicated that for owner-occupied housing units, the majority of the monthly mortgage payments in the City were more than \$2,000 a month with the median being \$1,994 per month. The median monthly payments for owners increased substantially from \$1,256 in 2000 to \$1,994 in 2010, or approximately 60 percent. A household was considered to be overpaying for housing if more than 30% of their net “take-home” income was used for paying rent or mortgages. According to the 2007-2011 ACS, 657 households (55 percent of the total owner-occupied units with a mortgage) living in owner-occupied units paid in excess of 30 percent of their monthly income towards the mortgage. According to the 2007-2011 ACS estimates, 911 renter households (56 percent of the total renter households) paid in excess of 30% of their monthly income towards the rent.



4.7.4. A – FOR SALE HOUSING

In the City of Commerce there are approximately 3,388 occupied housing units according to the 2007-2011 American Community Survey. Of this total roughly 2,595 units were owner occupied units, the majority of which are single family detached homes. Despite the recession that occurred in 2008, home prices in the Southern California area remain some of the most expensive in the United States. Key contributors to the area's high cost for housing include the following:

- While some vacant property is available for new residential development, the majority of the new residential construction will occur on land that is presently occupied by existing development. The demolition, removal, and clean-up of these existing properties contribute to the higher cost of development.
- An earlier 1984 study prepared by the California Homebuilders Association indicates that less than 15 percent of first-time homebuyers in the State were willing to accept condominiums as a housing choice. This trend is continuing, as shown in part by the number of condominiums developed in the area since the early 1990s and continuing to the present. Thus, one of the few market devices available to counteract high land prices is burdened by the psychological attachment of the population to traditional housing stock.
- During the latter part of the 1990s, interest rates were generally low. In 2000, interest rates were raised by the Federal Reserve though they were once again lowered in the years following 2008 in response to the recession. Despite locked in low interest rates, the lack of inventory has kept housing prices high.
- In general, the cost (market-rate) for new land in the City ranges from \$10/square foot up to \$15/square foot. The actual construction cost for residential development ranges from \$100/square foot up to \$130/square foot. Real estate data was collected for the City in 2005 to determine the "asking price" of for-sale units and the asking monthly rents for rental units. The survey identified a total of 18 for-sale units and 10 rental units.

Table 4-15 compares the value of for-sale ownership housing units in the City according to the 2000 Census and 2007-2011 ACS. The median housing unit value in 2000 was approximately \$219,100 in Commerce, which was slightly higher than the County median value of \$170,900 in the same year. The median for Commerce increased to \$366,000 in 2010, representing a 67 percent increase. **Table 4-15** generally indicates that from 2000 to 2010 home values changed considerably. The 2000 Census reported that roughly 43 percent of the houses were valued at less than \$150,000, which was reduced to only 7.1 percent in 2010. In 2000 the majority of homes were valued between \$150,000 and 199,999 (40 percent) while in 2010 the majority of homes were valued between \$300,000 and \$399,999 (56 percent). Generally, **Table 4-15** shows that home values are increasing, which may be a reflection of low vacant rates.



**Table 4-15:
Housing Values**

Price Range	2000		2010	
	Number	Percent	Number	Percent
Less than \$50,000	22	1.4%	28	1.7%
\$50,000-\$99,999	107	6.8%	11	0.7%
\$100,000-\$149,999	545	35.0%	75	4.7%
\$150,000-\$199,999	620	39.8%	15	0.9%
\$200,000-\$299,999	249	16.0%	348	21.7%
\$300,000-\$399,999	14	1.0%	905	56.5%
\$500,000 or more	0	0.0%	220	13.8%
Total	1,557	100%	1,602	100%
Median Home Price	\$219,100		\$366,000	

Source: Census 2000 Summary File 3 (SF 3), U.S. Census Bureau, 2007-2011 American Community Survey

Redfin, an online real estate website provides market trend overviews for jurisdictions, including detailed information on the number and price of home sales on an annual basis. In 2012, Redfin reports that there were 12 homes sold in the City of Commerce at a median sales price of \$228,000. **Table 4-16** provides information about the County and home prices in surrounding cities as reported by Redfin in January 2013. For all of the jurisdictions shown, including Los Angeles County, there has generally been an increase in the home sales prices from January 2012 to January 2013. Commerce is one of the only cities in its region that experienced a decrease in the median sales price during this period of time. With regard to price per square foot, Commerce has one of the higher ratios, comparable to Pico Rivera and only slightly lower than Los Angeles County overall.

**Table 4-16:
Median Home Prices**

Jurisdiction	Homes Sold in 2012	Median Sales Price (Jan 2013)	Percent Change (from Jan 2012)	Price per Square Foot
Commerce	12	\$228,000	-3.1%	\$232
Bell	18	\$250,000	16.8%	\$190
Downey	193	\$372,000	13.9%	\$215
Maywood	28	\$228,000	26.4%	\$215
Montebello	68	\$296,000	18.6%	\$202
Pico Rivera	128	\$278,000	11.0%	\$232
Los Angeles County	14,400	\$335,000	15.6%	\$244

Source: Redfin.com, Accessed March 1, 2013.

Despite the recent drop in home prices, the cost of housing in Southern California in general remains high in comparison to the nation as a whole. This is of great concern not only for low-income families who



often cannot afford a large down payment, but is increasingly impacting middle class and workforce families (i.e. teachers, firefighters etc) that are struggling to afford a decent home. While much of the region is expected to see home prices decline following the sub-prime mortgage market collapse of 2007, overall home sale prices throughout Southern California will continue to be dramatically higher than in 2000.

4.7.4. B – RENTAL HOUSING

According to the 2007-2011 American Community Survey Estimates, there were 3,388 total occupied units in Commerce. Of this total, approximately 793 units (23 percent) were renter-occupied units in buildings with 2 or more units. For renters, the median gross rent per month increased from \$623 in 2000 to \$893 in 2010. This increase represents a 43 percent increase over the ten year period, or 4.3 percent annually. The median gross rent dollar amount refers to the contract rent (i.e., monthly rent agreed to, or contracted for) plus the estimated average cost of utilities and fuels if paid for by the renter. In comparison to surrounding jurisdictions, the median rent paid in Commerce is the lowest in the region. **Table 4-17**, provides the median housing rental rates for Commerce and surrounding jurisdictions as reported by the 2007-2011 American Community Survey.

**Table 4-17:
Median Housing Rental Rates**

Jurisdiction	Median Gross Rent
Commerce	\$893
Bell	\$979
Downey	\$1,139
Maywood	\$962
Montebello	\$1,100
Pico Rivera	\$1,123
County of Los Angeles	\$1,117

Source: U.S. Census Bureau, 2006-2010 American Community Survey.

To further understand the rental housing market in Commerce **Table 4-18**, provides an estimate of rents based on the number of bedrooms per unit. The table indicates that the largest number of renter households pay more than \$1,000 a month for rent and further illustrates that larger units are more costly which can create a housing burden for larger households.



Table 4-18:
Rents by Number of Bedrooms

Range	Studio	1 Bedroom	2 Bedroom	3 Bedroom+	Total	Total %
\$0-\$499	33	140	0	0	173	10.5%
\$500-\$749	45	152	62	62	321	19.5%
\$750-\$999	27	238	231	38	534	32.5%
\$1000 or more	25	46	372	150	677	41.2%
No Rent	0	0	7	16	23	1.4%
Total	130	576	672	266	1,644	100%

Source: U.S. Census Bureau, 2007-2011 American Community Survey.

Finding rental information for Commerce was difficult, as the vacancy rate is reported to be close to zero in 2012. To verify the estimates reported by the Census, various internet rental listings were accessed including: Craig's List, Padmapper.com, and Southland Rental in February and March of 2013. On all three sites, no units were listed as available in the City. While the lack of rental units is a concern, new development is limited by the lack of vacant land and the numerous industrial developments in the area. To address the need for new residential development, specifically the creation of new rental units, the City has created the Housing Opportunity Overlay which is discussed in more detail in the Housing Resources section.

4.7.5 – HOUSING COST AND AFFORDABILITY

The costs of home ownership and rent can be compared to a household's ability to pay for housing, using the 2013 HUD-established Area Median Family Income (MFI) limit for Los Angeles County of \$61,900. **Table 4-19** illustrates maximum affordable mortgage payments and rents for a four-person household in Los Angeles County. Affordable housing cost is based on a maximum of 30 percent of gross household income devoted to mortgage or rental costs. These maximum affordable costs would be adjusted downward for smaller households, or upward for larger households.

Returning to **Table 4-16**, the median home price for the City of Commerce was \$228,000 in 2012. Comparing this median price to **Table 4-19**, it is apparent that home prices in the City are affordable to most moderate income households, excluding single individuals. **Table 4-19** also shows that extremely low-, very low- and low-income households cannot afford the monthly mortgage payment. It is also important to note that saving up a 20 percent down payment (\$45,600 for a \$228,000 home) can be difficult for even a moderate income household. With regard to renters living in the City, **Table 4-17** shows that the median rent charged for housing was \$893, according the 2007-2012 ACS. Comparing the median rent charged to the data provided in **Table 4-19**, to the information presented in **Table 4-17** the median rent charged in Commerce is affordable to all moderate income households and larger low income households with three or more people. Based on this information the City needs to focus on providing housing options for extremely low and very low income households.



**Table 4-19:
Housing Affordability by Income Group**

Income Group		AMI adjusted by size	Affordable Payment		Housing Costs		Maximum Affordable Price	
			Renter	Owner	Utilities	Taxes & Insurance	Owner	Renter
Extremely Low (0-30% MFI)		30% AMI						
Two Person (1 bdrm)		\$13,293	\$332	\$332	\$50	\$80	\$47,112	\$282
Three Person (2 bdrms)		\$15,192	\$380	\$380	\$75	\$90	\$50,017	\$305
Four Person (3 bdrms)		\$17,091	\$427	\$427	\$100	\$95	\$54,086	\$327
Five Person (4 bdrms)		\$20,056	\$501	\$501	\$125	\$100	\$64,358	\$376
Very Low (30-50% MFI)		50% AMI						
One Person (Studio)		\$21,665	\$542	\$542	\$50	\$115	\$87,698	\$492
Two Person (1 bdrm)		\$24,760	\$619	\$619	\$50	\$115	\$105,715	\$569
Three Person (2 bdrms)		\$27,855	\$696	\$696	\$100	\$130	\$108,596	\$596
Four Person (3 bdrms)		\$30,950	\$774	\$774	\$125	\$140	\$118,463	\$649
Five Person (4 bdrms)		\$33,426	\$836	\$836	\$175	\$145	\$120,070	\$661
Lower (50-80% MFI)		60%AMI	70%AMI					
One Person (Studio)	\$25,998	\$30,331	\$758	\$758	\$48	\$150	\$130,578	\$711
Two Person (1 bdrm)	\$29,712	\$34,664	\$867	\$867	\$85	\$165	\$143,577	\$782
Three Person (2 bdrms)	\$33,426	\$38,997	\$975	\$975	\$125	\$190	\$153,665	\$850
Four Person (3 bdrms)	\$37,140	\$43,330	\$1,083	\$1,083	\$175	\$210	\$162,589	\$908
Five Person (4 bdrms)	\$40,111	\$46,796	\$1,170	\$1,170	\$200	\$220	\$174,618	\$970
Moderate Income (81-120% MFI)		110% AMI						
One Person (Studio)		\$47,663	\$1,192	\$1,390	\$135	\$405	\$197,964	\$1,057
Two Person (1 bdrm)		\$54,472	\$1,362	\$1,589	\$135	\$405	\$244,207	\$1,227
Three Person (2 bdrms)		\$61,281	\$1,532	\$1,787	\$157	\$475	\$269,028	\$1,375
Four Person (3 bdrms)		\$68,090	\$1,702	\$1,986	\$211	\$571	\$280,344	\$1,491
Five Person (4 bdrms)		\$73,537	\$1,838	\$2,145	\$238	\$628	\$297,779	\$1,600

Source: Compiled by ESA.

Notes:

1. Property taxes and insurance based on averages for the region.
2. Calculation of affordable home sales prices based on a down payment of 20%, annual interest rate of 5%, 30-year mortgage, and monthly payment 30% of gross household income.
3. Based on 2013 Los Angeles County MFI \$61,900 and 2012 HCD State Income Limits
4. Monthly affordable rent based on payments of no more than 30% of household income.



4.8 – ASSISTED HOUSING AT-RISK OF CONVERSION TO MARKET RATE HOUSING

The City of Commerce has shown a strong commitment towards providing housing assistance to its low-income population. Over 300 units of affordable housing have been developed in Commerce since 1980. In the City there is a mix of both single family and multi-family housing as well as both rental and homeownership properties. There are currently three federally assisted multifamily rental complexes in Commerce with affordability covenants including: 55 units at the Rosewood Park Senior Apartments, 24 units at TELACU Gardens and 76 units at TELACU Manor. The City's most recent senior project, TELACU Manor, is a Section 202 project consisting of 76 units of rental housing for lower income seniors, developed in 1992. **Table 4-20** presents the multi-family rental complexes in the City with affordable units that receive federal funding.

Table 4-20:
Existing Affordable Units for Rent

Development Name	Very Low	Low	Moderate	Type of Assistance	Covenant Start	Covenant End
Rosewood Park Senior Apts. Total Units = 94 units	18	37	0	LIHTC	2001	2029
TELACU Manor Total Units = 76 units	0	75	0	Section 202/811	1990	2029
TELACU Gardens Total Units = 24 units	0	23	0	PRAC 202/811	1998	2028
Total	18	135	0			

Source: City of Commerce, 2009

The City of Commerce also has a number of ownership units with deed restrictions, many of which have utilized City rehabilitation programs or were rehabilitated through partnerships with local non-profits (i.e. Habitat for Humanity) in exchange for long term affordability covenants. As shown in **Table 4-21**, there are at least 13 properties with affordability covenants that extend to 2023 and beyond. The majority of the housing units were assisted through the City's First Time Homebuyer Program, with two properties recently assisted through the Substantial Rehabilitation Program.



**Table 4-21:
Existing Affordable Units for Sale**

Development Name	No. of Units	No. of Bedrooms	Type of Assistance	Covenant Start	Covenant End
5812 Bartmus Street	1	3	First Time Homebuyer Program	2011	2056
5253 Everington Street	1	2	First Time Homebuyer Program	2011	2056
6741 Lanto Street	1	3	First Time Homebuyer Program	1993	2023
6745 Lanto Street	1	3	First Time Homebuyer Program	1993	2023
6201 Pacific Drive	1	3	First Time Homebuyer Program	1993	2023
6205 Pacific Drive	1	3	First Time Homebuyer Program	1993	2023
6207 Pacific Drive	1	3	First Time Homebuyer Program	1993	2024
6211 Pacific Drive	1	3	First Time Homebuyer Program	1993	2023
6215 Pacific Drive	1	3	First Time Homebuyer Program	1993	2020
6219 Pacific Drive	1	3	First Time Homebuyer Program	1993	2023
5466 Pueblo Court	1	3	First Time Homebuyer Program	2011	2056
2472 Elkgrove Avenue	1	3	Substantial Rehab Program	2011	2056
5040 Gafford Street	1	2	Substantial Rehab Program	2010	2056
Total	13				

Source: City of Commerce, 2013.

A community's existing affordable housing stock is a valuable resource that should be conserved, and if necessary, improved to meet habitability standards. As shown in **Table 4-20** and **Table 4-21** there are three federally assisted apartment housing developments in Commerce, totaling 191 units of rental housing affordable to lower income households and 13 ownership units assisted through the First Time Home Buyer and Substantial Rehabilitation Programs.

A City housing conservation program, Monitor and Preserve Affordable Housing, Program 1.6 in the Housing Plan is specifically designed to monitor the continued participation of these projects that participate in the HUD Section 221 and Section 8 programs. The City will continue to inventory and gather information to establish an early warning system for publicly assisted housing projects that have the potential to convert to market rate. This early warning system will include a regular and periodic review of the conversion status of all subsidized housing in the City. The City has also created a database that includes the identification of all subsidized units including those that have resale covenants. Once



City of Commerce Housing Element

the City receives notice of a potential conversion of the federally assisted units, the Housing Division will contact the owners to ascertain what will be required to extend the participation of these projects in the HUD assisted programs.

In the upcoming planning period, there are no multi-family housing developments with affordable rental units at risk of conversion to market-rate. The City understands that the cost to replace at-risk developments converted to market rate rents is prohibitive. In general, the cost for new land in the City ranges from \$10/square foot up to \$15/square foot. The actual construction cost for residential development ranges from \$100/square foot up to \$130/square foot. The cost for replacing a 50-unit rental property would total roughly \$6,000,000. This figure assumes that 2.3 acres of land would be required (2,000 square feet/unit) and each unit would have a total floor area of 850 square feet (two-bedrooms). The land cost would total approximately \$1,250,000 while the construction cost would total approximately \$5,525,000 (assuming a total floor area of 42,500 square feet). There are a number of housing providers that have been identified by the State HCD as candidate entities that could assume responsibility for at-risk units if they convert to market rate units:

- Community Development & Preservation, LLC;
- MBK Management Corporation;
- Community Rehabilitation Services, Inc;
- East Los Angeles Community Corporation
- FAME Housing Corporation;
- Los Angeles Center for Affordable Tenant Housing;
- Los Angeles Housing Partnership, Inc.;
- Los Angeles Low Income Housing Corp. (LALIH); and,
- The East Los Angeles Community Union (TELACU).

The City maintains partnerships with several of the developers identified above in order to maintain existing affordable units and create new affordable developments.



4.9 – SPECIAL HOUSING NEEDS GROUPS

Local housing elements must include an analysis of special housing needs. Special needs refer to those households that include the elderly, disabled, developmentally disabled, large families, and overcrowded households.

4.9.1 - SPECIAL NEEDS - ELDERLY

The elderly can be expected to increase as those persons between the ages of 35 and 64 grow older. Escalating housing costs, particularly in the rental market, severely impact housing affordability for the elderly, who are usually on fixed incomes. The housing needs of the elderly can be addressed through the provision of smaller units, congregate housing, and rental and rehabilitation assistance programs. The special needs of many elderly households result from their lower, fixed incomes, physical disabilities, and dependence needs. The elderly comprised 11.1% (1,422 persons) of the City's population up from 10.2% (1,281 persons) in 2000. In 2010, there were 715 households headed by seniors, aged 65 or older, a slight decrease from 981 households in 2000. The most recent Census figures indicated that 456 households had a head of household over 65 years of age in owner occupied units (29 percent of the total owner occupied units) and 263 senior headed households resided in rental units (16 percent of the total renter occupied units).

4.9.2 - DISABLED

Disabled persons have special needs when it comes to housing and many of the households in the category are occupied by elderly persons. Door frames must be wider to accommodate wheel chairs, ramps instead of stairs are needed, hand rails in bathrooms need to be installed, cabinet doors must be accessible, and light switches and other devices also need to be within easy reach. The cost for retrofitting an existing structure may be thousands of dollars and be beyond the reach of those households with lower incomes. The lack of such housing is even more pronounced when it comes to market-rate rental units. Unless such provisions are made for disabled persons during original construction, such facilities will not likely be provided in a typical rental unit. Senior housing (both owner and rental) generally has many of the features outlined above. The real constraints are associated with the housing for families and working-aged adults.

Unfortunately, data for the number of residents with a disability is not provided by the 2010 Census or the American Community Survey for the City of Commerce. This may be due to the small number of residents living in the City. The most recent 2000 Census identified a total of 732 working aged adults with physical disabilities living in the City. **Table 4-22** provides additional information on the number and type of disabled residents living in the City.



Table 4-22:
Disability Type by Age, 2000

Disability Type	16-64 Years of Age	65 Years or Over	Total	Percent
Sensory Disability	68	173	241	1.9%
Physical Disability	308	426	734	5.7%
Mental Disability	277	180	457	3.6%
Self Care Disability	113	182	295	2.3%
Go-outside-home Disability	896	386	1,282	10.0%
Employment Disability	1,083	N/A	1,083	8.4%
Total with Disability	1,524	623	2,165	16.8%

Source: U.S. Census 2000 Summary File 3 (SF3).

To estimate how the number of disabled residents may have changed since 2000, **Table 4-23** provides the number and percentage of disabled residents for the County of Los Angeles and applies those percentages to the City of Commerce to project the number of residents

Table 4-23:
Disability Type by Age, 2010

Disability Type	Los Angeles County ¹		Commerce ²	
	Number	Percent	Number	Percent
Hearing Difficulty	232,959	2.4%	302	2.4%
Vision Difficulty	182,104	1.9%	239	1.9%
Cognitive Difficulty	347,902	3.6%	453	3.6%
Ambulatory Difficulty	513,272	5.3%	668	5.3%
Self Care Difficulty	254,139	2.6%	327	2.6%
Independent Living Difficulty	395,484	4.1%	517	4.1%
Total with a Disability	910,294	9.3%	1,172	9.3%

Notes:

1. Based on information provided by the 2007-2011 American Community Survey.
2. Estimates based on a total population of 12,603 residents and the percentages reported for Los Angeles County.

Table 4-22 shows a total of 2,165 persons 16 years and older in the City of Commerce with a disability. Based on the percentages reported for Los Angeles County by the 2010 Census, the City of Commerce would have approximately 1,172 residents living with a disability. This would represent a decrease in the number of individuals experiencing a disability from 2000 to 2010. It is difficult to compare these figures, as the classifications have changed from the 2000 to the 2010 Census, and the City of Commerce is a small jurisdiction that has unique characteristics that do not necessarily represent the County.



Under Senate Bill (SB) 520, which became effective January 1, 2002, the City is required to analyze potential and actual constraints that could affect the development, maintenance and improvement of housing for persons with disabilities. In the event that these constraints are governmental, the Element must identify those measures that will be effective in removing the constraints that may hinder the City from meeting the need for housing for persons with disabilities.

In accordance with SB 520, a review of zoning and land use, development procedures, policies, and practices, and building codes was conducted in order to identify any potential constraints that could affect the provision of housing that would be accessible to persons with disabilities. The results of this analysis are summarized below according to three general categories of potential constraints: 1. zoning and land use, 2. permits and processing procedures, and 3. building codes.

- **Zoning and Land Use.** The Zoning Ordinance does not preclude or restrict the construction of exterior ramps or other improvements (exterior or interior) for disabled persons. The City treats residential care facilities with six or fewer persons as a single-family use. These facilities are allowed by right in any zone where single-family homes are permitted under State law. The City's Zoning Ordinance also permits reduced off-street parking space requirements for seniors though no such allowance is specifically identified for persons with disabilities. A program has been added to the City's Housing Program in order to address potential constraints.
- **Permits and Processing Procedures.** There are no permit requirements for residential care facilities serving six or fewer persons. In general, no special design or permitting standards have been established for residential care facilities. The City has no occupancy standards that specifically apply to unrelated adults. Requests to retrofit homes for disabled accessibility or for reasonable accommodation are handled as any other building permit or variance application.
- **Building Code.** The City has adopted the Uniform Building Code and the most recent Los Angeles County Code which includes provisions of the Americans with Disabilities Act. One provision is that a number of the residential units in new multi-family construction of three or more apartments, or four or more condominiums, must be accessible or adaptable. The City has added no amendments to the Building Code that would place constraints on accommodation of persons with disabilities.

Based on a review of City development procedures and policies, no specific constraints were identified. The City currently considers reduced parking requirements for group care housing and streamlined review for applications that involve the retrofit of existing units to accommodate reasonable access. In summary, the City's zoning ordinance does not contain any provisions that would preclude the development of housing for handicapped persons. There are no zoning restrictions that limit the use of ramps, wider doorways, or other features desirable in such units. No additional review or development standards are required for handicapped units beyond that required for all units.

4.9.3 – DEVELOPMENTALLY DISABLED

According to Section 4512 of the California Welfare and Institutions Code a "Developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found



City of Commerce Housing Element

to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Eastern Los Angeles Regional Center is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

Table 4-24 provides information from the Eastern Los Angeles Regional Center of on the number of developmentally disabled individuals in the City of Commerce. In 2012, there were approximately 92 individuals actively utilizing services at the Regional Center for a developmental disability. This is approximately 0.7 percent of the City's total population.

**Table 4-24:
Developmentally Disabled Residents by Age**

Zip Code Area	0-14 Years	15-22 Years	23-54 Years	55-65 Years	65+ Years	Total
90040	42	17	28	4	1	92
90091	0	0	0	0	0	0
Total	42	17	28	4	1	92

Source: South Central Los Angeles Regional Center, 2012.

To assist with any housing needs for persons with developmental disabilities, the City will implement programs to coordinate housing activities and outreach with the Eastern Los Angeles Regional Center and encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with developmental disabilities, and pursue funding sources designated for persons with special needs and disabilities.



4.9.4 - LARGE FAMILIES

According to the HCD's definition, the term "large family" refers to a family containing five or more persons. Large family households, containing five or more persons, frequently experience a greater incidence of overcrowding due, especially in older units and rental housing. Most rental units in the City contain one or two bedrooms. In addition, landlords may be reluctant to rent smaller units to larger families. Finally, many owner occupied units are overcrowded (refer to the subsection that follows) due to extended families sharing housing as a means to reduce mortgage or rental costs. Large families are identified as a group with special housing needs based on the limited availability of adequately sized, affordable housing units. Large families are often of lower income, frequently resulting in the overcrowding of smaller dwelling units, and in turn accelerating unit deterioration. As shown in **Table 4-8** a total of 981 occupied housing units had five or more residents according to the 2007-2011 ACS. Of this total, 369 units occupied by large families were occupied by renters while 612 units were owner occupied.

All new, assisted, owner-occupied housing contains at least three bedrooms, with the majority containing 4 bedrooms. In addition, the majority of the market rate owner-occupied housing constructed during the past ten years had four or more bedrooms. In recent years, few rental units have been constructed in the City and no new rental units containing three or more bedrooms. According to the most recent census, 895 units (26.4 percent of the total housing units in the City) contained five rooms, 444 units (13.1 percent) contained six rooms, and 323 units (9.6 percent) have seven or more rooms. The City continues to address the needs of large households by prioritizing funding for projects that include large units.

4.9.5 - FEMALE HEADED HOUSEHOLDS

Single-parent households often require special consideration and assistance due to their greater need for affordable and accessible day care, health care, and other supportive services. In particular, many female-headed households with children are susceptible to having lower incomes than similar two-parent households. Single, female mothers also face social marginalization pressures that often limit their occupational choices, housing options and access to supportive services.

The 2007 - 2011 American Community Survey indicates that there are 513 female-headed households in the City of Commerce, of which 259 have children under the age of 18. These numbers account for approximately 16 percent and 8 percent, respectively, of all households in the City. In the County, there are 491,428 female - headed households with no husband present, of which 261,586 have children under the age of 18. These numbers account for approximately 22 percent and 12 percent, respectively, of all households in the County. The percentage of female-headed households within the City is lower than that of County as a whole.

4.9.6 - FARM WORKER HOUSEHOLDS

The special housing needs of many farm workers stem from their low wages and the seasonal nature of their employment. Most of Commerce residents work in the Los Angeles-Long Beach Metropolitan area in non-agricultural occupations. The 2007-2011 ACS identified 63 farm workers and other persons in forestry and fishing occupations in the City, accounting only 0.6 percent of the total employable



population in the City. This is a decrease from the 2000 Census which identified 92 farm workers, representing 0.7 percent of the total population in the City. These persons are likely to be employed in nurseries, stables, and not in traditional agricultural production. The demand for housing generated by farm workers in the City is thus estimated to be extremely low.

4.9.7 – EXTREMELY LOW-INCOME HOUSEHOLDS

According to 2005 – 2009 CHAS data generated for the City, there were approximately 520 very low-income households living in Commerce. Very low-income households are those households that earn 50 percent or less of the median family income (MFI) for the statistical region in which they are located. Extremely low-income households are those households which earn less than 30 percent of the MFI. Based on this data there are approximately 710 extremely low income households in Commerce (renters and owners). **Table 4-25**, below, includes data characterizing affordability and other housing problems in Commerce for various income groups. There are limited opportunities to address the housing needs of extremely low-income households in Commerce. However, the needs of this special needs group are taken into consideration and are generally addressed through the City's overall programs for housing affordability and by prioritizing funding and development opportunities for projects that include housing for ELI households.

**Table 4-25:
Housing Problems for All Households**

Household by Type, Income & Housing Problem	Renters	Owners	Total Households
Extremely Low-Income (0-30% MFI)	525	185	710
# with any housing problems	390	145	535
# with cost burden > 30%	390	140	530
# with cost burden > 50%	330	105	435
Very Low-Income (31-50% MFI)	315	205	520
# with any housing problems	250	85	335
# with cost burden > 30%	230	85	315
# with cost burden > 50%	95	75	170
Low-Income (51-80% MFI)	330	440	770
# with any housing problems	200	320	520
# with cost burden > 30%	100	300	400
# with cost burden > 50%	0	140	140
Moderate-Income (81% + MFI)	465	835	1,300
# with any housing problems	190	325	515
# with cost burden > 30%	10	214	224
# with cost burden > 50%	0	14	14
Total Households	1,635	1,665	3,300
# with any housing problems	1,030	875	1,905
# with cost burden > 30%	730	739	1,469
# with cost burden > 50%	425	334	759

SOURCE: CHAS DATA BOOK, 2005 - 2009.



4.9.8 – HOMELESS

Enumerating the homeless population is difficult due to the transient nature of the population, as well as the existence of hidden homeless or persons that move between housing situations (e.g. doubling up with another household). The Los Angeles Homeless Services Authority (LAHSA) generally reports homeless counts for Los Angeles County; however homeless counts are conducted by Service Planning Area (SPA), which include large groupings of cities. Commerce, for example, is included in the East Los Angeles SPA, which includes 22 other jurisdictions. Generally, 4,517 homeless individuals have been reported in the East Los Angeles SPA, however there is no data reported that provides a specific number of homeless living in the City.

In an effort to determine a more accurate number of homeless individuals living in the City, local homeless service providers including the Bell Shelter and the Shelter Partnership were contacted. To date, neither organization has data regarding where homeless individuals are from or the number of individuals by jurisdiction. Consequently, the City of Commerce Social Services department provides the most specific data regarding the number of homeless individuals living in the City. The Commerce Social Services department provides food, education, transportation vouchers, and other services to low income and homeless individuals year round. In the last year, the department reports that 20 individuals have been observed in the City, which may be attributed to a number of factors such as the primarily industrial nature of the City and the presence of a major homeless shelter adjacent to the City. Of the total reported, 16 individuals were located in the Veteran's and Rosewood neighborhoods and 2 individuals were each found in the Ferguson and Bristow neighborhoods.

Of the individuals identified as homeless in the City, the majority are able to reference a permanent address. If an individual is unable to provide a permanent address the Sheriff's Department acts as a referral resource to shelters in the area and in some cases will offer transport to a sub-regional facility. These shelter facilities include: the Long Beach Rescue Mission, Long Beach Salvation Army, Bell Salvation Army, Catholic Charities and Homeless Programs, Mental Health Association/Los Angeles County, and East Rancho Dominguez Community Services.

The Salvation Army operates a shelter located at East 5th Street in the City of Long Beach. The operators of this shelter report that providing temporary shelter to the homeless is the shelter's primary function. This Salvation Army shelter provides services to an average of 73 people per day. Of this number, approximately 10 percent are homeless. The Bell Shelter, located in the City of Bell, adjacent to the City of Commerce, provides transitional housing for women with dependent children. The focus of the shelter's services is to provide women who are victims of domestic violence with housing while they are making a transition to independent living. The shelter has a 24-bed capacity.

The City of Commerce is a potential source of employment for those individuals that are housed in the Bell Shelter. The MTA, Montebello Bus Lines and Commerce Transit (operated by the City) are readily available. The City's transit system consists of five routes that run within the Commerce City limits, Monday through Saturday. All transportation services offered by the department are free of charge. The City also recently amended their Zoning Code to allow emergency shelters in the Industrial Manufacturing (M-2) zone and transitional housing as a permitted uses in the residential zone districts (R-1, R-2, and R-3). To date, no applications have been submitted to the City for such uses.



**Table 4-26:
Inventory of Homeless Services and Facilities in the Region**

Organization	Services Provided
Salvation Army Bell Shelter 5600 Rickenbacker Rd. #2d Bell, CA 90201 (323) 262-1804	Temporary emergency housing and support services for individuals. Services include; general program referral and counseling, emergency shelter vouchers, transportation assistance, mental health services, food and clothing distribution, and rental and utility payment assistance.
Long Beach Rescue Mission 1335 Pacific Avenue Long Beach, CA 90801 (562) 591-1292	Provides shelter and a 12-month substance abuse program for men and women. Up to 120 beds are provided. The length of stay varies. Provides food services to the public.
Salvation Army 809 E. 5 th St. Los Angeles, CA 90013 (213) 626-4786	Provides 286 beds for men and women for up to a stay of one year. Provides food services to the public.
Catholic Charities - Family Shelter 123 East 14th. Long Beach, CA 90813 (562) 591-1351	Provides transitional housing for homeless men, women and children. Single residents must be elderly or disabled. Stays of up to 45 days are permitted.
Mental Health Association of Los Angeles County 100 W. Broadway, Suite 5010 Long Beach, CA 90802-2310	Temporary emergency housing and support services for individuals.
East Rancho Dominguez Community Services 4513 E. Compton, Boulevard Compton, CA 90221	Multi-purpose facility designed to enhance the community with educational, social and recreational activities. Staff and non-profit agencies provide comprehensive information and referrals, case management, utility assistance, outreach, and food pantry. Emergency Food Distribution, Toy Loan, and bus tokens are provided on regular basis.
Christian Outreach Appeal 515 E. Third Street Long Beach, CA 90802 (562) 436-9877	Provides programs and informational resources for women and single mothers of jobs, training, and housing opportunities.
Catholic Charities - Family Shelter 123 East 14th. Long Beach, CA 90813 (562) 591-1351	Provides transitional housing for homeless men, women and children. Single residents must be elderly or disabled. Stays of up to 45 days are permitted.



Organization	Services Provided
Family Crisis Center Confidential Location Redondo Beach (310) 792-5900	Provides beds for up to 15 women with children under 18 who are victims of domestic violence. Shelter for adolescents at risk of becoming homeless is also provided. Services include referrals to homeless shelters and outpatient counseling. Stays of up to 6 months are permitted.
Harbor Interfaith Shelter 670 W 9 th Street San Pedro, CA 90732 (310) 831-0589	Provides 20 single-bedroom units for families and children for up to 90 days. Provides food services to the public.
House of Yahweh 4430 West 147 th Street Lawndale, CA 90260 (310) 675-1384	Provides transitional housing with 10 trailer units for families with children for up to 2 years. Provides food services to public.
Southern California Alcohol and Drug Programs, Inc. Angel Step Inn Address: Confidential Site Downey, CA 90239	Emergency shelter for battered, substance abusing women and women with children.
Southern California Alcohol and Drug Programs, Inc. La Casita 10603 Downey Avenue Downey, CA 90241	Provides addiction counseling and life skills education for mothers living in shelter plus care and permanent housing.
Southern California Alcohol and Drug Programs, Inc. Positive Steps 11501 Dolan Downey, CA 90241	Residential treatment for pregnant and parenting women and their children.
Southern California Alcohol and Drug Programs, Inc. Los Angeles Area 11500 Paramount Boulevard Downey, CA 90241	Alcohol/Drug addiction prevention counseling and recovery.
Transitional Living Centers 16119 Prairie Avenue Lawndale, CA 90260 (310) 542-4825	Alcohol/Drug addiction prevention counseling and recovery.

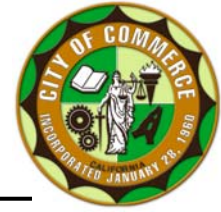
Source: California Department of Housing and Community Development, the Multi-Service Center City of Long Beach Health and Human Services; City of Commerce Housing Division.



City of Commerce Housing Element



5. HOUSING CONSTRAINTS



The housing constraints section of the Housing Element analyzes barriers that may hinder the City's ability to achieve its housing objectives or to obtain the necessary resources to assist in the production, maintenance and improvement of the overall housing stock.

A number of different dynamics that include governmental, market, infrastructure, and environmental factors may constrain the provision of adequate and affordable housing in a city. Consequently, State law requires that Housing Elements analyze potential and actual governmental and non-governmental constraints to the production, maintenance, and improvement of housing for persons of all income levels and disabilities. In instances where barriers exist, State law requires the local jurisdiction to demonstrate efforts to remove, where appropriate and legally possible, governmental constraints that hinder the achievement of housing goals.

5.1 - GOVERNMENTAL CONSTRAINTS

Governmental constraints include policies, development regulations, standards, fees or other actions that impose limitations by various levels of government upon land and housing ownership and development. Local land use controls can include site improvement requirements, fees and exactions, permit processing procedures, and other factors that may constrain the maintenance, development, and improvement of housing. At the local level, government housing regulations are necessary to assure: (1) that housing is constructed and maintained in a safe manner, (2) that the density and design of housing is consistent with community standards, and (3) that adequate infrastructure to support new housing is provided. While local policies are necessary to ensure a quality housing stock, these regulations can also affect the price and availability of housing and, in particular, the availability of affordable housing. Key development standards that could add to the cost of housing development and the City's response include the following:

- The City has adopted the Los Angeles County Building Code by reference that establishes minimum construction standards. The City's existing development requirements included in the Zoning Ordinance and Building Code do not include any architectural standards that would add to the cost of new housing development. The City also relies on Los Angeles County to provide plan check services. In addition, there are no unique open space, parking, Mello-Roos fee requirements that are applicable to new developments.
- Code Enforcement site visits are typically complaint driven. The City of Commerce also maintains a number of programs that property owners may take advantage of if their unit is found to be substandard. Code Enforcement officers have been very proactive in referring residential property owners to these programs.
- All of the residential areas where the residential zoning is applicable are well served by streets and other infrastructure. No street dedications or new infrastructure is required for the typical infill development. The Housing Opportunity Overlay zone permits new residential



City of Commerce Housing Element

development within an area that is currently developed as industrial. As a result, new on-site roadways will be required to accommodate the potential housing.

- The California Energy Resources Conservation and Development Commission have developed guidelines used by building code enforcement officials to implement energy conservation regulations established by the California Energy Commission. While serving as a mitigation tool to help reduce electricity and natural gas consumption, they do add to the cost of housing. State law also authorizes school districts to collect impact fees for all new residential, commercial, and industrial construction.
- The City of Commerce Zoning Ordinance includes development standards and requirements for existing and potential development within the R-1, R-2, and R-3 zone districts. The development standards outlined in **Table 5-2** do not appear to represent a constraint to development given the amount of rehabilitation that has occurred in recent years. The minimum lot size and setback requirements are very liberal. For example, most communities in the area require between 5 to 10 feet for the side yard setbacks. This Housing Element includes a program that commits the City to a periodic review of the Zoning Ordinance to remove or modify other development standards and/or requirements that may represent a governmental constraint to housing development.

The City has established a goal within the Housing Plan to target governmental constraints that may inhibit the development of new housing in the City. Goal 3 in the Housing Plan also focuses on establishing policies and programs that will remove constraints and help facilitate affordable housing development. The City will review and, if necessary, revise the existing residential development standards as well as the density bonus provisions outlined in the City's Zoning Code.

State and Federal regulations, which are beyond local jurisdiction control, can also add to governmental constraints. Regulations related to environmental protection, building codes, and other topics have significant, often adverse, impacts on housing costs and availability. Although Federal and State agencies play a role in the imposition of governmental constraints, the actions of these agencies are, for the most part, beyond the influence of local government and are therefore not addressed in this document. Therefore this section of the Housing Element emphasizes policies and regulations that can be mitigated by the City.

5.1.1 - LAND USE CONTROLS

The Community Development Element indicates the location and extent of permitted land uses and development within the city. The following residential designations are included in the Community Development Element:

- **Low-Density Residential.** Land uses within this land use category are characterized by single-family homes and correspond to the R-1 (single-family residential) zone district.
- **Medium-Density Residential.** The medium-density residential land use category corresponds to the R-2 (light multiple-family residential) zone district. Permitted uses within this land use designation include single-family homes and duplex units.
- **High-Density Residential.** This category of land use corresponds to the R-3 (medium multiple-family residential) zone district that provides for higher-density residential development, including multiple-family residential development.



- **Mixed-Use.** This land use designation applies to the Atlantic Avenue corridor between the Mix-Master (on the north) and Washington Boulevard (on the south). This land use provides for both residential development and commercial development. A new overlay zone will be prepared for this area along with design guidelines for new development.
- **Housing Opportunity Area.** This designation applies to the Rosewood Planning Area. This land use designation permits the existing manufacturing uses to recycle to residential development should the property owner desire to do so.

Table 5-1 itemizes the land area devoted to the various land use designations that comprise the city of Commerce General Plan.

**Table 5-1:
City of Commerce General Plan Land Use Designations**

Land Use Designation	Land Use Description	Density Standard	Area
Low-Density Residential	Single-Family Residential Units	0-11 units/acre	151 acres
Medium-Density Residential	Single-Family & Duplex Units	12-17 units/acre	93 acres
High-Density Residential	Multiple-Family Residential Units	18-27 units/acre	74 acres
Atlantic Blvd. Mixed-Use	Mixed Use	Up to 27 units/acre	21 acres
Housing Opportunity	Residential	Up to 27 units/acre	25 acres
Total Land Area of the City			364 acres

Source: City of Commerce Land Use Element, 2005

5.1.2 - DEVELOPMENT STANDARDS

The City of Commerce Zoning Code establishes specific development standards, allowable uses and other limitations, and must be consistent with the community's standards as set forth in the General Plan. Zoning regulations control development by establishing requirements related to height, density, lot area, minimum unit size, yard setbacks, and minimum parking spaces. Site development standards ensure a quality living environment for all households groups in the City, including special needs groups, and low- and moderate-income households. Differences in development standards are just one factor of many that can affect the relative affordability of housing.

On a regular basis, City staff reviews the established development standards for the R-1, R-2, and R-3 zones, to ensure that the standards do not constrain the development of housing. Generally, the City's development standards outlined in **Table 5-2** are consistent with those of neighboring cities. In addition to periodically evaluating the existing residential zones in the Zoning Code update, the City established new design guidelines and development standards for the Housing Opportunity Overlay during the previous planning period. The Housing Opportunity Overlay allows for higher density residential development within parcels that are currently zoned for commercial and industrial uses. Future, potential development may include properties developed exclusively in higher density multiple-family developments.



**Table 5-2:
Development Standards by Residential Zone District**

	R-1	R-2	R-3
Permitted Uses	Single-family	Single-family and duplex units	Single-family, duplex units, and multiple-family (multiple-family development is permitted by right)
Density Range	0-8.7 du/acre	8.7-14.5 du/acre (for duplex units)	21.8 du/acre
Minimum Lot Area	4,000 sq. ft.	3,000 sq. ft. (duplex)	2,000 sq. ft./unit and not more than 7,500 sq. ft.
Minimum Dwelling Size	950 sq. ft.	850 sq. ft.	700 sq. ft. (1 bedroom) 850 sq. ft. (2 bedroom) 1,000 sq. ft. (3 bedroom) 1,150 sq. ft. (4-bedroom)
Maximum Building Height	Maximum 25 feet (2-story)	Maximum 25 feet (2-story)	Maximum 35 feet (3-story)
Distance Between Buildings	10 feet	10 feet	20 feet
Front Yard Setback	20 feet	20 feet	15 feet
Side Yard Setback	3 feet minimum	3 feet minimum	5 feet minimum
Rear Yard Setback	15 feet minimum	15 feet minimum	15 feet minimum
Off Street Parking	2 spaces/unit ¹	2 spaces/unit ¹	2 spaces/unit ²
Uses Permitted	All uses permitted in R-1 zone	All uses permitted in R-1 and R-2 zones	All uses permitted in R-1, R-2, and R-3 zones

Source: City of Commerce, 2013.

Notes: 1. Enclosed parking.

2. Open Parking is permitted for R-3 developments. Parking requirements are relaxed for senior housing.

Table 5-2 summarizes various housing types and the residential zones in which they are permitted. In recent years, multiple family developments, within the R-3 zones, have utilized a variety of modifications to the existing development standards, specifically reduced setbacks and smaller yard area requirements. The City also allows developers to utilize the Planned Development (PD) overlay zone as a strategy to achieve alternative development standards. The PD process is voluntary and allows the City Staff to assist a developer in constructing a viable project on small infill lots while ensuring that the needs of residents living on the site will be met. Of the City's existing development standards for the R-3 zone, the minimum unit size, parking requirements and environmental review are most likely to be interpreted as a constraint to the development of affordable units or housing for extremely-low income residents. These requirements are discussed below.



5.1.2. A - MINIMUM UNIT SIZE

The City currently outlines a minimum square footage allowed in each residential zone. Specifically, the R-1 zone requires a minimum of 950 square feet per unit, the R-2 requires a minimum of 850 square feet per unit and the R-3 zone requires a minimum of 700 square feet for a one bedroom unit. While this requirement could be seen as a constraint to the development of housing for extremely low income residents (i.e. SRO units) the City has established this standard to ensure that a quality living environment is maintained for all residents regardless of income. Generally, this requirement is comparable or lower than the restrictions placed by surrounding jurisdictions. Furthermore, the development standards for the Housing Opportunity Overlay establish a minimum unit size requirement that is less restrictive than the residential zones.

A review of development applications during the previous planning period did not identify any development requests for smaller unit floor areas. Despite this fact, Staff will continue to monitor this stand and is committed to working with developers to reduce the unit size if the requirement becomes a constraint to the development of housing for extremely low- and low-income residents. The City has also established separate development standards for emergency and transitional housing for the benefit of extremely low-income households.

5.1.2. B - PARKING

The City's parking standards for residential developments are tailored to the vehicle ownership patterns associated with different residential uses. As such, the City currently requires garage parking for multi-family units, one garage space for a one-bedroom unit and two spaces for any unit with two or more bedrooms. This ratio is lower than many surrounding jurisdictions and garages are a common requirement in Southern California due to weather conditions and the need to limit on-street parking. While the City's parking requirements could be viewed as a constraint to the construction of multifamily affordable housing, the City offers developers the option to utilize a density bonus and is flexible with required parking requirements for specific types of residents, including the elderly. As noted above, the City recognizes that reduce parking standards are appropriate for certain types of housing and Staff is committed to working with developers to modify parking standards. To further provide flexibility with parking standards the City has established guidelines for the Housing Opportunity Overlay area that are less restrictive and offer alternatives such as shared parking, tandem parking, carports in lieu of garages, and reduced parking for senior housing or units near public transportation. Generally, a parking study for specific projects is recommended to justify reduced parking standards.

5.1.2. C - CEQA

To address potential environmental analysis constraints, which can add significant expense to a project, the City has relaxed the environmental review requirements relying on CEQA Class 32 exemptions. This has significantly streamlined the review procedures for such infill development and has reduced the costs associated with the preparation of environmental documents. As CEQA is required by the State and the City does not have the ability to modify this requirement it is not a constraint that can be addressed by the City.



5.1.3 - PROVISIONS FOR A VARIETY OF HOUSING TYPES

Housing Element Law requires jurisdictions to identify available sites in appropriate zone districts with development standards that encourage the development of a variety of housing types for all income levels, including multi-family rental housing, factory-built housing, mobile homes, emergency shelters, and transitional housing. The following paragraphs describe how the City makes provisions for these types of housing.

5.1.3. A - SECOND UNITS

In November 2013, the City of Commerce revised its Zoning Ordinance to allow second units in all single-family residential zones through a ministerial approval process in compliance with Government Code sections 65852.2 and Section 65583.1. These sections require local governments without a local second-unit ordinance or a local ordinance not in compliance with second-unit law should ministerially consider second-unit applications in accordance with State standards, as of January 1, 2003.

5.1.3. B - EMERGENCY SHELTERS AND TRANSITIONAL HOUSING

Pursuant to State law, the City permits transitional or supportive housing as a residential use, by right, subject only to the requirements of other similar residential uses in that zone. These facilities are subject to the same underlying zoning standards as other residential uses in the same residential zoning district.

In November 2013, the City amended its Zoning Code Ordinances to be compliant with SB2. The amendments modified the Zoning Code to allow emergency shelters in the Light Manufacturing (M1) Zone, by right, without any other discretionary permit required. The Zoning Code was also updated to allow transitional and supportive housing, including Single Resident Occupancy (SRO) as a residential use, by right, subject only to the requirements of other residential uses in that zone. The City was able to adopt these amendments concurrent with the adoption of the 2014-2021 Housing Element.

5.1.3. C - SENIOR HOUSING

The City of Commerce has previously amended its Zoning Ordinance to allow Senior Housing in all residential zones in the City. The development standards for these units differ from the requirements for conventional units in that the ordinance allows for smaller and/or efficiency units with reduced parking requirements, higher densities, and common recreation areas.

5.1.3. D - HOUSING FOR THE DISABLED

Physical disabilities can hinder access to housing units of traditional design as well as limit the ability to earn adequate income. In 2010, approximately 9.3 percent of Commerce's population was estimated to be living with a disability. This count includes age-related as well as other disabilities. Housing opportunities for the physically disabled are maximized through the provision of affordable, barrier-free housing. Special modifications include units with access ramps, wider doorways, assist bars in bathrooms, lower cabinets, and elevators. This is accomplished through the City's compliance with the Federal Americans with Disabilities Act (ADA) and the 2007 Title 24 Part 2, California Building Code regulations. In addition, the City administers a number of programs that provides financial assistance to disabled households to perform modifications such as those described above.



The Commerce Municipal Code permits residential care facilities, including facilities for the disabled (with 6 or fewer residents), by right in all residential zones in the City. For group homes with 7 or more residents, the City requires approval of a conditional use permit in all residential zones in the City. There are no facility concentration or distance requirements or similar limitations for either type of residential care facility. The applicable development standards are no more restrictive than standards that apply to other residential uses of the same type permitted in the same zone. **Table 5-3** addresses how uses are permitted in zones that allow residential uses per the Commerce Municipal Code.

Table 5-3:
Housing Types by Residential District

Housing Type	Existing Zone Districts			Proposed Zone Districts	
	R-1	R-2	R-3	Housing Opportunity Overlay	Atlantic Blvd. Mixed Use
Single-family	P	P	P	P	N
Duplex (2 units)	N	P	P	P	N
Multiple-family	N	N	P	P	P
Mixed-Use	N	N	N	P	P
Manufactured Housing	P	P	P	P	N
Second Units	P	P	P	P	N
Care Facilities (<6 persons)	P	P	P	P	P
Care Facilities (>6 persons)	C	C	C	C	C
Senior Housing	P	P	P	P	P
Emergency Shelters ¹	C	C	C	C	C
Transitional Housing	P	P	P	P	N
Single Room Occupancy Units	N	N	P	P	N

Source: City of Commerce, 2013.

Notes: 1. Emergency shelters are permitted by right in the M-1 zone.
2. P - Permitted, N - Not permitted, C - Conditionally permitted.

The City's Zoning Ordinance does not contain any provisions that would preclude the development of housing for handicapped persons or units designed to accommodate larger families. There are no restrictions that would limit the use of ramps, wider doorways, or other features that would be desirable in such units. To further assist residents with disabilities, in November 2013 the City adopted a reasonable accommodation ordinance that establishes a clear procedure for residents to apply for development modifications to accommodate a disability and refers residents to City programs that offer funding to complete proposed modifications.



The City of Commerce defines a “family” as one or more persons, related or unrelated, living together as a single integrated household in a dwelling unit.

5.1.4 - DEVELOPMENT FEES

Development fees can affect the development of affordable housing as they require the developer to spend their limited budget on fees such as school fees, plan check fees, etc. The school fees that are charged towards new residential development are a State mandate and are beyond the City’s ability to control. The Montebello Unified School District (MUSD) and Los Angeles Unified School District (LAUSD) both levy a school development fee for residential construction. No other fees beyond school, development application and permit fees are applied in the City of Commerce.

Building inspection services such as plan checks and permit issuance are contracted through the County of Los Angeles. Fees charged to the developer for these services are typically less than the actual cost for review time though any increased administrative costs beyond the base fees for discretionary review are waived. The planning fees that are charged in the City do not make any distinction between rental housing and owner-occupied housing or the types of housing (single-family or multiple-family). The development fees for processing development cases in Commerce are among the lowest compared to those of the surrounding communities. As indicated previously, the City does not derive full compensation for staff hours through filing fees. This policy, whereby fees do not reflect the actual costs of performing services, results in the reduction of front-end costs to developers.

To better illustrate the development fees for residential units in the City, **Table 5-4**, generally provides the total fees charged per unit for both single family and multi-family developments.

Table 5-4:
Development Fees per Unit

Permit Fees	Single Family Residential Unit	Multi-Family (per unit)
Building Permit	1,445.00	37.70
Plan Check Fee	1,300.50	33.93
Fire Hydrant Fee	660.00	22.00
Plan Maintenance	28.90	0.75
EQ Instrumentation	30.00	1.00
Grading Pre-Inspection	0.00	0.00
Posting	0.00	0.00
Issuing Fee	0.00	0.00
Planning (incl. \$5 misc)	171.46	4.39
One Stop Surcharge	56.09	1.46
System Dev Surcharge	168.26	4.40
Dwelling Unit Construction Tax	200.00	200.00
Residential Development Tax	300.00	300.00
School Fee	297.00	297.00
TOTAL	\$4,657.00	\$902.64



The development processing fees and school fees are largely determined by square footage, valuation and a number of other factors including the number of bedrooms, bathrooms, outlets, etc. This makes it difficult to accurately determine the average and actual fees charged to a developer. Generally the City's fees are consistent with the fees charged in the surrounding area, particularly as the permitting process is contracted through the County of Los Angeles. Consequently the development fees are not deemed to be a constraint on the development of affordable housing. In specific instances, the City previously worked with developers to modify fees however the loss of redevelopment set aside money and reductions in CDBG funds has resulted in a direct decrease in opportunities to assist with projects that include affordable housing, housing for extremely low income and disabled residents. It is important to note that the development fees have not changed since the previous planning period.

5.1.5 - DEVELOPMENT REVIEW AND PROCESSING

In addition to permit fees the processing time needed to obtain development permits and required approval can contribute to the high cost of housing. This is not the case in the City of Commerce. After completing an internal review of the City's fees and comparing them to surrounding jurisdictions, Staff has determined that the established development and permit fees are at least 15-20% lower than most surrounding jurisdictions. The City has also committed to fee modifications and will ensure fast track processing for projects that include affordable units, with priority given to projects for extremely low-income and very low-income residents.

The City of Commerce has fully implemented the provisions of AB884 and has established an expedited review process for building and construction plans through the establishment of a review committee. This committee consists of representatives from the Planning, Public Works, Engineering, and Fire Departments. The advantage of such a committee is that questions and/or problems that might surface at the Planning Commission meeting can be addressed prior to the meeting. The committee meets with the prospective applicant to discuss the project and to ascertain the nature of any issues that may arise in subsequent plan review. The effect of this review process is to provide valuable feedback to an applicant early in the planning process as a means to avoid potential delays and increased development costs related to a redesign of the development. No cost to the applicant is associated with these pre-consultation reviews. This process has expedited the Planning Commission's review of residential projects. In the past several years, residential projects that have appeared before the Planning Commission have been approved at a single hearing. In the case of the Southwest neighborhood's infill developments, multiple-projects were considered at a single hearing, thus saving time and money for the applicant.

Cases that do not involve any discretionary approvals (cases that do not require approval by the Planning Commission) may also be approved by the Review Committee. Such procedures speed up the approval process by several weeks. The Plan Check Review for new construction averages four to six weeks, which is considerably less than most surrounding cities. During the course of a development's design and planning, the City staff is available to conduct pertinent reviews and issue permits related to engineering, drainage, grading, public works, electrical, and other aspects of new developments. Even with those infill projects that require some form of discretionary review, the City has taken advantage of recent legislation that calls for smaller infill projects to be categorically exempt through the referral of a Class 32 Categorical Exemption.

Residential infill projects are handled through the City's streamlined review and entitlement process. The entire development process from land clearance through construction typically takes between six



City of Commerce Housing Element

months to one year to complete, depending on the number of units. This includes the time required for plan check and construction. Land clearance and site preparation will typically require two to four weeks to complete. Actual construction will take between twelve to 24 weeks, depending on the number of units. Tract map/parcel map review (by the County) typically requires six weeks if a soils report is not required. When developments are subject to the CEQA review, a Class 32 exemption is generally provided to streamline the process.

Finally, no design review is required. A list of the cost and average processing time for each development application is provided in **Table 5-5** below.



**Table 5-5:
Development Application Cost and Processing Times**

APPLICATION	PRICE	AVERAGE TIME
General Plan Amendment	\$1,000	6-12 months
Zone Change	\$1,000	3-6 months
Zoning Ordinance Amendment	\$1,000	3-6 months
Zoning Clearance Fee	\$100	2 weeks
SUBDIVISIONS		
Parcel Map (4 or less lots)	\$2,000	3-6 month
Tract Map (5 or more lots)	\$2,000	3-6 months
Lot Line Adjustment	\$750-Commercial \$500-Residential	2-4 months 2-4 months
Lot Combination	\$0	2-4 months
PLOT PLAN/SITE PLAN REVIEW		
Non-residential	\$750	3-6 months
Residential	\$250	2-4 months
CONDITIONAL USE PERMIT	\$1,000	2-4 months
ABC and Temporary Trailer	\$1,000	2-4 months
CUP MODIFICATION	\$1,000	2-4 months
VARIANCE		
Non-residential	\$1,000	2-4 months
Residential	\$500	2-4 months
Additional Variances	\$100	2-4 months
MODIFICATION OF STANDARDS		
Non-residential	\$250	1-2 months
Residential	\$150	1-2 months
HOME OCCUPATION PERMIT	\$100	2-3 months
TEMPORARY USE PERMIT	\$75	1-2 weeks
SPECIAL USE PERMIT	\$75	1-2 months
TIME EXTENSIONS	\$200	N/A
APPEALS OF PLANNING COMMISSION DECISION		
Non-residential	Cost of Application	1-3 months
Residential	Cost of Application	1-3 months
STREET OR ALLEY VACATION	\$1,000	1-2 months
RELOCATION OF STRUCTURE	\$500	2-4 months
ENVIRONMENTAL REVIEW		
EIR Review	If Services Agreement is required, Consultant's Cost Plus 20%. If not, \$750	6-12 months
Categorical Exemption	\$250	1-2 months
Negative Declaration	If Services Agreement is required, Consultant's Cost Plus 20%. If not, \$500	3-6 months
Mitigated Negative Declaration	If Services Agreement is required, Consultant's Cost Plus 20%. If not, \$500	3-6 months
ZONING VERIFICATION LETTER	\$100 (per parcel)	1-2 weeks

Source: City of Commerce, 2013.



5.2 – NON-GOVERNMENTAL CONSTRAINTS

5.2.1 – CONSTRUCTION COSTS

The cost of building materials for residential construction has risen dramatically in recent years. According to the U.S. Department of Labor, the overall cost of residential construction materials rose by 2 percent between 2011 and 2012, with steel costs increasing 0.4 percent and the cost of cement increasing 1.5 percent. With the slowdown of the real estate market from 2008 until 2012, the price of construction materials has shown a significant decrease compared to the construction boom. The 2 percent increased in over all construction costs experienced over the past year is primarily due to the cost of labor.

Together, the cost of building material and construction labor are the most significant cost components of developing residential units. In the current southern California market, construction costs are estimated to account for upwards of 50 percent of the sales price of a new home. Typical construction costs for high-density apartment (20 units per acre) development run around \$150,000 per unit including \$10,000 per unit for structured parking. Hard construction costs for development of median-density (15 units per acre) condominiums over podium parking run approximately \$200,000 per unit, including \$35,000 per unit for the parking structure.

Variations in the quality of materials, type of amenities, labor costs and the quality of building materials could result in higher or lower construction costs for a new home. Pre-fabricated factory built housing, with variation on the quality of materials and amenities may also affect the final construction cost per square foot of a housing project. Furthermore, the unit volume - that is the number of units being built at one time - can change the cost of a housing project by varying the economies of scale. Generally, as the number of units under construction at one time increases, the overall costs decrease. With a greater number of units under construction, the builder is often able to benefit by making larger orders of construction materials and pay lower costs per material unit.

Density bonuses granted to a project, can also impact construction costs. Municipalities often grant density bonuses as an incentive for the builder to provide affordable units at the project site. The granting of a density bonus provides the builder with the opportunity to create more housing units and therefore more units for sale or lease than would otherwise be allowed without the bonus. Since greater units can potentially increase the economy of scale, the bonus units could potentially reduce the construction costs per unit. This type of cost reduction is of particular benefit when density bonuses are used to provide affordable housing.

As noted in the analysis provided on the units at-risk of conversion to market rate, recent appraisals completed for the City estimate that the cost of land ranges from \$10/square foot up to \$15/square foot. This means that land to construct a new single family home would cost approximately \$50,000 to \$75,000 for a 5,000 square foot lot and land for a new multifamily development would cost \$450,000 per acre.



5.2.2 – LAND AVAILABILITY AND COST

There is very little vacant residential land available in the City. This is a significant constraint to the development of new housing within the City. The economy of land value and the cost of new construction can limit what a property owner can expect to achieve on an underdeveloped property. Even with an allowable 27 units per acre, as permitted by the Commerce Municipal Code, recycling and redevelopment can be difficult. As noted, in **Section 4-9**, the actual construction cost for residential development ranges from \$100/square foot up to \$130/square foot. This means that the cost to construct a new single family home would range from approximately \$150,000 to \$195,000 for a 1,500 square foot home and \$100,000 to \$130,000 per unit for a 1,000 square foot multifamily unit.

Chapter 6, *Housing Resources*, includes an analysis and discussion of vacant and underutilized residentially-zone parcels in the City that can accommodate new housing. Aside from the three residential zones in the City that accommodate residential development (R-1, R-2, and R-3 zones), the City has also identified opportunities in which industrial properties can be “recycled” for residential purposes, specifically through the Housing Opportunity Overlay area which will support the development of housing in a mixed-use configuration. In the City of Commerce 2020 General Plan, the Housing Opportunity Overlay area was implemented, encouraging industrial uses to recycle into mixed use, multifamily housing. During the 2008-2014 planning period, the City Council adopted specific development standards to further implement the overlay area.

5.2.3 – AVAILABILITY OF FINANCING

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in the community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to those institutions. Through analysis of Home Mortgage Disclosure Act (HDMA) data on the disposition of residential loan applications, an assessment can be made of the availability of residential financing within a community.

Residential lending activity in Commerce consisted of 41 applications for conventional home purchase loans in 2011, reflecting 1.2 percent of the ownership housing stock. This is a significant decrease from the 251 total applications in 2006. **Table 5-6** provides the status of home purchase loan applications in both Commerce and Los Angeles County. As illustrated by this table, the 68 percent loan approval rate in Commerce was slightly lower than the 71 percent approval rate Countywide.



Table 5-6:
Disposition of Loans

	Loans Approved ¹		Loans Denied		Loans Withdrawn/ Incomplete	
	Commerce	LA County	Commerce	LA County	Commerce	LA County
Number of Loan Applications	28	38,827	8	8,054	5	7,601
Percent of Total Applications	68%	71%	20%	15%	12%	14%

Source: Home Mortgage Disclosure Act (HMDA), Accessed 3-6-2013. Compiled by ESA.

Notes: ¹ Approved loans include: loans originated and applications approved, but not accepted.

The Home Mortgage Disclosure Act (HMDA) also provides data on the total number of applications for home improvement loans in Commerce. Home improvement loans generally have lower approval rates than loans used to purchase homes. In 2011, only 17 households in the City of Commerce applied for home improvement loans. Approximately 47 percent were approved and 9 percent were denied or withdrawn, indicating a significant gap differential between those who were actually able to obtain the financing to complete home improvements and those that were not. This is where City run programs are significant to make up the gap by providing available additional assistance to the households that could not qualify for a home improvement loan, perhaps making available rehabilitation loans with special finance rates.

5.3 - ENVIRONMENTAL CONSTRAINTS

5.3.1 – SEISMIC HAZARDS

As stated in the General Plan Safety Element, the entire City – as well as most of Southern California – is located within a seismically active region that has been subject to major earthquakes in the past. There are no known faults in Commerce. However, the Whittier fault, which is in close proximity from the City of Commerce. According to the Southern California Earthquake Data Center, the maximum probable earthquake that can be generated by the Whittier Fault is a magnitude 7.2. The greatest damage from earthquakes results from ground shaking. Although ground shaking is generally most severe near quake epicenter, property not immediately adjacent to the epicenter may be subject to extreme damage due to liquefaction. The greatest potential danger is the collapse of older residential units constructed from unreinforced masonry, and explosions of petroleum and fuel lines.



5.3.2 – FLOODING

The Federal Emergency Management Agency (FEMA) publishes maps that identify areas of the City subject to flooding in the event of a major storm. These Flood Insurance Rate Maps (FIRMs) indicate areas that may be inundated in the event of a 100-year or a 500-year storm. In addition, the maps indicate the base flood elevations at selected intervals of the floodway. Commerce lies within the dam inundation area of the Garvey Reservoir in Monterey Park. Dam rupture could result in the flooding of areas between Eastern Avenue and Garfield Avenue. The Ferguson neighborhood and portions of the Rosewood neighborhood could be affected by the flooding. Areas that are designated for future residential development do not fall within the 100-year floodplain and are not subject to specialized flood construction requirements.

5.3.3 – FIRE HAZARDS

The most serious fire threat within the City is building and structure fires. Like most southern California cities on the urban fringe, the late summer fires that result from the accumulation of this brush have the potential to spread into the City proper. Since the City center is largely developed, there is less potential for fire in central City communities. Other fire hazards within the City may be associated with heavy industrial uses, older commercial and residential structures, the presence of hazardous materials, and arson.

5.3.4 – NOISE

Residential land uses are sensitive to loud noises. State noise guidelines recommend that residential development be located in areas exposed to ambient outdoor noise levels no greater than 65 A-weighted decibels (dBA). A citywide noise inventory performed in October, 2005, found that virtually all of the neighborhoods in Commerce are located in areas where noise levels exceed 65 dBA. The City's noise environment is not expected to significantly change over time since the primary factors contributing to noise - the I-5 and I-710 Freeways, the railway freight lines, the railroad yard, and local truck traffic will have a continued presence in the City.

The General Plan FEIR identifies Community Development and Health and Safety policies that are designed to protect sensitive uses (such as housing) from excessive noise impacts. First, noise sensitive land uses are generally prohibited from being sited in areas characterized by high ambient noise levels. Second, land uses that generate excessive noise levels may not be permitted near sensitive land uses. Finally, the General Plan promotes measures that will reduce noise exposure through the use of site planning and construction techniques. These policies are implemented by the City through its standard environmental review process that requires preparation of noise impact studies, as necessary.

All new residential development will need to meet General Plan Noise Element and State guidelines for exterior and interior ambient noise levels. Compliance with these guidelines may require more expensive construction techniques, which may in turn increase housing costs. The industrial operations located throughout the City of Commerce produce unpleasant dusts and odors that may be irritating and harmful to residents. Moreover, some industries produce and store toxic materials.



5.3.5 – AIR QUALITY

Given the composition of land uses in the City, the 2020 General Plan establishes a set of strategies to enable industrial activities and businesses to coexist with residential uses. Specifically, a major consideration in land use decisions is an evaluation of how stationary emissions from these businesses can be mitigated so they do not impact sensitive receptors. In addition to emissions generated by local businesses the City also experiences high volumes of truck traffic and railways running through the City to accommodate goods movement. Both rail and truck traffic can generate significant amounts of particulate matter which contribute to a less than ideal environment for residential uses. Furthermore, the City of Commerce is also bisected by two freeways: Interstate 5 which runs generally in an east-west orientation and Interstate 710 which runs north-south. It is not recommended that housing be located within 500 feet of freeways to avoid long term exposure to particulate matter for long term residents. Generally, the City is aware of potential air quality impacts on future residential development and has been careful to identify opportunity areas for residential development that are less impacted than other areas of the City. It is important to understand the existing environment and conditions present in the City with regard to housing, as the options for safe and healthy sites within the City are limited based on the industrial activity established in the City.

5.3.6 – HAZARDOUS MATERIALS

As the City of Commerce is primarily made up of industrial uses, it is important to ensure that sites that are identified and developed with housing are appropriate and safe. According to the California Department of Toxic Substance Control, in 2013, no parcels within the Housing Opportunity Overlay were identified on the Hazardous Waste and Substances Site List or the State Water Resources Control Board (SWRCB) list of cleanup sites. Despite this, future housing development or redevelopment will be reviewed on a project-by-project basis as part of the City's standard environmental review process to determine, if any, site contamination and the degree of remediation required. This is consistent with the policies of the General Plan Safety Element and the findings of the General Plan FEIR. It is possible that additional analysis may be required, including a soils analysis, to ensure that sites are safe for residential development, which can add cost and time to the development process. The City of Commerce will work with developers to streamline the process and when provide funding, when possible, but it is vital that sites are properly analyzed prior to the development of housing.

6. HOUSING RESOURCES



The Housing Resources section summarizes the land, financial, and administrative resources available for the development and preservation of housing in Commerce. The analysis conducted includes an evaluation of the availability of land resources for future housing development, the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support housing activities, and the administrative resources available to assist in implementing the City's housing programs and policies.

6.1 - REGIONAL HOUSING NEEDS ASSESSMENT

This section of the Housing Element compares the housing need projections developed by the State Department of Housing and Community Development (HCD) and distributed by the Southern California Association of Governments (SCAG) as part of the Regional Housing Needs Assessment (RHNA), with historic housing growth and potential housing development in the city. The SCAG housing projections were derived from population, housing, and employment figures developed by the Department of Finance as part of the earlier planning process undertaken to develop the RHNA. The authority to determine housing needs for the various income groups for cities within the region has been delegated to the Southern California Association of Governments (SCAG), pursuant to Section 65584 of the Government Code. Housing needs are categorized according to income groups. The income categories include very low, low, moderate, and above-moderate income households, and the incomes of the selected income groups are based upon percentages of the median household income for the larger Los Angeles County region:

- Very low-income households are those households whose income is less than 50% of the median household income for the greater Los Angeles area. The RHNA requires 12 very low-income units to be provided. Of these units it is assumed that 7 units will be allocated for extremely low-income households.
- Low-income households earn from 50% to 80% of the County median. The RHNA requires 7 low-income units to be provided.
- Moderate-income groups earn from 80% to 120% of the County median. The RHNA requires 7 moderate-income units to be provided.
- Above-moderate Income households earn over 120% of the County median income. The RHNA requires 20 above moderate-income units to be provided.

The 2014-2021 RHNA allocation for the City of Commerce, as determined by SCAG, is 46 units. The RHNA allocation is presented by income category in **Table 6-1** below.



Table 6-1:
RHNA 2014-2021

Income Category	Number of Units	Percent of Total
Extremely Low Income ^(a)	6 units	13%
Very Low	6 units	13%
Low	7 units	15%
Moderate	7 units	15%
Above Moderate	20 units	44%
Total	46 units	100%

Source: SCAG Regional Housing Needs Assessment, 2012.

(a) The regional housing need for extremely low income is assumed to be 50 percent of the City's very low income RHNA of 12 units.

6.2 - AB 1233 COMPLIANCE

In January 2006, changes to Housing Element law, specifically Assembly Bill 1233, created additional incentive for jurisdictions to achieve a compliant Element. AB 1233 requires "communities that failed to comply with requirements to make available sufficient sites to meet their regional housing need in the previous planning period must, within the first year of the new planning period, zone or rezone enough sites to accommodate the RHNA not accommodated from the previous planning period."

The City of Commerce Housing Element for the 2008-2014 planning period was certified by HCD in May 2010. However, due to budget cut backs and staffing reductions, the City was unable to complete the rezoning necessary to provide adequate sites to accommodate the City's lower income RHNA. Specifically, City was unable to implement the required code amendments (as outlined in Program 3.1 of the 2008-2014 Housing Plan to implement the Housing Opportunity Overlay) within the allocated timeframe. Consequently, the City is required to plan for the current planning period of 2014-2021 as well as any unaccommodated shortfall identified from the previous (2008-2014) planning period. The 2008-2014 RHNA for Commerce is shown in **Table 6-2**.

Table 6-2:
RHNA 2008-2014

Income Category	Number of Units	Percent of Total
Very Low	15 units	23%
Low	10 units	16%
Moderate	10 units	16%
Above Moderate	29 units	45%
Total	64 units	100%

Source: SCAG Regional Housing Needs Assessment, 2006.



The two planning period allocations combined result in a final housing needs allocation as shown in **Table 6-3**. The total fair share allocation for Commerce for the combined planning periods is 110 units.

Table 6-3:
Combined 2008-2014 and 2014-2021 RHNA Allocations

	Very Low	Low	Moderate	Above Moderate	Total
2008-2014 RHNA	15	10	10	29	64
2014-2021 RHNA	12	7	7	19	46
Total	27	17	17	48	110

As Commerce's 2008-2014 Housing Element was adopted and certified, but not fully implemented the City must evaluate two key factors to determine their exact shortfall, in compliance with AB 1233. First, as the RHNA process establishes January 1, 2006 as the baseline for growth projections for the Housing Element planning period of 2008-2014, jurisdictions may count any new units built or approved since January 1, 2006 toward their 2008-2014 RHNA allocation. This means that any units built or approved from 2006 to the present may be credited toward the City's 2008-2014 RHNA allocation of 64 units. Second, as AB 1233 focuses on units that are accommodated specifically on rezoned sites, the shortfall will primarily include lower income units that were to be accommodated on sites in the Housing Opportunity Overlay. **Table 6-4** below, presents the number of units that the City must address in their 2014-2021 sites inventory, including any shortfall from the 2008-2014 planning period.

Table 6-4:
2014-2021 RHNA with AB 1233 Shortfall

	Very Low	Low	Moderate	Above Moderate	Total
2008-2014 RHNA	15	10	10	29	64
Credits (2006-present)	0	0	0	-29	-29
Units Accommodated on Vacant Sites	-14	0	-10	0	-24
Sub-Total	1	10	0	0	11
2014-2021 RHNA	12	7	7	19	46
Combined RHNA Total	13	17	7	19	57

Source: Compiled by ESA.

As shown in **Table 6-4**, between 2006 and 2012 the City entitled, approved or developed 67 market rate units, which is more than enough to meet the City's above moderate income RHNA allocation of 29 units for the 2008-2014 planning period. No deed restricted units were constructed during the planning period.

Additionally, within the 2008-2014 Housing Element, the Housing Resources section demonstrated vacant land to accommodate the City's remaining moderate income allocation of 10 units on land zoned Light Multiple Residential (R-2) and 14 lower income units on land zoned Medium Multiple Residential (R-3). The 2008-2014 included Site One, a grouping of four vacant parcels totaling 1.44 acres zoned R-2 allowing up to 17 dwelling units per acre. At the permitted density Site One accommodated 22 moderate income units. The 2008-2014 Housing Element also included a second vacant site, Site Four that accommodated 14 lower income units. Site Four, was comprised of four parcels located in the southern



tip of the City, zoned Medium Multiple Residential (R-3). Medium Multiple Residential allows development up to 27 dwelling units per acre to be constructed. Both sites, described above, were vacant during the 2008-2014 planning period, and did not require rezoning. Consequently, as shown in **Table 6-4**, the units accommodated on Sites One and Four of the 2008-2014 Housing Element will not be carried forward.

After taking into account, the number of units constructed and the units accommodated on vacant residentially zoned land, the City must carry forward 1 very low income unit and 10 low income units. The City's combined RHNA allocation, including the 11 lower income units from the 2008-2014 planning period is 57 units.

6.3 - 2014-2021 SITES INVENTORY

As shown in **Table 6-4** above, based on the requirements of AB 1233, for the 2014-2021 planning period the City must make available sites to accommodate a total of 57 units, including 13 units for very low income, 17 units for low income (a total of 30 lower income units), 7 units for moderate income, and 19 units for above moderate income. This total includes 1 very low income unit and 10 low income units which were unaccommodated and thus carried forward from the 2008-2014 planning period per AB 1233.

6.3.1 - DENSITIES TO ACCOMMODATE LOWER INCOME HOUSING

Density is a critical factor in the development of affordable housing. In theory, maintaining low densities typically increases the cost of construction per unit, while higher density development lowers the per-unit land cost and facilitates construction in an economy of scale. In addition to density bonus provisions, more intense residential development can be achieved through a number of mechanisms, including clustering of residential development and zero lot line development, subject to City development standards. Clustering of housing can produce higher densities on a portion of land while creating space for amenities, and retaining the overall density assignment of the entire property. This method is effective when portions of the property not utilized for residential development can be developed with compatible uses, such as open space/recreation, parks, schools, public facilities and supportive commercial uses.

The State Housing and Community Development Department (HCD) have deemed affordability as correlated with density. Consequently, HCD has established "default densities" that by definition are considered sufficient to provide market-based incentives for the development of housing for lower-income households. For jurisdictions with a population less than 25,000 and located within a Metropolitan Statistical Area (MSA) with a population of more than 2 million, the City is considered to be Suburban and the default density is 20 dwelling units per acre. Commerce has a population of approximately 13,000 and is within the Los Angeles MSA. Thus, HCD has determined that Commerce's default density is 20 dwelling units per acre.

Due to the level of diversity in neighborhood types, land costs, and proximity to desired destinations throughout the urbanized Los Angeles region, utilizing a specific residential density (20 units per acre as established by State law as the default density for affordable housing production) to determine the



feasibility of affordable housing is problematic. As indicated in this Housing Element, affordable housing is feasible in Commerce at the required 20 dwelling units per acre, where it may not be as feasible in more expensive parts of the urbanized County.

As shown in **Table 6-5**, the City of Commerce Municipal Code identifies three residential land use classifications. Additionally, the Housing Opportunity Overlay requires the development of residential uses at a minimum density of 20 dwelling units per acre. The availability of land suited to accommodate the various income levels is based upon the allowed density.

Table 6-5:
Combined 2008-2014 and 2014-2021 RHNA Allocations

Income Category	Zoning Districts	Density
Very Low Low	Housing Opportunity Overlay Medium Multiple Residential (R-3)	27 du/ac
Moderate	Light Multiple Residential (R-2)	17 du/ac
Above Moderate	Single Family Residential (R-1)	8.7 du/ac

6.3.2 – HOUSING OPPORTUNITY OVERLAY

To accommodate their 2014-2021 total RHNA allocation and AB 1233 carryover, the City has identified the Housing Opportunity overlay area to facilitate and encourage the development of residential uses. As part of the City of Commerce 2020 General Plan, the Housing Opportunity overlay was applied to a 44.3 acre area, located in the center of the City, adjacent to the Rosini, Rosewood, and The Village residential neighborhoods. The area is loosely bounded by Harbor Street on the north, Strong Avenue on the west, Jillson Street to the south, with no formal boundary on the east. Commerce City Hall and the City Aquatorium are located on the eastern side of the Overlay area. The Overlay designation includes a cluster of industrial properties totaling 44.3 acres, within the Rosewood Planning Area, that the City would like to see transition to residential and mixed use development. The Overlay area requires residential densities at a minimum 20 dwelling units per acre.

Based on the utilization and existing uses onsite, the City has identified the eastern portion of the Overlay area as most realistic to transition from industrial to residential uses during the 2014-2021 planning period. Consequently, the sites inventory for the 2014-2021 planning period, includes the parcels located Harbor Street on the north, Eastern Avenue on the west, Jillson Street to the south, with Commerce City Hall and other public facilities located to the east. This portion of the Overlay area will be called Phase I for the purposes of the Housing Element and includes approximately 19.9 acres of the total Overlay area.

To conservatively calculate unit capacity, the following assumptions were made: 1) the minimum 20 dwelling units per acre was utilized, 2) based on the existing uses onsite and given that initial projects will be in close proximity to industrial uses, 75 percent land capacity was assumed to allow for adequate buffers and onsite amenities. Given this established density and the calculation assumptions, if all 19.8 acres of the Phase I area are redeveloped, the City anticipates that approximately 298 new units could be provided. The specific parcels included in Phase I of the Housing Opportunity Overlay area are listed in **Table 6-6** and the Overlay area is shown in **Figure 6-1**.

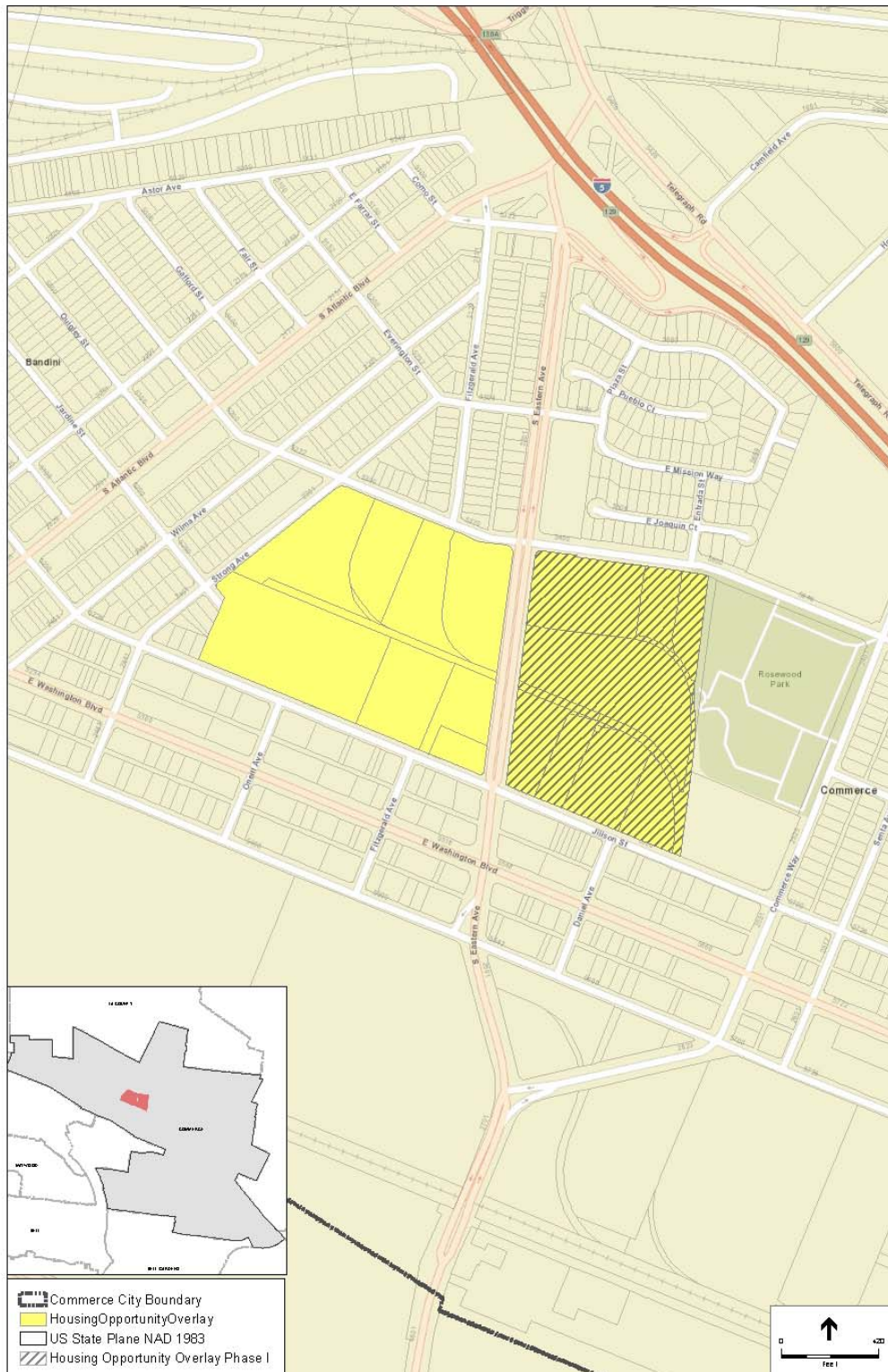


**Table 6-6:
Housing Opportunity Overlay Parcel Inventory**

AIN	Acres	General Plan/Zoning	Minimum Density	Potential Capacity	Existing Use	Structure Year
6335025004	1.22	Housing Opportunity Overlay	20 du/ac	18	Packaging Manufacturer	1950
6335025005	1.77	Housing Opportunity Overlay	20 du/ac	27	Packaging Manufacturer	1952
6335025009	1.17	Housing Opportunity Overlay	20 du/ac	18	Hat Manufacturer	1955
6335025010	3.71	Housing Opportunity Overlay	20 du/ac	56	Warehouse/Office (vacant)	1951
6335025011	5.96	Housing Opportunity Overlay	20 du/ac	89	Clothing Manufacturer	1952
6335025013	0.02	Housing Opportunity Overlay	20 du/ac	1	Transportation Depot	N/A
6335025805	0.29	Housing Opportunity Overlay	20 du/ac	4	Rail Right-of-Way	1975
6335025806	0.86	Housing Opportunity Overlay	20 du/ac	13	Rail Right-of-Way	1975
6335025903	1.09	Housing Opportunity Overlay	20 du/ac	16	City Hall North Annex	1956
6335025905	1.43	Housing Opportunity Overlay	20 du/ac	21	Transportation Depot	1949
6335025906	2.36	Housing Opportunity Overlay	20 du/ac	35	Hat Manufacturer	N/A
TOTAL	19.9			298		



Figure 6-1: Housing Opportunity Overlay Area





City of Commerce Housing Element

While the City feels that the Phase I area is most likely to transition during the planning period, based on number of suite vacancies and the age and condition of the structures onsite, the City will consider redevelopment proposals for the entire Overlay area. The Housing Opportunity overlay area is the ideal location for the development of new housing including market rate and affordable units as stand-alone projects or incorporated into mixed use development. The Overlay is intended to locate employment opportunities, dining, shopping, neighborhood services, and residential uses in close proximity of one another thereby reducing vehicle trips and encouraging walkability. The Overlay area is ideal for the development of affordable units for residents that may need access to services, as it is close to existing residential development, City Hall, the City's transit center, the library, Rosewood Park, the City of Commerce Employment Center, the City of Commerce Aquatorium, and numerous commercial businesses. To further encourage and facilitate the transition of the area to residential uses, specific development standards have been developed and are included in the Housing Constraints analysis.

As the Housing Opportunity Overlay contains parcels that are developed with older industrial uses, it is important to understand the context of the area and its potential for redevelopment. Many of the existing on-site structures include older, vacant industrial buildings, as well as surface parking areas. To illustrate the existing conditions of the Overlay area, the following images have been provided of the Phase I area.



Single story, older industrial warehouse buildings are located facing Strong and Eastern Avenues. A sign in front of 2300 Eastern indicates that the space is vacant. Several other buildings in the Overlay area have signs advertising vacancies and parking lots mid-day during a work week indicate that few businesses are in operation.



Underutilized parking areas and thoroughfares can be found throughout the overlay area.



A deserted rail right-of-way runs through the overlay area. There is potential to covert the right-of-way into trails or incorporate them into the circulation plan of future projects.



As buildings sit vacant they are not properly maintained which creates blight and lowers property values.

As shown in the images above there are numerous opportunities for redevelopment within Phase I of the Housing Opportunity Overlay area. There are generally three large buildings fronting Jillson Street and three additional large structures fronting Harbor Street with one additional large manufacturing warehouse in the center of the area. These buildings are all single story, with surface parking areas and many are in need of rehabilitation. Several buildings are advertising vacancies and majority appear closed. Signs on the properties area faded or in some instances blacked out. Observation of the area revealed no pedestrian activity and limited auto access. Within the overlay area the parcels are currently disconnected from one another and there is an abandoned rail right-of-way running east-west dividing the area in half. This area is ripe for redevelopment and appropriate for residential uses, given its location and proximity to existing neighborhoods and supporting services.



6.4 - SUMMARY OF AVAILABLE SITES

Table 6-3 and **Table 6-4** illustrate the City's RHNA allocation for the 2014-2021 planning period, as well as unaddressed units from the 2008-2014 planning period. Generally, the City must make available sites to accommodate a total of 57 units, including 13 units for very low income, 17 units for low income (a total of 30 lower income units), 7 units for moderate income, and 19 units for above moderate income. This total includes 1 very low income and 10 low income units which were unaccommodated per AB 1233 and thus carried forward from the 2008-2014 planning period. **Table 6-7** provides a summary of the strategies the City has identified to facilitate the development of new residential units to accommodate their combined RHNA allocation of 57 units.

Table 6-7:
Accommodation of the 2014-2021 RHNA

	Very Low	Low	Moderate	Above Moderate	Total
2008-2014 RHNA	15	10	10	29	64
Credits (2006-present)	0	0	0	-29	-29
Units Accommodated on Vacant Sites	-14	0	-10	0	-24
Sub-Total	1	10	0	0	11
2014-2021 RHNA	12	7	7	19	46
Combined RHNA Total	13	17	7	19	57
Housing Opportunity Overlay	-74	-74	-74	-76	-298
TOTAL	0	0	0	0	(238)

Source: Compiled by ESA.

Notes:

(a) As the Housing Opportunity Overlay requires a minimum density of 20 dwelling units per acre the units accommodated in the Overlay area have been evenly distributed across all income categories.

(b) Parentheses indicate a surplus of units.

As shown in **Table 6-7**, the City is more than able to accommodate their remaining RHNA allocation of 57 units. The City has identified the Housing Opportunity Overlay area which requires a minimum density of 20 dwelling units per acre, in accordance with AB 2348, to accommodate its remaining RHNA allocation, including their very low- and low-income units. The Overlay area can accommodate a total of 298 units, assuming a conservative 75 percent capacity. The existing conditions of the area, as shown in the images above, indicate that there are numerous underutilized parcels with vacant structures, available to facilitate and encourage development. To accommodate their RHNA and any carry over units in compliance with AB 1233, the City has identified a surplus of opportunities for all income groups.

As discussed throughout this section, the City of Commerce has been successful in providing affordable housing within their current zoning designations, which currently allows development of up to 27 units per acre. The City anticipates that with assistance from affordable housing developers such as TELACU and Mayans Development additional affordable units will be constructed within the planning period. As mentioned previously, the City in the last 30 years has been successful in creating affordable units with deed restrictions through infill opportunities and on small lots. Several of these developments are



between 20 and 30 units total and in some instances the City or the developer purchased a single-family home and established a covenant to ensure that the home remained affordable.

Allowing for a variety of units in various areas of the City at different densities is crucial to ensuring that affordable units are not concentrated in one specific area. It is also necessary to ensure that units of varying sizes, product types and styles can be developed. Based on the City's history of providing affordable units and the sites identified in Section 5.3 the City has identified many opportunities for the production of affordable housing.

6.5 – CONSTRAINTS TO HOUSING PRODUCTION

6.5.1 – PARCEL SIZE

In addition to density, the acquisition of parcels large enough to accommodate an affordable housing complex can also be challenging in the City of Commerce. In reviewing a jurisdiction's Housing Resources section, the State typically looks for properties that are between 5 and 10 acres in size. As Commerce has few vacant parcels remaining, much of the development in the City is redevelopment. This has resulted in the development of small infill projects. **Table 6-8** provides development information regarding the existing multifamily rental complexes with affordable units that occurred on small groupings of parcels up to 2 acres in size.

Table 6-8:
Density and Lot Size Calculations for Existing Multi-Family Projects

Project Name	Total Site Acreage	Approximate Density	Zoning	Number of Units
Commerce Senior Apartments Total Units = 68 units	1.94 acres	35 du/ac	R-3	68
Rosewood Park Senior Apts. Total Units = 94 units	2.12 acres	44 du/ac	R-3	94
TELACU Manor Total Units = 76 units	1.43 acres	53 du/ac	R-3	75
TELACU Gardens Total Units = 24 units	0.50 acres	48 du/ac	R-3	23
Total Average	1.5 acres	45 du/ac	R-3	260

Source: City of Commerce, 2009.



6.5.2. ENVIRONMENTAL CONSTRAINTS

Potential environmental constraints to future development of sites are addressed in Section 5, Housing Constraints. Parcels identified in the site specific Inventory were compared with all hazards maps included in the City's Safety Element; none were found to be within areas that have development restrictions due to risk of damage from disasters (such as floods, wildfires, or seismic events). The sites inventoried have a land use designation which was determined based on surrounding land uses and has already examined potential environmental constraints. Aside from the constraints mentioned above, there are no additional constraints that would impede the development of new housing units in the future on the identified sites.

6.5.3 - INFRASTRUCTURE CONSTRAINTS

The City's five year Capital Improvement Plan has identified expenditures of City funds used for public improvement projects, including infrastructure. The City understands that improvements can be achieved with a comprehensive approach that includes reviewing infrastructure plans for each application for discretionary approval of General Plan amendments, tentative parcel or tentative tract maps, or development proposals that includes extension of an existing street or construction of a new street. The City requires that project applications for new development be reviewed for adequate infrastructure. Applications are evaluated on a case-by-case basis to ensure there is the capacity to service new developments. Infrastructure requirements and costs are also addressed in Section 5, Housing Constraints. As the overlay area is currently developed with light manufacturing uses, the provision of infrastructure is not seen as a constraint to development of residential uses.

6.6 – FINANCIAL RESOURCES

A variety of potential funding sources are available to finance housing activities in Commerce. Due to both the high cost of developing and preserving housing, and limitations on both the amount and uses of funds, layering of funding sources may be required for affordable housing programs and projects. **Table 6-9** lists the potential funding sources that are available for housing activities. They are divided into five categories: federal, State, county, local, and private resources.

In previous years, the primary source of funds for affordable housing activities in Commerce included HOME funds, CDBG funds as well as the Redevelopment Agency housing set-aside fund. However, on Dec. 29, 2011, the California Supreme Court ruled to uphold ABx1 26, which dissolved all redevelopment agencies (RDAs) in the State. A companion bill, ABx1 27, which would have allowed the RDAs to continue to exist, was also declared invalid by the court. The court's decision required that all RDAs within California be eliminated no later than February 1, 2012. The City of Commerce Redevelopment Agency was dissolved as of February 1, 2012 and the City was selected to be the Successor Agency responsible for all enforceable obligations owed.

Commerce previously relied on estimated redevelopment housing set-aside revenues ranging from \$850,000 to \$1.1 million annually to support the development of affordable housing and the



implementation of programs outlined in the Housing Plan. For the 2014-2021 planning cycle, the City is investigating new funding sources to utilize to continue administering its existing programs.

**Table 6-9:
Financial Resources Available for Housing Activities**

Program Name	Description	Eligible Activities
1. Federal Programs and Funding Sources		
Community Development Block Grant (CDBG)	The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs.	Acquisition Rehabilitation Homebuyer Assistance Economic Development Homeless Assistance Public Services
Home Investment Partnership (HOME)	Commerce can apply to receive HOME funds through the County of Los Angeles. HOME funds are used to assist low income (80% AMI) households.	New Construction Acquisition Rehabilitation Homebuyer Assistance Rental Assistance
Emergency Shelter Grant (ESG) Program	Funds emergency shelters, services and transitional housing for homeless individuals and families.	Homeless Assistance Public Services
Neighborhood Stabilization Program (NSP) Funds	Provides funds to purchase abandoned and foreclosed homes and residential property.	Acquisition Homebuyer Assistance
Choice Neighborhoods Grants	Funds to address distressed neighborhoods and public and assisted projects to transform them into viable and sustainable mixed-income neighborhoods by linking housing improvements with appropriate services, schools, public assets, transportation, and access to jobs. Planning grants and implementation grants are available.	New Construction Acquisition Rehabilitation Economic Development Public Services
Section 202 Housing for Seniors	HUD provides capital advances to finance the construction, rehabilitation or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies for the projects to help make them affordable.	Acquisition Rehabilitation New Construction



City of Commerce Housing Element

Program Name	Description	Eligible Activities
Section 811 Housing for Disabled Persons	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	Acquisition Rehabilitation New Construction Rental Assistance
Housing Opportunities for Persons with AIDS (HOPWA)	HOPWA is an entitlement grant distributed to the largest jurisdiction in each county. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs. These include, but are not limited to, the acquisition, rehabilitation, or new construction of housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. HOPWA funds also may be used for health care and mental health services, chemical dependency treatment, nutritional services, case management, assistance with daily living, and other supportive services.	Acquisition Rehabilitation Homebuyer Assistance Homeless Assistance Public Services Rental Assistance
Supportive Housing Program	Provides funding to develop supportive housing and services that will allow homeless persons to live as independently as possible. Grants under the Supportive Housing Program are awarded through a national competition held annually.	Homeless Assistance Public Services
Shelter Plus Care	Provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program.	

2. State Programs

Low-income Housing Tax Credit (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sale are typically used to create housing. Tax credits are available between 4% and 9%.	New Construction
--	---	------------------



Program Name	Description	Eligible Activities
Building Equity and Growth in Neighborhoods (BEGIN)	Grants to cities to provide down payment assistance (up to \$30,000) to low and moderate income first-time homebuyers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions. One funding round annually through 2009.	Homebuyer Assistance
CalHome	Grants to cities and non-profit developers to offer homebuyer assistance, including down payment assistance, rehabilitation, acquisition/rehabilitation, and homebuyer counseling. Loans to developers for property acquisition, site development, predevelopment and construction period expenses for homeownership projects. One funding round annually through 2011.	Predevelopment Site development Site acquisition Rehabilitation Acquisition/Rehab Down payment assistance Mortgage financing Homebuyer counseling
Transit-Oriented Development Housing Program	Under the program, low-interest loans are available as gap financing for rental housing developments that include affordable units, and as mortgage assistance for homeownership developments. In addition, grants are available to cities, counties, and transit agencies for infrastructure improvements necessary for the development of specified housing developments, or to facilitate connections between these developments and the transit station.	Homebuyer Assistance Predevelopment Site development Infrastructure
Infill Incentive Grant Program	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc) to facilitate infill housing development. One funding round annually.	Regulations pending
CalHFA FHA Loan Program	Provides fixed rate FHA mortgages in Federally Designated Targeted Areas.	Homebuyer Assistance
CalHFA Homebuyer's Down payment Assistance Program	CalHFA makes below market loans to first-time homebuyers of up to 3% of sales price. Program operates through participating lenders who originate loans for CalHFA. Funds available upon request to qualified borrowers.	Homebuyer Assistance



City of Commerce Housing Element

Program Name	Description	Eligible Activities
CalHFA Mental Health Services Act Funds	Jointly administered by the California Department of Mental Health and the California Housing Finance Agency on behalf of counties, the Program offers permanent financing and capitalized operating subsidies for the development of permanent supportive housing, including both rental and shared housing, to serve persons with serious mental illness and their families who are homeless or at risk of homelessness. MHSA Housing Program funds will be allocated for the development, acquisition, construction, and/or rehabilitation of permanent supportive housing.	New Construction Acquisition Rehabilitation Homeless Assistance Public Services Rental Assistance New
CalHFA New Issue Bond Program (NIBP)	Provides affordable housing bond funding to CalHFA and other housing finance agencies. This funding allows developers to secure a source of affordable financing in the marketplace which otherwise could not be obtained.	New Construction Acquisition Rehabilitation Preservation
Golden State Acquisition Fund (GSAF)	Affordable Housing Innovation Program (AHIP): provides loans for developers through a nonprofit fund manager to provide quick acquisition financing for the development or preservation of affordable housing.	New Construction Acquisition Rehabilitation Preservation
Emergency Housing and Assistance Program Operating Facility Grants (EHAP)	Provides operating facility grants for emergency shelters, transitional housing projects, and supportive services for homeless individuals and families.	Homeless Assistance Public Services
Emergency Housing and Assistance Program Capital Development (EHAPCD)	Funds capital development activities for emergency shelters, transitional housing, and safe havens that provide shelter and supportive services for homeless individuals and families.	Homeless Assistance Public Services



Program Name	Description	Eligible Activities
Emergency Solutions Grant (ESG) Program	Funds projects that serve homeless individuals and families with supportive services, emergency shelter/transitional housing, assisting persons at risk of becoming homeless with homelessness prevention assistance, and providing permanent housing to the homeless population. The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 places new emphasis on assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.	Homeless Assistance Public Services
Infill Infrastructure Grant Program (IIG)	Provides grants for infrastructure construction and rehabilitation to support higher-density affordable and mixed-income housing in infill locations.	Predevelopment Site development Infrastructure
Multifamily Housing Program:	Provides funding for new construction, rehabilitation, or acquisition and rehabilitation of permanent or transitional rental housing. Projects are not eligible if construction has commenced as of the application date, or if they are receiving 9% federal low income housing tax credits. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.	Acquisition Rental Assistance Public Services Site development Infrastructure Development Fees
Predevelopment Loan Program (PDLP)	Provides predevelopment capital to finance the start of low income housing projects.	Predevelopment

3. County Programs

Housing Choice Vouchers (formerly Section 8)	Rental assistance payments to owners of private market rate units on behalf of low-income (50% MFI) tenants.	Rental Assistance
---	--	-------------------



City of Commerce Housing Element

Program Name	Description	Eligible Activities
Home Ownership Program (HOP)	The County of Los Angeles provides a secondary mortgage loans to first time homebuyers. HOP has been designed to meet the needs of low-income families and individuals who want to purchase a new home, but are unable to qualify without financial assistance.	Homebuyer Assistance
Mortgage Credit Certificate (MCC)	Federal tax credit for low- and moderate-income homebuyers who have not owned a home in the past three years. Allocation for MCC is provided by the State and administered by the County.	Homebuyer Assistance Income Tax Credit
Affordable Homeownership Program (AHOP)	The Los Angeles Community Development Commission provides first-time homebuyer assistance to low-income families and individuals to purchase newly constructed homes that were partially financed with CDC development funding.	Homebuyer Assistance
Housing Economic Recovery Ownership (HERO)	The Los Angeles County HERO program meets the needs of low, moderate and middle-income households who want to purchase a foreclosed or abandoned single family home, but are unable to qualify without financial assistance. This program provides a 0% interest loan as a secondary mortgage for the purchase of that home, down payment assistance, and rehabilitation grant opportunities.	Rehabilitation Acquisition Homebuyer Assistance
Infill Sites Rental Program (ISRP)	The ISRP is designed to provide financial assistance for acquisition and rehabilitation of foreclosed residences for affordable rental housing to low-income persons. Developers must agree to operate the housing at affordable rents for a period of 55-years.	Rehabilitation Acquisition

4. Local Programs

Tax Exempt Housing Revenue Bond	The City can support low-income housing by holding the required TEFRA hearing prior enabling the issuance of housing mortgage revenue bonds. The bonds require the developer to lease a fixed %age of the units to low-income families at specified rental rates.	New Construction Rehabilitation Acquisition
--	---	---



Program Name	Description	Eligible Activities
5. Private Resources/Financing Programs		
Federal National Mortgage Association (Fannie Mae)	Fixed rate mortgages issued by private mortgage insurers; mortgages which fund the purchase and rehabilitation of a home; low down-payment mortgages for homes in underserved areas.	Homebuyer Assistance
National Housing Trust	The Green Affordable Housing Preservation Loan fund through the National Housing Trust Provides below market predevelopment and interim development loans to affordable housing developers who seek to incorporate green building techniques when rehabilitating existing affordable housing. Under the program, a portion of the loan will be forgiven when the developer demonstrates that they have incorporated practical, environmentally friendly design elements in the property's rehabilitation plan.	Predevelopment Development Loans
California Community Foundation	Provides support for general operating of existing nonprofit affordable housing developers, with the focus on supporting the development and preservation of permanent affordable housing.	New Construction Rehabilitation Acquisition
MacArthur Foundation:	Preserving Affordable Rental Housing Program is a \$150 million initiative that seeks to preserve and improve affordable rental housing.	Preservation Rehabilitation Acquisition
Local banks:	Thanks to the Community Reinvestment Act of 1977, commercial banks are required to "meet the credit needs" of all the areas from which they draw deposits. They usually do this through below-market loans to both developers and qualified low-income homebuyers, and grants to community development nonprofits. Many banks have set up a separate community development division, and partner with local organizations that provide services like homeownership counseling to their borrowers. Larger banks often have a separate foundation to handle the grants.	Homebuyer Assistance



6.6.1. POTENTIAL FUTURE FUNDING SOURCES

In addition to the funding sources listed in **Table 6-9**, affordable housing advocates are working with large foundations in hopes of creating a low-interest loan fund from endowments. Housing groups are also continuing attempts to broaden infrastructure financing authority. An infrastructure financing district (IFD) may be formed pursuant to California Government Code Section 53395 et seq. (the “IFD Law”). These districts have rights to the tax increment for financing public infrastructure. This authority exists at both the state and local level, but under current law requires a vote. Another hurdle is that current IFD law prohibits IFDs within any portion of a redevelopment project area that is or has been previously created; coupled with the fact that the legislative intent of the IFD law is that IFD areas are substantially undeveloped. However, many advocates remain hopeful that IFDs may provide an opportunity to fill the redevelopment gap. Current drafts of new legislation would allow cities to create infrastructure districts without voter approval and make IFDs more user-friendly. There is also proposed legislation that, in addition to allowing for IFD formation by resolution, would require set-asides for affordable housing where an IFD is formed in a transit village development district. Certain legislation also seeks to broaden the share of property tax increment that IFDs in specified locations may collect, and seeks to address the current deficiencies in the IFD Law.

6.6.2. ADMINISTRATIVE RESOURCES

Described below are several non-profit agencies that are currently active and have completed projects in Los Angeles County. These agencies serve as resources in meeting the housing needs of the City, and are integral in implementing activities for acquisition/rehabilitation, preservation of assisted housing, and development of affordable housing. The City currently has a program within their Housing Plan to partner with affordable housing developers, including the three mentioned below.

Habitat for Humanity

Habitat is a non-profit, Christian organization that builds and repairs homes for sale to very low-income families with the help of volunteers and homeowner/partner families. Habitat homes are sold to partner families at no profit with affordable, no interest loans. The local affiliate, Habitat for Humanity, has been active in the region, rehabilitating or building new homes for families annually.

Jamboree Housing Corporation (JHC)

JHC is a non-profit developer that has developed and implemented numerous affordable housing projects throughout Southern California and the State. Jamboree has also established an in-house social services division to assist residents in maintaining self-sufficiency. “Housing with a HEART” (Helping Educate, Activate and Respond Together) now operates at most Jamboree-owned properties.

Mercy Housing California

Mercy Housing has offices in Los Angeles, San Francisco, and Sacramento. Mercy Housing serves more than 10,000 people at about 100 properties. Residents range from families to people with special needs to seniors.



6.7 - ENERGY CONSERVATION

As cities construct more housing to meet growing population demands, the consumption rate of energy becomes a significant issue. The primary uses of energy in urban areas are for transportation, lighting, water, heating and space heating and cooling. The high cost of energy demands that efforts be taken to reduce or minimize the overall level of urban consumption. In recent months, as the cost of fuel, has become increasingly more expensive, homeowners have become more aware of energy-conserving measures. The most readily available energy conservation alternatives are easily installed in new homes. As in many cities, the older homes in Commerce were constructed with minimum concern for energy conservation. However, there are numerous energy- conserving measures that can be retrofitted into existing older units that conserve the use of non-renewable fuels and save money.

There are many opportunities for conserving energy in new and existing residential units. Construction of energy efficient buildings does not lower the price of housing. However, housing with energy conservation features should result in reduced monthly occupancy costs as consumption of fuel and energy is decreased. Similarly, retrofitting existing structures with energy conserving features can result in a reduction in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits; installation of insulation; installation or retrofitting of more efficient appliances, and mechanical or solar energy systems; and building design and orientation which incorporates energy conservation considerations. The City enforces all provisions of Title 24 of the California Administrative Code, which provides for energy conservation features in new residential construction.

Southern California Edison programs: Southern California Edison offers a variety of energy conservation services under the Low Income Energy Efficiency programs (LIEE), which help qualified homeowners and renters conserve energy and control electricity costs. Eligible customers can receive services from local community agencies and licensed contractors working with Edison. Services include weatherization, efficient lighting and cooling, refrigerator replacement, and energy education. In addition, Edison participates in the California Alternative Rates for Energy (CARE) program, which provides a 15% discount reduction on electric bills for low-income customers and the Family Electric Rate Assistance Program (FERA) that provides discounts for families with household incomes slightly exceeding the low-income energy program allowances.

Southern California Gas programs: The Southern California Gas Company offers two direct assistance programs to limited income customers: (1) a no-cost weatherization (attic insulation and water heater blankets) and (2) a no-cost furnace repair and replacement service. The Gas Company also participates in the State LIEE and CARE programs, helping low-income customers conserve energy and providing them with a discount on their gas bills.

6.6.1 - Techniques to Conserve

Many modern design methods used to reduce residential energy consumption are based on proven techniques that have been known to humans since the earliest days of collective settlement. These methods can be categorized in three ways:

1. Building design that keeps natural heat in during the winter and out in the summer. Designs aim to reduce air conditioning and heating demands. Proven building techniques in this category include:



City of Commerce Housing Element

- Orienting windows and openings of a building to follow the path of the sun, in order to minimize solar gain in the summer and maximize solar gain in the winter;
 - Utilizing “thermal mass,” earthen materials such as stone, brick, concrete, and tiles that absorb heat during the day and release heat at night;
 - “Burying” sections of the structure in a hillside or berm to insulate the home against extremes of temperature;
 - Application of window coverings, insulation, and other materials to reduce heat exchange between the interior and the exterior of the home;
 - Strategic placement of openings and the use of ventilating devices that take advantage of natural air flow (particularly cool evening breezes); and
 - Designing eaves and overhangs above windows to block direct summer solar gain during the summer, but allow for solar gain during the winter.
2. Building orientation that allows natural elements to maintain a comfortable interior temperature. Examples include:
- Orienting the long axis of a building in a north-south position;
 - Minimizing the southern and western exposure of exterior surfaces; and
 - Designing the structure to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions;
 - Positioning dwelling units to take advantage of natural air circulation and evening breezes.
3. Use of landscaping features to moderate interior temperatures. Such techniques include:
- Planting of deciduous shade trees and other plants to protect the home;
 - Design including natural or artificial flowing water; and
 - Strategic placement of trees and hedges to control air flow.

In addition to natural techniques that have been used historically, a number of modern energy conversion methods have been developed and advanced in more recent years. These include:

- Implementation of solar panels and other devices to generate electricity;
- Application of solar energy to heat water;
- Employment of window glazing to repel summer heat and trap winter warmth;
- Use of weather-stripping and other insulating devices to reduce heat gain and loss; and
- Acquire energy efficient home appliances.

7. PROGRESS REPORT



The Progress Report reviews the previous Housing Element’s programs, objectives, and actions that were to be implemented during the previous planning period. The City of Commerce 2008-2014 Housing Element identified five goals to be implemented during the previous planning period. Each goal has specific policies that were to be achieved in order to facilitate the construction of affordable housing and to maintain the existing affordable housing stock. Each policy has specific actions and quantified objectives that were to be implemented to accomplish the goal of the program. Each of the actions and objectives had a timeframe for completion along with a responsible agency to monitor the program.

Accomplishments that occurred during the 2008-2014 planning period are listed in the right-hand column of the table and display the progress, effectiveness, and appropriateness of the program. Pursuant to Government Code Section 65588 local governments shall review their Housing Element and evaluate the following:

1. The progress of the City or County in implementation of the housing element.
2. The effectiveness of the housing element in attainment of the community’s housing goals and objectives.
3. The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the State housing goal.

Table 7-1 below provides a brief description of the housing programs outlined in the previous Element, the program’s objective and the progress/appropriateness of the program. In providing the status of the program the table will indicate whether the program will be continued into the 2014-2021 planning period.



Table 7-1:
Effectiveness of Previous Housing Element Programs

Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.1 - Code Enforcement Program. The objective of the City's Code Enforcement Program is to bring substandard housing units into compliance with City codes. Potential code violations are identified based on exterior windshield surveys and complaints reported to the City.</p> <p>Objective: To promote the use of established City programs for rehabilitation and revitalization of housing units in the City. Corrections will be addressed on a case by case basis.</p>	<p>Progress and Effectiveness: The City currently conducts windshield surveys and addresses complaints on an ongoing basis. Throughout the planning period the City addressed more than 50 violations annually including: 329 violations in 2006, 235 violations in 2007, 259 in 2008, 132 in 2009, 146 in 2010, 257 in 2011, and 263 in 2012. This is an average of 230 violations addressed per year. When appropriate code enforcement officers referred residents to the Substantial Housing Rehabilitation Loan Program, Emergency Home Repair Grant Program, Neighborhood Fix Up Grant Program, and the Environmental Rehabilitation Program. The City has successfully implemented this program.</p> <p>Appropriateness: This program is crucial to preserving the City's existing housing stock and is connected to rehabilitation programs offered by the City. The City will continue to offer this program in the upcoming planning period.</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.2 – Substantial Housing Rehabilitation Loan Program. The n provides deferred loans of up to \$100,000 for the rehabilitation of single-family homes that are owner-occupied by low -income families.</p> <p>Objective: Assist 3 households during the planning period.</p>	<p>Progress and Effectiveness: On an annual basis the City administers loans between \$50,000 and \$100,000 to substantially rehabilitate units and in return property owners are required to put affordability covenants in place. During the planning period the City was able to achieve their objectives and assist 3 households with substantial rehabilitation loans. In FY 2008-2009 the City administered a loan of \$50,000, in FY 2010-2011 the City administered a loan of \$100,000, and in FY 2011-2012 the City administered another loan of \$100,000. The units assisted were rehabilitated and affordability covenants put in place to preserve the units as affordable to low income households for 45 years. Units that utilized \$100,000 loans will be counted as “substantial rehab” project units towards the City’s required housing allocation consistent with HCD requirements.</p> <p>Appropriateness: The Substantial Housing Rehabilitation Loan Program has historically been an important mechanism for the City to improve the existing housing stock and to increase the number of affordable units with deed restrictions. As this program was funded by the former Commerce Community Development Commission, the program moving forward will be administered based on funds available. This program will be included in the 2014-2021 Housing Element.</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.3 – Environmental Rehabilitation Program. The Environmental Rehabilitation Program will provide grant assistance up to \$30,000 to address the negative air quality and noise impacts created by the operation of the rail road yards and freeways within the City. This program targets those households with very low- or low-incomes.</p> <p>Objective: Provide \$600,000 in available RDA funding to assist 20 households over the planning period.</p>	<p>Progress and Effectiveness: The City established the Environmental Rehabilitation Program to provide grant assistance up to \$30,000 to address the negative air quality and noise impacts created by the operation of the rail road yards and freeways within the City, specifically homes within the Ayers Residential Neighborhood. For the 2008-2104 planning period, the City is very close to achieving their objectives. In FY 2007-2008 the City administered one loan of \$30,000 and in FY 2008-2009 the City administered 17 loans of \$30,000, providing a total of \$540,000 in RDA set-aside funds to 18 households between 2006 and 2012. With the dissolution of the Commerce Community Development Commission and the taking of the LMIHF in January 2012, funding for this program was suspended.</p> <p>Appropriateness: The Environmental Rehabilitation Program has historically been an important mechanism for the City to improve the existing housing stock and assist homeowners with emergency repairs that would otherwise be unaffordable. As this program was funded by the former Commerce Community Development Commission, the program moving forward will be administered based on funds available. For the upcoming planning period the City will research and apply for grant opportunities that address environmental justice to fund program activities. This program will be included in the 2014-2021 Housing Element.</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.4 - Neighborhood Fix Up Grant Program. The Neighborhood Fix Up Grant Program provides up to \$1000 for housing repairs and alterations that are visible from the street.</p> <p>Objective: Provide \$72,000 in available funding to assist 72 Households annually.</p>	<p>Progress and Effectiveness: The Neighborhood Fix Up Grant Program provides up to \$1,000 for housing repairs and alterations that are visible from the street. Over time the City has seen the demand for this program increase and in response has allocated additional funding for the program. During the planning period the City increased funding from \$16,500 in FY 05-06 to \$72,000 in FY 08-09. The City, unfortunately did not start monitoring the households assisted through the program until 2009 however from 2009 to 2011, the City assisted 311 households, or an average of 103 households annually. While this program has been highly successful, the dissolution of the Commerce Community Development Commission, as acting RDA, in January 2012, was resulted in a direct loss of funding for this program.</p> <p>Appropriateness: The Neighborhood Fix Up Grant Program has historically been an important tool used by the City to improve existing neighborhoods and the housing stock by providing funds for exterior improvements. As this program was funded by the former Commerce Community Development Commission, the program moving forward will be administered based on funds available. It is the City's hope that as the economy improves, having a comprehensive rehabilitation program in place will allow Staff to easily begin accepting applications when funding is available. The City will also modify to focus on applying for grants and other funds to continue their efforts. This program will be included in the 2014-2021 Housing Element</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.5 – Emergency Home Repair Grant Program. The Emergency Home Repair Grant Program will provide emergency assistance up to \$10,000 for the repair of roofs, sewers, and other emergency repairs. This program targets those households with very low- or low-incomes. These funds may only be used for emergency repairs and is not to be used for general remodeling.</p> <p>Objective: Provide \$24,000 in available funding to assist 5 households annually</p>	<p>Progress and Effectiveness: The Emergency Home Repair Grant Program provides emergency assistance up to \$10,000 for the repair of roofs, sewers, and other emergency repairs. From 2006-2012 the City expended \$74,226.02 Emergency Repair Grant Funds to assist 8 homes. Generally, the homes assisted completed repairs that were not fully funded through the Emergency Repair Funds. Emergency Home Repair Grants were only issued to address unexpected repairs that were discovered during the Home Preservation Grant Construction process or when the Home Preservation Grant amount was exceeded. With the dissolution of the Commerce Community Development Commission and the taking of the LMIHF in January 2012, funding for this program was suspended.</p> <p>Appropriateness: The Emergency Home Repair Grant Program has been an important tool for the City to quickly address immediate housing issues, including code enforcement violations. Due to funding limitations this program will be continued into the 2014-2021 planning period under Program 1.6 and will utilize CDBG funds to assist homeowners in the City.</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.6 – CDBG Home Preservation Grant Program. The CDBG Home Preservation Grant Program provides \$10,000 grants to eliminate substandard housing conditions and to promote property maintenance by providing residential rehabilitation grants to qualified low- and moderate-income residents living in single-family owner-occupied dwellings</p> <p>Objective: Provide \$140,000 in available funding to assist approximately 15 households annually.</p>	<p>Progress and Effectiveness: Through the CDBG Home Preservation Grant Program, households can apply for grants up to \$20,000 to repair of roofs, sewers, and other emergency repairs and generally eliminate substandard housing conditions and to promote property maintenance. The City of Commerce as a sub grantee of the Los Angeles Community Development Commission’s Federal Community Development Block Grant (CDBG) funds was awarded \$85,000 annually throughout the planning period to assist approximately 12 households per year. Between 2008 and 2012 the City administered 45 loans, 8 for \$20,000 and 37 for \$10,000. As the allocation of CDBG funds to jurisdictions has decreased due to the 2008 economic downturn, and the City has no control over their final allocation, they have continued to allocate the funds they are given to the fullest extent possible.</p> <p>Appropriateness: The CDBG Home Preservation Grant Program has historically been an important tool used by the City to improve existing neighborhoods and provide emergency assistance to homeowners. With the elimination of the LMIHF as a funding source, the City will likely need CDBG funds to continue providing rehabilitation services to homeowners. To simplify the rehabilitation programs offered by the City and to maximize the available CDBG funds, this program will be combined with Program 1.5. This program will be included in the 2014-2021 Housing Element.</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.7 – Senior Yard Maintenance Program. The Senior Yard Maintenance Program provides property maintenance (primarily landscaping services) for approximately 28 senior homeowners a year.</p> <p>Objective: Provide approximately \$29,000 in available funding to assist 28 households annually.</p>	<p>Progress and Effectiveness: To assist senior residents in the City of Commerce with the maintenance of their properties the City established the Senior Yard Maintenance Program. The program provides landscaping services to elderly home owners that are not otherwise physically or financially able to maintain their properties. This program has played a significant role in improving the overall quality of neighborhoods in the City. When the program started more than 5 years ago there were approximately 100 households involved. Over time the City has had a reduced interest from residents and in recent years has not accepted new applicants into the program. In 2010 the number of households active in the program had been reduced to approximately 29. With the dissolution of the Commerce Community Development Commission and the taking of the LMIHF in January 2012, there is no permanent funding source for this program.</p> <p>Appropriateness: As there is no identified funding source and the City has been in the process of tapering off the program and reducing the number of residents involved over the years, this program will not be included in the 2014-2021 Housing Element. Elderly residents can still apply for loans and grants through the City's CDBG Home Preservation Grant Program as well as County programs.</p>
<p>Program 1.8 - Monitor and Preserve Affordable Housing. The City will inventory and gather information to establish an early warning system for publicly assisted housing projects that have the potential to convert to market rate</p> <p>Objective: Maintain the City's existing affordable rental units by monitoring their affordability and contacting property owners to discuss options for long term affordability.</p>	<p>Progress and Effectiveness: Commerce currently has a number of deed restricted units; however the majority of units are ownership units. The City currently has one multi-family rental property with 94 units that will not expire until 1234. The City maintains compliance with AB 987 and publishes a table annually with information on affordable units that exist in the City.</p> <p>Appropriateness: The City maintains a number of affordable units through existing deed restrictions. No rental units are at-risk of conversion to market rate during the 2014-2021 planning period. An inventory of affordable units will be kept up-to-date by Staff to monitor affordable units throughout the planning period and update the list with new deed restricted properties that are developed during the planning period. This program will be included in the 2014-2021 Housing Element.</p>



Goal 1: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Description of Previous Housing Element Program	Status
<p>Program 1.9 – Energy Efficient Design. The City will review ordinances and recommend changes where necessary to encourage energy efficient housing design and practices that are consistent with state regulations.</p> <p>Objective: Encourage energy conservation and green building techniques and refer residents to available County programs.</p>	<p>Progress and Effectiveness: The City currently provides information on energy efficiency programs on their website and at City Hall. When appropriate, City Staff and code enforcement officers, direct residents to apply for applicable programs. Additionally, the City encourages all new development to be energy efficient and to take into consideration LEED standards.</p> <p>Appropriateness: The City recognizes the importance of encouraging energy efficient design, particularly in the design of new residential units for lower income households. The City will continue to encourage maximum utilization of Federal, State, and local government programs that assist homeowners in providing energy conservation measures. Staff will provide information on available programs and funding opportunities to residents on City website and at City Hall. This program will be included in the 2014-2021 Housing Element.</p>



Goal 2: Provide a variety of housing types to accommodate all economic segments of the community.

Description of Previous Housing Element Program	Status
<p>Program 2.1 – First Time Homebuyer Program. Provide down payment assistance to low and moderate income households in conjunction with the Substantial Housing Rehabilitation Loan and/or the Acquisition and Rehabilitation Program.</p> <p>Objective: Provide \$300,000 in available funding to assist 3 households annually.</p>	<p>Progress and Effectiveness: This program operates in conjunction with the Substantial Housing Rehabilitation Loan and/or the Acquisition and Rehabilitation Program. In FY 2009-2010 the City reestablished the First Time Home Buyer Program and assisted four households with \$150,000 to assist with the down payment in FY 2010-2011. In exchange for City assistance, an affordability covenant was put in place on each unit to preserve the units as affordable to low income households for 45 years. The City was able to achieve its objectives.</p> <p>Appropriateness: The First Time Homebuyer Program has historically been an important mechanism for the City to increase the number of affordable units with deed restrictions. As this program was funded by the former Commerce Community Development Commission, the program moving forward will be administered based on funds available. This program will be included in the 2014-2021 Housing Element.</p>
<p>Program 2.2 –Acquisition and Rehabilitation of Single-Family Units. In conjunction with the Housing Rehabilitation Loan Program and the First Time Homebuyer Program Staff will identify homes in need of substantial repairs, complete those repairs and sell the home to a lower income family.</p> <p>Objective: Acquire and rehabilitate existing single-family units in the City to ensure that the quality and affordability of those units is maintained.</p>	<p>Progress and Effectiveness: Throughout the planning period, the City monitors and inventories units that are in need of substantial rehabilitation and are ideal for acquisition. During the planning period, the City was able to purchase two homes, one on Jardin Street and a second on Astor Avenue. With the home on Jardin the City was able to substantially rehabilitate the unit; however the elimination of the Commerce Community Development Commission the City was unable to sell the property as part of the First Time Home Buyer Program prior to the February 1, 2012 deadline. Similarly with the property on Astor the condition of the home required that the unit be demolished and the City had developed conceptual plans for the development of a new unit that once constructed would be deed restricted for a lower income household. The City is in the process of preparing a Long Range Property Management Plan in compliance with AB 1484 that will identify all City owned assets and hopefully Staff will know the future of these two properties in the near future. Currently all activity under this program has been suspended with the loss of redevelopment as a funding source, until a new more permanent source is identified.</p> <p>Appropriateness: Due to increased home prices and a loss of redevelopment as a primary funding source, this program will not be continued into the next planning period. The City has had great success with the Substantial Housing Rehabilitation Loan and the First Time Homebuyer Program and will continue to focus their efforts on those two programs. This program will not be included in the 2014-2021 Housing Element.</p>



Goal 2: Provide a variety of housing types to accommodate all economic segments of the community.

Description of Previous Housing Element Program	Status
<p>Program 2.3 – Infill Housing Program. The Infill Housing Program will provide for the development of infill housing units within Commission-owned properties.</p> <p>Objective: Negotiate with Mayans the development of Sites 1 and 4 during the planning period and solicit proposals for the development of Commission owned sites.</p>	<p>Progress and Effectiveness: The Infill Housing Program was established to provide for the development of infill housing units within Commission-owned properties, including Sites 1 and 4 in the sites inventory and two sites along Atlantic Boulevard. Due to changing market conditions, the City was unable to move forward with development on Sites 1 and 4, as previously anticipated would occur in partnership with Mayans Development. Furthermore, the elimination of the Commerce Community Development Commission and the taking of the LMIHF in January 2012, have left the City’s land assets frozen with no future plans for resolution. The City is in the process of preparing a Long Range Property Management Plan in compliance with AB 1484 that will identify all City owned assets and hopefully the City will know the future of these two properties in the near future. Currently all activity under this program has been suspended with the loss of redevelopment as a funding source.</p> <p>Appropriateness: With the elimination of the Commerce Community Development Commission this program is no longer appropriate to include in the 2014-2021 Housing Element. The City will continue to identify sites to accommodate their RHNA allocation and will work with affordable housing developers when appropriate to facilitate the development of new housing units on city owned land.</p>



Goal 2: Provide a variety of housing types to accommodate all economic segments of the community.

Description of Previous Housing Element Program	Status
<p>Program 2.4 - (Senior and Handicapped) Rent Subsidy Program. To augment limited Federal resources for rental assistance, the City utilizes redevelopment set-aside monies to provide rent vouchers to seniors and handicapped residents</p> <p>Objective: Provide \$100,000 in redevelopment set aside funds to assist 40 households annually.</p>	<p>Progress and Effectiveness: To augment limited Federal resources for rental assistance, the City utilizes redevelopment set-aside monies to provide rent vouchers to seniors and handicapped residents.). Applicants are expected to pay a minimum of 25% of their income towards rent and the City will provide up to \$200 in supplemental payments to the landlord. Landlords must maintain rents at or below Section 8 rental limits for Los Angeles County limits. The City only started monitoring participation in the program in 2009. From 2009 to 2012 the City expended \$366,008. In April 2012, the City had approximately 37 seniors enrolled in the program and actively receiving assistance. Since April 2012, the City has not accepted new applications and in some incidences has had to reduce assistance due to the loss of redevelopment funds.</p> <p>Appropriateness: The City recognizes the importance of assisting special needs households by providing additional funding to off-set the cost of rising rents. In the wake of the Commerce Community Development Commission being eliminated the City has shifted responsibility for the program to the Community Services Division who utilizes the General Fund to continue the program. Due to funding limitations the City will continue the program with the existing participants, but will not expand the program. This program will be modified and included in the 2014-2021 Housing Element.</p>



Goal 2: Provide a variety of housing types to accommodate all economic segments of the community.

Description of Previous Housing Element Program	Status
<p>Program 2.5 – Los Angeles County Partnership. As a means of further leveraging housing assistance, the City will cooperate with the Los Angeles County Community Development Commission (CDC) and Los Angeles County Housing Authority to promote resident awareness and application for County run housing assistance programs.</p> <p>Objective: Increase resident awareness about housing programs offered by the County (because the City has no control over the administration of funding for these programs.</p>	<p>Progress and Effectiveness: The City currently offers information on their website and on City Hall on housing programs offered by the City, the County of Los Angeles Housing Authority, and other local housing service providers.</p> <p>Appropriateness: The County offers a variety of housing assistance programs that can supplement the City’s current housing programs. Consequently, the City will continue to provide information on programs offered by the County on the City website, at City Hall, and in other public places. This program will be included in the 2014-2021 Housing Element.</p>



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Description of Previous Housing Element Program	Status
<p>Program 3.1 – Housing Opportunity Overlay. Program The City recently adopted a new Housing Opportunity Overlay in the City of Commerce General Plan to facilitate the transition of existing non-residential uses to new residential development.</p> <p>Objective: Complete the Zoning Code update creating standards for the overlay area.</p>	<p>Progress and Effectiveness: The Housing Opportunity Overlay designation includes a cluster of industrial properties within the Rosewood Planning Area totaling 24.5-acres. Within the Rosewood Planning Area the overlay encourages manufacturing uses to redevelop into residential development. Due to funding reductions and staff cutbacks the City was unable to complete the Zoning Code amendments to establish development standards for the overlay, in the timeframe specified in the Housing Plan. In November 2013, the City Council adopted an ordinance to establish development standards and design guidelines concurrent with Housing Element adoption. Furthermore the City has expanded the number of Housing Opportunity Overlay sites included in the Housing Resources section to encourage the transition of the area to residential uses.</p> <p>Appropriateness: As the City will complete the required Zoning Code update to create specific standards for the Housing Opportunity Overlay prior to the end of the planning period, this program will be modified to focus on developing partnerships with land owners and monitoring the sites within the overlay area. This program will be included in the 2014-2021 Housing Element.</p>



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Description of Previous Housing Element Program	Status
<p>Program 3.2 - Atlantic Blvd. Housing Program. In the 2020 General Plan a Mixed-Use designation along the Atlantic Boulevard corridor to encourage residential and commercial development.</p> <p>Objective: Complete the development standards for the Mixed Use Overlay in the Zoning Code</p>	<p>Progress and Effectiveness: As part of the 2000 General Plan, the City established a Mixed-Use designation along the Atlantic Boulevard corridor between the Mixmaster (on the north) and Washington Boulevard. Within the General Plan general standards were created to regulate density and intensity; however within the 2008-2014 Housing Element the City committed to updating the Zoning Code to establish specific development standards and design guidelines for the area. Due to funding reductions and staff cutbacks the City was unable to complete the Zoning Code amendments to establish development standards for the Mixed-Use designation, in the timeframe specified in the Housing Plan. The City has drafted an ordinance to establish development standards and design guidelines and will take the proposed ordinance to City Council for approval in conjunction with Housing Element adoption.</p> <p>Appropriateness: As the City will complete the required Zoning Code update to create specific standards to ensure consistency with the Atlantic Boulevard Mixed-Use designation prior to the end of the planning period, this program will be modified to focus on developing partnerships with land owners and monitoring the sites within the corridor. This program will be included in the 2014-2021 Housing Element.</p>



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Description of Previous Housing Element Program	Status
<p>Program 3.3 - Atlantic Blvd. Lot Consolidation Program. To encourage the development of residential and mixed-use projects, the City will offer development incentives.</p> <p>Objective: During the planning period the City will contact property owners in order to purchase a property adjacent to Site Three to accommodate an affordable housing development along Atlantic Blvd.</p>	<p>Progress and Effectiveness: To allow for larger more comprehensive development projects, the City will offer development incentives and land swaps to affordable housing developers to encourage lot consolidation. For the 2008-2014 planning period, this program was specifically intended to promote development on Site 3 of the 2008-2014 Sites Inventory, by acquiring land in the immediate vicinity to develop a larger project. With the economic downturn of 2008, the City saw a decline in development generally throughout the City which in turn affected applications for affordable housing and lot consolidation. In line with the economic climate, no developers or land owners approached Staff regarding lot consolidation during the planning period. The City has historically offered development incentives for projects that include affordable units and will continue to offer these incentives for projects requiring lot consolidation actions. On a case-by-case basis the City does review projects and provides project assistance to developments that include affordable units, when funding is available.</p> <p>Appropriateness: The City recognizes the importance of offering incentives to encourage lot consolidation and will continue to provide incentives when feasible. The City will continue to provide information on this program to developers with applicable projects. While funding is limited, the City recognizes the importance of maintaining this program, which will allow Staff to easily administer funds as they become available. This program will be included in the 2014-2021 Housing Element.</p>
<p>Program 3.4 - Density Bonus Program. Facilitate the development of additional affordable units through a density bonus ordinance that is compliant with State law.</p> <p>Objective: The Density Bonus will be emphasized in future development within the Housing Opportunity Overlay Areas to increase the number of affordable units throughout the City in new housing developments.</p>	<p>Progress and Effectiveness: Section 19.07.150-170 of the Code of Ordinances provides for density bonuses pursuant to the provisions of State law. In late 2012, the City completed a review of the density bonus provisions and in November 2013 the City Council adopted an updated ordinance concurrent with Housing Element adoption. The updates completed ensure that the City is in compliance with State law. City staff has made the Code provisions readily available to those developers seeking a density bonus and actively supports these bonuses when they are in compliance with the State law and the Development Code.</p> <p>Appropriateness: The City recognizes the importance of offering incentives like the density bonus incentive and will continue to provide this incentive in the future. The City will continue to provide information on this program to developers with applicable projects. This program will be included in the 2014-2021 Housing Element</p>



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Description of Previous Housing Element Program	Status
<p>Program 3.5 – Incentives for Large Multi-Family Units. Review the Zoning Ordinance to determine what incentives and/or regulations can be implemented as a means to promote the development of rental housing with three or more bedrooms.</p> <p>Objective: To increase the number of affordable multi-bedroom units to accommodate larger low-income families</p>	<p>Progress and Effectiveness: As the average household size has held steady over the last decade, the City has prioritized funding and incentives for developers that include large units in their projects. With the economic downturn of 2008, development activity in the City has decreased significantly and the majority of applications submitted have been for single family homes. To increase the number of affordable units in the City, the Commerce Community Development Commission has been instrumental in purchasing and/or rehabilitating larger homes with three and four bedrooms that are then deed restricted for 45 years.</p> <p>Appropriateness: Large renter households continue to be a prominent special needs group in the City, as identified in Chapter 4, Community Profile. The City will continue to provide incentives, when feasible, to encourage developers to provide units with three or more bedrooms. Specifically the City will develop language for the Housing Opportunity Overlay area to encourage the development of larger units. While funding is limited, the City recognizes the importance of maintaining this program, which will allow them to easily administer funds as they become available. This program will be included in the 2014-2021 Housing Element.</p>



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Description of Previous Housing Element Program	Status
<p>Program 3.6 – Residential Development Standards. City staff will review the development standards for the R-1, R-2, and R-3 zones to identify standards that may constrain the development of affordable housing and housing for disabled individuals.</p> <p>Objective: Review development standards to identify constraints and remove or offset constraints where possible.</p>	<p>Progress and Effectiveness: On a regular basis the City reviews their development standards and also in instances where developers express concern regarding the feasibility of constructing new housing in the City. During the planning period, Staff did not receive an application for affordable housing development or housing for people with disabilities, due to the economic downturn that occurred in 2008. In general development activity decreased significantly over the planning period with the change in economic climate, with only 19 units built from 2006 to 2013. Staff has maintained their commitment to address development constraints on a project by project basis and to identify ways that standards could be modified if it is determined that such requirements were impeding the development of affordable housing or housing for disabled residents. The City also provides fast track processing for applications related to the creation of affordable housing and offers fee modifications, when funds are available, for projects including affordable units that are required to apply for variations to the existing development standards.</p> <p>Appropriateness: The City recognizes the importance of reviewing their development standards on a regular basis and seeking input from developers to identify potential constraints to the development affordable housing. The City will continue to review their standards and address any standards that may be identified in the 2014-2021 Housing Element. This program will be included in the 2014-2021 Housing Element.</p>
<p>Program 3.7 – Second Unit Ordinance. Provide opportunities for affordable housing through second unit development.</p> <p>Objective: Update the City’s second unit ordinance to be compliant with State law. Encourage the construction of 5 units over the planning period.</p>	<p>Progress and Effectiveness: Section 19.07.090 of the Code of Ordinances provides standards addressing second units in the R-1 zone. Concurrent with Housing Element adoption, the City Council approved a revised version of the City’s second unit. The update to the City’s existing ordinance ensures that the City is compliance with State law removing the conditional use permit requirement. During the 2008-2014 planning period, the City continued to provide for second units in R-1 zones with an appropriate lot area. However, since 2006, no applications for second unit developments were received by City Staff.</p> <p>Appropriateness: The City recognizes second units as an affordable housing option and will continue to allow for second units to be constructed. This program will be included in the 2014-2021 Housing Element.</p>



Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

Description of Previous Housing Element Program	Status
<p>Program 3.8– Off Site Improvements. Provide opportunities for public, private and non-profit groups to develop affordable housing by constructing off-site improvements and physical infrastructure as Capital Improvement Projects.</p> <p>Objective: Facilitate easier development of affordable housing by allowing improvements to be negotiated.</p>	<p>Progress and Effectiveness: During the planning period, Staff did not receive an application for affordable housing development or housing for people with disabilities, due to the economic downturn that occurred in 2008. In general development activity decreased significantly over the planning period with the change in economic climate, with only 19 single family units built from 2006 to 2013. Staff has maintained their commitment to encourage housing development by constructing off-site improvements and physical infrastructure prioritizing incentives for extremely low income and special needs groups. While no applications for multifamily affordable housing development were received, the elimination of the Commerce Community Development Commission and the LMIHF has resulted in the loss of a permanent funding source for this program.</p> <p>Appropriateness: The City recognizes the importance of offering infrastructure assistance and will continue to provide incentives when feasible. The City will continue to provide information on this program to developers with applicable projects. While funding is limited, the City recognizes the importance of maintaining this program, which will allow Staff to easily administer funds as they become available. This program will be included in the 2014-2021 Housing Element.</p>
<p>Program 3.9 – Water and Sewer Service Providers. Ensure compliance with Government Code Section 65589.7.</p> <p>Objective: Ensure that water and sewer providers are aware of the City’s intentions for residential development throughout the City.</p>	<p>Progress and Effectiveness: Following the certification and adoption of the 2008-2014 Housing Element the City submitted the final draft to the appropriate water and sewer service providers.</p> <p>Appropriateness: As required by State law, the City will submit the final 2014-2021 Housing Element to local water and sewer providers for their review and input. This program will be included in the 2014-2021 Housing Element.</p>



Goal 4: Promote equal housing opportunity for all residents.

Description of Previous Housing Element Program	Status
<p>Program 4.1 – Reasonable Accommodation Program for Disabled. Ensure that sufficient provisions are in place by the City to facilitate a resident’s request for “reasonable accommodation.”</p> <p>Objective: Develop procedures for reasonable accommodation in accordance with fair housing and disability laws.</p>	<p>Progress and Effectiveness: Concurrent with Housing Element adoption in November 2013, the City Council adopted an ordinance to establish reasonable accommodation procedures to address existing constraints to the provision of accommodations for persons with disabilities. The City is committed to assisting residents in need of reasonable accommodation and will continue to direct eligible residents to apply for applicable funds through various housing programs offered by the City, including: the CDBG Home Preservation Grant Program, the Neighborhood Fix Up Grant Program and the Environmental Rehabilitation Program. These programs allow residents to make modifications to their homes such as ramps, wider doorways, handrails etc. At least one accessibility case was completed in 2009 in which an elderly resident was able to install a hand railing at their home. The City will continue to use CDBG funds to assist residents as funds allow.</p> <p>Appropriateness: The City will effectively implement this program within the 2008-2014 planning period. Due to staffing restrictions, the timeframe was pushed back from the goal date; however, the program will be in place and advertised by the end of the planning period. For the 2014-2021 planning period the City will promote the adopted reasonable accommodation procedures on the City website and at City Hall.</p>
<p>Program 4.2 – Fair Housing Program. The City will continue to contract with the Housing Rights Center to provide residents with fair housing services using Community Development Block Grant (CDBG) funds.</p> <p>Objective: Comply with all State and federal fair housing requirements when implementing housing programs or delivering housing-related services.</p>	<p>Progress and Effectiveness: The Fair Housing Program is an ongoing program developed to ensure that fair housing practices are being implemented for renters. As part of the program the City maintains a referral for the Fair Housing Foundation. The Fair Housing Foundation (FHF) is a non-profit corporation formed in 1964 to promote the enforcement of fair housing laws and to encourage an atmosphere of open housing. The City currently advertises the program on the City’s website and offers information on the program at City Hall.</p> <p>Appropriateness: The City will continue to be involved with the Fair Housing Council to eliminate housing discrimination and distribute information to the public about how they can report housing discrimination. This program will be included in the 2014-2021 Housing Element.</p>



Goal 5: Identify Adequate Sites to Achieve Housing Variety.

Description of Previous Housing Element Program	Status
<p>Program 5.1 – Ensure Adequate Sites to Accommodate Regional Fair Share of Housing Growth. Identify appropriate sites to accommodate the City’s RHNA allocation.</p> <p>Objective: Provide appropriate land use designations and maintain an inventory of suitable sites for residential development</p>	<p>Progress and Effectiveness: During the previous planning period the City has maintained an inventory of sites appropriate to accommodate their RHNA allocation. The City also offers fast track processing, fee modifications, density bonus incentives, reductions in development and parking standards, and funding for off-site improvements and any required environmental clean up to further encourage the development of affordable units on identified sites. In general development activity decreased significantly during the planning period with the change in economic climate, with only 19 single family units built from 2006 to 2013.</p> <p>Appropriateness: The City maintains an inventory of available and potential residential development sites and will continue to do so for the upcoming planning period as part of Programs 3.1 and 3.2. The City utilizes this inventory to help direct interested developers to potential sites for housing. The City will continue to update the inventory throughout the 2014-2021 planning cycle, and will continue to offer development incentives whenever feasible. This program will not be included in the 2014-2021 Housing Element but the actions will be continued in conjunction with Programs 3.1 and 3.2.</p>
<p>Program 5.2 – Extremely Low-Income and Special Needs Housing. Ensure compliance with Senate Bill 2.</p> <p>Objective: Amend the Zoning Code to facilitate housing opportunities for extremely low-income persons by establishing definitions, performance standards, and siting regulations for single-room occupancy developments (SRO).</p>	<p>Effectiveness: Due to funding reductions and staff cutbacks the City was unable to complete the Zoning Code amendments in the time specified in the Housing Plan. In November 2013, concurrent with Housing Element adoption the City Council approved an amendment to the Zoning Code to allow emergency shelters in the Manufacturing (M-1) Zone by right without any other discretionary permit required. The approved Zoning Code amendments also modified the Code to allow transition and supportive housing as a residential use, subject only to the requirements of other residential uses allowed within that zone. The City was able to implement this program within the planning period timeframe.</p> <p>Appropriateness: As the City will complete the required rezoning to ensure that emergency and transitional housing opportunities are permitted, this program will be included in the 2014-2021 Housing Element as a program to monitor available sites.</p>



Goal 5: Identify Adequate Sites to Achieve Housing Variety.

Description of Previous Housing Element Program	Status
<p>Program 5.3 – Alternative Housing Models. Encourage through development incentives the provision of more innovative housing types that may be suitable for the community, including community care facilities, supportive housing, and assisted living for seniors.</p> <p>Objective: Facilitate the development of alternative housing models suited to the community housing needs through the provision of flexible zoning regulations</p>	<p>Progress and Effectiveness: To address the needs of the community and accommodate aging residents the City offers development incentives to encourage the provision of more innovative housing types that may be suitable for the community, including community care facilities, supportive housing, and assisted living for seniors. Assisted living facilities are designed for elderly individuals needing assistance with activities of daily living but desiring to live as independently as possible for as long as possible. Such facilities bridge the gap between independent living and nursing homes, and offer residents help with daily activities such as eating bathing, dressing, laundry, housekeeping, and assistance with medications. Assisted living can help to meet the housing and supportive services needs of Commerce’s relatively large and growing senior population. During the planning period the City continued to provide appropriate standards to encourage development of senior housing to meet the needs of the City’s growing senior population. Unfortunately, no applications for age-restricted housing were received; however this is likely reflective of the economic conditions effecting development in the City.</p> <p>Appropriateness: This program will be modified in the 2014-2021 Housing Element to focus on informing local and regional developers of the program and promoting its application.</p>

APPENDIX A.

COMMUNITY OUTREACH



This appendix contains the following materials to illustrate the City's effort to conduct quality community outreach efforts with regard to the Housing Element update process:

- Meeting flyer
- Stakeholder Letter
- Public Notice for the Housing Element meetings
- List of stakeholders contacted
- Photos of the stakeholder flyer posted at various locations around City Hall



City of Commerce Housing Element

City of Commerce Housing Element

The City of Commerce is in the process of updating the State-required Housing Element.



Please join us at the upcoming community workshops:

Planning Commission
Wednesday, April 24, 2013
6:30 pm

City Council
Tuesday, May 7, 2013
6:30 pm



The workshops will be held during regularly scheduled meetings at:

Council Chamber of Commerce City Hall
2535 Commerce Way
Commerce, CA 90040

Both workshops will discuss the following:

- Purpose and intent of the Housing Element
- Why and how often the Housing Element is updated
- The contents of the Housing Element
- The process for adoption
- Benefits of Housing Element certification

If you have any questions or would like additional information, please contact Matt Marquez at (323) 722-4805, ext. 2349, or visit the Community Development Department located in Commerce City Hall.



CITY OF COMMERCE COMMUNITY DEVELOPMENT DEPARTMENT

April 10, 2013

Subject: Community Workshops for the City of Commerce 2014-2021 Housing Element Update

To Whom It May Concern:

The City of Commerce cordially invites you to two upcoming community workshops to discuss the 2014-2021 Housing Element update. These community events are intended to provide information to the City Council, Planning Commission and the community about the General Plan Housing Element update, and to answer any questions regarding the update process. In addition, we would like to gather input from residents, City leaders, and interested stakeholders on housing issues and concerns that should be addressed in the Housing Element update. The workshops will be held during regularly scheduled Planning Commission and City Council meetings:

Planning Commission

Wednesday April 24, 2013
6:30 p.m.
Council Chamber of City Hall
2535 Commerce Way
Commerce, CA 90040

City Council

Tuesday, May 7, 2013
6:30 p.m.
Council Chamber of City Hall
2535 Commerce Way
Commerce, CA 90040

The Housing Element is one component of the City's General Plan, the City's long-range plan for land use in the community. The Housing Element identifies housing specific needs in Commerce and describes the approaches the City will take to facilitate meeting those needs.

If you have questions or would like additional information, please contact Matt Marquez by telephone at (323) 722-4805 ext. 2349, or visit the Community Development Department website at <http://www.ci.commerce.ca.us/>.

If you cannot attend the meeting in person and would like to comment, please forward written comments to Matt Marquez in the Community Development Department, located at Commerce City Hall, 2535 Commerce Way Commerce, CA 90040.

Enclosed with this letter are flyers that provide information about the community workshop. Please distribute and post these flyers at your earliest convenience. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Alex Hamilton".

Alex Hamilton
Assistant Community Development Director



CITY OF COMMERCE

COMMUNITY DEVELOPMENT DEPARTMENT

PUBLIC NOTICE 2014-2021 HOUSING ELEMENT UPDATE COMMUNITY WORKSHOPS

The City of Commerce cordially invites you to two upcoming community workshops to discuss the 2014-2021 Housing Element update. These community events are intended to provide information to the City Council, Planning Commission and the community about the General Plan Housing Element update, and to answer any questions regarding the update process. In addition, City staff would like to gather input from residents, City leaders, and interested stakeholders on housing issues and concerns that should be addressed in the Housing Element update. The workshops will be held during the regularly scheduled Planning Commission and City Council meetings as follows:

Planning Commission
Wednesday April 24, 2013
6:30 p.m.
Council Chamber of City Hall
2535 Commerce Way
Commerce, CA 90040

City Council
Tuesday, May 7, 2013
6:30 p.m.
Council Chamber of City Hall
2535 Commerce Way
Commerce, CA 90040

The Housing Element is one component of the City's General Plan, the City's long-range plan for land use in the community. The Housing Element identifies housing specific needs in Commerce and describes the approaches the City will take to facilitate meeting those needs.

If you have questions or would like additional information, please contact Matt Marquez, City Planner, by telephone at (323) 722-4805 ext. 2349, or visit the Community Development Department website at <http://www.ci.commerce.ca.us/>.

If you cannot attend the meeting in person and would like to comment, please forward written comments to Matt Marquez in the Community Development Department, located at Commerce City Hall, 2535 Commerce Way Commerce, CA 90040.

(Publish Commerce Comet: April 11, 2013)

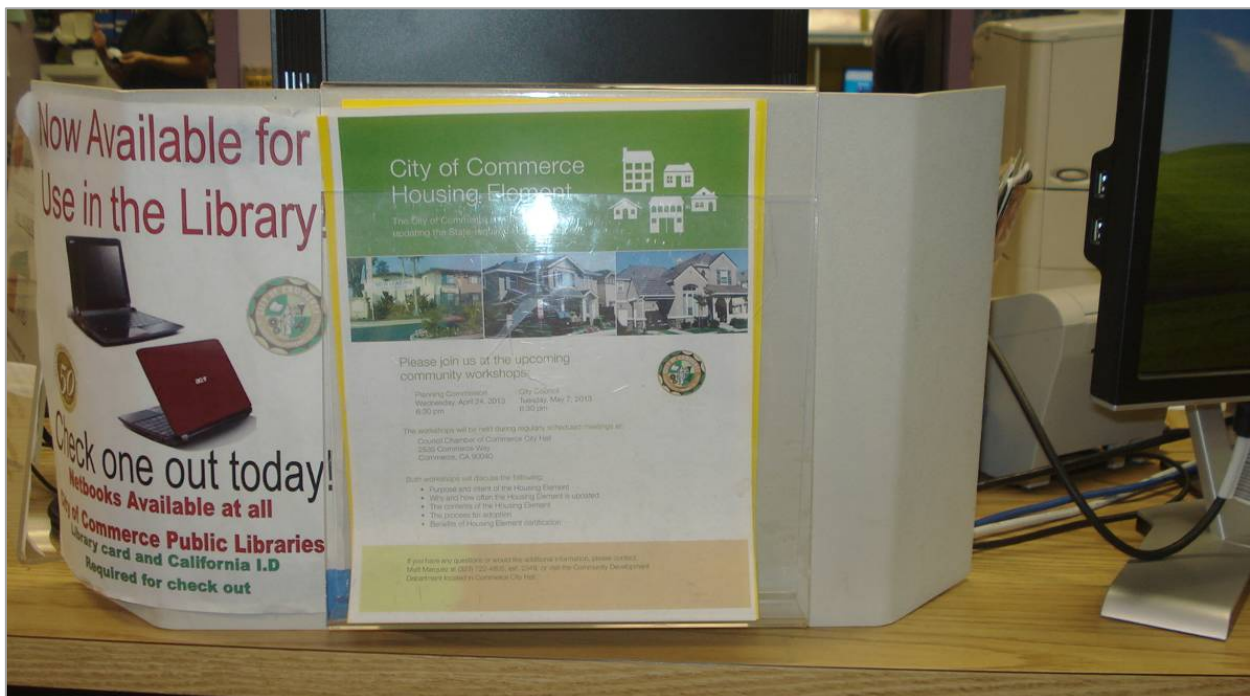
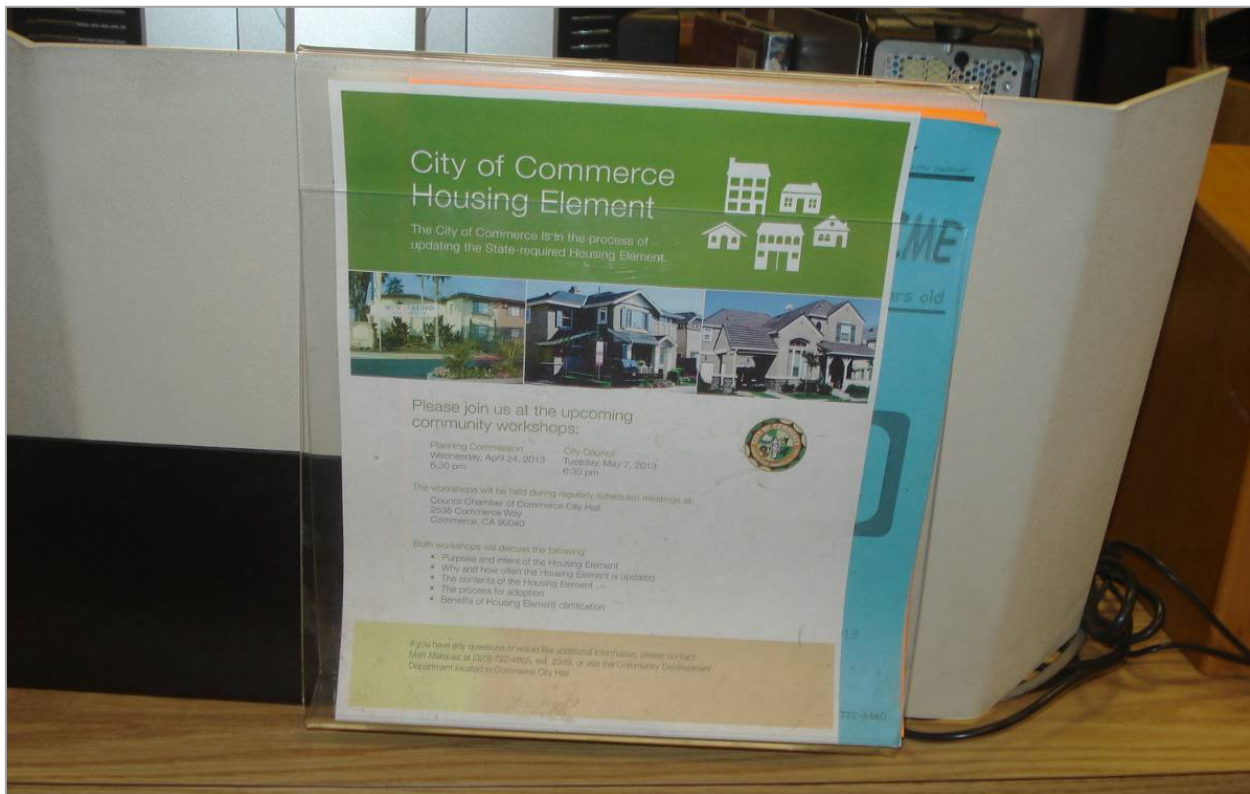


Table A-1: Identified Stakeholder Groups

Organization	Address	City	State	Zip
Housing Authority of Los Angeles Co.	700 West Main Street	Alhambra	CA	91801
Human Services Association	6800 Florence Ave.	Bell Gardens	CA	90201
Southeast L.A. County Workforce Investment Board	10900 E. 183rd St. Suite 350	Cerritos	CA	90703
The Commerce Industrial Council	6055 E. Washington Blvd. #120	Commerce	CA	90040
Montebello Unified School District	123 S. Montebello Blvd	Montebello	CA	90640
Lamp Community Homeless Center	627 San Julian Street	Los Angeles	CA	90014
Los Angeles Mission	303 East 5th Street	Los Angeles	CA	90013
Jordan's Transitional Shelter	1616 E. Pine Street	Compton	CA	90221
Southern California Rehabilitation Services	7830 Quill Dr. Suite D	Downey	CA	90242
TELACU Development Corporation	5400 E Olympic Blvd,	Commerce	CA	90022
Mayans Development	22343 La Palma Avenue, Suite 132	Yorba Linda	CA	92887
TLC Family Resource Center	13220 Bellflower Blvd.	Downey	CA	90242
Habitat for Humanity	17700 Figueroa St.	Gardena	CA	90248
Salvation Army Homeless Shelter	2965 E. Gage Ave.	Huntington Park	CA	90255
L.A. County Public Social Services	12860 Crossroads Parkway South	Industry	CA	91746
LINC Housing	110 Pine Avenue, Suite 500	Long Beach	CA	90802
Fair Housing Foundation	3605 Long Beach Blvd. Suite 302	Long Beach	CA	90807
Eastern Los Angeles Regional Center	1000 South Fremont Avenue	Alhambra	CA	91802
SCAMP	501 Shatto Place, Suite 403	Los Angeles	CA	90020
Abode Communities	701 East 3rd Street, Suite 400	Los Angeles	CA	90013
A Community of Friends	A Community of Friends	Los Angeles	CA	90010
Esperanza Community Housing Corporation	2337 S. Figueroa Street	Los Angeles	CA	90007
Shelter Partnership	523 W. 6th Street, Suite 616	Los Angeles	CA	90015
Legal Aid Foundation of LA	1102 Crenshaw Blvd.	Los Angeles	CA	90019
Su Casa Family Crisis & Support Center	3840 Woodruff Ave. Suite 203	Long Beach	CA	90808
WLCAC Homeless Access Center	958 E.108th Street	Los Angeles	CA	90059
The Shields for Families, Inc.	11601 S. Western	Los Angeles	CA	90059
Salvation Army Bell Shelter	5600 Rickenbacker Rd. Bldg 2A-2B	Bell	CA	90201



City of Commerce Housing Element



Flyers advertising the Housing Element workshops were posted at Bristow Library located near City Hall.



Flyers advertising the Housing Element workshops were posted at Bristow Library located near City Hall.



City of Commerce Housing Element





City of Commerce 2014-2021 Housing Element

City of Commerce
2535 Commerce Way
Commerce, CA 90040
www.ci.commerce.ca.us

ESA
626 Wilshire Boulevard
Suite 1100
Los Angeles, CA 90017
www.esassoc.com