

CITY OF COMMERCE

2021-2029 HOUSING ELEMENT



Revised Draft
July-December 2023

Economic Development & Planning
2535 Commerce Way
Commerce, CA 90040

Chapter 1: Introduction

Introduction

The Housing Element establishes the City's housing policies for the planning period of October 15, 2021 through October 15, 2029. It guides City officials in decision making and sets forth an action plan to implement the housing goals. This Housing Element is intended to direct residential development and preservation in a manner consistent with the Commerce General Plan and overall requirements of the State Housing Element law.

Scope and Context

Building on a housing needs assessment and evaluation of the City's housing programs, available land, and constraints on housing production, this Housing Element presents a comprehensive set of housing policies and programs. The Housing Element is organized to address all of the topics required by the Government Code and State Housing Element guidelines. Specifically, the Element contains the following discussions:

- Population and employment trends;
- Household characteristics;
- Special housing needs;
- Governmental and non-governmental constraints;
- Opportunities for energy conservation;
- Existing assisted housing developments;
- Goals, policies, and quantified housing objectives;
- Housing Programs (Government Code Section 65583); and
- Affirmatively Furthering Fair Housing (AFFH).

Relationship to Other General Plan Elements

The City of Commerce 2020 General Plan (General Plan) was adopted in January 2008. In addition to the Housing Element, the General Plan also includes the following elements: (1) Community Development, (2) Transportation, (3) Resource Management, (4) Safety and (5) Air Quality. The City is conducting a comprehensive update to the General Plan. The new update will include a new element - Environmental Justice. This Housing Element is consistent with the proposed land use policy of the General Plan update and policies in the Environmental Justice Element also help shape the City's meaningful actions to affirmatively further fair housing. During the overall plan update, the City will ensure internal consistency among the various elements of the General Plan. [The main tool to](#)

verify consistency between the elements will be the Annual Progress Report submitted to HCD.

Public Outreach

Government Code § 65583 (c)(7) states that, “[t]he local government shall make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.”

A series of community engagement events have occurred over 5 years discussing housing issues and opportunities. The engagement events include traditional workshops, pop up events, online surveys, online questionnaires, focus/stakeholder meetings, and formal advisory group meetings. The events have been advertised on the City’s general website, General Plan Update website, social media, eblasts, emails, and USPS mail.

The City’s General Plan Update website, www.reimaginecommerce.com, includes information on outreach opportunities, schedules and draft documents.

The housing related community events are listed below. Meeting materials, presentations, invitations/flyers (English and Spanish), engagement summaries are included in Appendix A.

- Envision Commerce General Plan Pop Up Workshops: September 2018
- Envision Commerce General Plan Advisory Committee Meetings: December 2018, July 2019, August 2019, September 2019, November 2019
- Housing Element Focus Group/Stakeholders Meeting: November 2022
- Online Housing Element Survey: November and December 2022
- Housing Element Workshop: February 2023
- Online Housing Workshop Questionnaire: March 2023

The community input identified these key themes, which the draft housing element has addressed.

- Lack of affordable and “missing middle” housing
- Lack of tenants’ rights protection
- Limited housing sites due to air quality issue, site contamination issues, industrial zoned land
- Deferred building maintenance increases housing rehabilitation costs
- Minimum density requirements are not flexible enough for small lot development
- Need to incentivize housing development

- Housing opportunities: civic centers, adaptive reuse of warehouses and motels, along commercial corridors, retrofitting underutilized office space, Citadel/Casino, live/work, mixed use, modular homes, Rosewood Park area, Veteran’s Park area, TOD near proposed Metro light-rail station
- Prioritize housing a) affordable to families, b) residents who grew up in Commerce, c) large families, d) young homeowners, e) low income residents, and f) seniors
- Include housing stock rehabilitation
- Establish mortgage loan programs/support programs for homeowners at risk of mortgage default
- Certain requirements inhibit the unhoused and at-risk residents from securing housing (i.e. credit checks)
- Need ADU policy

The Draft Housing Element was available for public review from May 25, 2023 through June 26, 2023. The City also held a community workshop on May 31, 2023 to review the Draft Housing Element and to receive public input. Comments received during the 30-day review and at the workshop are summarized at the end of Appendix A.

Comments Received During First HCD Submittal Review Period

The City of Commerce submitted a draft Housing Element to HCD for review on July 10, 2023. In November HCD staff received an email from David Kellogg, representing a group of residents from the Bay Area and San Bernardino. The letter addressed the following issues:

- The Housing Element fails to adequately analyze compliance with the state’s streamlining laws.
- CEQA determinations related to housing projects, including CEQA-exempt projects.

The Commerce Housing Element includes a program for the City to establish a standard procedure for processing SB 35 eligible projects and to comply with SB 330, pursuant to State law.

Regarding CEQA, the City complies with all State requirements related to environmental review timelines. The City has only had a few housing development projects in recent years (Rosewood Village and Modelo Specific Plan) and these projects required CEQA review.

Sources of Information

The City used a variety of data sources for the compilation of demographic, housing, and socio-economic data, including the:

- American Community Survey (ACS) 5-Year Estimates by the U.S. Census Bureau;
- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) reports (based on the 2015-2019 ACS)
- California Department of Finance, E-5 Series Population and Housing Estimates;
- Southern California Association of Governments (SCAG) information on the City's Regional Housing Needs Assessment (RHNA); and
- Los Angeles Homeless Services Authority (LAHSA) information on persons experiencing homelessness.

CHAPTER 2: COMMUNITY PROFILE

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. 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 percent 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.

This section of the Housing Element provides an overview of the demographic, housing, and socio-economic characteristics of the City of Commerce. Topics covered include the City's:

- Residential Neighborhoods;
- Population Characteristics;
- Employment Characteristics;
- Household Characteristics;
- Housing Stock Characteristics;
- Housing Costs, Household Income and Ability to Pay for Housing;
- Special Needs Housing;
- Affordable Housing Units At-Risk of Converting to Market Rate; and
- Regional Housing Needs Allocation

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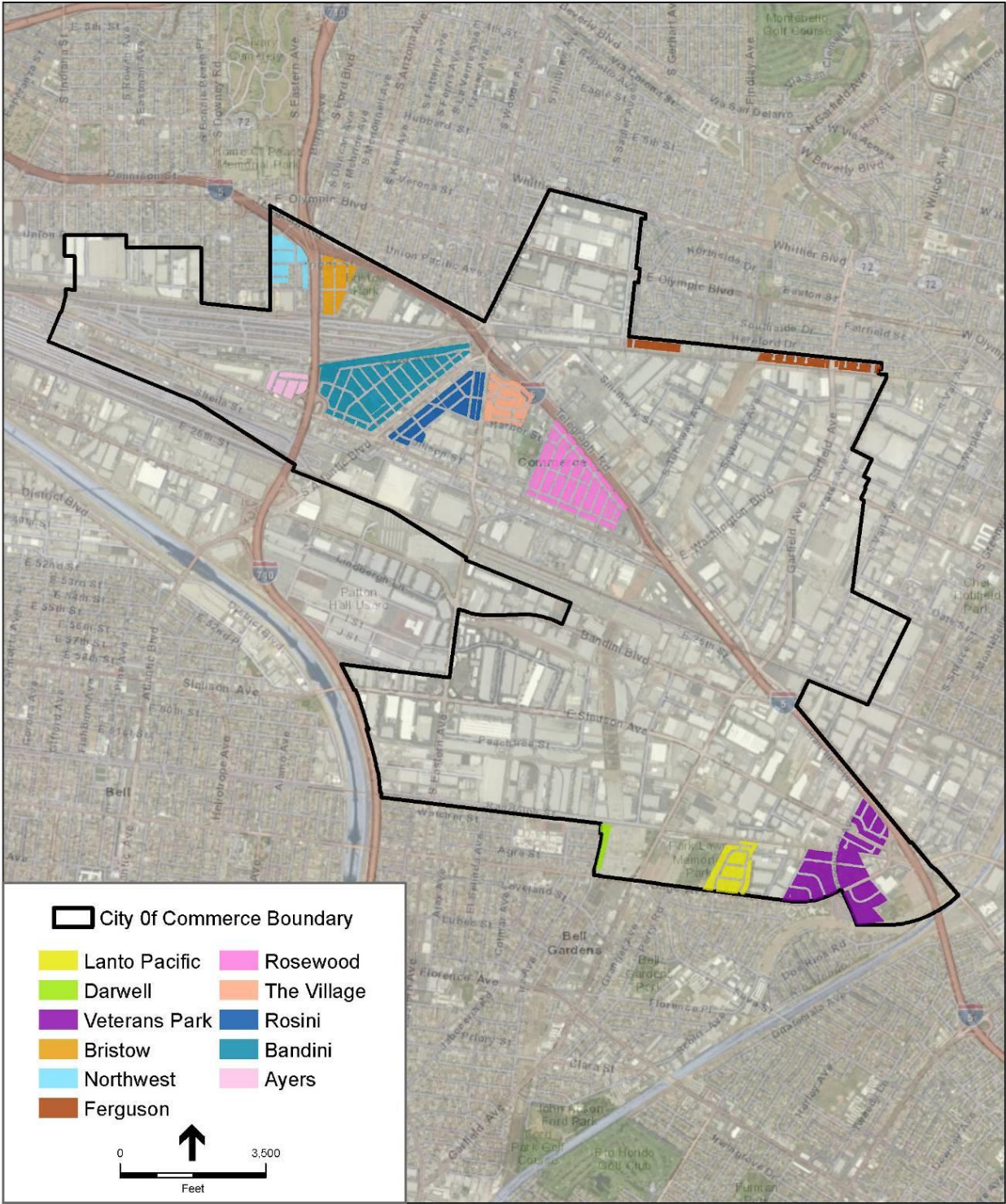
Some of these sources provide data on the same topic, but because of different methodologies, the resulting data differ. For example, the decennial census and ACS report slightly different estimates for the total population, number of households, number of housing units, and household size. This is in part because ACS provides estimates based on a small survey of the population taken over the course of the whole year. Because of the survey size and seasonal population shifts, some information provided by the ACS is less reliable. For this reason, the readers should keep in mind the potential for data errors when drawing conclusions based on the ACS data used in this chapter. The information is included because it provides an indication of possible trends.

Commerce Residential Neighborhoods

Commerce has eleven established residential neighborhoods. These are listed below and shown on Figure 2-1.

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

Figure 2-1: Commerce Residential Neighborhoods



Source: City of Commerce, ESRI Basemaps

Population Characteristics

The City of Commerce had a population of 12,888 residents in 2020 (see [Table 2-1](#)). This was a marginal increase of 0.5 percent from 2010, when the population was 12,823. While lower than the County overall, Commerce's growth was similar to other jurisdictions in the area such as Downey and Pico Rivera. Between the years 2000 and 2010, Commerce grew by a modest two percent. However, places such as Bell, Maywood and Pico Rivera saw a population decrease during this same time period.

The Southern California Association of Governments (SCAG) has estimated population growth through the year 2045 for cities and counties in the region. Commerce is anticipated to increase by approximately 900 residents, or seven percent, by 2045. This growth is comparable to many neighboring cities but lower than the County overall (15 percent).

Table 2-1: Population Growth and Forecasts - Commerce and Surrounding Communities

	2000	2010	2020	2045	Percentage Change 2000-2010	Percentage Change 2010-2020	Projected Change 2020-2045
Bell	36,664	35,477	36,475	37,100	-3.2%	2.8%	1.7%
Commerce	12,568	12,823	12,888	13,800	2.0%	0.5%	7.1%
Downey	107,323	111,772	112,186	119,200	4.1%	0.4%	6.3%
Maywood	28,083	27,395	27,837	29,000	-2.4%	1.6%	4.2%
Montebello	62,150	62,500	63,264	67,800	0.6%	1.2%	7.2%
Pico Rivera	63,428	62,942	63,530	67,400	-0.8%	0.9%	6.1%
Los Angeles County	9,519,330	9,818,605	10,135,614	11,674,000	3.1%	3.2%	15.2%

Sources: California Department of Finance E-5 series; 2045 population projections are from SCAG Connect SoCal Growth Forecast Technical Report, Adopted on Sept. 3, 2020.

Age Composition

The distribution of age groups in a community shapes what types of housing the community may need in the near future. An increase in the older population may signal a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. In Commerce, the median age in 2010 was 28.1; by 2020, this figure had increased significantly to 37.5 years. Los Angeles County is similar with a median age of 36.7 in 2020.

The proportion of residents 18 years and younger has decreased over the last decade, while the remaining age groups increased. The percentage of residents age 65 and older almost doubled over ten years, from 9 percent in 2010 to 18 percent in 2020. The age

distribution in Commerce is similar to that of the County overall, although the County's adult population is slightly higher than Commerce (62 percent versus 58 percent), while the senior population is slightly lower (14 percent versus 18 percent).

Table 2-2: Age Distribution

	2010		2020		Los Angeles County
	Number	Percentage	Number	Percentage	
Total Population	12,758	--	12,738	--	
Under 5 years	940	7.4%	508	4.0%	5.9%
5 to 19 years	3,942	30.9%	2,524	19.8%	18.4%
20 to 64 years	6,701	52.5%	7,421	58.3%	62%
65 years and over	1,174	9.2%	2,285	17.9%	13.7%
Median Age	28.1		37.5		36.7

Source: 2006-2010 and 2016-2020 ACS, Table DP05

Race/Ethnicity

A community's racial and ethnic composition may have implications for housing needs to the extent that different groups have different household characteristics and cultural backgrounds that may affect housing needs and preferences. As shown in Table 2-3, Hispanic or Latino residents made up approximately 95 percent of the City's population in 2020. This is an increase of approximately four percent from 2010, when Hispanic or Latinos comprised just over 91 percent of Commerce's population. Whites make up about two percent of the population while all other racial and ethnic groups are less than one percent.

Commerce is much more homogeneous than Los Angeles County as a whole. Table 2-3 illustrates that the County's population is 48 percent Hispanic or Latino, 26 percent White, 15 percent Asian, and 8 percent African American. Approximately 3 percent of residents identify as two or more races in the County and other racial and ethnic groups each comprise less than one percent of the County's overall population.

Table 2-3: Race and Ethnicity

Race/Ethnicity	2010		2020		
	Number	Percentage	Number	Percentage	Los Angeles County
Hispanic or Latino ¹	11,644	91.3%	12,123	95.2%	48.3%
Non-Hispanic or Latino	1,114	8.7%	615	4.8%	51.7%
White	420	3.3%	298	2.3%	25.9%
Black/African American	249	2.0%	85	0.7%	7.8%
American Indian and Alaska Native	15	0.1%	93	0.7%	0.2%
Asian	231	1.8%	112	0.9%	14.6%
Native Hawaiian and Other Pacific Islander	41	0.3%	0	0.0%	0.2%
Some other race alone	0	0.0%	8	0.1%	0.4%
Two or more races	158	1.2%	19	0.1%	2.6%

Source: 2006-2010 and 2016-2020 ACS, Table DP05

Note:

1. Individuals having Hispanic/Latino ethnic background may be of any race; therefore, individuals included in the racial categories in this Table are those that did not identify Hispanic/Latino as their ethnicity.

Employment Characteristics

Commerce has approximately 5,720 residents age 16 or older actively working in the civilian labor force ([Table 2-4](#)~~Table 2-4~~). Residents living in the City of Commerce are employed in a diverse number of industries, with approximately 26 percent of the population employed in sales and office occupations, 23 percent in service occupations, 21 percent in management, business, science and arts occupations, 20 percent in production, transportation and material moving occupations and 10 percent in natural resources, construction, and maintenance occupations.

[Table 2-4](#)~~Table 2-4~~ also shows the median annual income from the occupations of Commerce residents. Management, business, science, and arts occupations have the highest annual income (\$47,604). Approximately one half of Commerce residents (49 percent) are employed in occupations that earn less than \$30,000 annually. Household income and the ability to pay for housing is discussed later in this chapter.

Table 2-4: Occupations and Median Salaries (2020)

Occupations	2020		Median Annual Earnings
	Number	Percentage	
Management, business, science, and arts occupations	1,171	20.5%	\$47,604
Service occupations	1,315	23.0%	\$21,403
Sales and office occupations	1,480	25.9%	\$26,091
Natural resources, construction, and maintenance occupations	593	10.4%	\$39,890
Production, transportation, and material moving occupations	1,161	20.3%	\$31,991
Total	5,720	100.0%	\$31,706

Source: 2016-2020 ACS, Table S2401 and S2411

Table 2-5 shows the top ten employers in the City of Commerce. California Commerce Club, Inc., or the Commerce Casino, has the largest number of employees (4,750). The County of Los Angeles and Parsec, Inc. each have over 1,000 employees.

Table 2-5: Top Employers in Commerce

Employer	Number of Employees
California Commerce Club, Inc.	4,750
County of Los Angeles	1,100
Parsec, Inc.	1,036
Acco Engineered Systems	705
American International Industries	642
99 Cent Only Stores	635
Mission Foods	532
JWCH Institute Inc.	521
Capstone Logistics LLC.	447
Wine Warehouse	426

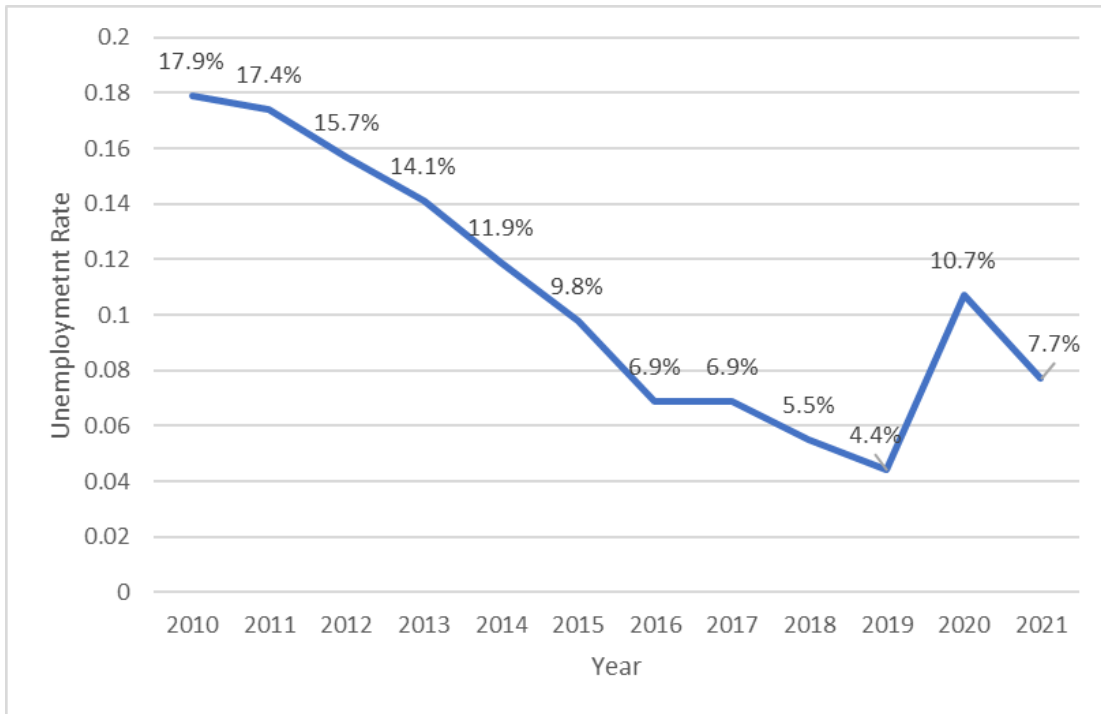
Source: City of Commerce Demographic Profile website, https://animateddemographics.com/commerce/top_employers, accessed October 2022

Unemployment

In Commerce, the unemployment rate decreased from 18 percent in 2010 to 8 percent in 2021 ([Figure 2-2](#)[Figure 2-2](#)). The unemployment rate had been steadily decreasing until 2020, which experienced a sharp spike in unemployment, likely due to impacts related to

the COVID-19 pandemic. The unemployment rate has decreased significantly since the 2020 peak, falling to below 8 percent in 2021 and below 4 percent by November 2022, as reported by the California Employment Development Department.

Figure 2-2: Unemployment Rates in Commerce (2010 – 2021)

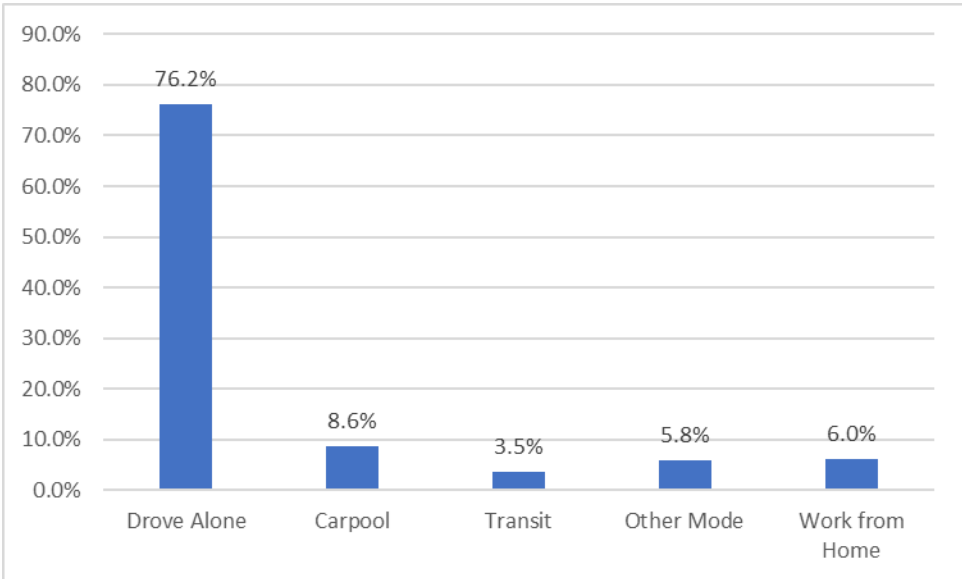


Source: California Employment Development Department (<https://www.labormarketinfo.edd.ca.gov>)

Commuting Patterns

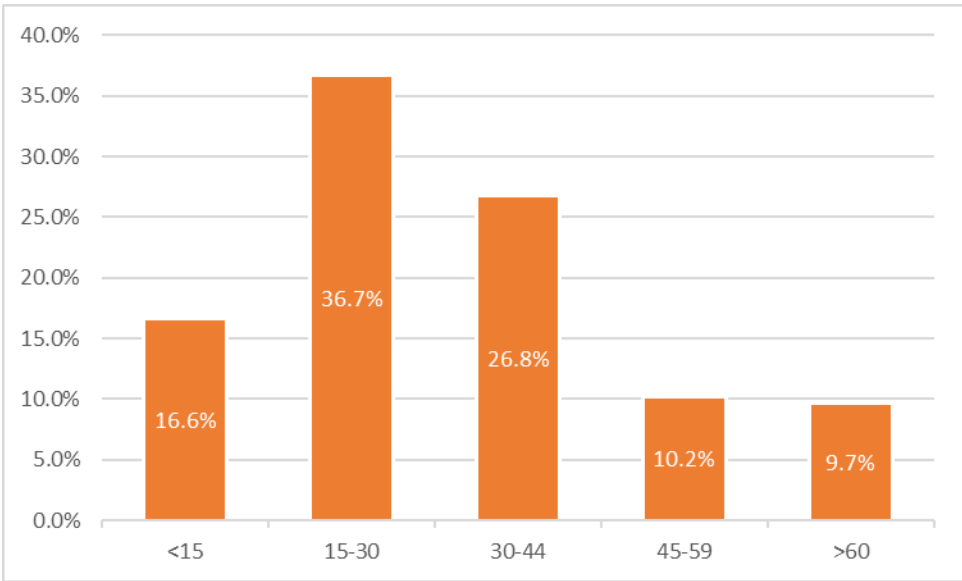
Figure 2-3 and Figure 2-4 show the commuting patterns of Commerce residents. More than 76 percent of residents drive to work alone, while approximately nine percent carpool, six percent work from home, six percent use another mode and four percent use transit. In terms of distance, the largest percentage of residents (37 percent) commute between 15 and 30 minutes while 27 percent travel between 30 and 44 minutes. Approximately ten percent of residents have a commute of an hour or greater.

Figure 2-3: Means of Transportation to Work



Source: 2016-2020 ACS, Table DP03

Figure 2-4: Travel Time to Work (Minutes)



Source: 2016-2020 ACS, Table S0801

Household Characteristics

Household Tenure

The U.S. Census Bureau defines a household as all persons who occupy a housing unit, including families, single people, or unrelated persons. Persons living in licensed facilities or dormitories are not considered part of the same household. As of 2020, there were 3,503 households in Commerce, an increase of 13 percent, from 2010. Of these 3,503 households, 55 percent own the home they live in and 45 percent rent (Table 2-6). The ownership rate has increased by 22 percent since 2010. The percentage of homeowners in Commerce is higher than the County overall (55 percent versus 47 percent).

Table 2-6: Households by Tenure

Tenure	2010		2020		
	Households	Percent	Households	Percent	LA County
Owner	1,587	51.3%	1,933	55.2%	46.5%
Renter	1,507	48.7%	1,570	44.8%	53.5%
Total Occupied	3,094		3,503		

Source: 2006-2010 and 2016-2020 ACS, Table DP04

Household Types and Size

Approximately three-quarters (77 percent) of households in Commerce consist of married-couple families with or without children. Families with children comprise 32 percent of City households, which is a decrease from 47 percent in 2010. During the same time period, the number of families without children increased (37 percent in 2010 compared to 45 percent in 2020) as did single households (13 percent in 2010 compared to 20 percent in 2020). The number of other non-families increased by 11 households during the last decade.

Table 2-7: Household Types

Household Type	2010		2020	
	Number	Percent	Number	Percent
Families	2,563	82.8%	2,680	76.5%
with children	1,441	46.6%	1,109	31.7%
with no children	1,122	36.3%	1,571	44.8%
Singles	416	13.4%	697	19.9%
Other non-families	115	3.7%	126	3.6%
Total Households	3,094	100.0%	3,503	100.0%
Average Household Size	3.89		3.61	

Source: 2006-2010 and 2016-2020 ACS, Table DP02 and S1101

According to the 2020 ACS, the average household size in Commerce is 3.61 persons, a decrease from 3.89 in 2010 ([Table 2-7](#)~~Table 2-7~~). This change is most likely due to the number of families with children decreasing while single households (especially senior households) increased in the last decade. [Table 2-8](#)~~Table 2-8~~ shows the average household size of the surrounding communities and LA County. Commerce is similar to many neighboring cities and all of these cities have a greater household size than Los Angeles County's average household size of 2.96.

Table 2-8: Average Household Size – Commerce and Surrounding Communities

Jurisdiction	Household Size
Bell	3.85
Commerce	3.61
Downey	3.31
Maywood	4.00
Montebello	3.30
Pico Rivera	3.64
Los Angeles County	2.96

Source: 2016-2020 ACS, Table S1101

Overcrowding

Overcrowded housing is defined by the State Housing and Community Development department (HCD) as units with more than one inhabitant per room, excluding kitchens and bathrooms. Units with more than 1.5 persons per room are considered severely overcrowded. In 2020, as shown in Table 2-9, the incidence of overcrowding in Commerce was 13 percent for owner-occupied units and 19 percent for rental units. Severe overcrowding impacted one percent of owner-occupied units and eight percent of rental units. Overcrowding in Commerce is higher than Los Angeles County (16 percent compared to 11 percent).

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.

Table 2-9: Overcrowding By Tenure

	Owner-Occupied	Renter-Occupied	All Households	Los Angeles County
Overcrowded (>1 person per room)	13.3%	19.1%	15.9%	11.2%
Severely Overcrowded (>1.5 persons per room)	1.0%	8.4%	4.3%	4.7%
Total Households	1,933	1,570	3,503	3,332,504

Source: 2016-2020 ACS, Table B25014

Housing Stock Characteristics

Housing Unit Growth and Type

Based on data from the California Department of Finance (DOF), Commerce had 3,524 housing units in 2021 (

[Table 2-10](#)~~Table 2-10~~). This was an increase of 54 units (1.6 percent) from 2010. Commerce and surrounding cities had similar modest growth, with the exception of Maywood, which had a decrease in housing units. Countywide, there was a five percent increase in housing units between 2010 and 2021.

**Table 2-10: Housing Growth –
Commerce and Surrounding Communities**

	2010	2021	Percent Change 2010-2021
Bell	9,217	9,482	2.9%
Commerce	3,470	3,524	1.6%
Downey	35,601	36,202	1.7%
Maywood	6,766	6,717	-0.7%
Montebello	19,768	20,380	3.1%
Pico Rivera	17,109	17,462	2.1%
Los Angeles County	3,443,087	3,635,136	5.6%

Source: California Department of Finance, E-5 series (4/1/2010 and 1/1/2022)

Table 2-11 shows the types of the housing units in Commerce. Single-family homes are the predominant housing type in the City (78 percent). Detached single-family units increased by 33 units between 2010 and 2021, while attached single-family units increased by five units during the same time period. In 2021, multi-family units made up approximately 22 percent of the total housing in the City. Between 2010 and 2021, an additional 16 multi-family units were added to Commerce’s housing stock.

Table 2-11: Housing Unit Type

Housing Type	2010		2021		Change	
	No. of Units	Percent of Units	No. of Units	Percent of Units	No. of Units	Percentage
Single-Family Units						
Detached Single-Family	2,376	68.5%	2,409	68.4%	33	1.4%
Attached Single-Family	331	9.5%	336	9.5%	5	1.5%
Multiple-Family Units						
Multiple-Family Units (2 to 4 units)	232	6.7%	239	6.8%	7	3.0%
Multiple-Family Units (5 or more)	531	15.3%	540	15.3%	9	1.7%
Mobile Homes	0	0.0%	0	0.0%	0	---
Total, All Housing Types	3,470	100.0%	3,524	100.0%	54	1.6%

Source: California Department of Finance E-5 series (4/1/2010 and 1/1/2022)

Age and Condition of Housing Stock

Table 2-12 shows when the housing stock was built in Commerce. A general rule in the housing industry is that structures older than 30 years begin to show signs of deterioration and require reinvestment to maintain their quality. Over 85 percent of the City’s housing units were built prior to 1990 and are at least 30 years old. Approximately 65 percent of the housing stock in Commerce was built prior to 1970 making these units 50 years or older.

It should be noted that the information in Table 2-12 is from the 2016-2020 ACS, which is a sample extrapolated to represent the community. As described in Table 2-11 above, the City had 54 units built between 2010 and 2021.

Table 2-12: Year Structure Built

Year Constructed	Units	Percent
2014 or later	0	0.0%
2010 to 2013	0	0.0%
2000 to 2009	243	6.7%
1990 to 1999	252	7.0%
1980 to 1989	345	9.6%
1970 to 1979	409	11.3%
1960 to 1969	291	8.1%
1950 to 1959	858	23.8%
1940 to 1949	901	25.0%
1939 or earlier	311	8.6%
Total housing units	3,610	100%

Source: 2016-2020 ACS, Table DP04

Substandard Housing Conditions

The 2020 ACS provides data about the condition of the City’s existing housing stock (Table 2-13). In general, the condition of the housing stock in Commerce is good. None of the owner-occupied units in the City have substandard conditions (lacking plumbing and/or kitchen facilities) and less than one percent of renter-occupied units lack complete kitchen facilities. The substandard conditions in Commerce are lower than Los Angeles County.

Table 2-13: Lack of Complete Facilities By Tenure

Facility Type	Owner-Occupied	Renter-Occupied	Total Households	Los Angeles County
Lacking complete kitchen facilities	0.0%	0.9%	0.4%	1.6%
Lacking complete plumbing facilities	0.0%	0.0%	0.0%	0.5%
Total Households	1,933	1,570	3,503	3,332,504

Source: 2016-2020 ACS, Tables B25049 and B25053

The City's Code Enforcement division is complaint driven. Between July 1, 2020 and June 30, 2023, 701 residential cases were opened. The reasons for those cases are as follows:

- 5 Zoning Cases
- 6 Business License Violations
- 14 Garage Conversions Violations
- 8 Hazardous Conditions
- 5 Health and Welfare Violations
- 28 Illegal Constructions
- 7 Permit Violations
- 628 Public Nuisance Violations

Code Enforcement conducted a windshield survey of the residential areas of the city and estimated that there are 180 to 200 housing units in need of rehabilitation or replacement. This represents approximately five to six percent of the City's total housing units. Most residential Code Enforcement cases are concentrated within the Bandini neighborhood in the northwestern portion of the City.

The City's Neighborhood Fix Up Grant Program provides money for housing repairs and alterations that are visible from the street. The CDBG Home Preservation Grant Program provides funds to qualified applicants to complete improvements to their residence. The City's website includes information on the grant program's guidelines as well as an interest form for residents to fill out and submit to the Economic Development and Planning Department.

Vacancy Rate Trends

Data from the 2020 ACS illustrates Commerce’s overall vacancy rate at 3.0 percent, with the homeowner vacancy rate at 0.8 percent and the rental vacancy rate at 1.9 percent. Compared to 2010, the vacancy rate for owner-occupied units dropped (from 2.1 percent to 0.8 percent) and the rate for rental-occupied units slightly increased (from 1.2 percent to 1.9 percent).

Table 2-14: Vacancy Rates in Commerce

	2010	2020
Homeowner vacancy rate	2.1%	0.8%
Rental vacancy rate	1.2%	1.9%
Overall vacancy rate	3.6%	3.0%

Source: 2006-2010 and 2016-2020 ACS, Table DP02

In general, a higher vacancy rate is considered necessary by housing experts to assure adequate choice in the marketplace and to temper the rise in home prices. A vacancy rate of 1.5 to two percent for ownership housing and five to six percent for rental housing is considered necessary to balance demand and supply for housing. As can be seen from Table 2-14, the vacancy rates in Commerce are lower than optimum. These percentages suggest that there are few vacant owner and rental housing units available for sale/rent in the City, which often results in higher housing prices and rents as demand far exceeds supply.

Housing Costs, Household Income and Ability to Pay for Housing

Household Income

Income is defined as wages, salaries, pensions, social security benefits, and other forms of cash received by a household. Non-cash items, such as Medicare and other medical insurance benefits, are not included as income. For housing to be considered affordable, housing costs should not exceed 30 percent of income. Housing costs include rent and utilities for renters, and principal, interest, property taxes, and insurance for homeowners. It is therefore critical to understand the relationship between household incomes and housing costs to determine whether housing is affordable for the City’s households.

An estimated 72 percent of Commerce households fall in the extremely low, very low, and low income categories, earning less than 80 percent of median income (Table 2-15). There is an even greater proportion (86 percent) of extremely low, very low, and low income households among renters. This substantial percentage of lower income households means that finding housing, particularly affordable housing, is a challenge for most Commerce residents.

Table 2-15: Household Income Level By Tenure

Income Category	Owner Households		Renter Households		Total Households	
	# of Households	Percentage	# of Households	Percentage	# of Households	Percentage
Extremely Low Income (<30% AMI)	265	16.0%	585	31.2%	850	24.0%
Very Low Income (31%-50% AMI)	365	22.0%	625	33.3%	990	28.0%
Low Income (51%-80% AMI)	295	17.8%	410	21.9%	705	19.9%
Median Income (81%-100%)	290	17.5%	75	4.0%	365	10.3%
Moderate and Above (>100% AMI)	445	26.8%	180	9.6%	625	17.7%
Total Households	1,660	100.0%	1,875	100.0%	3,535	100.0%

Source: U.S. Department of Housing and Urban Development (HUD), *Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2015-2019*; Data released September 9, 2022

Information on household income by household size is maintained by the U.S. Department of Housing and Urban Development (HUD) for each county and is updated annually. The California Department of Housing and Community Development (HCD) adjusts each county's median income to at least equal the state non-metropolitan county median income. The State Income Limits for 2022 were published in May 2022 and are shown below in [Table 2-16](#).

In Los Angeles County, the median income for a family of four was \$91,100 in 2022. A household of four with an income less than \$35,750 is considered extremely low income.¹ Comparing this information to Table 2-15, 16 percent of owner-households and 31 percent of renter-households in Commerce are earning less than \$35,750. This information corresponds to the annual median incomes that were described in [Table 2-4](#), including for sales, office, service, production and transportation occupations.

¹ California Department of Housing and Community Development, effective May 13, 2022.

Table 2-16: Fiscal Year 2022 Los Angeles County Income Limits

Household Size	Extremely Low (<30% AMI)	Very Low (30%-50% AMI)	Low (50%-80% AMI)	Median	Moderate (80%-120% AMI)
1-Person	\$25,050	\$41,700	\$66,750	\$63,750	\$76,500
2-Person	\$28,600	\$47,650	\$76,250	\$72,900	\$87,450
3-Person	\$32,200	\$53,600	\$85,800	\$82,000	\$98,350
4-Person	\$35,750	\$59,550	\$95,300	\$91,100	\$109,300
5-Person	\$38,650	\$64,350	\$102,950	\$98,400	\$118,050
6-Person	\$41,500	\$69,100	\$110,550	\$105,700	\$126,800
7-Person	\$44,350	\$73,850	\$118,200	\$112,950	\$135,550
8-Person	\$47,200	\$78,650	\$125,800	\$135,550	\$144,300

Source: California Department of Housing and Community Development, State Income Limits for 2022, May 13, 2022.

Home Sales Prices

In 2021, the median home value in Commerce was \$532,000 per data from Dataquick (CoreLogic).² This median home value more than doubled from 2010 when it was \$226,000 and increased by more than 200 percent compared to home values in 2000 (Table 2-17). Large increases in home values occurred in all neighboring communities as well as Los Angeles County as a whole, which saw a 134 percent increase over the past decade.

Table 2-17: Median Home Values in Commerce and Surrounding Communities

	2000	2010	2021	Percent change 2000-2010	Percent change 2010-2021
Bell	\$147,000	\$228,500	\$498,500	55.4%	118.2%
Commerce	\$164,500	\$226,000	\$532,000	37.4%	135.4%
Downey	\$212,295	\$370,000	\$706,000	74.3%	90.8%
Maywood	\$149,500	\$198,500	\$459,500	32.8%	131.5%
Montebello	\$185,000	\$319,000	\$616,250	72.4%	93.2%
Pico Rivera	\$159,500	\$280,000	\$605,250	75.5%	116.2%
Los Angeles County	\$227,897	\$333,000	\$778,500	46.1%	133.8%

Source: SCAG 2021 Local Profiles Dataset Dataquick (CoreLogic)

² Data included in the SCAG 2021 Local Profile Dataset for Commerce.

Table 2-18 shows housing units for sale in September 2022 for Commerce and surrounding communities. The following is a summary of the findings in the table:

Townhomes/Condos:

- While no townhomes or condos were listed in Commerce, the median price in nearby cities ranged from \$554,950 to \$638,888 for a two-bedroom unit and \$545,000 to \$672,388 for a three-bedroom unit. Four bedroom units were over \$700,000.

Single-Family Homes:

- In Commerce, a one-bedroom house was listed for \$490,000. Two three-bedroom units were listed with a median price of \$674,444.
- The most common home size for sale was three-bedroom units. Three-bedroom homes comprised 60 percent of the 138 total home listings.
- The City of Maywood had the lowest median home listings, with a two-bedroom at \$535,000 and the median listing price of \$654,950 for three-bedroom units.
- The City of Downey had the highest median home listings, ranging from \$655,000 for two-bedroom homes up to \$2,690,000 for a six-bedroom home.

**Table 2-18: Homes for Sale in Commerce and Surrounding Communities –
September 2022**

Unit Type	Number of Bedrooms (Number of Units Listed)	Range	Median	Average
Condo/Townhome				
Downey	2 bedroom (4)	\$475,000-\$580,000	\$554,950	\$541,225
	3 bedroom (2)	\$649,775 - \$695,000	\$672,388	\$672,388
	4 bedroom (1)	\$725,000	---	---
Montebello	1 bedroom (1)	\$371,000	---	---
	2 bedroom (2)	\$570,000 - \$674,900	\$622,450	\$622,450
	3 bedroom (3)	\$498,000 - \$688,000	\$545,000	\$577,000
Pico Rivera	2 bedroom (1)	\$638,888	---	---
	4 bedroom (1)	\$749,900	---	---
Single-Family Home				
Bell	2 bedroom (4)	\$489,000 - \$650,000	\$564,450	\$566,975
	4 bedroom (3)	\$650,000 - \$735,000	\$650,000	\$678,333
Commerce	1 bedroom (1)	\$490,000	---	---
	3 bedroom (2)	\$649,888 - \$699,000	\$674,444	\$674,444
Downey	2 bedroom (4)	\$580,000 - \$799,999	\$655,000	\$62,500
	3 bedroom (33)	\$650,000 - \$1,899,880	\$820,000	\$889,354
	4 bedroom (15)	\$730,000 - \$2,497,000	\$1,075,000	\$1,114,786
	5 bedroom (2)	\$1,450,000 - \$2,199,950	\$1,824,975	\$1,824,975
	6 bedroom (1)	\$2,690,000	---	---
Maywood	2 bedroom (1)	\$535,000	---	---
	3 bedroom (2)	\$599,900 - \$710,000	\$654,950	\$654,950
Montebello	2 bedroom (1)	\$615,000	---	---
	3 bedroom (26)	\$639,000 - \$890,000	\$705,000	\$735,038
	4 bedroom (6)	\$798,000 - \$1,080,000	\$914,500	\$909,167
	5 bedroom (6)	\$799,000 - \$1,150,000	\$933,975	\$997,808
Pico Rivera	2 bedroom (5)	\$614,900 - \$689,000	\$638,000	\$646,980
	3 bedroom (20)	\$599,000 - \$815,000	\$711,950	\$710,989
	4 bedroom (5)	\$679,000 - \$989,900	\$750,000	\$781,580
	6 bedroom (1)	\$999,999	---	---

Source: Zillow (www.zillow.com), accessed September 2022

Rental Prices

Rents have also increased across Los Angeles County in recent years. The U.S. Census provides information on median contract rents. Table 2-19 shows these rents for Commerce and the surrounding cities in 2010 and 2020. The contract median rents in Commerce increased from \$832 in 2010 to \$1,039 in 2020, representing an increase of about 25 percent. Many neighboring communities had similar increases although Montebello and Downey experienced increases of more than 36 percent. Rents in Los Angeles County as a whole also increased to a greater extent than in Commerce, with median rents increasing by 39 percent between 2010 and 2020.

Table 2-19: Median Contract Rents in Commerce and Surrounding Communities

	2010	2020	Percent change 2010-2020
Bell	\$901	\$1,122	24.5%
Commerce	\$832	\$1,039	24.9%
Downey	\$1,063	\$1,450	36.4%
Maywood	\$864	\$1,072	24.1%
Montebello	\$989	\$1,349	36.4%
Pico Rivera	\$1,046	\$1,310	25.2%
Los Angeles County	\$1,017	\$1,415	39.1%

Source: 2006-2010 and 2016-2020 ACS, Table B25058

Because the ACS data may not fully reflect current rent trends, an online rent survey was conducted in September 2022 (Table 2-20). It should be noted that at the time of the online survey, no rental units were listed for the cities of Commerce, Bell or Maywood. Although the survey represents a snapshot of the rental market at a point in time, the fact that no rental units were available in Commerce may be an indicator of high demand and the need for more rental options in the City.

Apartments:

- Of the 75 apartment listings, 28 were for one-bedroom units, 27 for two-bedroom units, ten for studios and eight for three-bedroom units.
- Studios ranged from \$1,250 to \$1,933 per month; one-bedroom units ranged from \$1,495 to \$2,808 per month, two-bedroom units ranged from \$1,700 to \$3,039 per month, and three-bedroom units ranged from \$3,399 to \$3,795 per month.
- The only three-bedroom units were listed in the City of Downey.

Condos/Townhomes:

- The only one-bedroom unit found in the online survey was in the City of Montebello with a monthly rent of \$1,900 per month.
- Two-bedroom units ranged from \$2,450 to \$2,900 while three-bedroom units ranged from \$2,850 to \$3,950.

Single-Family Homes:

- Montebello had the largest number of single-family homes for rent, including two four-bedroom homes.
- A total of 17 single-family homes were listed for rent. Nine of these (53 percent) were three-bedroom units and the median rents ranged from \$3,497 to \$4,125.

Table 2-20: Rent Survey – September 2022

Unit Type	Number of Bedrooms (Number of Units Listed)	Range	Median	Average
Apartments				
Downey	Studio (1)	\$1,850	---	---
	1 bedroom (12)	\$1,495 - \$2,808	\$1,898	\$1,999
	2 bedroom (25)	\$1,700 - \$3,039	\$2,500	\$2,568
	3 bedroom (8)	\$3,399 - \$3,795	\$3,708	\$3,659
Montebello	1 bedroom (9)	\$1,895 - \$2,200	\$1,979	\$2,039
	2 bedroom (3)	\$2,100 - \$2,500	\$2,349	\$2,316
Pico Rivera	Studio (9)	\$1,250 - \$1,933	\$1,795	\$1,695
	1 bedroom (7)	\$1,810 - \$2,447	\$2,219	\$2,193
	2 bedroom (1)	\$2,595	---	---
Condo/Townhome				
Downey	2 bedroom (2)	\$2,650 - \$2,900	\$2,775	\$2,775
	3 bedroom (2)	\$3,450 - \$3,950	\$3,700	\$3,700
Montebello	1 bedroom (1)	\$1,900	---	---
	2 bedroom (1)	\$2,700	---	---
	3 bedroom (1)	\$2,850	---	---
	5 bedroom (1)	\$4,300	---	---
Pico Rivera	2 bedroom (1)	\$2,450	---	---
	3 bedroom (2)	\$3,300 - \$3,500	\$3,400	\$3,400
Single-family Home				
Downey	2 bedroom (4)	\$2,000 - \$3,600	\$2,725	\$2,762
	3 bedroom (2)	\$3,750 - \$4,500	\$4,125	\$4,125
Montebello	3 bedroom (6)	\$3,000 - \$3,975	\$3,497	\$3,503
	4 bedroom (2)	\$3,450	---	---
Pico Rivera	2 bedroom (1)	\$2,700	---	---
	3 bedroom (1)	\$3,495	---	---
	5 bedroom (1)	\$3,800	---	---

Note: at the time of the online survey, no rental units were listed within the Cities of Commerce, Bell or Maywood.

Sources: Rent.com and Apartments.com, accessed September 2022.

Housing Affordability by Household Income

Housing affordability is dependent upon income and housing costs. Using set income guidelines, current housing affordability can be estimated. According to the HCD income guidelines for 2022, the median income in Los Angeles is \$91,100. (adjusted for household size). Assuming that the potential homebuyer has sufficient credit and down payment (10 percent) and spends no greater than 30 percent of their income on housing expenses (i.e., mortgage, taxes, utilities, and insurance), the maximum affordable home price and rental price can be determined. The maximum affordable home and rental prices for residents in Los Angeles County are shown in [Table 2-21](#) ~~Table 2-21~~ below.

Table 2-21: Housing Affordability Matrix Los Angeles County (2022)

Household	Annual Income ¹	Affordable Costs (All Costs)	Est. Utilities/Taxes/Insurance ²		Affordable Rent	Affordable Home Price
			Utilities	Taxes, Ins., HOA (Ownership)		
Extremely Low Income (0-30% AMI)						
1-Person	\$25,050	\$626	\$201	\$420	\$425	\$54,306
2-Person	\$28,600	\$715	\$233	\$483	\$482	\$61,076
3-Person	\$32,200	\$805	\$269	\$551	\$536	\$67,006
4-Person	\$35,750	\$894	\$316	\$629	\$578	\$69,823
5-Person	\$38,650	\$966	\$374	\$712	\$592	\$66,957
Very Low Income (30-50% AMI)						
1-Person	\$41,700	\$1,043	\$201	\$566	\$842	\$125,612
2-Person	\$47,650	\$1,191	\$233	\$650	\$958	\$142,660
3-Person	\$53,600	\$1,340	\$269	\$738	\$1,071	\$158,653
4-Person	\$59,550	\$1,489	\$316	\$837	\$1,173	\$171,748
5-Person	\$64,350	\$1,609	\$374	\$937	\$1,235	\$177,019
Low Income (50-80% AMI)						
1-Person	\$66,750	\$1,669	\$201	\$785	\$1,468	\$232,890
2-Person	\$76,250	\$1,906	\$233	\$900	\$1,673	\$265,141
3-Person	\$85,800	\$2,145	\$269	\$1,020	\$1,876	\$296,553
4-Person	\$95,300	\$2,383	\$316	\$1,150	\$2,067	\$324,851
5-Person	\$102,950	\$2,574	\$374	\$1,275	\$2,200	\$342,327
Median Income (80-100% AMI)						
1-Person	\$63,750	\$1,594	\$201	\$759	\$1,393	\$220,043
2-Person	\$72,900	\$1,823	\$233	\$871	\$1,590	\$250,795
3-Person	\$82,000	\$2,050	\$269	\$987	\$1,781	\$280,279
4-Person	\$91,100	\$2,278	\$316	\$1,113	\$1,962	\$306,864
5-Person	\$98,400	\$2,460	\$374	\$1,235	\$2,086	\$322,841
Moderate Income (100-120% AMI)						
1-Person	\$76,500	\$1,913	\$201	\$870	\$1,712	\$274,646
2-Person	\$87,450	\$2,186	\$233	\$998	\$1,953	\$313,106
3-Person	\$98,350	\$2,459	\$269	\$1,130	\$2,190	\$350,299
4-Person	\$109,300	\$2,733	\$316	\$1,272	\$2,417	\$384,807
5-Person	\$118,050	\$2,951	\$374	\$1,407	\$2,577	\$406,994

Assumptions:

1. 2022 HCD income limits;
2. 30% of household income spent on housing; LACDA utility allowance; 35% of monthly affordable cost for taxes and insurance; 10% down payment; and 3% interest rate for a 30-year fixed-rate mortgage loan. Taxes and insurance apply to owner costs only; renters do not usually pay taxes or insurance.

Sources: California Department of Housing and Community Development (HCD) 2022 Income Limits; Los Angeles County Development Authority (LACDA), 2022 Utility Allowance Schedule; Veronica Tam & Associates, 2022.

Comparing the information from [Table 2-21](#) with the rental and purchase prices described earlier in this section, the following assumptions can be made about affordability in Commerce:

- **Home Purchases:** With a median home value of \$532,000 in Commerce ([Table 2-17](#)), purchasing a home is unaffordable for all low and moderate income households. The median listing prices in Table 2-18 are also unaffordable to lower and moderate income households.
- **Apartment Rentals:** Since no rental properties were found in Commerce during the online survey, rents in the neighboring cities of Downey, Montebello and Pico Rivera were looked at for affordability options. The median rents for studios (\$1,795 to \$1,979) and one-bedroom units (\$1,898 to \$2,219) are only affordable to moderate income households if they find units on the lower end of the rental range. The same is the case for two-bedroom units (median rents of \$2,349 to \$2,595). The median rent for three-bedroom units (\$3,708) are unaffordable for all lower and moderate income households.
- **Single-Family Home Rentals:** Since no rental properties were found in Commerce during the online survey, rents in the neighboring cities of Downey, Montebello and Pico Rivera were looked at for affordability options. The median rents for house rentals are unaffordable to all lower and moderate income households.

Ability to Pay for Housing/Cost Burden

According to HUD, affordable housing costs should equal 30 percent or less of a household's income. Because household incomes and sizes vary, the affordable price for each household also varies. For example, a double income household with no children could afford a different level of housing cost than a large family with one lower income wage earner.

Per federal criteria, households are considered to be overpaying, or cost burdened, when they pay more than 30 percent of their income for housing. Severe cost burden is when households spend 50 percent or more on housing. In 2020, approximately 39 percent of households in Commerce experienced cost burden (Table 2-22). This percentage is similar to Los Angeles County overall. Severe cost burden impacted 16 percent of Commerce households, a slightly lower percentage than households countywide. Renter households in Commerce experienced cost burden and severe cost burden at a greater rate than owner households. Over 47 percent of renter households were cost burdened compared to 33 percent of owner households. About 23 percent of renter households experienced severe cost burden compared to 13 percent of owner households.

Table 2-22: Cost Burden Severity

	Owner-Occupied		Renter-Occupied		All Households		Los Angeles County
	Units	Percent	Units	Percent	Units	Percent	Percent
Cost Burden (>30%)	637	33.0%	740	47.1%	1,377	39.3%	40.1%
Severe Cost Burden (>50%)	241	12.5%	355	22.6%	576	16.4%	20.1%
Total Households	1,933		1,570		3,503		

Source: 2016-2020 ACS, Tables B25070 and B25091

The income level of households also greatly impacts the ability to pay for housing. Table 2-23 shows that lower income households experience much greater levels of cost burden than other households. This is particularly the case for extremely low income households who earn less than 30 percent of the AMI. Approximately 33 percent of owner-occupied households facing cost burden are extremely low income households while 34 percent are very low income households. For households facing severe cost burden, 47 percent are extremely low and 45 percent are very low households. Renter households experiencing cost burden and severe cost burden are also primarily extremely low and very low households.

Table 2-23: Income by Cost Burden

	Cost Burden > 30%	Percent	Cost Burden > 50%	Percent
Owners				
Household Income <= 30% AMI	195	33.1%	120	47.1%
Household Income >30% to <=50% AMI	200	33.9%	115	45.1%
Household Income >50% to <=80% AMI	120	20.3%	20	7.8%
Household Income >80% to <=100% AMI	50	8.5%	0	0.0%
Household Income >100% AMI	25	4.2%	0	0.0%
Total	590	100.0%	255	100%
Renters				
Household Income <= 30% AMI	435	50.6%	295	79.7%
Household Income >30% to <=50% AMI	325	37.8%	55	14.9%
Household Income >50% to <=80% AMI	100	11.6%	20	5.4%
Household Income >80% to <=100% AMI	0	0.0%	0	0.0%
Household Income >100% AMI	0	0.0%	0	0.0%
Total	860	100%	370	100%

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2015-2019; Data released September 9, 2022

Special Needs Housing

Certain groups have greater difficulty finding decent, affordable housing due to special needs and/or circumstances. Special circumstances may be related to one’s employment and income, family characteristics, disability, and household characteristics, among other factors. “Special needs” groups include: seniors, persons with disabilities (including persons with developmental disabilities), homeless, single-parent households, large households, migrant/farmworkers and extremely low income households ([Table 2-24](#)). This section provides a detailed discussion of the housing needs facing each particular group, as well as programs and services available to address their housing needs.

Table 2-24: Special Needs Populations - 2020

Special Needs Group	Number of Persons	Number of Households	Percent ¹
Seniors	2,285	----	17.9%
with a Disability	681	----	5.3%
HH with One or More Seniors	----	647	18.5%
Seniors Living Alone	320	----	2.5%
Persons with Disabilities	1,701	----	13.4%
Female-Headed Households	----	935	26.7%
with Own Children	----	279	8.0%
Living Below the Poverty Line	----	117	3.3%
Male-Headed Households	----	399	11.4%
with Own Children	----	130	3.7%
Living Below the Poverty Line	----	29	0.8%
Large Households	----	899	25.7%
Renter	----	279	8.0%
Owner	----	620	17.7%
Households Below the Poverty Line	----	537	15.3%
Agricultural Workers ²	58	----	0.5%
Persons Experiencing Homelessness ³	83	----	0.7%
Total Population/Households	12,738	3,503	

1. Some data is available at the individual (person) level and some is available at the household level. The percent column represents either as a proportion of total population or total households.
2. Agricultural Workers includes agriculture, forestry, fishing and hunting.
3. The 83 persons experiencing homelessness counted in 2022 were unsheltered, according to LSHSA..

Sources: 2016-2020 ACS and Los Angeles Homeless Services Authority 2022 PIT Homeless count.

Seniors

As described in ~~Table 2-2~~ ~~Table 2-2~~ at the beginning of this chapter, the percentage of elderly (65 years and older) residents in Commerce almost doubled from 9.2 percent in 2010 to 17.9 percent in 2020. Additionally, the median age in Commerce increased by almost ten years during the last decade. Escalating housing costs, particularly in the rental market, severely impact housing affordability for the elderly. The special needs of many elderly households result from their lower, fixed incomes, physical disabilities, and dependence needs. When looking at the senior population (2,285 persons), approximately 30 percent of seniors have a disability and 14 percent of seniors are living alone. ~~A review of the Department of Social Services found that there are no assisted living facilities in Commerce.~~

~~The City of Commerce's Senior Center offers a variety of programs for Commerce residents age 50 and older. Activities include exercise classes, arts and crafts, cooking, drawing, painting, dancing, card games, Chi Gong, events with live entertainment and tournaments. Also, the center offers seniors excursions to some of the great locations of interest in Southern California. The Center also offers a daily lunch nutrition program, transportation to and from the center and a ride assistance program to help with errands. The City's Social Services Division also coordinates The Emergency Food Assistance Program (TEFAP) through the Los Angeles Regional Food Bank (LARF). TEFAP Pantry distribution is available every 3rd Thursday of the month to pre-registered individuals living at senior living apartment complexes (i.e. Telacu, Telacu Gardens, Rosewood Park Senior Apartments, and Commerce Senior Apartments).~~

Resources for Seniors

A review of the Department of Social Services found that there are no assisted living facilities in Commerce. However, four apartment complexes in the City are age-restricted: Telacu, Telacu Gardens, Rosewood Park Senior Apartments, and Commerce Senior Apartments. All of these complexes are income-restricted.

The City of Commerce's Senior Center offers a variety of programs for Commerce residents age 50 and older. Activities include exercise classes, arts and crafts, cooking, drawing, painting, dancing, card games, Chi Gong, events with live entertainment and tournaments. Also, the center offers seniors excursions to some of the great locations of interest in Southern California. The Center also offers a daily lunch nutrition program, transportation to and from the center and a ride assistance program to help with errands. The City's Social Services Division also coordinates The Emergency Food Assistance Program (TEFAP) through the Los Angeles Regional Food Bank (LARF). TEFAP Pantry distribution is available every 3rd Thursday of the month to pre-registered individuals living at senior living apartment complexes (i.e. Telacu, Telacu Gardens, Rosewood Park Senior Apartments, and Commerce Senior Apartments). The City's Senior Citizens

Commission meets the first Wednesday of each month to formulate policies and recommendations for submission to the City Council with respect to senior programs available to residents.

Low-income senior residents age 57 and older with at least three years of residency in the city can apply for a \$300 monthly rent subsidy which is paid to their landlord.

People Living with Disabilities

The special housing needs of disabled persons include accessible housing units, close proximity to public services and commercial centers, and special design features that alleviate the disability. State and federal laws require that a portion of all rental apartments containing five or more units are made accessible to disabled persons. The City applies standard conditions of approval to residential development projects that reflect that mandate. The cost for retrofitting an existing structure may be thousands of dollars and be beyond the reach of those households with lower incomes.

Some people with disabilities can live most successfully in housing that provides a semi-independent living state, such as clustered group housing or other group-living quarters; others are capable of living independently if long-term services and support are available.

In 2020, 13 percent of Commerce's population had a disability.

Table 2-25

Table 2-25 indicates the rate at which different disabilities are present among residents in the City.³ The most prominent disability was ambulatory difficulties (7.2 percent), followed by independent living difficulties (6.9 percent) and cognitive difficulties (6.5 percent).

Table 2-25: Disability By Type

Disability Type	Number	Percent
Hearing Difficulty	277	2.2%
Vision Difficulty	371	2.9%
Cognitive Difficulty	788	6.5%
Ambulatory Difficulty	878	7.2%
Self-Care Difficulty	482	4.0%
Independent Living Difficulty	692	6.9%
Total with a Disability	1,701	13.4%

Source: 2016-2020 ACS, Table S1810

³ These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

People Living with Developmental Disabilities

Senate Bill 812, which took effect January 2011, requires housing elements to include an analysis of the special housing needs of the developmentally disabled in accordance with Government Code Section 65583(e). Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down’s Syndrome, autism, epilepsy, cerebral palsy, and mild to severely impaired intellectual and adaptive functioning. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and/or live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.

The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities. The State has 21 regional centers that provides point of entry to services for people with developmental disabilities. Based on zip codes, services for Commerce residents are as follows:

- Eastern Los Angeles Regional Center, located in Alhambra: zip codes 90040, 90022, and 90023
- Frank D. Lanterman Regional Center, located in Los Angeles: zip code 90040
- South Central Los Angeles Regional Center, located in Los Angeles: zip code 90040

The following information from the State Department of Developmental Services (DDS) provides a closer look at the disabled population. Data shown in Table 2-26 estimates the number of individuals with developmental disabilities by zip code. It should be noted that zip code 90022 covers areas outside of the City of Commerce. Most persons experiencing a developmental disability reside in the home of a parent, family, or guardian. Independent living and supportive housing opportunities are needed for those who may be aging out of their current living situations or losing family support.

**Table 2-26: Consumer Count by California
ZIP Code and Age Group**

Zip Code	0-17 yrs	18+ yrs	Total
90022*	524	368	892
90023	409	249	658
90040	116	54	170

*Note: Zip Code 90022 also includes East Los Angeles

Source: California Department of Developmental Services, January 2022 Report

The needs of individuals with developmental disabilities are similar to those with other disabilities, and they face similar challenges in finding affordable housing. Many individuals with developmental disabilities are on fixed incomes and cannot afford market rate rents. In addition, supportive services are often beneficial to maintain housing stability. Persons with developmental disabilities can access services through the Regional Centers. Supportive services available to seniors can also benefit many persons with disabilities. Furthermore, the City is actively pursuing affordable housing opportunities in the community. Housing Choice Vouchers (HCV) through the Housing Authority of the County of Los Angeles (HACLA) is the primary rental assistance available to lower income households, including those with disabilities.

Resources for Disabled Residents

The City's Commission on Disabilities Access and Opportunity is a five-person commission that advises the City Council regarding concerns or issues affecting people with special needs, including those with physical and mental disabilities. The Commission meets once a month.

211 LA is a clearinghouse of information for services available to County residents. Many organizations that assist disabled and developmentally disabled residents are provide information on this network. Services listed include independent living skills instruction, social learning, developmental disabilities social and recreational programs and in-home health services among others. The three regional centers discussed above also have resources available to assist residents with disabilities.

Southern California Resource Services for Independent Living provides a non-residential center for people with disabilities, including those who live in Commerce.

Large Households

Large households are defined by the U.S. Census Bureau as households containing five or more persons. As shown in [Table 2-24](#), the 2020 ACS data shows that a quarter of Commerce households are large households. Of these 899 households, 620 (69 percent) are owner-occupied and 279 (31 percent) are renter-occupied.

Housing Units Available for Large Households

The unit sizes available in a community affect the household sizes that can access that community. Large households are generally served by housing units with three or more bedrooms. The 2020 ACS data reflected that 1,479 occupied housing units had three or more bedrooms, accounting for 42 percent of the City's housing stock. Of these larger units, 1,167 were owner-occupied and 312 were renter-occupied.

Although enough units appear to be available to meet the demand for large households (i.e., there are 899 large family households and 1,479 units with three or more bedrooms),

available large units may be unaffordable to large households (see ability to pay for housing section of this chapter). Due to the limited supply of adequately sized rental units and affordable homeownership opportunities, large households face additional difficulty in locating housing that is adequately sized and affordably priced.

Affordable homeownership and rental assistance are resources to help large households, especially those with lower incomes. The City is actively pursuing affordable homeownership for its workforce through development agreements. The City will be pursuing other affordable housing opportunities using City-owned properties. ~~The HCV program is the primary rental assistance available to lower income households.~~

Resources for Large Households

~~The HCV program is the primary rental assistance available to lower income households, including large households. Also, programs that facilitate affordable housing development and diversity of housing types in general will benefit large households.~~

Single-Parent Households

Households headed by one person are often at greater risk of housing insecurity, particularly female-headed households, who may be supporting children or a family with only one income.

As shown in ~~Table 2-24~~Table 2-24, there are a total of 3,503 households in Commerce, of which 576 (16 percent) are female-headed households. Of these 576 households, 279 have children under the age of 18. In 2020, there were 399 male-headed households (11 percent of total households) with 130 of these including children under the age of 18. Female-headed households are the household type that face the greatest economic challenges in Commerce. In 2020, while female headed-households in poverty comprised three percent of all Commerce households, they represented over 60 percent of the 537 Commerce households living below the poverty line.⁴

Resources for Single-Parent Households

HCV and other programs such as Family Self-Sufficiency are resources for single-parent households. Specifically, female-headed households typically qualify for preferences for services. Female-headed households comprise a significant portion of HCV recipients.

~~The City's Parks and Recreation Department offers a variety of youth programs at its four community parks and associated community centers. These include preschool programs as well as children programs and youth sports. The Brenda Villa Aquatic Center has swimming facilities for youth.~~

⁴ See footnote 4

The City's Teen Center offers a variety of programs and support for teens living in Commerce. Programs include exercise, arts and crafts, cooking, drawing, painting, performing arts, tournaments, dances and excursions. The Center includes internet access, pool tables, video games and other amenities.

Commerce has a Youth Advisory Commission that advises the City Council on all matters pertaining to youth in the city.

The LA County 211 LA database includes information about food benefit programs for families such as CalFresh and the Women, Infants and Children (WIC) food program. Summer food programs listed for school age children are also included.

Agricultural Workers

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. As shown in ~~Table 2-24~~Table 2-24, 58 farm workers and other persons in forestry and fishing occupations were identified in the City in 2020. These workers account for one percent of the City's total workforce population. These persons are likely to be employed in nurseries and landscaping services, stables, and not in traditional agricultural production. According to the USDA 2017 Census on agricultural population, there were 413 farms in Los Angeles County and 3,266 farmworkers. Of these farmworkers about a third (1,044) worked for 150 days or more annually.⁵ Only 22 farms in Los Angeles County hired migrant farmworkers. An estimated 395 migrant workers worked in the County. Given that Commerce has no farming activities and no land is zoned for agricultural uses, it is not likely there are any migrant farmworkers in the City. The demand for housing generated by farm workers in the City is thus estimated to be extremely low.

Resources for Agricultural Workers

The LA County 211 LA database including resources for agricultural workers in the County. This includes food benefit programs including CalFresh, which is eligible to households with a migrant or seasonal farmworker.

Households Living Below the Poverty Level

According to the 2020 ACS, approximately 11 percent of Commerce residents live below the poverty line. ~~Table 2-24~~Table 2-24 above show the percentage of Commerce

⁵ USDA, 2017 Census of Agriculture – County Data: Table 7. www.nass.usda.gov.

households that live below the poverty line. Approximately 15 percent of the City's households live in poverty. As described above, over 60 percent of the 537 Commerce households living below the poverty line are female-headed households. ~~The HCV program is the primary rental assistance available to lower income households, especially those with extremely low income households. HUD policy requires allocating 70 percent of new vouchers to households with extremely low incomes, which include households living below the poverty level.~~

Resources for Households Living Below the Poverty Level

~~The HCV program is the primary rental assistance available to lower income households, especially those with extremely low income households. HUD policy requires allocating 70 percent of new vouchers to households with extremely low incomes, which include households living below the poverty level.~~

~~During the Thanksgiving and Christmas Holidays, the City of Commerce receives food and in-kind donations from local businesses and civic organizations. With the help of community volunteers, the food is packaged and distributed to the low income residents and families who apply and qualify under the required income guidelines.~~

~~211LA provides a variety of resource connections for low-income residents in the County. These include the Food Finder tool to locate food benefits and services, meals and food pantries throughout the County.~~

~~The Housing Rights Center offers housing services and legal services throughout LA County.~~

Extremely Low Income (ELI) Households

Extremely low income households are households earning 30 percent or less than the area median income (AMI). Extremely low income households are more likely to experience housing problems and cost burden. Table 2-27 shows the latest Comprehensive Housing Affordability Strategy (CHAS) data based on the 2015-2019 ACS. Approximately 24 percent of households in Commerce are extremely low income. Of these 850 households, approximately 69 percent are renters and 31 percent are owners. The table also shows that three-quarters of extremely low households in Commerce experience cost burden. Due to increases in rent and housing prices, these households will likely continue to face housing problems. ~~The particular needs of extremely low income households 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. The HCV program is the primary rental assistance available to extremely low income households. HUD policy requires allocating 70 percent of new vouchers to households with extremely low incomes.~~

Resources for Extremely Low Income Households

The particular needs of extremely low income households 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. The HCV program is the primary rental assistance available to extremely low income households. HUD policy requires allocating 70 percent of new vouchers to households with extremely low incomes.

Please also see [Resources for Households Living Below the Poverty Level](#).

Table 2-27: Extremely Low Income (ELI) Households by Tenure and Housing Problems

	Owner		Renter		Total	
	Households	Percent	Households	Percent	Households	Percent
ELI Households	265	16.0%	585	31.2%	850	24.0%
With Housing Problem	195	73.6%*	435	74.4%*	630	74.1%*
With Cost Burden	195	73.6%*	435	74.4%*	630	74.1%*
Total Households in Commerce	1,660	100%	1,875	100%	3,535	100%

*Note: Percentage is of ELI Households only

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2015-2019; Data released September 9, 2022

Individuals and Families Experiencing Homelessness

Individuals and families experiencing homelessness have immediate housing needs. Homelessness in Commerce, as in other communities, results from a combination of factors, including loss of employment, inability to find a job due to lack of skills, and high housing costs in comparison to incomes. For some, homelessness may also be the result of chronic health problems, physical disabilities, mental health disabilities, or substance abuse. While the specific nature of the factors causing homelessness may vary, there are typically three root causes:

- Lack of affordable housing;
- Lack of access to affordable support services; and
- Low household incomes.

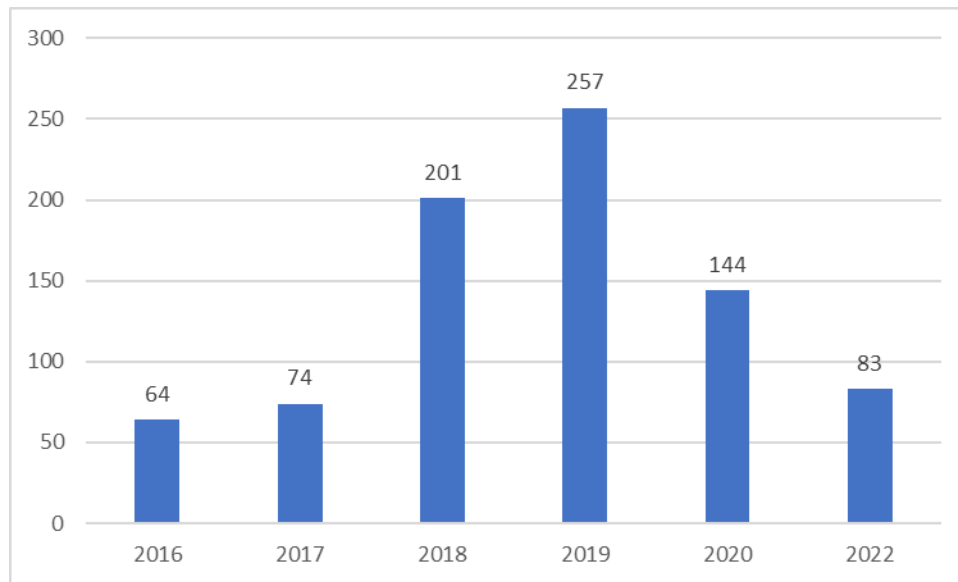
The Los Angeles Homeless Services Authority (LAHSA) released [data for 2022 in their latest data in](#) September 2022. The annual Point-in-Time (PIT) Count of people experiencing homelessness was conducted throughout Los Angeles County over several nights in February 2022. The County is divided into Service Planning Areas (SPAs) and Commerce is located in SPA 7. [While the LAHSA has released data from the 2023 PIT](#)

Count, at the time of this report writing, the information is only at the County and SPA levels and does not include information at the City level. Therefore, the 2022 information was used instead to provide a consistent picture for LA County and the City of Commerce.

Figure 2-5: Unsheltered Persons in Commerce (2016-2020, 2022)* and

Table 2-28 show the results from the PIT Count.⁶ A total of 83 unsheltered persons were counted in Commerce. This number is lower than in the past few years, with 257 persons being the highest number of unsheltered persons counted in Commerce in 2019 (Figure 2-5). Of the unsheltered persons in 2022, over half (55 percent) were in some type of vehicle, such as cars, vans or RVs. Persons in makeshift shelters comprised 30 percent of those counted.

Figure 2-5: Unsheltered Persons in Commerce (2016-2020, 2022)*



*Due to the COVID-19 pandemic, a Point-in-Time Count was not conducted in 2021.

Source: Los Angeles Homeless Services Authority Dashboard, www.lahsa.org

Table 2-28: Unsheltered Persons in Commerce - 2022

	Number	Percent
Cars	10	12.0%
Vans	5	6.0%
RVs	32	38.6%
Tents	4	4.8%
Makeshift Shelters	25	30.1%

⁶ A Point in Time Count was not conducted in 2021 due to the COVID-19 pandemic.

On the Street	7	8.4%
Total	83	100.0%

Source: Lost Angeles Homeless Services Authority, 2022 Greater Los Angeles Homeless County, Data released September 8, 2022.

Resources for Individuals and Families Experiencing Homelessness

Although no homeless shelters are located in Commerce, various facilities located in the surrounding communities are available to provide shelter for homeless individuals and families. These facilities are categorized and described in ~~Table 2-29~~**Table 2-29**. ~~In Commerce, the Homeless, Engagement And Referral Team consisting of Social Services, Sheriff’s Department, Public Safety, and Homeless Agency staff provides outreach, information, resources and referrals to homeless individuals in encampments, cars and RV’s.~~

Table 2-29: 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	Emergency 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. Provides services for women and children.
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.

Organization	Services Provided
<p>East Rancho Dominguez Community Services 4513 E. Compton, Boulevard Compton, CA 90221</p>	<p>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 emergency food distribution..</p>
<p>Christian Outreach Appeal 515 E. Third Street Long Beach, CA 90802 (562) 436-9877</p>	<p>Provides programs and informational resources for homeless, seniors and single-mothers, housing opportunities and hot meals.</p>
<p>Catholic Charities - Family Shelter 123 East 14th. Long Beach, CA 90813 (562) 591-1351</p>	<p>Provides transitional housing for homeless men, women and children. Single residents must be elderly or disabled. Stays of up to 45 days are permitted.</p>
<p>Family Crisis Center Confidential Location Redondo Beach (310) 792-5900</p>	<p>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.</p>
<p>Los Angeles Mission 303 E 5th Street Los Angeles, CA 90022 (213) 629-1227</p>	<p>Provides 35 beds for individuals, resources and food services to the public.</p>
<p>East Los Angeles Women's Center 1431 S. Atlantic Blvd. Los Angeles, CA 90022 (323) 526-5819</p>	<p>Provides Domestic Violence services, sexual assault services, shelter, HIV/AIDS services</p>
<p>Southern California Alcohol and Drug Programs, Inc. Los Angeles Area 11500 Paramount Boulevard Downey, CA 90241 (562) 923-4545</p>	<p>Certified Drug Medi-Cal provider offers Outpatient, residential treatment and recovery support services to Medi-Cal and My Health beneficiaries. Assistance with enrolling in Medi Cal and My Health Los Angeles is available. Other programs available: Angel Step Inn, La Casita, Positive Steps.</p>
<p>Comunidad Cesar Chavez 207 N. Breed Street Los Angeles, CA 90033 Open 24 hours</p>	<p>Bridge housing for 27 families in Boyle Heights.</p>
<p>Helpline Youth Counseling 1481 Telegraph Road Whittier, CA 90604 (562) 273-0722</p>	<p>Mental Health services, Family services, Community and Homeless services, Substance Abuse services, Counseling services.</p>

Organization	Services Provided
People Assisting the Homeless 340 N. Madison Avenue Los Angeles, CA 90004 (323) 644-2200	Employment, Outreach, Homeless Prevention, Housing navigation.

Source: City of Commerce

In Commerce, the Homeless, Engagement And Referral Team consisting of Social Services, Sheriff’s Department, Public Safety, and Homeless Agency staff provides outreach, information, resources and referrals to homeless individuals in encampments, cars and RV’s.

211 LA’s Coordinated Entry System for Families (CESF) provides access to a network of homeless services providers throughout the County. In addition, 211 offers contact information for a variety of shelters and programs for individuals experiencing homelessness and those at risk of becoming homelessness.

Cumulative Needs and Resources for Special Needs Groups in Commerce

Below is a summary of special needs groups in Commerce as well as available resources to assist them:

Special Needs Groups

- the percentage of elderly (65 years and older) residents in Commerce almost doubled from 9.2 percent in 2010 to 17.9 percent in 2020. Additionally, the median age in Commerce increased by almost ten years during the last decade.
- In 2020, 13 percent of Commerce’s population had a disability. The most prominent disability was ambulatory difficulties (7.2 percent), followed by independent living difficulties (6.9 percent) and cognitive difficulties (6.5 percent).
- Most persons experiencing a developmental disability reside in the home of a parent, family, or guardian. Independent living and supportive housing opportunities are needed for those who may be aging out of their current living situations or losing family support.
- A quarter of Commerce households are large households. Of these 899 households, 620 (69 percent) are owner-occupied and 279 (31 percent) are renter-occupied.
- 16 percent of the City’s households are female-headed households. Of these 576 households, 279 have children under the age of 18. In 2020, there were 399 male-headed households (11 percent of total households) with 130 of these including children under the age of 18.

- In 2020 58 farm workers and other persons in forestry and fishing occupations were identified in the City. These persons are likely to be employed in nurseries and landscaping services and not in traditional agricultural production. No land in Commerce is zoned for agricultural uses.
- Approximately 15 percent of Commerce residents live below the poverty line.
- According to the 2022 PIT Count, 83 unsheltered persons were counted in Commerce.

Support Projects and Resources

Housing Developments

- Four apartment complexes in the City are age-restricted: Telacu, Telacu Gardens, Rosewood Park Senior Apartments, and Commerce Senior Apartments. All of these complexes are income-restricted.

Local Resources and Facilities

- The City of Commerce's Senior Center offers a variety of programs for Commerce residents age 50 and older.
- The Emergency Food Assistance Program (TEFAP) through the Los Angeles Regional Food Bank (LARF). TEFAP Pantry distribution is available every 3rd Thursday of the month to pre-registered individuals living at senior living apartment complexes.
- 211 LA is a clearinghouse of information for services available to County residents. Many organizations that assist disabled, developmentally disabled, senior and low-income residents provide information on this network.
- 211 LA's Coordinated Entry System for Families (CESF) provides access to a network of homeless services providers throughout the County.
- During the Thanksgiving and Christmas Holidays, the City of Commerce receives food and in-kind donations from local businesses and civic organizations.

Commerce Funding for Assistance and Programs

- The First Time Homebuyer 2.0 Program has been used to provide income-qualified (up to 175 percent AMI) Commerce residents secondary financing of up to \$150,000 to assist with down payment and closing costs related to purchasing a new home within the Rosewood Village housing development.
- Low-income senior residents age 57 and older with at least three years of residency in the city can apply for a \$300 monthly rent subsidy which is paid to their landlord.
- The City's Parks and Recreation Department offers a variety of youth programs at its four community parks and associated community centers. The City's Teen Center offers a variety of programs and support for teens living in Commerce.

- In Commerce, the Homeless, Engagement And Referral Team consisting of Social Services, Sheriff's Department, Public Safety, and Homeless Agency staff provides outreach, information, resources and referrals to homeless individuals in encampments, cars and RV's.

Participation in Federal, State, County and Non-Profit Programs

- The HCV program is the primary rental assistance available to lower income households
- The Housing Rights Center offers housing services and legal services throughout LA County

Housing Element Programs

Several program in this Housing Element include provisions for special needs residents in Commerce. Please refer to Chapter 5, Housing Plan, for more information.

Assisted Housing At-Risk of Conversion to Market Rate Housing

According to California Government Code Section 65583(a)(8) and (c)(6), jurisdictions must evaluate the potential for currently rent restricted low-income housing units to convert to non-low-income housing in ten years and propose programs to preserve or replace these units. For this Housing Element, this ten-year analysis period covers from October 15, 2021, through October 15, 2031. This section identifies the City's assisted units at-risk of conversion to market rate housing.

Seven developments in Commerce have received mortgage assistance through the federal government and/or the State of California.

There are currently three federally assisted multi-family 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. Table 2-29 The City has other affordable housing developments that are not governed by affordability covenants or deed restrictions such as the 10-unit Commerce Family Homes, 68-unit Commerce Senior Apartments, and four-unit Commerce Watcher Street Homes. These projects receive project-based rental assistance. Table 2-30 shows the details about these complexes, including the name, address, government assistance, affordability controls and other pertinent information for the government-assisted projects in the city. These developments have a total of 354 subsidized units.

Table 2-30: Assisted Multifamily Rental Complexes in Commerce

<u>Development Name</u>	<u>Address</u>	<u>Affordable Units</u>	<u>Type of Assistance</u>	<u>Covenant/Contract End</u>	<u>At-Risk</u>
<u>Rosewood Park Senior Apts.</u> <u>Total Units = 94 units</u>	<u>2230 Eastern Ave.</u>	<u>93</u>	<u>LIHTC</u>	<u>2053</u>	<u>No</u>
<u>Studio 6 LA Commerce</u> <u>Total Units = 81 units</u>	<u>7701 E. Slauson Ave</u>	<u>81</u>	<u>HCD</u>	<u>2075</u>	<u>No</u>
<u>TELACU Manor</u> <u>Total Units = 75 units</u>	<u>7100 E. Gage Ave</u>	<u>75</u>	<u>HUD</u>	<u>2035</u>	<u>No</u>
<u>TELACU Gardens</u> <u>Total Units = 24 units</u>	<u>7131 E. Gage Ave</u>	<u>23</u>	<u>HUD</u>	<u>2033</u>	<u>No</u>
<u>Commerce Family Homes</u> <u>Total Units = 10 units</u>	<u>6201 Emil Ave</u>	<u>10</u>	<u>HUD</u>	<u>2024</u>	<u>Yes</u>
<u>Commerce Senior Apartments</u> <u>Total Units = 68 units</u>	<u>6725 E. Gage Ave</u>	<u>68</u>	<u>HUD</u>	<u>2027</u>	<u>Yes</u>
<u>Commerce Watcher St Homes</u> <u>Total Units = 4 units</u>	<u>7010 Watcher St.</u>	<u>4</u>	<u>HUD</u>	<u>2024</u>	<u>Yes</u>
<u>Total</u>		<u>354</u>	<u>-</u>	<u>-</u>	

Source: City of Commerce, 2023

At Risk Status

State law requires the housing element to include an assessment of the likelihood that the publicly assisted affordable projects will be at risk of conversion to non-low income uses. This determination of “at risk” status depends on: 1) whether the original deed restrictions that accompany public assistance are expiring; 2) the desire of the property owner to convert the project to market rates; and 3) current housing market conditions. At-risk projects are those considered to be at risk of conversion to market rate housing within 10 years following adoption of the housing element, or 2031. There are three assisted rental housing projects at risk of expiring during the 2021-2031 Housing Element period, with a total of 82 units. Government Code Section 65583 requires each city and county to conduct an analysis and identify programs for preserving assisted housing developments. The analysis is required to identify any low income units that are at risk of losing deed-restricted subsidies in the next 10 years. All three of the projects in the City with 153 affordable units are deemed at risk of conversion during the ten-year at-risk analysis period.

- Commerce Family Homes (10 affordable units) – Commerce Family Homes has 10 low income family housing units subsidized by HUD Section 8 Project-Based Rental Assistance (PBRA). Households receiving HUD PBRA assistance typically earn 30% or less than the AMI. The complex has nine three-bedroom units and one four-bedroom unit. The current project-based Section 8 contract is expiring in 2024.
- Commerce Senior Apartments (68 affordable units): Commerce Senior Apartments is a low income senior housing complex subsidized by HUD Section 8 Project-Based Rental Assistance (PBRA). Households receiving HUD PBRA assistance typically earn 30% or less than the AMI. The complex has 68 one-bedroom units. The current project-based Section 8 contract is expiring in 2027.
- Commerce Watcher Street Home (4 affordable units): This complex has four one-bedroom units that are subsidized by HUD Section 8 Project-Based Rental Assistance (PBRA). Households receiving HUD PBRA assistance typically earn 30% or less than the AMI. The current project-based Section 8 contract is expiring in 2024.

Conversion Risk

~~Commerce’s assisted units are all at risk based on the expiration of restrictions for low income use through various financing sources or expiration of Section 8 rental assistance~~

~~contracts. However, while the units described in Table 2-30 may meet the definition of at risk of conversion as described in Government Code Section 65583, the risk of conversion for two of these complexes is low because they are owned by The East Los Angeles Community Union (TELACU), whose mission as a nonprofit organization is to provide affordable housing for seniors. The three projects with Section 8 contracts have been in place for over 40 years and are likely to continue renewing the five-year contracts.~~

Preservation and Replacement Options

Preservation or replacement of at-risk projects can be achieved in several ways: 1) transfer of ownership to non-profit organizations; 2) provision of rental assistance other than through the Section 8 program; 3) replacement or development of new assisted multi-family housing units; 4) purchase of affordability covenants; and/or 5) refinance of mortgage revenue bonds on bond funded units. These options are described below, along with a general cost estimate for each. Financial resources available include bond financing, as well as CDBG and HOME funds, Section 8 rental assistance, low income housing tax credits, and Proposition 1C funds.

Transfer of Ownership

The California Department of Housing and Community Development (HCD) keeps a current list of all of the qualified entities across the State. A “qualified entity” is a nonprofit or for-profit organization or individual that agrees to maintain the long-term affordability of housing projects.

Efforts by the City to retain low-income housing must be able to draw upon two basic types of preservation resources: organizational and financial. Qualified, non-profit entities need to be made aware of the future possibilities of units becoming at risk. Groups with whom the City has an ongoing association are the logical entities for future participation. The following qualified entities serving Los Angeles County may have the potential to acquire and preserve the at-risk units identified in Commerce:

- **Abode Communities**
- **American Family Housing**
- **Century Housing Corporation**
- **LTSC Community Development Corporation**
- **Many Mansions**
- **Orange Housing Development Corporation**
- **National CORE**
- **TELACU**

~~An online survey on Redfin in December 2022 shows several multi-family rental properties for sale in Commerce, Montebello and East Los Angeles, averaging \$273,729 per unit. The actual market value at time of sale will depend on market and property conditions, lease-out/turnover rates, among other factors.~~

Current market value for the units is estimated on the basis of the project’s potential annual income and operating and maintenance expenses. As indicated in Table 2-31, the estimated market value of the at-risk units is \$24.4 million. This estimate is provided for the purpose of comparison and understanding the magnitude of costs involved and does not represent the precise market value of this project. The actual market value at time of sale will depend on market and property conditions, lease-out/turnover rates, among other factors.

Table 2-31: Market Value of At-Risk Units

<u>Unit Information</u>	<u>At-Risk Units</u>
<u>1-BR</u>	<u>72</u>
<u>3-BR</u>	<u>9</u>
<u>4-BR</u>	<u>1</u>
<u>Total</u>	<u>82</u>
<u>Annual Operating Cost</u>	<u>\$583,583</u>
<u>Gross Annual Income</u>	<u>\$5,239,032</u>
<u>Net Annual Income</u>	<u>1,955,449</u>
<u>Market Value</u>	<u>\$24,443,112</u>

Market value for project is estimated with the following assumptions:

Average market rent based on Fair Market Rents (FY 2023) established by HUD. One-bedroom unit = \$1,747; two-bedroom unit = \$2,222; three-bedroom unit = \$2,888; four-bedroom unit = \$3,170.

Average size is assumed to be 600 square feet for a one-bedroom, 850 square feet for a two-bedroom, 1,200 square feet for a three-bedroom, and 1,500 square feet for a four-bedroom.

Annual income is calculated on a vacancy rate = 5%

Annual operating expenses per square foot = \$10.52 (NAAHQ, Operating Income and Expense Data for All Subsidized Properties, 2021).

Market value = Annual net project income*multiplication factor

Multiplication factor for a building in good condition is 12.5.

Replacement of Units

The cost of developing new housing depends on a variety of factors such as density, size of units, location and related land costs and type of construction. In 2020, the UC Riverside’s Center for Economic Forecasting and Development reported that per-unit costs for a 75-unit development ranged from \$476,149 in Oxnard to \$579,133 in Los Angeles.⁷ Using the LA County figure from this study, replacing the 235 potentially at risk units would likely cost at least \$136 million.

Rental Assistance

Tenant-based rent subsidies could be used to preserve the affordability of housing. Similar to Section 8 vouchers, the City through a variety of potential funding sources could provide assistance to very low income households. The level of the subsidy required to preserve the at-risk affordable housing is estimated to equal the Fair Market Rent for a unit minus the housing cost affordable by a very low income household.

Table 2-31 shows the rental subsidies required for the at-risk units. The level of the subsidy required to preserve the at-risk affordable housing is estimated to equal the Fair Market Rent for a unit minus the housing cost affordable by a very low income household. As shown, subsidizing the 82 very low income at-risk units would require approximately \$94,172,102,200 a month (\$1,226,400,130,064 annually) while the low income at-risk units would require approximately \$9,990 a month (\$119,880 annually) in subsidies.

Table 2-31: Rental Subsidies Required

Unit Size	Total Units	Fair Market Rent	Household Size	Household Annual Income	Affordable Cost (Minus Utilities)	Utility	Per Unit Subsidy	Monthly Subsidy(all units)
1-BR	72	\$1,747	2	\$47,650	\$958	\$233	\$1,022	\$73,584
3-BR	9	\$2,888	4	\$59,550	\$1,173	\$316	\$2,031	\$18,279
4-BR	1	\$3,170	5	\$64,350	\$1,235	\$374	\$2,309	\$2,309
Total	82	---	---	---	---	---	---	\$94,172

⁷Chong, Hoyu. (February 2020). “Economy White Paper Series: Demystifying the High Cost of Multifamily Housing Construction in Southern California.” UC Riverside’s Center for Economic Forecasting and Development. https://ucreeconomicforecast.org/wp-content/uploads/2020/03/UCR_CEFD_Multifamily_Housing_White_Paper_3_2020.pdf

Unit Size	Total Units	Fair Market Rent	Household Size	Household Annual Income	Affordable Cost (Minus Utilities)	Utility	Per-Unit Subsidy	Monthly Subsidy(all units)
Very Low Income (50% AMI)								
1-BR	400	\$1,747	2	\$47,650	\$958	\$233	\$1,022	\$102,200
Low Income (80% AMI)								
1-BR	135	\$1,747	2	\$76,250	\$1,906	\$233	\$74	\$9,990
Total	235	--	--	--	--	--	--	\$112,190

Source: Veronica Tam & Associates, 2022.

Notes: Fair Market Rents (FMR) FY 2023, Los Angeles-Long Beach-Glendale, CA are determined by HUD.

Los Angeles County 2022 Area Median Household Income (AMI) limits set by the California Department of Housing and Community Development (HCD).

Affordable cost = 30% of household income minus utility allowance from the LACDA 2022 Utility Allowance Schedule.

Replacement of Units

The construction of new low income housing units is a means of replacing the at-risk units should they be converted to market-rate units. The cost of developing new housing depends on a variety of factors such as density, size of units, location and related land costs and type of construction. Estimated new construction costs for the three at-risk affordable housing projects are shown in Table 2-33. The replacement of the 82 at-risk units would require approximately \$152,287 per unit. However, this cost estimate does not include land, permits, on- and off-site improvements, and other costs.

Table 2-33: Estimated Construction Costs to Replace At Risk Units

Unit Size	(A) Total Units	(B) Estimated Average Unit Size	(C) Estimated Gross Building Size	(D) Estimated Gross Building Costs
1-BR	72	600	\$51,840	\$9,720,000
3-BR	9	1,200	\$12,960	\$2,430,000
4-BR	1	1,500	\$1,800	\$337,500
Total	82	---	---	\$12,487,500
Average Per Unit Cost				\$152,287

Notes:

(C) = (A) x (B) x 1.20 (i.e., 20% inflation to account for hallways and other common areas)

(D) = (C) x \$150 (per square foot construction costs) x 1.25 (i.e., 25% inflation to account for parking and landscaping costs)

Construction cost an estimate only.

Purchase of Affordability Covenants

Another option to preserve the affordability of the at-risk projects is to provide an incentive package to the owner to maintain the project as affordable housing. Incentives could include writing down the interest rate on the remaining loan balance, providing a lump-sum payment, and/or supplementing the rents to market levels. The feasibility and cost of this option depends on whether the complex is too highly leveraged and interest on the owner's part to utilize the incentives found in this option. By providing lump sum financial incentives or ongoing subsidies in rents or reduced mortgage interest rates to the owner, the City could ensure that some or all of the units remain affordable. While projects owned by nonprofit organizations have affordable housing as their mission and therefore the long-term use is typically not an issue, subsidies may be needed over time to subsidize the rents if Section 8 contracts are no longer available, or funds are needed for rehabilitation.

Cost Comparisons

The above analysis attempts to estimate the cost of preserving the at-risk units under various options. However, because each project may have unique circumstances and therefore different options available, the direct comparison would not be appropriate. In general, providing additional incentives/subsidies to extend the affordability covenant would require the least funding over the long run, whereas the construction of new units would be the most costly option. Over the short term, providing rent subsidies would be least costly but this option does not guarantee the long-term affordability of the units.

The cost to build new housing to replace the 82 at-risk units is an estimated total cost of over \$12.4 million, excluding land, on- and off-site improvements, and permit fees. Transfer of ownership is estimated to be \$24.4 million. Both the construction of new housing and transfer of ownership would be substantially more expensive than providing rent subsidies (\$1,130,064 annually). However, rent subsidies do not provide long-term affordable housing. Further, rental subsidies over a 20-year period would ultimately be more costly than constructing replacement units or transfer of ownership.

Regional Housing Need Allocation

The Regional Housing Needs Allocation (RHNA) is a critical part of State housing element law (Government Code Section 65580). The process for determining the RHNA is briefly described below:

- The State Department of Housing and Community Development uses a California Department of Finance growth projection and other factors to determine the number of housing units that are needed statewide over an eight-year planning

period (for Commerce and other Southern California jurisdictions, this time period is 2021-2029).

- This statewide housing unit number (called the Regional Housing Needs Determination, or RHND), is divided into regions. Commerce is located within the Southern California Association of Governments (SCAG) region.
- SCAG is responsible for creating a methodology to distribute the RHND among all of its cities and counties. Each jurisdiction's housing unit number is called the Regional Housing Needs Allocation (RHNA).
- The RHNA is the number of units that a jurisdiction must plan for in the Housing Element update. The units are divided into four different categories based on median income: very low (earn <50 percent AMI), low (earn between 51 and 80 percent AMI), moderate (earn between 81 and 120 percent AMI) and above moderate (earn more than 120 percent AMI).

Almost all jurisdictions in the SCAG region received a larger RHNA this cycle compared to the last housing element cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles.

[Table 2-34](#)~~Table 2-32~~ illustrates Commerce's RHNA by income category for the 2021-2029 planning period. Per State law, local jurisdictions are also required to provide an estimate for their projected extremely low income households (those earning 30 percent or less AMI). Jurisdictions can use half of their very low income RHNA allocation to make this projection. Therefore, Commerce is dividing the very low income allocation of 55 units in half to meet this state requirement.

Table 2-3432: Housing Need by Income Category for Commerce

Extremely Low (0-30% AMI)	Very Low (30-50% AMI)	Low (51-80% AMI)	Moderate (81-120% AMI)	Above Moderate (>121% AMI)	Total RHNA
28*	27	22	39	131	247

**The City has a RHNA allocation of 55 very low income units (inclusive of extremely low income units). While the RHNA did not separately define housing needs for extremely low income households, the very low income allocation can be split evenly between very low- and extremely low income households.*

Source: SCAG 6th Cycle Final RHNA Allocation Plan, 7/1/2021

CHAPTER 3: HOUSING CONSTRAINTS

A number of factors may constrain the development of housing, particularly housing affordable to lower-income households. These factors can generally be divided into “governmental constraints,” or those that are controlled by federal, state, or local governments; and “nongovernmental constraints,” factors that are not generally created or cannot be affected by government controls. This chapter also looks at the “infrastructure and environmental constraints” facing Commerce.

Governmental Constraints

Transparency In Developmental Regulations

To increase transparency and certainty in the development application process as required by law, the City provides a range of information online for ease of access, some of which is as follows:

- City General Plan: <https://www.ci.commerce.ca.us/Home/ShowDocument?id=76>
- City Zoning Ordinance (Title 19):
https://library.municode.com/ca/commerce/codes/code_of_ordinances
- Planning Fees and Applications:
<https://www.ci.commerce.ca.us/city-hall/economic-development-and-planning/planning/planning-applications-fees>
- Building and Safety Permit Fees and Applications:
<https://www.ci.commerce.ca.us/city-hall/economic-development-and-planning/building-safety>
- Housing resources, including information on first time homeowner and home preservation grants:
<https://www.ci.commerce.ca.us/city-hall/economic-development-and-planning/housing>

Land Use Controls

General Plan

In January 2008, the City Council adopted the 2020 General Plan. The General Plan serves as a guide for development while recognizing unique features of Commerce, including:

- Commerce being a key employment and commercial center in the Los Angeles region;
- Addressing how the numerous quarries in the city will be used in the coming decades; and
- The need to protect livability of the community and embracing environmental justice to ensure that the community's rights are considered in future planning and development decisions.

Community Development Element

The Commerce 2020 General Plan was adopted in 2008. The General Plan's Community Development Element includes the Land Use Plan for the city and includes several land use categories. A majority of the land in the city is designated for industrial uses (61 percent). Residential land uses make up less than ten percent of the City's land. Residential uses are allowed in the following categories:

- *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 Boulevard corridor between the Mix-Master intersection (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 3-1 shows the designations and corresponding development standards.

Table 3-1: Commerce General Plan Residential Land Use Designations

Land Use Designation	Typical Land Use and/or Development	Maximum Permitted Density	Corresponding Zone District
Low-Density Residential	Single-Family Residential Units	11 du/ac*	R-1
Medium-Density Residential	Single-Family & Duplex Units	17 du/ac	R-2
High-Density Residential	Multi-Family Residential Units	27 du/ac	R-3
Mixed-Use (Atlantic)	General Commercial/Office Mixed Use	27 du/ac	MU
Housing Opportunity Overlay	Mixed Use, Multi-family	27 du/ac	HOO

Note: du/ac = dwelling units per acre

Source: City of Commerce 2020 General Plan (Tables 3-1 and 3-2); adopted January 2008

The City is in the process of updating the General Plan, with adoption anticipated by the end of 2023. Table 3-2 shows the proposed land use policy’s following changes to the land use designations. A key focus of the Land Use Element update is to provide additional residential and commercial opportunities in the ~~City~~. This theme was prominent in the public outreach done for the General Plan between 2018 and 2023 (please See Chapter 1 and Appendix A of this Element).

Table 3-2: Preliminary Categories for Land Use Element Update

GP Designation	Corresponding Zone Districts	Permitted Development	Density	MAX Intensity
Low-Density Residential	R1	Single-unit detached and attached	0 - 11 du/ac	N/A
Medium-Density Residential	R2	Small lot residential Single-unit detached and attached Duplex units Triplex units Multi-unit attached	11.1 - 17 du/ac	N/A
High-Density Residential	R3	Triplex units Multi-unit attached	17.1 - 27 du/ac	N/A
Housing Opportunity Area	M2 with HO Overlay	Small lot residential Single-unit attached Duplex units Triplex units Multi-unit attached Light manufacturing	11.1 - 40 du/ac	FAR: 1.0

GP Designation	Corresponding Zone Districts	Permitted Development	Density	MAX Intensity
Mixed-Use	New Designation	Small lot residential Single-unit attached Duplex units Triplex units Multi-unit attached Live/Work Adaptive reuse Retail Office Food/Entertainment	40 - 60 du/ac	FAR: 2.0 - 3.0*
Mixed Use/Atlantic	New Designation	Multi-unit attached Live/Work Mixed uses Office Retail	40 - 85 du/ac	FAR: 2.0 - 2.5*
Mixed Use/Washington 1	New Designation	Multi-unit attached Live/Work Mixed uses Office Retail Brewery/Winery/Distillery	40 - 85 du/ac	FAR: 2.0 - 3.0*
Mixed Use/Washington 2	New Designation	Office Retail Brewery/Winery/Distillery	N/A	FAR: 2.0 - 4.0*
Innovation	New Designation	Live/Work Neighborhood-serving retail Food establishments R&D	N/A	FAR: 1.0

Source: MIG, April 2023

Modelo Specific Plan

In February 2022, the Commerce City Council approved the Modelo Specific Plan (Specific Plan). A specific plan effectively establishes a link between implementing policies of the General Plan and the individual development proposals in a defined area. The Specific Plan area is located in the southernmost portion of the city and includes the demolition of the existing Veterans Memorial Park located at 6364 Zindell Avenue, and an adjacent vacant parcel at 7316 E. Gage Avenue (collectively, the “Project Site”). The

Specific Plan outlines the redevelopment of the 17.37-acre Project Site to include the construction of up to 850 residential units, up to 165,000 square feet of commercial uses, a new public community center and museum, and approximately five acres of park and open space. The development agreement also includes 10 percent of housing units affordable to the workforce (up to 175 percent of the Area Median Income).

As part of adopting the Modelo Specific Plan, the following actions were taken by the City Council:

- General Plan Amendment with corresponding map amendments to change the General Plan land use designation from Residential, Public Facilities and Commercial Manufacturing to Modelo Specific Plan.
- Zone Change and corresponding map amendments to change zoning from C/M-1 (Commercial Manufacturing) and PF (Public Facility) to Modelo Specific Plan Zone.

The type of development included in the Specific Plan is unique in that it would be the first in the City of Commerce. Although the City’s General Plan encourages mixed-use development, the Specific Plan is unique in that it is the first area identified within the City where a considerable mixed-use development could co-exist with other existing uses. The land use layout and design requirements in the Specific Plan will allow for a variety of residential, commercial and public space uses to be located in the same area. A mix of for-sale and for-rent residential uses will be located on the western side of the Specific Plan area. These uses include apartments, townhomes and live/work units. Development standards for the Specific Plan residential units, including minimum unit sizes, can be found in the Residential Development Standards section of this chapter. It should be noted that the Specific Plan has design types to meet the needs of various household sizes and makeups.

Local Ordinances

Density Bonus

The City’s Density Bonus ordinance (Division 3 of Chapter 19.07 of the Zoning Ordinance) was last updated in 2013. The Ordinance outlines the following bonuses and incentives that are allowed:

- Very-low income, low income and senior citizen housing: One density bonus of 20 percent over the maximum density (senior housing: 20% over the number of units) if the following is met:
 - Very-low income: five percent of the total dwelling units
 - Lower income: ten percent of the total dwelling units

- Moderate Income: one density bonus of five percent if at least ten percent of the units are provided at affordable costs to moderate income households.

~~Since the City's Ordinance was last updated in 2013, Therefore, when reviewing density bonus applications, the City references and complies with Government Code §56915 when reviewing density bonus applications. This Housing Element includes a program to amend the Commerce Municipal Code to comply with the State Density Bonus law.~~

Recently enacts bills, including AB 1763 and AB 2345, have modified Government Code Section 65915-65918 to expand density bonus provisions. The new regulations include special provisions for projects that are 100 percent affordable, allowing a maximum density bonus of 80 percent in most cases, with no limitations on density for projects within one-half mile of a major transit stop. Additionally, the maximum density bonus for qualifying projects that include market rate units has been increased from 35 percent to 50 percent. This Housing Element includes a program to amend the Commerce Municipal Code to comply with the State Density Bonus law.

Residential Development Standards

The City regulates the type, location, density, and scale of residential development primarily through the Zoning Ordinance. Chapter 19.07 of the City's Municipal Code outlines the purpose of Commerce's residential zones. Following adoption of the General Plan Update by the end of 2023, the City will update the Zoning Ordinance (see Table 3-2 above).

- *Low Density Residential Zone (R-1).* The purpose of the R-1 zone is to provide areas for the development of detached and attached single-family dwellings that incorporate private outdoor open spaces into individual living environments. The zone is intended to protect and stabilize desirable characteristics of single-family residential areas, such as minimum lot sizes and separation from incompatible land uses.
- *Medium Density Residential Zone (R-2).* The purpose of the R-2 residential zone is to provide an environment suitable for both single-family and duplex units. The intent is to promote desirable characteristics for medium-density living and to stabilize existing medium-density areas. Lots in the R-2 zone may accommodate one or two single-family detached units or duplex units.
- *High Density Residential Zone (R-3).* The purpose of the R-3 zone is to provide opportunities for persons to live in medium- or high-density residential developments. Lots in this zone provide common open space areas and similar amenities. The R-3 zone is primarily intended to accommodate apartments and other multi-family dwellings, although single-family and duplex residences are also permitted.

- *Housing Opportunity Overlay (HOO)*. The HOO is established to facilitate the development of housing "by-right" on underutilized industrial sites. It is intended to be applied to properties that are currently zoned heavy manufacturing (M-2) and permits discontinued manufacturing uses to recycle to residential development.

Table 3-3 outlines the residential development standards in the City's Zoning Code.

Table 3-3: Residential Development Standards

	R-1	R-2	R-3	HOO
Density Range*	0-8.7 du/acre	8.71-14.52 du/acre (for duplex units)	21.78 du/acre	0 – 40 du/ac
Minimum Lot Area	4,000 sq. ft.	5,000 sq. ft./duplex unit; 3,000 sq.ft./unit for 2 single-family units	2,000 sq. ft./unit and not less than 7,500 sq. ft.	None required
Maximum Allowable Floor Area (all structures)	40% of the total area of the lot	1 unit = 40% of the total area of the lot. This standard does not apply to multiple units.	1 unit = 40% of the total area of the lot. This standard does not apply to multiple units.	---
Maximum Lot Coverage (including all structures, porches and patios)	45% of the total lot area (must also be within the allowable floor area)	1 unit = 45% of the total area of the lot. This standard does not apply to multiple units.	1 unit = 45% of the total area of the lot. This standard does not apply to multiple units	None
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)	500 sq. ft. (studio) 600 sq. ft. (1 bedroom) 800 sq. ft. (2 bedroom) 1,000 sq. ft. (3 bedroom)
Maximum Building Height	25 feet (2-story)	25 feet (2-story)	35 feet or 3-story, whichever is less	60 feet or 5 stories
Distance Between Buildings (Minimum)	10 feet 5 feet – accessory bldg	10 feet 5 feet – accessory bldg	20 feet; increase of 5 ft. for every 10 ft. of height, or fraction thereof, above 25 ft.	10 feet
Front Yard Setback (Minimum)	20 feet	20 feet	15 feet	0 feet minimum, 15 feet maximum
Side Yard Setback	3 feet minimum, 5 feet maximum	3 feet minimum, 5 feet maximum	5 feet each side	5 feet minimum
Side Yard Setback-Corner Lot (Minimum)	Same as adjoining front yard, but not less than 10 feet	Same as adjoining front yard, but not less than 10 feet	10 feet where lot abuts a street	0 feet minimum, 15 feet maximum
Rear Yard Setback (Minimum)	15 feet	15 feet	15 feet	10 feet

Notes: HOO – Housing Opportunity Overlay, *Du/acre = Dwelling Unit per Acre

Source: City of Commerce Municipal Code, accessed October 2022.

Lot Size, Setbacks and Building Height Standards

Lot size, setbacks and building heights for residential uses are defined in the City's Zoning Code and shown in [Table 3-3](#)~~Table 3-3~~[Table 3-2](#). For the R-1 zone, the minimum lot size is 4,000 square feet and the minimum dwelling unit size is 950 square feet. The maximum building height is 25 feet (for a two-story building) and setbacks are as follows: 20 feet for the front, 3 to 5 feet for the side (minimum of 10 feet for a corner lot) and 15 feet for the rear setback.

For the R-2 zone, the minimum lot size is 5,000 square feet for duplex units and 3,000 square feet per unit for 2 single-family units. The minimum building size is 850 square feet. Building height and setbacks are the same as the R-1 zone.

The R-3 zone offers more flexibility in the standards, including lot coverage, height and setbacks to allow for multi-family development. The HOO zone offers even greater flexibility with reduced requirements. No minimum lot area is required and the building height (5 stories/60 feet) and reduced setbacks allow for a variety of housing designs and types to be developed. Chapter 19.47 of the Municipal Code includes additional development and design standards for live/work and mixed-use units in the HOO zone. However, the minimum unit sizes in R-3 and HOO zones may constrain the development of micro units, live/work units, and other alternative housing arrangements such as single-room occupancy (SRO) units. This Housing Element includes a program action to review and adjust the minimum unit sizes to accommodate a range of housing unit types. There are also inconsistencies between the General Plan densities and the allowable densities under the implementing Zoning Code. State law requires that the Zoning Code implements the range of densities provided in the General Plan. For example, the R-3 zone implements the General Plan High Density Residential designation but allows a density of 21.78 units per acre, below the General Plan's 27 units per acre density envisioned. This Housing Element includes a program action to align the General Plan and Zoning Code densities. More specifically, a comprehensive Zoning Code update is needed to implement the proposed General Plan Land Use Policy. The Zoning Code update will ensure that appropriate development standards are established to facilitate the achievement of maximum allowable density in the respective zones.

Parking

Parking standards for residential development are in Chapter 19.21 of the Municipal Code. The requirements are summarized in Table 3-4. Single-family homes have a requirement of two parking spaces in a garage, plus one additional space for homes with five or more bedrooms. Duplexes must have a two-car garage for each unit. Multi-family parking depends on the unit size: studios and one-bedrooms must have one garage space

per unit while units with two or more bedrooms must have two garage spaces per unit. Guest parking for multi-family projects is ½ space per unit and may be uncovered. Compact spaces are also required when there are 20 or more overall spaces in the complex.

The HOO Zone allows for a variety of parking layouts to facilitate mixed-use and multi-family development. This includes surface parking, garage/tuck-under parking (in certain areas), underground/podium parking and above-ground parking structures.

Table 3-4: Commerce Residential Parking Standards

	Resident/Guest Parking	Compact Space Requirements
Single-Family	2-car garage for each unit, plus one additional space in the garage per unit for each bedroom in excess of four. For the purpose of parking, dens shall be considered bedrooms.	N/A
Duplex	2-car garage for each unit	N/A
Multi-family		
Efficiency/1-bedroom	1 space per unit within a garage; plus ½ guest space per unit (guest spaces may be uncovered)	Maximum 10% where 20+ spaces are provided
2 or more bedrooms	2 spaces per unit within a garage; plus ½ guest space per unit (guest spaces may be uncovered)	Maximum 10% where 20+ spaces are provided

Source: City of Commerce Municipal Code, accessed October 2022

Table 3-5 looks at the parking requirements in surrounding jurisdictions to determine if Commerce’s standards provide a constraint to development. All neighboring cities require a two-space garage for single-family homes and the cities of Downey and Maywood have similar requirements to Commerce for additional spaces for larger homes. In terms of multi-family development, Commerce is the only city that allows for one space per unit for smaller dwellings. This provides for greater flexibility in multi-family projects. The City also offers developers the option to utilize a density bonus and is flexible with required parking requirements for specific types of residents, including the elderly.

[Under the Accessory Dwelling Unit Chapter \(19.07.090\), tandem parking is allowed on an existing driveway, or on a driveway, a side yard setback or a rear yard setback. Additionally, housing development may provide onsite tandem parking or uncovered parking, but not through on street parking \(19.07.240\).](#) It should be noted that the parking standards in the Modelo Specific Plan area are one space per bedroom (please see [Table 3-6](#)[Table 3-6](#)[Table 3-5](#)). However, the garage parking and guest parking requirements for

multi-family housing may be a constraint to development. This Housing Element includes a program action to address the parking requirements, [including updating the Zoning Ordinance.](#)

Table 3-5: Residential Parking Standards in Commerce and Surrounding Communities

	Single Family	Multi-Family
Bell	2 parking spaces/unit in a garage	2 spaces/unit in a garage, 1 guest open space for every 3 units
Commerce	2-car garage for each unit, plus one additional space in the garage per unit for each bedroom in excess of four. For the purpose of parking, dens shall be considered bedrooms.	Efficiency/1 bdrm: 1 space per unit within a garage plus ½ guest space per unit (uncovered) 2+ bdrms: 2 spaces/unit in a garage, ½ guest space per unit (may be uncovered)
Downey	2 enclosed spaces for units with less than 3,375 sq. ft., 3 enclosed spaces for units between 3,375 and 4,500 sq. ft., 4 enclosed spaces for units with 5,000 sq ft or greater	2 covered spaces within a garage, plus 0.5 guest space per unit
Maywood	2 covered spaces for 3 or fewer bedrooms, one additional uncovered space for each additional bedroom)	3 or fewer bdrms: 2 covered spaces/unit plus ½ guest space per unit, 4+ bdrms – 2 covered spaces/unit for first 3 bdrms then 1 space/bdrm for each add'l bdrm, 1/3 guest space per unit
Montebello	2 enclosed spaces per unit	2 enclosed spaces/unit, plus 1 guest space per 3 units
Pico Rivera	2 spaces in a garage	2 spaces in a garage/carport per unit. For developments with 8+ units, one open guests unit per 8 units.

Source: Cities' Zoning Codes, accessed October 2022.

Modelo Specific Plan Development Standards

As described earlier, the Modelo Specific Plan (adopted in February 2022) includes the construction of up to 850 residential units. The Specific Plan outlines the development standards for these uses (Table 3-6).

Table 3-6: Modelo Specific Plan Development Standards

	Specific Plan Standard
Minimum Dwelling Size	Efficiency unit: 500 sq. ft. 1-bedroom: 600 sq. ft. 2-bedroom: 825 sq. ft. 3-bedroom: 950 sq. ft.
Setbacks	No required setbacks
Outdoor Space	At least 50% of the units shall have dedicated outdoor balcony or space. Any common outdoor space shall have a minimum level surface dimension of twenty (20) feet and minimum area of four hundred (400) square feet.
Height	Zone A (closest to Interstate 5) –eight (8) stories or 110 feet, whichever is greater. Zone B (middle portion of Plan area) –seven (7) stories or eighty-five (85) feet, whichever is greater. Zone C (western portion of Plan area) – four (4) stories or sixty (60) feet, whichever is greater.
Parking	1,393 parking spaces dedicated to residential uses, but no less than one (1) parking space per bedroom.

Source: Modelo Specific Plan, adopted February 2022.

Cumulative Impacts of Land Use Controls

Commerce’s development regulations include parking, building height and lot requirements that may have an impact on achieving maximum allowable density in certain residential zones. However, the following shows that the City is working to remove these constraints:

- Objective Design/Development Standards: Objective standards are generally defined by state law as standards that involve no personal or subjective judgment and that rely on a uniform benchmark or criterion available and knowable prior to application submittal. A program has been included in this Element for the City to hire a consultant by December 2024 to develop objective design/development standards for residential areas. The program objective includes developing objective standards to ensure maximum allowable densities can be achieved.

- The City's Density Bonus ordinance (Division 3 of Chapter 19.07 of the Zoning Ordinance) was last updated in 2013. Therefore, when reviewing density bonus applications, the City references and complies with Government Code §56915. This Housing Element includes a program to amend the Commerce Municipal Code to comply with the State Density Bonus law.
- Following adoption of the General Plan Update by the end of 2023, the City will update the Zoning Ordinance to ensure that the City is in compliance with State law. This will include updates to the ADU, Density Bonus, employee housing, SRO, emergency shelter and low-barrier navigation center provisions, among others.
- Other Zoning Code updates:
 - Parking: E—establish appropriate parking standards to facilitate multi-family housing and mixed use development. The Zoning Ordinance update will include language that includes other parking incentives such as shared parking and tandem parking for eligible projects.
 - Review and adjust the minimum unit sizes to accommodate a range of housing unit types.
 - Ensure that appropriate development standards are established to facilitate the achievement of maximum allowable density in the respective zones.

Provision For a Variety of Housing Types

Housing element law requires jurisdictions to identify available sites in appropriate zoning 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. Table 3-7 below summarizes the various housing types permitted within the City's zoning districts and the Modelo Specific Plan.

Besides single-family homes, the City provides for various other housing types to meet the needs of the community, including persons earning lower incomes and seniors, among others.

Table 3-7: Housing Types Permitted By Zone

Housing Type	R-1	R-2	R-3	C-2	M-1	HOO	PF	MSP
Single-family	P	P	P	P	---	---	---	---
Single-family (> than 2,300 sf)	C	C	C	---	---	---	---	---
Duplex (2 units)	---	P	P	---	---	---	---	---
Multi-family	---	---	P	P	---	P	---	P
Accessory Dwelling Units	P	P	P	---	---	---	C ¹	---
Junior Accessory Dwelling Units	P	---	---	---	---	---	---	---
Mixed-Use and Live/Work	---	---	---	---	---	P	---	P
Manufactured/Mobile Homes	P	P	P	---	---	---	---	---
Care Facilities (6 or fewer persons)	P	P	P	---	---	P	---	P
Care Facilities (7 or more persons)	---	---	C	C	---	C	C	C
Nursing Homes/Rest Homes	---	---	C	---	---	C	---	---
Emergency Shelters	---	---	---	---	P/C ²	---	---	---
Supportive Housing	P	P	P	---	---	P	---	---
Transitional Housing	P	P	P	---	---	P	---	---

Notes: P = Permitted, C = Conditional Use, --- = Not Permitted

R-1 = Low-Density Residential zone, R-2 = Medium-Density Residential zone, R-3 = High-Density Residential zone, C-2 = Commercial zone, M-1 = Light Manufacturing zone, HOO = Housing Opportunity Overlay, PF = Commercial Public Facilities zone, MSP = Modelo Specific Plan

1. In the PF zone, accessory dwelling unit refers to a residential unit that is accessory to a commercial or institutional use (i.e., a religious facility), not a primary residential unit. The requirements of Government Code Section 65852.2 do not apply.
2. Shelter with up to 30 occupants is permitted, more than 30 requires a conditional use permit

Source: City of Commerce Municipal Code, Title 19. Accessed October 2022.

Single-Family Homes

A “Single-Family Dwelling” is defined in the City’s Municipal Code as a detached building containing no more than one dwelling unit. Single-family homes that are 2,300 square feet or less in size are permitted in the City’s three residential zones and allowed as an accessory use in the C-2 zone. For homes larger than 2,300 square feet, a conditional use permit is required to ensure that the home’s size is compatible with the existing neighborhood. However, permitting single-family homes in the multi-family or mixed use zones essentially reduces the opportunity for multi-family housing. This Housing Element includes a program action to establish a minimum density in the multi-family and mixed use zones.

Duplexes and Multi-Family Housing

Duplexes are defined as means a building containing two dwelling units designed for the independent occupancy of two households.

In 2021, Senate Bill (SB 9) was passed by the State legislature. SB 9 requires ministerial approval for the subdivision of a parcel in a single-family residential zone into two parcels.¹ This Housing Element includes a program for the City to facilitate ministerial approvals for lot splits in the R-1 zone.

Multi-family dwellings are a building or a portion thereof containing three or more dwelling units designed for the independent occupancy of three or more households. Duplexes are permitted in the R-2 and R-3 zones. Multi-family units are permitted in the R-3 and HOO zones. Multi-family units are also be permitted within the Modelo Specific Plan Area. As stated above, this Housing Element includes a program action to establish a minimum density in the multi-family and mixed use zones.

Accessory Dwelling Units

An Accessory Dwelling Unit (ADU) is defined as a permanent dwelling that is accessory to a primary dwelling on the same property. An ADU provides complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, sanitation, and parking, and if attached to the primary dwelling, is provided exterior access separate from the primary dwelling. ADUs may be attached or detached from the primary dwelling unit.

A Junior ADU (JADU) is no more than 500 square feet in size and contained entirely within an existing or proposed single-family structure. A JADU may include separate sanitation facilities, or may share sanitation facilities with the primary dwelling.

¹ California Department of Housing and Community Development, *SB 9 Fact Sheet On the Implementation of Senate Bill 9 (Chapter 162, Statutes of 2021)*, March 2022. www.hcd.ca.gov

Over the last few years, the State legislature has passed a series of bills aimed at encouraging the development of ADUs. These bills include: AB 68, AB 587, AB 881, and SB 13, effective January 1, 2020; and, AB 2221 and SB 897, effective January 1, 2023.

The City last updated its ADU standards in August 2020 (Ordinance No. 761) to comply with California Government Code Sections 65852.2 and 65852.22. The existing ordinance complies with State requirements pertaining to unit size, location, and number of units permitted, parking, and other provisions. However, with the passage of AB 2221 and SB 897, the City's ordinance does not comply with new height requirements and other minor provisions required by State law as of January 1, 2023. Therefore, updating the City's ADU provisions has been included as a Housing Program in this Housing Element.

Mixed-Use and Live/Work

The Housing Opportunity Overlay (HOO) and the Modelo Specific Plan both allow for mixed use development. The Municipal Code outlines the requirements for the HOO zone, including the requirements for parking, lighting, architectural design and pedestrian-oriented features.

One of the primary goals of the Modelo Specific Plan is to “provide a new mixed-use residential, commercial, retail, entertainment, and civic community furthering the General Plan’s land use, economic development and urban design objectives”. As planned, the Specific Plan Area will include a maximum of 850 residential units and a maximum of 165,000 square feet of commercial space. The Specific Plan also allows for Live/Work units and provides development standards to ensure compatibility of uses.

Emergency Shelters and Low-Barrier Navigation Centers

As outlined in the Needs Assessment chapter of this Housing Element, the 2022 Point-in-Time Count found a total of 83 unsheltered persons in Commerce. Of these persons, over half (55 percent) were in some type of vehicle, such as cars, vans or RVs. Persons in makeshift shelters comprised 30 percent of those counted.²

An emergency shelter is defined in the Municipal Code as a facility that provides immediate and short-term housing and supplemental services to homeless persons or families. Supplemental services may include food, counseling, and access to social programs.

Chapter 19.31.670 outlines the standards and regulations for emergency shelters in Commerce. A shelter with up to 30 occupants is permitted in the Light Manufacturing (M-1) Zone and does not require a discretionary review. However, there are development

² While the LAHSA has released data from the 2023 PIT Count, at the time of this report writing, the information is only at the County and SPA levels and does not include information at the City level. Therefore, the 2022 information was used instead to provide a consistent picture for LA County and the City of Commerce.

standards and regulations that need to be met. A shelter with more than 30 occupants requires a conditional use permit. Other uses permitted in the M-1 zone include certain types of manufacturing, transportation-related services, job training establishments and vocational schools. A minimum distance of three hundred feet shall be maintained from any other emergency shelter and 1,000 feet from a variety of uses such as schools, parks, and senior housing. Parking is established at one space per four beds, and/or 0.5 per bedroom designated as a family unit with children, plus one space per staff member. In light of changes to State law in recent years, including AB 139 and AB 2339, the City's emergency shelter standards need to be updated to comply with new requirements as detailed later in this section.

Enacted in 2019, AB 101 requires cities to allow Low Barrier Navigation Centers (LBNCs) by-right in zones permitting multi-family and mixed-uses, if the LBNC meets specified requirements. A LBNC is defined as "a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." Low Barrier shelters may include options such as allowing pets, permitting partners to share living space, and providing storage for residents' possessions. AB 101 also sets forth a specific timeline that cities must follow in the review of LBNCs. AB 101 sunsets in 2026.

A program is included in this Housing Element to amend the Municipal Code to ensure the City complies with all applicable requirements in State law, including:

- AB 139: The City must permit by-right emergency shelters with adequate capacity to serve the number of individuals identified in the most recent point-in-time homeless count. Parking standards for emergency shelters shall be based on the number of employees only. The only distance requirement allowable is a maximum 300 feet from another shelter; no other distance requirements are permitted.
- AB 2339: Emergency shelters must be allowed as a permitted use in one or more residential or mixed-use zones. The City currently permits emergency shelters in the M-1 zone where residential uses are not permitted. This zone is not considered appropriate for emergency shelters.
- AB 101: Low Barrier Navigation Centers that meet specified requirements shall be permitted by-right in mixed use zones and other nonresidential zones permitting multifamily residential development. Cities must take action on applications for Low Barrier Navigation Centers within a timeline specified in State law.

As designating emergency shelters as a permitted use in the M-1 zone no longer conforms with State law (AB 2339), the City may consider allowing emergency shelters by right in the new Mixed Use or Mixed Use/Atlantic designations where multi-family, mixed use, and live/work housing, among other housing types are permitted. Based on

the new AB 2339 requirement of 200 square feet of space per person, a building area of 6,000 square feet is needed for a shelter for up to 30 persons. The proposed Mixed Use and Mixed Use/Atlantic areas contain 79 parcels, totaling 52 acres. Average size of parcels in these areas is 0.66 acre. These parcels are primarily occupied by older commercial or office buildings that are single-story structures. Average existing FAR on these properties is 0.36, significantly below the allowable FAR under the proposed General Plan update. Median age of existing structures is 1951. Furthermore, 16 parcels are vacant (including five publicly owned land and 11 privately owned land). There is sufficient capacity to accommodate the City's homeless should shelters be proposed. Several transit lines run along or adjacent to Atlantic Boulevard, providing public transportation opportunities and access to services and facilities, including the Metro Bus Line 260 and the Commerce Transit Center. The Commerce Public Library is also located on Atlantic Boulevard.

Supportive and Transitional Housing

The Commerce Municipal Code contains provisions for supportive, transitional, and single room occupancy housing, and includes the following definitions:

- Supportive Housing means housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community (per Health and Safety Code Section 50675.14(b)).
- Transitional Housing and Transitional Housing Development means temporary rental housing intended for occupancy by homeless individuals or families transitioning to permanent housing that is operated under program requirements calling for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months (per Health and Safety Code Section 50675.2(h)).

Supportive and transitional housing are permitted in the City's residential zones as well as the HOO zone. ~~Municipal Code section 19.31.680 has specific requirements for SROs, including the length of stay (30 days to 12 months), a maximum of two persons per unit, unit size of 150 to 400 square feet and a separate bathroom containing a water closet, lavatory and bathtub or shower for each unit.~~ However, transitional and supportive housing are not permitted in the C-2 zone where residential uses are also permitted. Therefore, this Housing Element includes an action to address this discrepancy and comply with AB 2162).

Single Resident Occupancy (SRO) Units

Singe Resident Occupancy (SRO) units are included in the City’s definition of Transitional Housing and are permitted in the City’s R1, R2 and R3 zones. Municipal Code section 19.31.680 has specific requirements for SROs, including the length of stay (30 days to 12 months), a maximum of two persons per unit, unit size of 150 to 400 square feet and a separate bathroom containing a water closet, lavatory and bathtub or shower for each unit.

Applications for SRO (efficiency) units projects shall be processed in a manner consistent with procedures for a multiple-family residential project. A site plan review is required for projects with five or more units and the Planning Commission serves as the decision maker. Projects with four or fewer units are reviewed at the Community Development Director level. A program has been included to clarify the provision of SRO housing in mixed use zones.

Employee and Farm Employee Housing

The Employee Housing Act (Health and Safety Code Section 17021.5) requires that employee housing for six or fewer employees be deemed as a residential use, subject to the same standards as single-family residences. While the Municipal Code allows for caretaker quarters as an accessory use in the M-1 zone, there are no allowances for employee housing in the residential zones as required by the Employee Housing Act. An amendment to the Municipal Code to comply with this requirement is included in the Housing Programs of this Housing Element.

According to the 2016-2020 American Community Survey, there were approximately 58 Commerce residents employed in agriculture related occupations. There are also no agricultural zoning in the City or zones where commercial agricultural operations are permitted. Due to the low number of agricultural employees residing within the City, there is not a need for specialized farm employee housing beyond those provided to all lower income households.

Housing for Persons with Disabilities

The Needs Assessment chapter of this Housing Element includes recent data about disabled residents in Commerce. In 2020, 13.4 percent of Commerce’s population had a disability. The most prominent disability was ambulatory difficulties (7.2 percent), followed by independent living difficulties (6.9 percent) and cognitive difficulties (6.5 percent). State Department of Developmental Services (DDS) data estimates the number of individuals with developmental disabilities that are served by State services. Zip code 90022 had 892 individuals utilizing services, zip code 90023 had 658 individuals and zip code 90040 had 170 individuals. It should be noted that zip code 90022 covers areas

outside of the City of Commerce. Most persons experiencing a developmental disability reside in the home of a parent, family, or guardian.

Community Care Facilities

As defined in the City's Municipal Code, Community Care Facility means any facility, place, or building which is maintained and operated to provide nonmedical residential care, day treatment, adult day care, foster care, or agency services to children and/or adults including, but not limited to, physically handicapped, mentally impaired, the mentally incompetent, substance abusers, battered persons, and abused or neglected people.

The Commerce Municipal Code allows community care facilities with seven or more residents with approval of a conditional use permit in the R-3, C-2 and PF zones (see [Table 3-7](#)~~Table 3-7~~~~Table 3-6~~). Section 19.07.130 of the Municipal Code contains regulations pertaining to community care facilities with seven or more residents. While the Municipal Code contains no development standards specific to this use, Section 19.07.130 contains findings that the planning commission may use as grounds for denying a conditional use permit for a community care facility:

1. Approval of the proposed facility would result in an overconcentration of such facilities within the neighborhood where the facility is to be operated. For the purposes of this Title 19, "overconcentration" shall mean that one or more similar approved uses is located within three hundred feet of the proposed facility; or
2. The proposed facility is located within one mile of an elementary school and a person who has been convicted of a sex offense against a minor, pursuant to Section 1564 of the Health and Safety Code, resides in the facility and such residence will continue after the permit is granted; or
3. Such use cannot be sufficiently conditioned to make it compatible with surrounding uses.

Pursuant to Section 19.07.120 of the Commerce Municipal Code, "a community care facility or group home which serves six or fewer residents shall be considered a residential use of property" and is not subject to the standards which apply to larger facilities which house seven or more clients. Therefore, small facilities that house six or fewer clients are permitted by right in the City's residential zones. However, residential care facilities for seven or more are not permitted or conditionally permitted in zones that permit housing. [A program in this Element calls for the City to amend the Zoning Ordinance to conditionally permit large community care facilities in zones where residential uses are permitted.](#)

Definition of Family

The Municipal Code defines “Family” as one or more persons, related or unrelated, living together as a single integrated household in a dwelling unit. This definition does not place any constraints on the development of housing for persons with disabilities, such as group homes.

Building Code

The City complies with the Federal Americans with Disabilities Act (ADA) and the most recent California Building Code regulations.

Reasonable Accommodation

Commerce Municipal Code Chapter 19.07, Division 4 provides a formal procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act. Applicants may request a reasonable accommodation in zoning and other land use regulations, policies, practices and procedures per the Municipal Code. The Community Development Director or an appointed designee has the authority to review and decide upon requests for reasonable accommodation. The Community Development Director or appointed designee may refer the matter to the planning commission, as appropriate. The required findings of approval include:

1. The housing, which is the subject of the request, will be used by an individual disabled as defined under the acts.
2. The requested reasonable accommodation is necessary to make specific housing available to an individual with a disability under the acts.
3. The requested reasonable accommodation would not impose an undue financial or administrative burden on the city.
4. The requested reasonable accommodation would not require a fundamental alteration in the nature of a city program or law, including but not limited to land use and zoning.
5. The requested reasonable accommodation would not adversely impact surrounding properties or uses.
6. There are no reasonable alternatives that would provide an equivalent level of benefit without requiring a modification or exception to the city's applicable rules, standards and practices.

In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings required above.

The Planning Commission also has the authority to review and decide upon requests when they include any encroachment into the front yard setback area, results in a building

size increase above what is allowed in the applicable zoning district with respect to height, lot coverage and floor area ratio maximums, or whenever a reduction in required parking is requested.

The required finding relating to adverse impact on surrounding properties or uses can be considered subjective and constraining to the development or improvement of housing for persons with disabilities. This Housing Element includes a program action to remove the subjective finding. In addition, a program has been included in this Element for the City to hire a consultant by December 2024 to develop objective design/development standards for residential areas.

Planning and Development Fees and Processing

Fees

The City collects various fees from developers to cover the costs of processing permits and providing necessary services and infrastructure. These fee schedules are available on the City's website: <https://www.ci.commerce.ca.us/city-hall/economic-development-and-planning>. Table 3-8 shows the latest planning fees for the City.

Development impact fees are also collected for development projects. In accordance with California law, these are collected at the time the City issues certificates of occupancy. The Montebello Unified School District (MUSD) and Los Angeles Unified School District (LAUSD) both levy a school development fee for residential construction. These fees are paid directly to the County by the project applicant. Table 3-9 shows the fees in Commerce compared to that of other jurisdictions. As shown, a wide range of fees is seen in the subregion. Commerce is in the middle to higher end of the range.

To better illustrate the development fees for residential units in the City, Table 3-10 Table 3-9 generally provides the total fees charged per unit for both single family and multi-family developments. In general, the City's fee structure charges lower fees for multi-family housing construction on a per unit basis. For the single family home, the valuation was \$200,844. Fees totaling \$8,460 comprised four percent of the total valuation. For the multi-family project, the valuation per unit was \$183,000. The fees (totaling \$7,530.24) comprised four percent of the total project cost.

**Table 3-8: City of Commerce Planning Fees and Processing Times
(through August 31, 2023)**

Application Type	Fee Per Application	Processing Timeline
General Plan Amendment	\$6,363.70	6-12 months
Zone Change	\$6,363.70	3-6 months
Zoning Ordinance Amendment	\$6,080.08	3-6 months
Zoning Clearance Fee	\$446.87	2 weeks
Parcel Map	\$4,302.17	3-6 months
Tract Map	\$4,302.17	3-6 months
Lot Line Adjustment – Residential	\$2,878.27	2-4 months
Plot Plan/Site Plan Review – Residential Major	\$4,479.73	2-4 months
Plot Plan/Site Plan Review – Residential Minor	\$819.15	1-2 months
Conditional Use Permit	\$4,841.57	2-4 months
Conditional Use permit Modification	\$2,844.91	2-4 months
Variance – Residential	\$2,850.51	2-4 months
Environmental: EIR Review, Negative Declaration, or Mitigated Negative Declaration	At cost as determined by consultant	ND and MND: 3-6 months; EIR: 6-12 months
Technology Cost	2% of total Planning fees to be collected	----

Source: City of Commerce Economic Development and Planning Department, 2023

Table 3-9: Planning Fees for Commerce and Surrounding Cities Development Fees Per Residential Unit

Application Type	Bell	Commerce	Downey	Maywood	Montebello	Pico Rivera
General Plan Amendment	\$1,182	\$6,363.70	\$7,350.00	\$1,644	\$3,408	Deposit based on hourly rates o all City staff involved
Zone Change	\$5,270	\$6,363.70	\$7,350	\$598	\$3,751	\$6,620
Parcel Map	\$1,050	\$4,302.17	\$4,900	\$2,012 (+ eng. Consultant cost)	\$4,883	\$4,790
Tract Map	\$1,050	\$4,302.17	\$6,126	\$2,012 (+ eng. Consultant cost)	\$4,883	\$6,905
Lot Line Adjustment – Residential	\$1,734	\$2,878.27	\$1,225	\$206 (+ eng. Consultant cost)	\$4,883	\$1,937.43
Plot Plan/Site Plan Review – Residential Major	\$2,000 (PC)	\$4,479.73	\$3,675	\$785	\$2442	---
Plot Plan/Site Plan Review – Residential Minor	---	\$819.15	\$613	\$23	\$2442	---
Conditional Use Permit	\$2,793	\$4,841.57	\$3,675	\$411	\$2,735 - \$5,000	\$3,880.01
Variance – Residential	\$675	\$2,850.51	\$3,920	\$411	\$2,735 - \$5,000	\$4,180

Source: Cities of Bell, Commerce, Downey, Maywood, Montebello and Pico Rivera websites, November 2023

Table 3-10: Development Fees Per Residential Unit

Permit Fees	Single Family Home*	Multi Family Development*
Plan Check Fee	\$3,837.33	\$2,569.38
Permit Fees	\$4,514.50	\$3,022.80
Plan Maintenance	\$73.77	\$49.39
S.M.I.P. residential	\$26.13	\$51.24
BSARF	\$9.00	\$7.43
Art Fee**	---	\$1,830.00
TOTAL	\$8,460.73	\$7,530.24

Source: City of Commerce 2023

*Single Family Home: 1,200 square feet x \$167.37/square foot = \$200,844.00 project valuation

*Multi Family Development: Rosewood Village Project at 5625 Jillson Ave); 3-story, 7-unit townhome project = \$1,281,000 project valuation/7 units = \$183,000 valuation per unit.

—————**ART fee: 1% administrative fee added to any project with a building valuation greater than
—————\$250,000

Development Review and Processing

The City of Commerce has fully implemented 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. Table 3-8 shows the average processing times for various planning projects.

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, 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.

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 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 three to six months 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.~~

On-Site and Off-Site Improvements

The City requires developers to fulfill obligations specified in the Subdivision Map Act. Such improvements may include water, sewer, and other utility lines and extensions; street construction to City standards; and traffic control reasonably related to the project.

Commerce regulates the design, installation, and maintenance of improvements needed for new housing. On/off-site improvements include street right-of-way dedication, sidewalks, street lighting, curbs and gutters, water and sewer mains, and others.

The City's General Plan Transportation Element lists the following information about the City's roadway system and standards:

- Major Arterials (such as Washington Blvd): 84 feet of paving within a 100 -foot right-of way.
- Secondary Arterials (including Gage Avenue): 80-foot right-of-way with 64 feet of paving.
- Collector Streets: Commercial/industrial collectors have 44 feet of paving within a 60-foot right-of-way. Collectors in residential neighborhoods have 40 feet of paving within the same 60-foot right-of-way. Residents may park along the curb.
- Local Streets: 60 feet (with a curb-to-curb pavement width of 36 feet, two lanes, and on-street parking on both sides).

As stated in the General Plan Transportation Element,

“there are limited opportunities for roadway widening or the construction of new thoroughfares. Instead, new roadway improvements will be limited to intersection enhancements, and passive improvements, such as signalization synchronization.”³

The Modelo Specific Plan includes the layout for streets, sidewalks and other improvements in the Plan area due to the intensification of uses on site. The Rosewood Village Residential Development project included the following mitigation measures related to transportation and parking⁴:

- MM Traf-1: Prior to occupancy of the first building, the developer and City shall enter into a shared parking agreement that covers all three Project sites and the four parking zones notes.
- MM Traf-2: Prior to any lane closure or detour, the developer shall submit a Construction Traffic Management Plan for review and approval by the City Engineer.
- MM Traf-3: Prior to Occupancy of Site 1B and Site 2, approximately 376 feet of red-curb shall be painted along Jillson Street as the access point to the Project.

³ City of Commerce General Plan, adopted January 2008, p. 56.

⁴ City of Commerce, Rosewood Village Residential Project Mitigation Monitoring Program

Non-Governmental Constraints

Construction Costs

Construction costs have a significant impact on the cost of new housing. One indicator of construction costs is Building Valuation Data, compiled by the International Code Council (ICC). The unit costs compiled by the ICC include structural, electrical, plumbing, and mechanical work, in addition to interior finish and normal site preparation. The data are national and do not account for regional differences nor include the price of the land upon which the building is built. Building Valuation Data, dated February 2021, reports the national average for development costs per square foot for apartments and single-family homes as follows⁵:

- Type I or II, R-2 Residential Multi-family: \$157.74 to \$179.04 per square foot
- Type V Wood Frame, R-2 Residential Multi-family: \$120.47 to \$125.18 per square foot
- Type V Wood Frame, R-3 Residential One- and Two-Family Dwelling: \$130.58 to \$138.79 per square foot
- R-4 Residential Care/Assisted Living Facilities generally range between \$152.25 to \$211.58 per square foot

Another factor related to construction costs is the number of units that can be developed at a single site which allows for reductions in building costs through economies of scale. This cost reduction is particularly beneficial when coupled with density bonuses which allow for more units than would be permitted according to the existing zoning. The density bonus serves as an incentive to the private developer to construct affordable housing. Pursuant to State law, the City of Commerce offers density bonus and other regulatory incentives to developers that include affordable housing within the development.

Land Costs

Housing demand far exceeds the available housing units within the Southern California real estate market. Commerce is essentially built-out and 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.

An online survey of real estate sites in October 2022 did not find any vacant residential parcels for sale. Further, the Los Angeles Assessor's Property Search Tool also did not find any recent sales of vacant residential parcels in the city.

⁵<https://cdn-web.iccsafe.org/wp-content/uploads/BVD-BSJ-FEB21.pdf>

However, future housing construction in the City, if not on city-owned properties, is most likely to occur in mixed use areas where existing nonresidential properties are being redeveloped as residential or mixed use development. A search on loopnet.com showed some low-profile and old retail and office buildings available for sale. These properties are selling between \$200 to \$300 per square foot (of land area, including building structures on site). Many of these sites are being marketed for mixed use and multi-family development, assuming the retail and office buildings would be demolished. The Housing Opportunity Overlay zone and Modelo Specific Plan zone described earlier in this chapter provides options for residential development in the form of mixed-use and live/work housing. This will open up housing opportunities in areas that had previously been used for commercial, industrial or public facility uses.

Availability of Financing

The availability of financing affects a person’s ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This applies to all loan applications for home purchases, improvements, and refinancing, whether financed at market rate or with government assistance. ~~Table 3-11~~~~Table 3-10~~ summarizes the disposition of loan applications submitted to financial institutions in 2021. A total of 315 loan applications were submitted in 2021, with an overall approval rate of 62 percent and a denial rate of 14 percent. The highest approval rate (69 percent) was for conventional home purchase loans while the highest denial rate (50 percent) was for home improvement loans. Over a quarter (28 percent) of government-backed purchase loans were either withdrawn by the applicant or closed for incompleteness.

Table 3-1140: Disposition of Home Loans (2021)

Loan Type	Total Applications	Approved	Denied	Other
Conventional Purchase	51	68.6%	9.8%	21.6%
Government-Backed Purchase	18	61.1%	11.1%	27.8%
Refinance	242	60.7%	14.5%	24.8%
Home Improvement	4	50.0%	50.0%	0.0%
TOTAL	315	61.9%	14.0%	24.1%

Source: 2021 Home Mortgage Disclosure Data: <https://ffiec.cfbp.gov>

Note: “Approved” loans include loans originated and applications approved but not accepted. “Other” includes loans withdrawn by the applicant or closed for incompleteness.

Identified Densities and Approval Time

Requests to develop housing at densities below those anticipated in the Housing Element may be a non-governmental constraint to housing development, when the private sector prefers to develop at lower densities than shown in the housing element. Over the last housing cycle, no sites identified in the Housing Element were developed at a lower density than what was calculated in the Element.

Non-governmental constraints can also affect the timing between project approval and requests for building permits. This may be due to delays in securing construction financing, finding contractors, or changes in the housing market since project approval.

The entire development process from land clearance through construction typically takes between six 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.

Environmental Constraints

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 is in close proximity to 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.

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.

Fire Hazards

The most serious fire threat within the City is building and structure fires. Since Commerce is built out, and located within central Los Angeles County, it does not have the same risk of fires from accumulated brush and vegetation that cities on the urban fringe experience. 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.

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.

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.

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 provide funding, when possible.

CHAPTER 4: HOUSING RESOURCES

This section describes and analyzes the resources available for development, rehabilitation and preservation of housing in Commerce. This includes the availability of land resources and the ability to satisfy the City's share of the regional housing need, and financial resources available to support the provision of affordable housing. Financial resources for housing activities and energy conservation resources to reduce utility costs are also included in this chapter.

Regional Housing Needs Assessment (RHNA)

The Regional Housing Needs Allocation (RHNA) is a critical part of State housing element law (Government Code Section 65580). The process for determining the RHNA is briefly described below:

- The State Department of Housing and Community Development (HCD) uses the California Department of Finance (DOF) growth projection and other factors to determine the number of housing units that are needed statewide over an eight-year planning period (for Commerce and other Southern California jurisdictions, this time period is years 2021-2029).
- This statewide housing unit number (called the Regional Housing Needs Determination, or RHND), is divided into regions. Commerce is located within the Southern California Association of Government (SCAG) region.
- SCAG is responsible for creating a methodology to distribute the RHND among all of its cities and counties. Each jurisdiction's housing unit number is called the Regional Housing Needs Allocation (RHNA).
- The RHNA is the number of units that a jurisdiction must plan for in the Housing Element update. The units are divided into four different categories based on median income: very low (earn ≤ 50 percent of the area median income, or AMI), low (earn between 51 and 80 percent of AMI), moderate (earn between 81 and 120 percent of AMI) and above moderate (earn more than 120 percent of AMI).
- Almost all jurisdictions in the SCAG region received a significantly larger RHNA this cycle compared to the last housing element cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles.

RHNA for Commerce

For the 2021-2029 Housing Element, the City of Commerce has been assigned a RHNA of 247 new units by SCAG. To ensure the City meets this minimum, a 15 to 30 percent buffer is recommended by HCD to account for the “No Net Loss” requirement as mandated by SB 166. Pursuant to SB 166, while the RHNA is not a production obligation, but if sites are not developed at the density or income level identified in the Housing.

This allocation is distributed into four income categories, as shown below in Table 4-1. The RHNA includes an equity adjustment which allocates future (construction) need by each income category in a way that meets the State mandate to reduce the over-concentration of lower income households in one community. For Commerce, because the City has lower median incomes compared to the region, the City has been allocated a larger proportion of above moderate income RHNA as a balancing strategy.

Table 4-1: Housing Needs for 2021-2029

Income Category (% of County AMI)	Number of Units	Percent
Extremely Low/Very Low (50% or less)*	55	22.3%
Low (51 to 80%)	22	8.9%
Moderate (81 to 210%)	39	15.8%
Above Moderate (Over 120%)	131	53.0%
Total	247	100.0%

**The City has a RHNA allocation of 55 very low income units (inclusive of extremely low income units). While the RHNA did not separately define housing needs for extremely low income households, the very low income allocation can be split evenly between very low- and extremely low income households.*

Source: SCAG 6th Cycle Final RHNA Allocation Plan, 7/1/2021

Development Credit and Remaining Need

While the Housing Element covers an eight-year planning period, starting on October 15, 2021, and ending on October 15, 2029, the RHNA projection period began on June 30, 2021. Therefore, projects that are under construction (but not yet finalized), have received entitlement, been approved, under review, or with pending applications as of June 30, 2021 can be credited as progress toward the RHNA. Table 4-2 summarizes Commerce’s credits and the remaining housing need through October 15, 2029.

Table 4-2: RHNA Credits and Remaining Need

Income Category (% of County AMI)	RHNA	Potential ADUs	Bldg Permit Issued	Entitled	Remaining Need
Extremely Low (50% or less)	28	2	0	0	26
Very Low (31-50% AMI)	27	1	0	0	26
Low (51 to 80%)	22	7	0	0	15
Moderate (81 to 210%)	39	1	0	0	38
Above Moderate (Over 120%)	131	5	31	102	0
Total	247	16	31	102	105

Projected Accessory Dwelling Units (ADUs)

Pursuant to State law, the City may credit potential ADUs to the RHNA requirements by using the trends in ADU construction to estimate new production. The City switched building permits systems in 2020 and is unable to recover records from the previous system. The City issued five building permits for ADUs in 2021 and two in 2022. Based on this data, the City conservatively assumes two ADUs annually in the eight-year planning period for a total of 16 ADUs. SCAG conducted a regional analysis of existing ADU rents in April and June 2020. The analysis broke down Los Angeles County into two survey areas. The city of Commerce is located within in the LA County II study area. The analysis resulted in affordability assumptions for jurisdictions in this study area, that allocated 15 percent to extremely low income, 8.5 percent to very low income, 44.6 percent, to low-income households, 2.1 percent to moderate-income, and 29.8 percent to above-moderate income households. Based on the ADU rent survey conducted by SCAG, of the 16 ADUs projected to be built, two units will be for extremely low income households, one unit for very low income households, seven for low income households, one for moderate income households and five units for above moderate income households.

Entitled Projects

In October 2020, the Commerce City Council approved the Rosewood Village project. A three-parcel project developed with various commercial and industrial uses. The sites are located in the Rosewood Village neighborhood, adjacent to City Hall. In April 2021, 31 permits were issued for Site 1B, located at 5625 Jillson Street (Jillson Street and Valentina Way). These 31 attached townhomes are located near the Rosewood Park and Library. Site 1B is an asymmetrical-shaped lot approximately 1.33-acre in size. The site is flat and currently developed with a one and one-half story, 19,629-square-foot, light industrial,

warehouse and attached office building constructed in 1949 and associated asphalt parking area, which is also used as a transitional storage area for miscellaneous household debris, and known as the Provisor Building. Three of the units will be reserved for workforce housing for middle income households (up to 175 percent AMI).

The other two sites of the Rosewood Village project are currently being processed. Site 1A (5550 Harbor Boulevard) has gone through plan check and is awaiting issuance of building permits. This site is approximately 1.98-acre in size and is currently developed with a one and one-half story, 27,376-square-foot office building built in 1956, known as the North Annex along with an asphalt parking lot associated with the Aquatic Center. Plan check has been completed for 37 attached single-family units. Three of these units will be reserved for workforce housing for middle income households (175 percent AMI).

Site 2 (5555 Jillson Avenue) is a 2.43-acre lot developed with the City of Commerce Transportation Center office building, vehicle maintenance bays and a two-story parking structure with a ramp built in 1997. A total of 65 attached single-family units will be built on this site, with three of these units being reserved for workforce housing for middle income households (up to 175 percent AMI). This project in process and but is expected to submit for plan check review within one year.

Overall, the development agreement for Rosewood Village commits to providing nine workforce housing units for middle income households. The City plans to use city funds to assist with downpayment assistance for income qualified households. [This assistance for Rosewood Village was offered as part of the City's First-Time Homebuyer Program 2.0 for households that earned 175% of the Area Median Income This equated to \\$98,000 for a one-person household up to \\$184,800 for an eight-person household as of 2023. The application process and information was advertised on the City website.](#) However, because income level can exceed 120 percent AMI, these units are credited against the RHNA for above moderate income.

Remaining RHNA

After accounting for ADUs and entitled projects, and project under review, the remaining need is 99 units. HCD also recommends that jurisdictions identify enough residential capacity within their boundaries that is above and beyond the required housing numbers identified in lower income categories, to help offset sites that may (or may not) be developed during the planning period. Based on HCD guidance and review of other Housing Elements, a “buffer” or margin of safety of at least 15 percent above the City’s remaining RHNA allocation for the lower and moderate-income categories.¹ The City must

¹ No Net Loss requires cities to demonstrate that capacity is available for affordable units throughout the 8-year planning period, including when a proposed development on a specific site result in fewer units than were assumed to be possible on that site in the Housing Element Sites Inventory (Government Code Section 65863, “No Net Loss” requirements).

demonstrate the availability of sites with appropriate zoning and development standards that can facilitate and encourage the development of such units by October 15, 2029. To accomplish this, the Residential Sites Inventory was developed and is described in further detail in the following section.

Residential Sites Inventory

Housing Element law requires Housing Elements to include a detailed land inventory and analysis of properties to identify sites that can be developed for housing within the planning period, noting zoning and general plan designations, size and existing uses; general analysis of environmental constraints and the availability of infrastructure, and the evaluation of the suitability, availability and realistic development capacity of sites. [The following sections provide detail about Commerce's Residential Sites Inventory.](#)

[Realistic Capacity and Units by Income Category](#)

[State law requires that a city project realistic estimates for housing capacity on its RHNA sites. Realistic capacity may be estimated by utilizing recent project history, using a minimum density, or through other methods.](#) –It is important to note that the capacity analysis is a planning exercise and does not mandate the elimination of existing use(s) or building(s) on a property unless the property owner so chooses. Instead, this analysis demonstrates that the City's zoning and land use as applied to specific sites is adequate to accommodate possible units on specific sites. This "capacity analysis" is a strategy that looks at the community as it is today, applies the existing development rules, and calculates the resultant number of housing units that could reasonably and realistically be provided. The capacity analysis also considers the feasibility of redeveloping existing uses on site. For example, whether those uses are in decline, the site is underutilized compared to allowable intensity, and/or exhibiting trend of recycling to higher and better uses compared to other similar uses in the region.

[Table 4-3 shows assumed densities, yields and affordability used for the site inventory based on the proposed General Plan Update and recent development in Commerce and surrounding areas. For density assumptions in the site inventory, the proposed density ranges in the General Plan Update \(Land Use Element\) were considered. The proposed R2 land use designation will change from 0 to 17 du/ac to 11.1 to 17 du/ac and the R3 land use designation will change from 0 to 27 du/ac to 17.1 to 27 du/ac. Given these alterations, the lower range of these ranges were assumed: 12 du/ac in the medium density residential zone and 20 du/ac in the high density residential zone. The proposed densities for the General Plan Update new land use categories are 40 to 80 du/ac. Based on recent projects, a conservative assumption of 50 du/ac for mixed use zones was applied. These density assumptions are conservative, based on the low-end of the density ranges. While the City of Commerce has not had any mixed use projects, the General](#)

Plan Update new land use categories supports this type of development and recent projects in the surrounding jurisdictions shows that this type of housing is supported in the area.

Table C-1 in Appendix C shows recent projects in Commerce and the surrounding areas. Existing uses on these sites included lower density residential, vacant commercial buildings and parking lots. These uses are similar to criteria that was used to choose Commerce’s sixth-cycle sites (as described later in this Chapter and Appendix C). Below is a summary of the types of uses and densities:

- Residential Projects
 - Commerce: three phases of attached single-family homes (Rosewood Village): 18.6 to 26.7 du/ac.
 - Bell Gardens, Montebello and Downey: Condos and Apartments: Density range from 14.8 to 51 du/ac
- Mixed Use Projects
 - Montebello: 23.5 to 84.6 du/ac

Table 4-3: Assumed Densities and Affordability Levels Used in Site Inventory

<u>Zone</u>	<u>Maximum Density (du/ac)</u>	<u>Yield</u>	<u>Estimated Yield</u>	<u>Income Level for City-Owned Sites</u>	<u>Income Level for Non-City-Owned Sites</u>
<u>Modelo Specific Plan</u>	<u>87*</u>	<u>100%*</u>	<u>87 du/ac</u>	<u>---</u>	<u>10% units reserved for workforce housing (175% AMI)</u>
<u>R2</u>	<u>17</u>	<u>70%</u>	<u>12 du/ac</u>	<u>Moderate</u>	<u>Above moderate</u>
<u>R3</u>	<u>27</u>	<u>74%</u>	<u>20 du/ac</u>	<u>Very low and low</u>	<u>---</u>
<u>Mixed Use – Washington 1**</u>	<u>85</u>	<u>59%</u>	<u>50 du/ca</u>	<u>Very low, low, moderate and above moderate</u>	<u>Above moderate</u>
<u>Mixed Use – Atlantic**</u>	<u>85</u>	<u>59%</u>	<u>50 du/ac</u>	<u>Very low, low, moderate and above moderate</u>	<u>Above moderate</u>

Estimating Potential Units by Income Category

“Default density” is a feature of state law and is a very important component of the methodology for the capacity analysis. The RHNA is divided into different income levels, as a jurisdiction needs to show its intent to provide housing for households of various income levels (SCAG determines the calculation methodology and number of units per income category). To assess this from a planning perspective, a “default density” is assigned to determine the number of units that could be counted in individual income categories. Generally speaking, the higher the potential density of a site, the more affordable the resultant development will be and the lower the income level it will be assigned to. Default density is therefore used for the purpose of assessing whether a jurisdiction can meet its RHNA, but actual development circumstances may vary. For the affordability break down, assumptions included 50 percent lower income, 25 percent moderate income and 25 percent above moderate income for sites that are city-owned. The City will diligently pursue affordable housing opportunities on City-owned sites, including adherence to the requirements of Surplus Land Act.

Methodology for Identifying Sites

The City assessed a number of sites that would be realistic candidates for infill residential development to fulfill the RHNA. To ensure a meaningful analysis, a list of criteria was developed to identify only properties that had realistic development potential. A review was conducted on the City’s parcels, including environmental constraints (such as pollution), potential residential displacement and the City’s existing land use, zoning, and development standards. Key considerations were current ownership (i.e. City-owned properties), current uses and condition of site and proposed General Plan Land Use Designations. See Appendix C for the list of criteria and details for identified sites. In addition, information obtained during the General Plan Update public outreach process was considered. Key take aways included (Please see Section 1 and Appendix A of this Element for additional public outreach information:

- Commerce is behind in residential development
- Northwest and Bristow areas were identified as locations to have additional residential uses over time
- Denser residential development is a priority to provide different housing options
- Housing for young adults wanting to move back to Commerce is needed
- Investigate sites for housing in the Veterans Park area for housing
- Need to provide housing for the local workforce

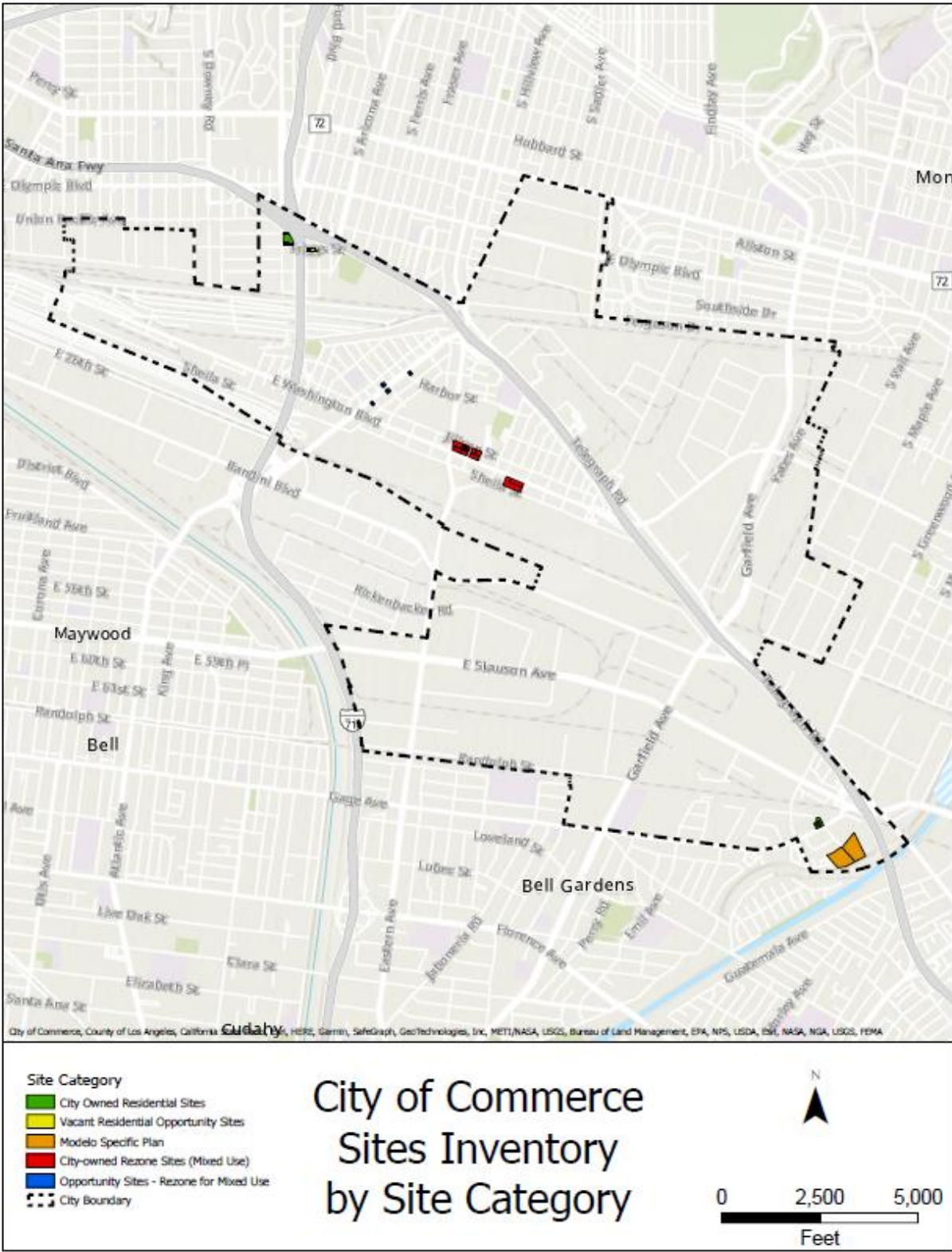
Five Components of Commerce's Site Inventory

The 6th Cycle Sites Inventory for Commerce is made up to five types of sites:

- The approved Modelo Specific Plan;
- City-Owned Properties:
 - Vacant sites in existing residential zones
 - Underutilized sites in proposed mixed use rezone areas
- Non-City-Owned Properties
 - Vacant opportunity sites in existing residential zones;
 - Underutilized opportunity sites in proposed mixed use rezone areas

Appendix C of the Housing Element includes information about each site. A brief summary of the five sites inventory categories is included below. Figure 4-1 shows Commerce's Site Inventory by category.

Figure 4-1: Commerce Sites Inventory



Modelo Specific Plan

The Modelo Specific Plan, approved by the City Council in February 2022, outlines the redevelopment of the existing Veterans Memorial Park located at 6364 Zindell Avenue, and an adjacent vacant parcel at 7316 E. Gage Avenue (collectively, the “Project Site”). The parcel located at 7316 Gage Avenue is planned to have entertainment, retail and community spaces due to its proximity to the freeway. Under the Specific Plan, the remaining 9.72 acres of the Project Site will include the construction of up to 850 residential units. These residential units will be on the central and western portions of the Specific Plan area. The development agreement commits the project to provide 10 percent (85 units) in the Specific Plan as workforce housing, affordable to middle income households (up to 175 percent AMI). For the purpose of RHNA credits, all 850 units are assigned to above moderate income level. ~~Table 4-4~~ **Table 4-3** shows the approximate income breakdown for the residential units. All 850 units can be developed with the eight-year time frame of the Housing Element.

Table 4-43: Modelo Specific Plan Residential Units

Parcel Size and Estimated Density (du/acre)*	Extremely Low/Very Low Income	Low Income	Moderate Income	Above Moderate Income**	Total Units***
9.72 acres 87.5 du/acre	0	0	0	850	850

*Note: *The 9.72 acres accounts for the project site with proposed residential units.*

***10% (85 units) in the Specific Plan will be workforce housing, affordable to middle income households (175% of AMI).*

The 850 total residential units were approved as part of the Modelo Specific Plan by the Commerce City Council in February 2022.

City-Owned Properties

Vacant Sites in Existing Residential Zones

The City owns nine (9) vacant residential parcels in Commerce that have been identified for future housing opportunities. Five contiguous parcels, ranging in size from 0.11 acre to 1.08 acres, are located on Eastern Avenue and Triggs Street in the northern portion of the city adjacent to the 710 freeway. Due to the R2 zoning and associated maximum density of 17 dwelling units to the acre (du/ac), these parcels are calculated at 12 du/ac (70 percent of the maximum density). Since they are city-owned, the 17 potential units from these sites are applied to Commerce’s moderate income RHNA. These five parcels were classified as surplus land in December 2020. The City Council resolution also permitted the City to commence negotiations for the disposal of these properties.

The second group of contiguous vacant City-owned residential parcels are located on Gage Avenue near Zindell Avenue in the southern corner of Commerce. Currently zoned high density, these parcels total 0.90 acre. Calculated at 20 du/ac (maximum allowable density is 27 du/ac), these sites yield a potential of 12 units. Since these sites are City-owned, the units are allocated to Commerce's very low (6 units) and low (six units) income RHNA.

This Housing Element includes a program to adhere to the Surplus Land Act when disposing of these City-owned parcels.

Underutilized Sites in Proposed Mixed Use Rezone Areas

The City is currently updating its General Plan. In order to facilitate additional residential development, two new mixed use designations will be created and the current Atlantic Mixed Use category will be renamed Mixed Use Atlantic. The proposed land use densities for these mixed use designations ranges from 40 to 85 du/ac. All of the sites with these mixed use General Plan designations are located in the Commercial Manufacturing (C/M1) zone. Due to this designation, the sites will need to be rezoned in order to accommodate residential development.

A total of 16 City-owned parcels are included in this sites inventory that will be located in the proposed Mixed Use Atlantic and Mixed Use Washington 1 land use designations. These parcels are located along the Atlantic and Washington Boulevard corridors between the 5 and 710 freeways and range in size from 0.07 to 1.72 acres. As shown in Appendix C, these parcels can be consolidated to create three larger sites. Due to the proposed mixed use zoning, units on these sites were calculated at 50 du/ac for a total of 300 and are allocated as follows toward the RHNA: 73 very low, 70 low, 79 moderate and 78 above moderate income. The suitability of redeveloping these sites is discussed later in this chapter.

This Housing Element includes a program to adhere to the Surplus Land Act when disposing of these City-owned parcels.

Non-City-Owned Properties

Vacant Opportunity Sites in Existing Residential Zones

Four vacant parcels located near Duncan Avenue, Triggs Street and McBride Avenue are currently zoned for medium density residential and have a range of 0-17 du/acre. The five potential units on these parcels are calculated at 12 du/ac (70 percent of maximum) and can be used for above-moderate income housing units.

Underutilized Opportunity Sites in Proposed Mixed Use Rezone Areas

The Rosewood Village project demonstrates the trend of converting discontinued or obsolete commercial and industrial uses into residential development in Commerce. The

Housing Opportunity Overlay (HOO) capitalizes on this trend to provide additional opportunities for affordable housing.

The City currently has one mixed-use General Plan designation: Atlantic Mixed Use. This designation will be changed to Mixed-Use Atlantic as part of the General Plan update and will include a higher density range (40 to 85 du/ac). The site inventory has ten parcels that are currently designated Atlantic Mixed Use in General Plan. All of the sites are currently zoned Commercial Manufacturing (C/M1) zone. Due to this designation, the sites will need to be rezoned in order to be consistent with its General Plan designation and to accommodate residential development. However, this rezoning is not needed to meet the City's RHNA for above moderate income households.

Appendix C shows that several of the ten parcels are under the same ownership and can be consolidated into four larger sites. Using a density of 50 du/ac (59 percent of maximum density), these parcels can provide 34 units, primarily affordable to above moderate income households.

Site Suitability

Suitability of Nonvacant Sites

The housing element must analyze the extent to which existing uses may impede additional residential development. The inclusion of nonvacant parcels in the sites inventory allow for mixed-use development along Commerce's corridors and allows for new residential uses to be geographically distributed throughout the city. All the nonvacant sites identified include parking lots (these must be identified as nonvacant by the California Department of Housing and Community Development), marginal uses such as underused commercial uses and marginal operations. Following is a brief description of the nonvacant sites:

City-Owned Nonvacant Sites

Of the 16 nonvacant sites that are owned by the City, 13 of them are parking lots. These parking lots can be combined and consolidated with the parcels described below.

The parcel located at 5555 Washington Boulevard has a Jack-in-the-Box fast food restaurant which was built in 1986 and is approximately 37 years old. The site also has a low FAR (0.13) and improvement to land ratio (0.449). This parcel can be consolidated with nine of adjoining parking lot parcels for a larger 2.2-acre site ([Site G in site inventory](#)). The Jack n the Box is currently on a month-to-month lease. The lessee is seeking potential sites for relocating. Once relocation is complete, the building will be demolished. Redevelopment of the site does not necessarily require the removal of this use but can be incorporated into the overall redevelopment.

A parcel at 5733 Sheila Blvd and an adjoining parking lot parcel mentioned above currently have an operational commercial transportation company. The building was built in 1968, making it over 50 years old and has a low FARs (0.099). These two parcels can be consolidated and make a 2.61-acre site (Site E in Site Inventory). The lease for the commercial transportation company is on a month-to-month basis.

The City's corporation and maintenance yard is currently located at 5611 Washington Boulevard and three adjoining parking lot/storage parcels. The building was constructed in 1966, making it more than 55 years old. The City of Commerce's new Transportation Facility is undergoing rezoning for the potential relocation site. Currently the conceptual plan is at 60 percent and undergoing review. The City is currently seeking other forms of funding and pursuing grant funding. The City is currently in the process of relocating the Corporation yard and maintenance facilities.

The City reviewed all city-owned properties and identified these for residential development. As mentioned earlier, a program has been included in this Housing Element to pursue redevelopment of these sites. The City is currently coordinating with potential developers to develop these and adjacent (non-city owned) parcels.

Non-City-Owned Nonvacant Sites

Similar to the City-owned nonvacant sites, the underutilized opportunity sites are mainly parking lots. Of the 11 parcels, only one has a structure built on the site. This is a storage/office building located at 2210 Atlantic Boulevard. The structure was built in 1953, has a low FAR of 0.08 and an improvement to land ratio of 0.52. Furthermore, none of these parcels are identified for lower income use and are not needed to meet the City's RHNA.

Likelihood of 100 Percent Nonresidential Development

Sites in the proposed mixed use rezone areas are located in either the proposed Mixed Use Washington 1 zone or the Mixed Use Atlantic zone. Both of these proposed zones include multi-unit attached residential housing, live/work units, office and retail uses. The MU Washington 1 zone is also proposed to allow breweries, wineries and distilleries.

At this time, proposed Zoning Code revisions do not include a requirement for residential to be a component on all project sites. There has been no complete redevelopment of commercial sites in these mixed use areas in recent years. Furthermore, based on the development trends in Commerce and the region, there is limited interest in 100 percent commercial/retail development. Demand for retail and office uses has declined, due to remote working and online shopping.

The Rosewood Village project included three phases of residential development that were built on sites with prior commercial, warehouse and light industrial uses. The Modelo

Specific Plan proposes 850 residential units on property that was previously used for non-residential uses. These recent projects and approvals shows the demand for housing that exists in Commerce and the likelihood that future projects in mixed-use areas of the City will include a residential component.

Small Lot Development

While the non-city-owned sites can be consolidated due to parcel location and same ownership, the proposed sites will still be under ½ acre in size. Due to this size limitation, the proposed units on these sites are designated for above-moderate income and are not being used to meet the City’s RHNA allocation.

Summary of RHNA Strategies

Overall, the City is able to accommodate its RHNA, with a 52 percent buffer for the remaining very low income RHNA, a 407 percent buffer for the remaining low income RHNA and a 153 percent buffer for the remaining moderate income RHNA ([Table 4-5](#)~~Table 4-4~~). Figure 4-2 shows the City’s site inventory by income category.

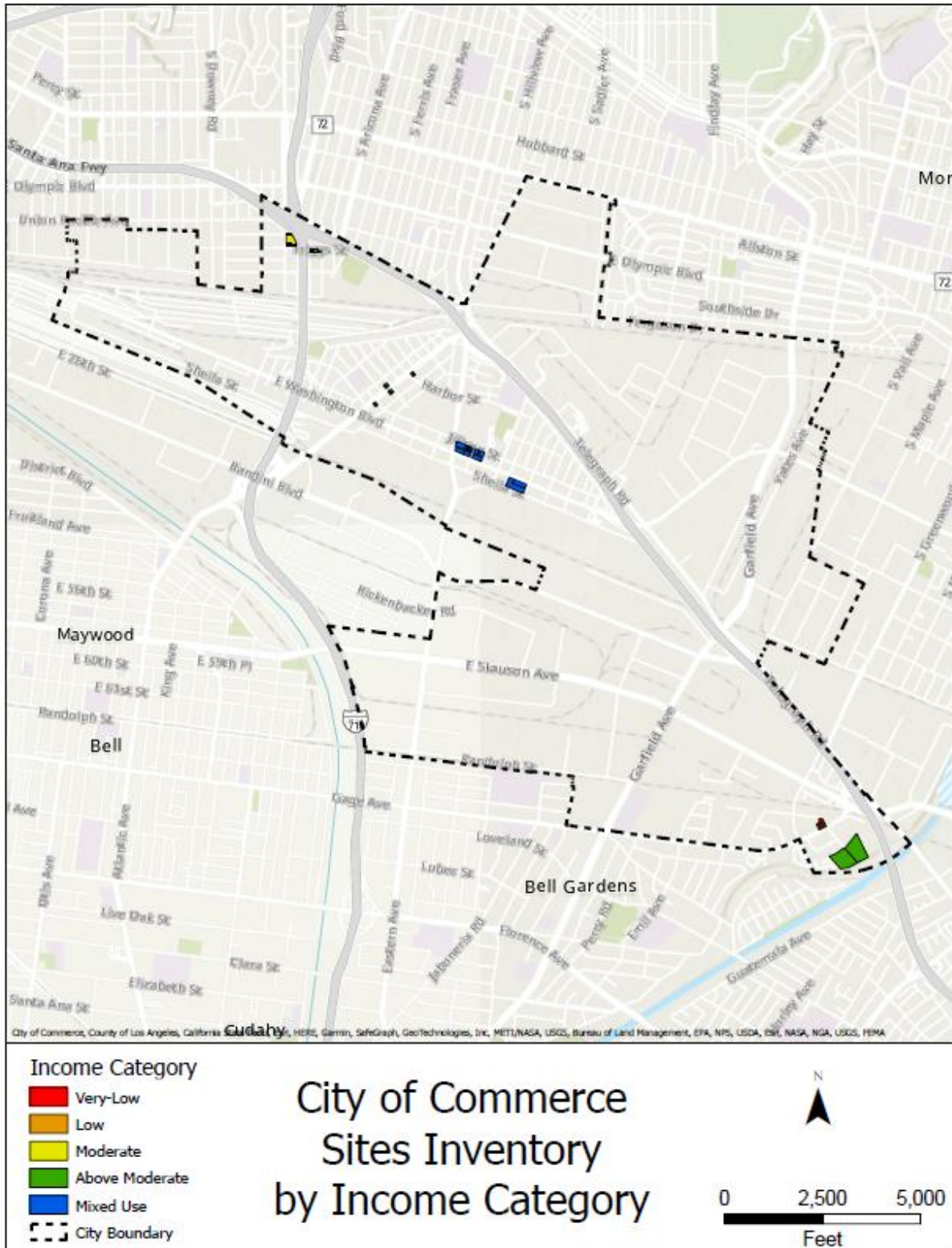
Table 4-54: Summary of RHNA Strategies

	Extremely Low/Very Low	Low	Moderate	Above Moderate	Total
RHNA	55	22	39	131	247
Potential ADUs*	3	7	1	5	16
Building Permits Issued (Site 1B of Rosewood Village)	0	0	0	31	31
Entitled (Site 1A and Site 2)	0	0	0	102	102
Total Credits	3	7	1	138	149
Remaining RHNA Need	52	15	38	0	105
Modelo Specific Plan	0	0	0	850	850
City-Owned Properties					
Vacant Residential Sites	6	6	17	0	29
Underutilized Mixed Use Rezone Sites	73	70	79	78	300
Non-City-Owned Properties					
Vacant Residential Opportunity Sites	0	0	0	5	5
Underutilized Opportunity Mixed Use Rezone Sites	0	0	0	34	34
Total Units to Meet Remaining RHNA Need	79	76	96	967	1,218
Surplus	27	61	58	967	1,113
% Buffer over Remaining Lower Income RHNA	52%	407%	153%	N/A	

Note: *ADUs distributed according to the SCAG region recommended income distribution

**Lower income units distributed proportionately between very low and low income based on RHNA allocation

Figure 4-2: Commerce Site Inventory By Income Category



Availability of Infrastructure and Services

As a completely urbanized community, the City of Commerce has already in place all of the necessary infrastructure to support future development. All land designated for residential use is served by sewer and water lines, streets, storm drains, and telephone, electrical, and gas lines. However, improvements and expansions may be necessary to accommodate the intensification of land use. The Modelo Specific Plan and EIR addresses the infrastructure needed for the residential development in the plan area.

SB 1087, effective January 2006, requires water and sewer providers to grant priority for service allocations to proposed developments that include units affordable to lower income households. Pursuant to these statutes, upon adoption of its Housing Element, Commerce will immediately deliver the Element to local water and sewer providers, along with a summary of its regional housing needs allocation.

Environmental Conditions for Sites

As discussed in the Constraints chapter of this Element, the City faces several environmental constraints, including: seismic hazards, flooding, fire hazards, noise, air quality and hazardous materials. None of the sites are constrained due to lot shape, access, overlays, or easements. Regarding contamination and noise, due to the history of Commerce's development as an industrial city, options for safe and healthy sites within the City are limited. As shown in Appendix C, the entire city has the highest (worst) scores for pollution and other environmental hazard exposures.. All of Commerce is considered a disadvantaged community according to the CalEnviroScreen 4.0 scores.

The inventory of sites does not put any proposed location at a greater or less disadvantage than others. The City is currently developing an Environmental Justice Element as part of the General Plan. With the gradual recycling of obsolete/discontinued industrial properties into residential and mixed use developments, the City facilitates the remediation of environmental hazards on some of these properties.

Financial Resources

There are a variety of potential funding sources available for 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, a variety of funding sources may be required. Table 4-6~~Table 4-5~~ lists the potential funding sources that are available for housing activities. They are divided into five categories including: Federal, State, county, local and private resources.

Table 4-65: Financial Resources Available for Housing Activities

Program Name	Description	Eligible Activities
1. Federal Programs and Funding Sources		
Community Development Block Grant (CDBG) (Administered by LACDA)	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. The City receives CDBG funds from the County of Los Angeles.	Acquisition Rehabilitation Homebuyer Assistance Economic Development Homeless Assistance Public Services
Home Investment Partnership (HOME) (Administered by LACDA)	Commerce or nonprofits proposing to development affordable housing 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
Mortgage Credit Certificate	Federal income tax credits (15% mortgage interest) available to low income first-time homebuyers to purchase housing in Commerce. The County makes certificates available through participating lenders.	Home Buyer Assistance
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
SB 2/LEAP Grants	SB 2 funds are available as planning grants to local jurisdictions to increase the supply of affordable housing. For the second year and onward, 70 percent of the funding will be allocated to local governments for affordable housing purposes. A large portion of year two allocations will be distributed using the same formula used to allocate federal Community Development Block Grants (CDBG).	Planning
CalHome www.hcd.ca.gov/fa/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	Predevelopment Site development Site acquisition Rehabilitation Acquisition/Rehab Down payment assistance Mortgage financing Homebuyer counseling

Program Name	Description	Eligible Activities
Multi-Family Housing Program (MHP)	Deferred payment loans to local governments, non-profit and for-profit developers for new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households.	New Construction Rehabilitation Preservation Conversion of Nonresidential to Rental
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
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
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
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

Program Name	Description	Eligible Activities
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
Los Angeles County Housing Innovation Fund	LACHIF provides low-cost financing up to \$5,000,000 to support the creation and preservation of affordable housing, including supportive housing projects. Eligible entities include non-profit and for-profit developers, and cities in Los Angeles County.	Predevelopment Acquisition

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.

National CORE

National CORE is one of the most active affordable housing developers in California, especially in southern California. It has developed over 120 affordable housing projects nationwide. It has experience developing housing that caters to the diverse needs of seniors, special needs, and workforce, and a range of housing types such as multi-family, Project Homekey, mixed use, and intergenerational housing.

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.

Opportunities for Energy Conservation

Energy Efficiency Programs

While the City does not directly offer energy-efficient programs, it serves as an information center for the various programs available for area residents. Below is a list of energy efficiency programs offered by various organizations:

Southern California Edison (SCE)

The following two programs are offered by SCE to help lower income customers reduce energy costs and control their energy use:

California Alternate Rates for Energy (CARE) /Family Electric Rate Assistance (FERA): These programs provide income-qualified customers with much-needed bill relief.

Arrearage Management Plan (AMP) Program: This program is a debt forgiveness payment plan option for residential CARE and FERA customers who have past due bills totaling \$500 or greater which are at least 90 days old. In exchange for making on-time payment of your current monthly bill, AMP will forgive 1/12 of the eligible total past due amount.

Energy Savings Assistance Program: This program is designed to assist income-qualified households with the conserving of energy and reducing their monthly electrical costs. SCE may provide free appliances and installation of energy-efficient appliances like refrigerators and air conditioners, as well as home efficiency solutions like weatherization.

Energy Assistance Fund (EAF) Program: SCE and United Way work together to assist customers who are unable to pay their electric bill due to a financial constraint. A maximum of \$100 is available to eligible customers once in a 12-month period. The program has provided assistance for nearly 250,000 households since the fund started in 1982.

Medical Baseline Allowance: Customers with a medical condition that requires electricity- powered life support equipment may be eligible to receive additional baseline allocation. The Baseline program offers an additional year-round baseline allocation of 16.5 kWh per day in addition to a customer's applicable seasonal baseline and the baseline for its region.

Southern California Gas Company

The following programs are available to SoCalGas customers who reside in the City of Commerce:

California Alternate Rates for Energy (CARE): The CARE program provides eligible SoCalGas customers a 20 percent discount on their monthly gas bill. In addition, new customers who are approved within 90 days of starting new gas service will also receive a \$15 discount on the Service Establishment Charge.

Energy Savings Assistance Program: SoCalGas offers no-cost energy-saving home improvements and furnace repair or replacement services for qualified limited-income renters and homeowners. Available energy-saving services may include attic insulation, door weather-stripping, caulking, low flow shower heads and faucet aerators, water heater blankets, and energy education.

Medical Baseline Allowance: SoCalGas knows that not all customers are alike. Some of them suffer from poor health, which can make it even harder to make ends meet. If someone in the household has a life-threatening illness, is seriously disabled, or requires more heat in winter due to a serious health condition, the household may qualify for an additional allowance of gas at a lower rate.

Residential Energy Efficiency Loan (REEL): The REEL program offers a variety of financing options to owners and renters to purchase energy-efficiency products and upgrades. Eligible properties include single family homes, condominiums, townhomes, and 1-4 unit properties. Property owners are eligible for this program, as are renters who receive approval from their property owner.

Building and Site Design Conservation

Many modern design methods used to reduce residential energy consumption are based on proven techniques. 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:
 - a. 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;
 - b. Utilizing “thermal mass,” earthen materials such as stone, brick, concrete, and tiles that absorb heat during the day and release heat at night;
 - c. “Burying” sections of the structure in a hillside or berm to insulate the home against extremes of temperature;
 - d. Application of window coverings, insulation, and other materials to reduce heat exchange between the interior and the exterior of the home;
 - e. Strategic placement of openings and the use of ventilating devices that take advantage of natural air flow (particularly cool evening breezes); and

- f. 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:
 - a. Orienting the long axis of a building in a north-south position;
 - b. Minimizing the southern and western exposure of exterior surfaces; and
 - c. Designing the structure to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions;
 - d. 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:
 - a. Planting of deciduous shade trees and other plants to protect the home;
 - b. Design including natural or artificial flowing water; and
 - c. Strategic placement of trees and hedges to control air flow.

CHAPTER 5: HOUSING PLAN

Summary of Housing Issues

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 residents. Key issues related to housing that are the focus of this Housing Element are described below.

- Nearly 99 percent 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 decreased between 2010 and 2020 from 3.89 persons to 3.61 persons due to an aging population. Median age in the City increased from 28.1 to 37.5 during the same period.
- A significant number of households in Commerce are overcrowded, and the garages of some homes have been illegally converted into living quarters. Overcrowding rate was reported at 16 percent in 2020 compared to 11 percent countywide.
- While housing costs in Commerce are relatively low in comparison to the region, 39 percent of the households in the City experienced housing cost burden due to the lower incomes of Commerce households.
- In 2021, the City's housing inventory included 3,524 housing units. Of this total, 78 percent are classified as single-family, 7 percent are in structures containing between 2 to 4 units, and 15 percent are located in multiple-family developments containing five or more units.

Goals and Policies

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 2021-2029 planning period. Commerce's housing goals, policies, and programs address the following five major areas:

1. Identification of adequate sites to achieve a variety and diversity of housing;
2. Increased opportunities for a variety of housing types for all income groups;
3. Removal of constraints to the construction of affordable housing;
4. Conservation of the City's existing housing stock; and
5. Affirmatively furthering fair housing.

Goal 1: 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. The City will assure that adequate residentially-zoned and mixed-use sites are available to accommodate the 2021-2029 RHNA allocation.

Policy 1.1: 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 1.2: Provide incentives to facilitate the development of housing options for households with special needs.

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: Continue to participate in State and federally sponsored programs designed to maintain housing affordability.

Policy 2.2: Explore opportunities for new residential development within those areas of the City occupied by vacant, obsolete commercial and industrial uses.

Policy 2.3: 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 2.4: Facilitate development of special needs and low income housing through use of financial and/or regulatory incentives.

Policy 2.5: 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.

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, streamlining permitting process to facilitate efficient entitlement and building permit processing, and offering incentives to mitigate market constraints.

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 density bonus, which encourages developers to include affordable units in their projects.

Policy 3.5: Facilitate accessory dwelling units on single-family parcels as a means of providing additional infill housing opportunities.

Goal 4: 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 4.1: Promote, maintain, and enhance the character and identity of the City’s residential neighborhoods through adequate code enforcement.

Policy 4.2: Provide financial assistance, when available, to rehabilitate dwelling units owned or occupied by special needs and lower income households.

Policy 4.3: Encourage property owners to rehabilitate substandard residential units and maintain their properties to the greatest extent possible.

Policy 4.4: Promote increased awareness among property owners and residents of the importance of property maintenance to long-term affordable housing.

Policy 4.5: Design new higher-density residential projects at a scale (number of units, height, etc.) that is compatible in design with adjacent residential areas.

Policy 4.6: 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 4.7: Monitor affordable housing developments, accessory dwelling units, and vacant units within the City, and work to preserve existing affordable housing that is considered at risk of converting to market-level rents.

Goal 5: Affirmatively further fair housing.

Ensure equal housing opportunity for all, regardless of their special characteristics as protected by local, state, and federal fair housing laws.

Policy 5.1: Comply with federal, state, and local Fair Housing and anti-discrimination laws, and affirmatively further fair housing for all, ensuring equal access to housing regardless of their special circumstances as protected by fair housing laws.

Policy 5.2: Promote housing mobility by expanding housing choices and increasing housing opportunities in higher resource areas.

Policy 5.3: Protect tenants from discriminatory housing practices and displacement.

Policy 5.4: Promote the integration of affordable and special needs housing projects in existing neighborhoods.

Policy 5.5: Collaborate with and support efforts of organizations dedicated to eliminating housing discrimination.

Implementation Programs, Actions, and Objectives

Goal 1: Identify Adequate Sites to Achieve Housing Variety.

Program 1.1 – Adequate Sites for RHNA and Monitoring of No Net Loss

For the 2021-2029 planning period, the City of Commerce has an assigned RHNA allocation of 247 units (55 very low income, 22 low income, 39 moderate income, and 131 above moderate income units). As of May 2023, the City had issued permits for 31 new units and approved entitlement for 102 units during this planning period. Along with 16 projected ADUs, the City has met all its RHNA for above moderate income units and a portion of it lower and moderate income units. The remaining RHNA is 105 units (52 very low income, 15 low income, and 38 moderate income units) that the City must identify adequate sites to allow for future development.

City-owned vacant and underutilized sites in existing residential zones can accommodate 29 additional units (6 very low income, 6 low income, and 17 moderate income units). The remaining 76 units (46 very low income, 9 low income, and 21 moderate income) can be accommodated on City-owned underutilized nonresidential sites where the City is proposing to redesignate as mixed use as part of the Comprehensive General Plan Update that is underway. Rezoning to implement the General Plan will follow within one year of the General Plan Update. The proposed land use densities for these mixed use designations ranges from 40 to 85 du/ac.

The rezoned sites will meet the requirements of Government Code 65583.2, including but not limited to a minimum density of 20 units per acre, minimum site size to permit at least 16 units on site, and zoned to allow ownership and rental housing by right in which at least 20 percent of the units are affordable to lower income households. As part of the rezoning, appropriate development standards (including but not limited to setbacks, lot coverage, height, and parking, among others) will be established to ensure the allowable maximum density of each zone can be achieved.

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.

Timeline and Objectives:

- Provide land availability and development incentives to promote development of 105 units on City-owned sites. Actions include:
 - By March 2024, ~~C~~complete redesignation of City-owned nonvacant sites for residential mixed use development, adequate to accommodate the remaining 76 units through General Plan Update ~~by the end of 2023~~.
 - By the end of 2024, ~~C~~complete rezoning of City-owned nonvacant sites ~~by the end of 2024~~ as part of the comprehensive update to the Zoning Code.
 - As part of the rezoning, establish a procedure to provide by-right approval of projects on reuse sites (identified in the previous Housing Elements) and rezone sites that include 20 percent of the units as housing affordable to lower income households.
 - Maintain an inventory of the available sites for residential development and make it available on City website. Update sites inventory annually.
 - By the end of 2024 have a disposition schedule prepared for City-owned sites in compliance with the Surplus Land Act.
 - By July 2025, issue Requests for Proposal to solicit affordable housing development on the City-owned sites identified in the Sites Inventory.
 - Include the following incentives in the RFPs:
 - 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
- Maintain an inventory of the available sites for residential development and make it available on City website. Update sites inventory annually.
- Comply with SB 166 (No Net Loss) by monitoring the consumption of residential and mixed use acreage to ensure an adequate inventory is available to meet the City's RHNA obligations. To ensure sufficient residential capacity is maintained to accommodate the RHNA, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863 by the end of 2024. Should an approval of development result in a reduction of capacity below the residential capacity needed to accommodate the remaining

need for lower income households, the City will identify and if necessary, rezone sufficient sites to accommodate the shortfall and ensure “no net loss” in capacity to accommodate the RHNA. Monitoring will be conducted annually to ensure the City maintains an adequate buffer for the remaining RHNA. If the buffer is diminishing, the City will undertake a proactive and coordinated approach to replenish the sites inventory

- ~~By July 2025, issue Requests for Proposal to solicit affordable housing development on the City-owned sites identified in the Sites Inventory.~~

Responsible Agency: Planning Division

Funding Source: General Fund

Program 1.2 – Replacement Housing

Development on nonvacant sites with existing residential units is subject to replacement requirement, pursuant to AB 1397. Specifically, AB 1397 requires the replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements set forth in State Density Bonus Law. [Replacement housing must also comply with Gov Code 65915 c 3.](#)

Timeline and Objectives:

- By the end of 2024, update the Zoning Code to address the replacement requirements.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 1.3 – Accessory Dwelling Units

The City will facilitate the development of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). The City last updated its ADU standards in August 2020 (Ordinance No. 761) to comply with California Government Code Sections 65852.2 and 65852.22. The existing ordinance complies with State requirements pertaining to unit size, location, and number of units permitted, parking, and other provisions. However, since 2020, the State legislature has passed additional bills related to ADUs. In order to help facilitate the development of ADUs, the City will amend the Zoning Code to comply with State law and provide information about ADUs and the approval process on the City website.

Timeline and Objectives:

- Facilitate construction of 16 ADUs within the planning period.

- By the end of 2023, update City website to provide a link to California Housing Finance Agency (CalHFA) ADU Grant Program.
- By the end of 2024, update the Zoning Code to comply with State requirements for ADUs, including AB 2221 and SB 897.
- By the end of 2024, develop an information sheet/brochure on ADUs and JADUs, including building requirements and the permitting process, that may be given to interested property owners and kept at the Planning/Community Development Department. This information should also be included on the City website.
- By the end of 2024, develop and include a Fair Housing Factsheet, especially on Source of Income protection (i.e., use of public subsidies such as Housing Choice Vouchers for housing payments) in the ADU application packet.
- ~~By the end of 2024, develop incentives to encourage development of ADUs, including financial assistance (from state programs if available) to assist lower income homeowners with construction, among others.~~
- Work with the Gateway Cities Council of Government (GCGOC) on prototype plans that can be made available to Commerce property owners.
- Hold quarterly workshops to discuss the City permitting process and requirements and potential funding opportunities in the area if available.
- Annually monitor the production of ADUs and JADUs in Commerce. In 2025 and 2027, if production is not in line with assumptions in this Housing Element, implement additional incentives and tools by the end of 2027 to encourage ADU permits.
- Responsible Agency: Planning Division

Program 1.4 – Extremely Low-Income and Special Needs Housing

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.

Timeline and Objectives:

- By the end of 2024, as part of the comprehensive Zoning Ordinance update, establish incentives and appropriate development standards that can be

implemented to encourage development of housing for lower income households. These incentives can include 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.

- Utilizing affordable housing developer information from the Gateway Cities Council of Governments, contact developers about potential opportunities in Commerce.
- During the planning period, utilize City-owned sites to meet the housing needs of lower income households. See Program 1.1 for the incentives, timelines and outreach for development of City-owned sites.
- Utilize the above measures to help facilitate the development of 40 affordable housing units by 2026. If this goal is not reached by December 2026, develop alternative methods and incentives to facilitate development by July 2027.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 1.5 – 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. Other alternative housing models such as micro units, live/work units, and co-housing will also be considered.

Timeline and Objectives:

- By the end of 2024, as part of the comprehensive Zoning Ordinance update, establish incentives and appropriate development standards that can be implemented to encourage development of alternative housing models.

Responsible Agency: Planning Division

Funding Source: General Fund

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

Program 2.1 – First Time Homebuyer 2.0 Program

The First Time Homebuyer 2.0 Program has been used to provide income-qualified (up to 175 percent AMI) Commerce residents secondary financing of up to \$150,000 to assist with down payment and closing costs related to purchasing a new home within the Rosewood Village housing development. Up to nine (9) qualified and eligible participants were chosen through a lottery process during 2022. The City will continue to offer homebuyer assistance through partnership with developers. The Modelo project also provides 85 units as workforce housing (up to 175 percent AMI).

Lower income residents in Commerce are also eligible to apply for first-time homebuyer assistance administered by the Los Angeles County Development Authority (LACDA). The Home Ownership Program (HOP) provides a second mortgage loan for first-time homebuyers with an assistance amount of up to \$85,000, or 20 percent of the purchase prices, whichever is less. The loan provides down payment and/or closing assistance and is secured with a Deed of Trust and Promissory Note. The HOP offers zero percent interest loans with a deferred payment. Repayment is required when the home is sold, there is a transfer of title, or the home is no longer owner-occupied. To qualify, a homebuyer must not have owned a home in the last three years and the home must be owner-occupied.

Timeline and Objectives:

- By the end of 2023, update City website to provide a link to California Housing Finance Agency (CalHFA) homebuyer assistance programs, as well as to HOP offered by LACDA.
- Provide first-time homebuyer assistance to 85 households through development of the Modelo Specific Plan through 2029.
- Partner with the City’s Library Social Services Division to have information about the First Time Homebuyer 2.0 program available at the library and community centers.
- Beginning in 2024 and annually thereafter, pursue funding from State and federal programs to provide homebuyer assistance to lower and moderate income households.

Responsible Agency: Planning Division

Funding Source: Development Agreement

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

Program 3.1 - Atlantic Blvd. and Washington Blvd Mixed-Use Areas

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 City is in the process of updating the General Plan, with adoption anticipated by the end of 2023. In addition to the current Atlantic Mixed-Use designation (which will be renamed Mixed-Use/Atlantic), the General Plan Update will include two other residential mixed use categories: Mixed-Use and Mixed-Use/Washington 1. The Mixed-Use land use designation will have a density of 40-60 dwelling units per acre while the Mixed-Use Atlantic and Mixed-Use Washington 1 designations will have densities of 40-85 dwelling units per acre. The General Plan update will include design guidelines for these mixed-use areas.

Timeline and Objectives:

- By the end of [2023-2024](#) as part of the General Plan update, develop objective design/[development](#) standards for the City’s mixed-use land use areas. [The City will ensure that such standards can facilitate development at the maximum allowable densities.](#)
- Annually, contact developers in the area to inform them of potential opportunity sites, the established development standards, and other pertinent information.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.2 – Zoning Ordinance Amendments

Once the General Plan Update is completed, a comprehensive Zoning Ordinance update will be conducted to ensure consistency and compliance with various State laws, as well as potential constraints to development. The Zoning Ordinance update will include:

- **Residential Development Standards:** Establish appropriate development standards to facilitate the achievement of maximum allowable density in the respective residential and mixed use zones. These include parking, height, setbacks, and lot coverage requirements.
- **Emergency Shelters and Low-Barrier Navigation Centers:** Designating emergency shelters as a permitted use in the M-1 zone no longer conforms with State law (AB 2339), the City will designate emergency shelters by right in the new

Mixed Use or Mixed Use/Atlantic designations where multi-family, mixed use, and live/work housing, among other housing types are permitted. Updates to the Zoning Ordinance must also be made to comply with AB 139 (permit by-right shelters, parking and distance requirements) and AB 101 (Low Barrier Navigation Centers).

- **Multi-Family Parking Requirement:** Currently, the Zoning Ordinance requires one garage space per unit plus ½ guest space for efficiency/one-bedroom units and two garage spaces and ½ guest space per unit for two or more bedrooms. These standards may be a constraint to multi-family development. During the Zoning Ordinance update process, establish appropriate parking standards to facilitate multi-family housing and mixed use development. The Zoning Ordinance update will include language that includes other parking incentives such as shared parking and tandem parking for eligible projects. will be considered.
- **Transitional and Supportive Housing in C-2 Zone:** The City will amend the Zoning Code to permit transitional and supportive housing similar to other residential uses of the same type in the same zone. Currently, transitional and supportive housing are not permitted in the C-2 zone where residential uses are permitted. Amend the Zoning Ordinance to permit transitional and supportive housing in the C-2 zone (or equivalent nonresidential zones that permit housing and mixed use zones to implement the updated General Plan).
- **Supportive Housing (AB 2162) –** The City will also amend the Zoning Ordinance to comply with AB 2162 for supportive housing meeting specific conditions to be permitted by right where multi-family housing is permitted and if located within 0.5 mile from transit, no minimum parking requirements can be requested.
- **Single Room Occupancy Housing –** The City will amend the Zoning Ordinance to address the provision of SRO housing in mixed use zones (SROs are currently permitted in the R1, R2 and R3 zones).
- **Employee Housing:** No areas in the City are designated or permit commercial farming activities. Amend the Zoning Ordinance to comply with the State Employee Housing Act, which requires employee housing for six or fewer employees to be treated as a single-family structure to be permitted in the same manner as similar uses in the same zone.
- **Large Residential Care Facilities (Seven or More):** Amend the Zoning Ordinance to conditionally permit large community care facilities in zones where residential uses are permitted.
- **Reasonable Accommodation:** Currently, the Zoning Ordinance’s required finding relating to adverse impact on surrounding properties or uses can be considered

subjective and constraining to the development or improvement of housing for persons with disabilities. During the comprehensive Zoning Ordinance update, remove this subjective finding.

- **Accessory Dwelling Units:** Recent bills (AB 2221 and SB 897) passed in October 2022 provide additional clarifications to the Government Code regarding ADU regulations. The Zoning Ordinance will be amended to comply with State law.
- **Density Bonus:** The City's Density Bonus ordinance was last updated in 2013. Amend the Zoning Ordinance to comply with State law.
- **SB 35 and SB 330 Compliance:** The City will establish a standard procedure for processing SB 35 eligible projects [and to comply with SB 330](#), pursuant to State law.

Timeline and Objectives:

- By the end of 2024, comprehensively update the Zoning Ordinance, including specific revisions as outlined in this program in compliance with State law and to remove barriers and constraints to housing development.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.3 - Lot Consolidation Program

Parcels located in specific areas of the City along Atlantic Boulevard and Washington 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.

Timeline and Objectives:

- By the end of 2024, as part of the Zoning Ordinance update, establish additional incentives for lot consolidation. [Typical strategies include ministerial approval of lot line adjustments and flexible development standards \(such as reduced or alternative parking requirements\) for large sites.](#)
- [Annually Notify](#) housing developers [and property owners](#) of development incentives and opportunities for lot consolidation.
- [Establish an outreach program to local real estate brokers to promote opportunities for lot consolidation.](#)

- Using the 6th Cycle Housing Element’s sites inventory, consolidate City-owned parcels to create six developable sites.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.4 - 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 of applications for new construction or rehabilitation of housing for lower and moderate-income households and seniors will be prioritized. To comply with SB 9, the City will facilitate ministerial approvals for lot splits in the R-1 zone.

Timeline and Objectives:

- By the end of 2024, as part of the comprehensive Zoning Ordinance update, facilitate ministerial approvals for lot splits in the R-1 zone.
- Continue to monitor permit processing times and investigate ways to streamline the process. Prioritize the review of projects that include affordable housing units.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.5 – Incentives for Affordable Units for Large Households and Multigenerational Households

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 Needs Assessment, specifically the analysis of the special needs groups. Based on the needs analysis completed for this Housing Element, there is a need to provide both affordable rental and homeownership units for large families. In addition, the concept of multigenerational family housing is an important option to be considered. The City is actively pursuing affordable homeownership for its workforce through development agreements, including for the Modelo Specific Plan and the Rosewood Village projects. The City will be pursuing other affordable housing opportunities using City-owned properties.

During the comprehensive Zoning Ordinance update, the City will establish incentives and/or regulations to promote the development of rental and ownership housing with three or more bedrooms. As part of the Modelo Specific Plan, the City has included

flexible development standards to encourage and facilitate an increased number of larger units.

Timeline and Objectives:

- By the end of 2024, as part of the comprehensive Zoning Ordinance update, establish additional incentives and/or development regulations to promote the development of rental and ownership housing with three or more bedrooms.
- To increase the number of affordable multi-bedroom units to accommodate large low income households, pursue affordable housing for larger and multigenerational households using City-owned properties.
- Explore options for larger units with interested developers and property owners.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.6– 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.

Timeline and Objectives:

- Facilitate the development of affordable housing by allowing improvements to be negotiated.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.7 – Water and Sewer Service Providers

In accordance with Government Code Section 65589.7, immediately following City Council adoption of the Housing Element, the City will deliver a copy of the 2021-2029 Housing Element to all public agencies or private entities that provide water or sewer services to properties within the City of Commerce.

Timeline and Objectives:

- Ensure that water and sewer providers are aware of the City’s intentions for residential development by providing copies of the 2021-2029 Housing Element upon adoption of the Housing Element by December 2023.

Responsible Agency: Planning Division

Funding Source: General Fund

Program 3.8 – Objective Design/Development Standards

Objective standards are generally defined by state law as standards that involve no personal or subjective judgment and that rely on a uniform benchmark or criterion available and knowable prior to application submittal. The standards are intended to ensure that development exhibits high quality design while providing clear direction to designers and developers. [to](#)

Timeline and Objectives:

- The City will hire a consultant by December 2024 to develop objective design/development standards for residential and mixed use areas for multi-family housing and mixed use development.

Responsible Agency: Planning Division

Funding Source: General Fund

Goal 4: Conserve and enhance the quality of existing housing and residential neighborhoods in Commerce.

Program 4.1 - 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 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 assistance for which they may be eligible to assist in correcting code

violations. Eligible residents are typically referred to Neighborhood Fix-Up Grant, and the CDBG Home Preservation Grant Program. As described in the Needs Assessment, Code Enforcement conducted a windshield survey of the residential areas of the city and estimated that there are approximately 180 to 200 housing units in need of rehabilitation or replacement.

Timeline and Objectives:

- Every two years during the planning period, conduct window surveys to determine housing units that are in need of rehabilitation and repairs. Information about the Neighborhood Fix-Up Grant and CDBG Home Preservation Grant Programs shall be provided to the property owners.

Responsible Agency: Code Enforcement Division

Funding Source: General Fund

Program 4.2 - 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. Between 2014 and 2021, approximately 98 homes were assisted through the Neighborhood Fix-Up Program. The funding for this program is through Measure A. Information about the program will be added to the City website and provided at City Hall and other public locations to reach as many households as possible.

Timeline and Objectives:

- During the planning period, assist 100 households with Neighborhood Fix-Up Program
- Create informational brochures about the Neighborhood Fix-Up Program to have available at City Hall, other public locations and on the City website.

Responsible Agency: Planning Division, Housing Division and Code Enforcement Divisions

Funding Source: Measure A

Program 4.3 – CDBG Home Preservation Grant Program

The City of Commerce as a subgrantee of the Los Angeles Community Development Authority (LACDA) 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. Between 2014 and 2021, a total of \$1,083,507 was allocated to the Home Preservation Grant Program. The City assisted between 3 to 6 households annually. The City website includes information on the grant program's guidelines as well as an interest form for residents to fill out and submit to the Economic Development and Planning Department

Timeline and Objectives:

- During the planning period, assist 40 households (average of five households annually) with the Home Preservation Grant Program.

Responsible Agency: Planning, Housing, and Code Enforcement Divisions

Funding Source: CDBG funds

Program 4.4 - Monitor and Preserve Affordable Housing

There are currently ~~three~~ seven publicly federally assisted multi-family rental complexes in Commerce with affordability covenants totaling 354 units and including:

- Rosewood Park Senior Apts. - 94 units
- Studio 6 LA Commerce - 81 units
- TELACU Manor - 75 units
- TELACU Gardens - 24 units
- Commerce Family Homes - 10 units
- Commerce Senior Apartments - 68 units
- Commerce Watcher St Homes - 4 units

According to the California Housing Preservation Commission, three projects with 82 units (Commerce Family Homes, Commerce Senior Center, and Commerce Watcher St.

Homes) are considered at risk of conversion to market rate housing. 55 units at the Rosewood Park Senior Apartments, 24 units at TELACU Gardens and 76 units at TELACU Manor. Commerce's assisted units are all at risk based on the expiration of restrictions for low income use through various financing sources or expiration of Section 8 rental assistance, contracts. However, while the units described in Table 2-30 may meet the definition of at risk of conversion as described in Government Code Section 65583, the risk of conversion for two of these complexes is low because they are owned by The East Los Angeles Community Union (TELACU), whose mission as a nonprofit organization is to provide affordable housing for seniors. The Needs Assessment looked at preservation and replacement options for the at-risk units, including transfer of ownership, replacement and rental assistance. In the unlikely event that the City receives notice of a potential conversion of the federally assisted units, the Housing Division will contact the owners to pursue preservation of these units as affordable housing.

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.

Timeline and Objectives:

- When the City receives notice of a potential conversion of the federally assisted units, contact the property owners to pursue options to preserve these units as affordable housing. Ensure the owners comply with the State notification requirements to notify their tenants three years, one year, and six months in advance of conversion.
- Maintain contact with affordable housing developers with interest in preserving affordable housing and alerting these organizations the potential conversion of assisted units.
- In the event of potential conversion, work with nonprofit developers to pursue funding available at State and federal levels to preserve the affordable units.
- Throughout the planning period, 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.

Responsible Agency: Housing Division

Funding Source: General Fund; State and federal funds

Goal 5: Affirmatively further fair housing.

Program 5.1 – Affirmatively Furthering Fair Housing

The City is committed to affirmatively further fair housing in the community. Actions to foster equal housing opportunities are centered on several theme:

- Collaborate with and support efforts of organizations dedicated to eliminating housing discrimination in Commerce.
- Facilitate the development of a variety of housing types to foster housing mobility.
- Pursue actions and policies that mitigate economic displacement of residents.
- Distribute new affordable housing opportunities throughout the City to avoid overconcentration low income housing in specific neighborhoods.
- Employ place-based strategies for neighborhood improvements.

The City’s actions to further fair housing are summarized in Table 5-1.

Table 5-1: Affirmatively Furthering Fair Housing Matrix

Program	Specific Commitments	Timeline	Geographic Targeting	Eight-Year Metrics
Fair Housing Outreach and Enforcement				
AFFH Actions	Coordinate with the Housing Rights Center (HRC) to conduct fair housing testing in Commerce	By the end of 2024 and 2026	Citywide	Contact HRC in 2024 to establish baseline service records for Commerce and seek to increase outreach and service to residents, landlords, and housing professionals by 20 percent over eight years
	Continue to contract with HRC to provide residents with fair housing services and refer housing complaints to the HRC as appropriate.	Annually	Citywide	
	Conduct fair housing outreach and education workshops targeted for Commerce residents and property owners	Twice during the planning period (end of 2024 and 2026)	Citywide	
	Promote multi-lingual housing resources, including fair housing services, via the City's website, City Hall, library, community center and on social media platforms.	Ongoing	Citywide	
	<u>Utilize the Community Based Organizations (CBO) list available through the Gateway Cities Council of Governments (GCCOG) to identify organizations that conduct neighborhood level outreach. Coordinate efforts with these organizations to target outreach in areas of the City that face education and transportation challenges.</u>	<u>Contact CBOs by July 2024. Develop outreach strategy by end of 2024. Include information in the fair housing workshops outlined above (twice during planning period).</u>	<u>Tract 2303 for education outreach; Ayers and Darwell neighborhoods for transportation services, west of Atlantic Boulevard and Lanto Pacific, Darwell and Veterans Park neighborhoods for cost burden</u>	
	Participate in Gateway Cities Council of Governments (GCCOG) study on AFFH policy implementation study. Work with other Gateway Cities to identify collaborative efforts, especially in outreach and education.	December 2023	Citywide	
Housing Mobility and New Opportunities in High Resource Areas				

Program	Specific Commitments	Timeline	Geographic Targeting	Eight-Year Metrics
Program 1.3 - ADUs	Update the Zoning Code to comply with State requirements for ADUs, including AB 2221 and SB 897	End of 2023	Single-family residential neighborhoods	Facilitate construction of 16 ADUs between 2021 and 2029; aim to achieve 80 percent of the ADUs in single-family neighborhoods.
	Update the Zoning Code to comply with State requirements for ADUs, including AB 2221 and SB 897	End of 2024		
	Develop an information sheet/brochure on ADUs, including building requirements and the permitting process, that may be given to interested property owners and kept at the Planning/Community Development Department. This information should also be included on the City website			
	Develop and include a Fair Housing Factsheet, especially on Source of Income protection (i.e., use of public subsidies such as Housing Choice Vouchers for housing payments) in the ADU application packet.			
Program 2.1 – First Time Homebuyer 2.0	Update City website to provide a link to California Housing Finance Agency (CalHFA) homebuyer assistance programs, as well as to HOP offered by LACDA	End of 2023	Advertisement Citywide; Modelo SP area	Provide first-time homebuyer assistance to 94 households through development of the Modelo Specific Plan (85 households) and Rosewood Village Specific Plan (9 households) through 2029.
	Partner with the City’s Library Social Services Division to have information about the First Time Homebuyer 2.0 program available at the library and community centers.	Beginning in 2024 and annually thereafter		

Program	Specific Commitments	Timeline	Geographic Targeting	Eight-Year Metrics
	Pursue funding from State and federal programs to provide homebuyer assistance to lower and moderate income households.			
Program 3.1 – Mixed-Use Land Uses	As part of the General Plan update, develop objective design standards for the City’s mixed-use land use areas	End of 2023	Atlantic and Washington Boulevard proposed Mixed-Use General Plan Land Use areas	Pursue development of 300 mixed use residential units.
	The City will contact developers in the area to inform them of potential opportunity sites, the established development standards, and other pertinent information. The City may also publish information online and at City Hall.	Annually		
Program 3.2 – Zoning Ordinance Amendments	Various amendments needed to comply with recent changes in State law and/or remove subjective language in the Zoning Ordinance	Comprehensive Zoning Ordinance Update by end of 2024	Citywide	Facilitate the development of 77 lower income units; aim to achieve 40 percent of the units for special needs households.
Program 3.3 – Lot Consolidation	As part of the Zoning Ordinance update, establish additional incentives for lot consolidation	Comprehensive Zoning Ordinance Update by end of 2024	Citywide	Notify housing developers during the planning period. Create six (6) developable sites.
	Notify housing developers of development incentives and opportunities for lot consolidation.	Twice during the planning period		
	Using the 6th Cycle Housing Element’s sites inventory, consolidate City-owned parcels to create developable sites	By the end of 2025		
Program 3.4 – Streamlined Processing	Facilitate ministerial approvals for lot splits in the R-1 zone, consistent with SB 9.	Comprehensive Zoning Ordinance Update by end of 2024	Citywide	Facilitate the development of 77 lower income units; aim to achieve 40 percent of the units for special needs households.

Program	Specific Commitments	Timeline	Geographic Targeting	Eight-Year Metrics
	Continue to monitor permit processing times and investigate ways to streamline the process. Prioritize the review of projects that include affordable housing units.	Annually		
Program 3.5 – Incentives for Affordable Units for Large and Multigenerational Households	Establish additional incentives and/or development regulations to promote the development of rental and ownership housing with three or more bedrooms.	Zoning Ordinance Update by end of 2024	Citywide	Pursue development of 77 lower income housing units.
	To increase the number of affordable multi-bedroom units to accommodate larger low-income families, the City will pursue affordable housing for larger and multigenerational households using City-owned properties.	Annually		
	Explore options for larger units with interested developers and property owners			
Place Based Strategies for Neighborhood Revitalization				
AFFH Environmental Justice	New Environmental Justice Element policies addressing environmental conditions for new/rehabilitated housing will be applied to the sites in the Housing Element’s inventory. These policies can help with issues of freeway and truck traffic in and around the City as well as industrial and commercial manufacturing land uses within Commerce.	Upon adoption of the City’s Environmental Justice Element.	Citywide	Apply for at least one funding program
	Apply for and utilize cap and trade program funds from the Greenhouse Gas Reduction Fund (GGRF) for efforts such as tree planting and restoration, home energy efficiency, zero emission and plug-in hybrid vehicles, and affordable housing.	When program funds are available	Citywide	
Program 4.2 – Neighborhood Fix Up Program	Create informational brochures about the Neighborhood Fix-Up Program to have available at City Hall, other public locations and on the City website.	By the end of 2025	Citywide <u>with priority in Bandini neighborhood</u>	During the planning period, assist 100 households with Neighborhood Fix-Up Program

Program	Specific Commitments	Timeline	Geographic Targeting	Eight-Year Metrics
<u>AFFH Action</u>	<u>Allocate funding to pursue residential street improvements, lighting projects and other community improvements in existing residential neighborhoods.</u>	<u>Annually</u>	<u>Citywide; Ayers and Darwell neighborhoods for transportation improvement projects</u>	<u>Pursue 8 improvement projects over the eight-year planning period.</u>
Tenant Protection and Anti-Displacement				
Program 1.1: Adequate Sites for RHNA and No Net Loss	Complete redesignation of City-owned nonvacant sites for residential mixed use development, adequate to accommodate the remaining 76 units	General Plan Update by end of 2023; Zoning Code update by end of 2024.	Citywide	Facilitate the development of 247 units, consistent with the RHNA
	Maintain and update an inventory of the available sites for residential development and make it available on City website.	Annually		
	Comply with SB 166. Develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863	End of 2024		
	Issue Requests for Proposal to solicit affordable housing development on the City-owned sites identified in the Sites Inventory.	July 2025		
Program 1.2: Replacement Housing	Update the Zoning Code to address the replacement requirements.	Comprehensive Zoning Ordinance Update by end of 2024	Citywide	Achieve 100 percent replacement of demolished affordable units.
Program 1.4: ELI and Special Needs Housing	Establish incentives and appropriate development standards that can be implemented to encourage development of housing for lower income households	Comprehensive Zoning Ordinance Update by end of 2024	Citywide	Facilitate the development of 77 lower income units; aim to achieve 40 percent of the units for special needs households.
	Utilize City-owned sites to meet the housing needs of lower income households	Planning period		

Program	Specific Commitments	Timeline	Geographic Targeting	Eight-Year Metrics
Program 1.5: Alternative Housing Models	Establish incentives and appropriate development standards that can be implemented to encourage development of alternative housing models.	Comprehensive Zoning Ordinance Update by end of 2024	Citywide	
Program 4.3 – CDBG Home Preservation Grant Program	Promote the Neighborhood Fix-Up program on non-traditional media (such as Facebook and Instagram).	2021-2029	CT 5323.03 has the highest percentage of overcrowding and renter cost burden	Assist 40 households
Program 4.4 – Monitor and Preserve Affordable Housing	<p>When the City receives notice of a potential conversion of the federally assisted units, contact the property owners to pursue options to preserve these units as affordable housing. s.</p> <p>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.</p>	2021-2029	Citywide	Preserve 235 existing affordable units.

Quantified Objectives

For the 2021-2029 Housing Element planning period, the City has established the following quantified objectives.

Table 5-2: Quantified Objectives

	Extremely Low	Very Low	Low	Moderate	Above Moderate
New Construction	27	28	22	39	131
Rehabilitation	20	60 50	50 60	<u>10</u>	<u>10</u>
Conservation	<u>44</u> 77	<u>44</u> 87	0	0	0

