

City of Commerce



Home Beautification Grant Program Guidelines and Procedures

Funded by City General Funds



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PROGRAM PURPOSE

The City of Commerce Home Beautification Grant Program (hereafter referred to as the “Program”) is funded by the City’s General Fund and is designed to assist income-eligible City of Commerce (“City”) homeowners with exterior-only improvements to their owner-occupied single- or multi-family homes within the City. The Program aims to enhance curb appeal, maintain housing conditions, and support neighborhood improvement efforts.

Eligible applicants may receive a grant of up to \$10,000.00 per eligible household for approved rehabilitation repairs and, if necessary, asbestos and/or lead abatement. Assistance is provided on behalf of the homeowners as a grant and does not need to be repaid to the City.

The Program shall be administered by the City’s Community Development Department or its designated program administrator.

FAIR HOUSING

This program will be implemented in ways consistent with the City’s commitment to Fair Housing. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with City General funds on the basis of their religion or religious affiliation, age, race, color, creed, ancestry, national origin, gender, marital or familial status (children), physical or mental disability, medical condition, sexual orientation, or other arbitrary cause.

OUTREACH

When grant funds are available, City staff or Program Administrator will periodically advertise and promote the Home Beautification Grant Program to ensure residents in need of rehabilitation assistance are aware of the opportunity. Outreach efforts will include distributing program brochures and flyers and sharing information through the City’s social media, local schools, community centers, faith-based organizations, nonprofit organizations serving prioritized beneficiary groups, and legal aid offices.

PROCESSING APPLICATIONS

1. Interest List

City staff or its designated Program Administrator shall maintain and administer an interest list for the Program. Homeowners who request assistance will be placed on the interest list in the order received. Assistance opportunities will be offered on a first-come, first-served basis.

When funding becomes available, City staff or the Program Administrator will contact homeowners by email, mail and/or telephone. The homeowner will have fifteen (15) calendar days to submit a completed application, and all required supporting documentation.

If the homeowner fails to respond within the required timeframe or does not provide the necessary documentation, their name will be removed from the interest list. Homeowners may request to be placed back on the list at a later time.

2. Application and Interview

An application packet will be provided to the homeowner for completion and submission, along with required documentation.

City staff or the Program Administrator will verify income, assets, employment, benefits, and mortgage information, as applicable.

If material discrepancies, misrepresentations, or unresolved eligibility issues are identified, the City or Program Administrator reserves the right to deny assistance.

3. Household Selection

Households determined eligible after completion of the application and review process described above will be selected for participation in the Program.

4. Initial Inspection, Work Write-Up, and Cost Estimate

Eligible properties will be inspected by City staff, the Program Administrator, or a certified inspector to determine property eligibility and identify required repairs.

All inspection findings will be documented, including any site conditions that may affect project costs. Based on the inspection, a detailed work write-up will be prepared outlining the approved improvements. The homeowner will review and approve the final scope of work, which will then be incorporated into the bid documents.

All stucco and exterior paint finishes require City approval prior to commencement of work. In addition, certain repairs may require formal approval from the City, while other eligible repairs may be approved at the discretion of the Community Development Director.

All approved work must be on legally constructed structures and portions of the home.

5. Bid Solicitation and Contractor Selection

The City staff or Program Administrator will provide the applicant with the necessary bid packet to solicit proposals from qualified contractors. A minimum of three (3) informal bids must be obtained in order to proceed with contractor procurement and selection.

Once bids are received, the applicant shall submit them to the City or Program Administrator for review to ensure compliance with program requirements. Bids will be evaluated for responsiveness and cost reasonableness, and the contract will be awarded to the lowest responsive and responsible bidder.

Contractors must:

- Hold a current, active license and bond with the California Contractors State License Board (CSLB)

- Provide Workers' Compensation Insurance and General Liability Insurance with a minimum combined single limit of \$1,000,000
- Be verified as active and in good standing through CSLB and the System for Award Management (SAM)
- Certify that they are not listed on any federal debarment or suspension list
- Hold an active Business License with the City of Commerce

Any bid exceeding ten percent (10%) above the Program's cost estimate must include written justification and documentation of cost reasonableness.

6. Approval

Upon approval, assistance will be awarded in the form of a grant. The City or Program Administrator will prepare the construction contract for the approved rehabilitation work. The contract shall be executed by the City, the homeowner, and the selected contractor.

The agreement will outline the approved scope of work, project terms, payment provisions, timeline, and all applicable program requirements. Once fully executed, copies of the signed contract will be provided to all parties.

Following contract execution, City staff or Program Administrator will issue a formal Notice to Proceed authorizing the contractor to begin work. No work shall commence prior to issuance of the Notice to Proceed.

7. Pre-Construction Conference

A pre-construction meeting will be held with the homeowner, contractor, and the City or Program Administrator. The construction contract, scope of work, payment schedule, start date, and completion timeline will be reviewed and executed.

8. Start-Up and Field Inspections

Following expiration of required rescission periods, a Notice to Proceed will be issued.

The City staff or Program Administrator will conduct regular field inspections to monitor progress, verify compliance with plans and specifications, and ensure work meets building code requirements. Progress will be reviewed with both the homeowner and contractor to address issues promptly.

9. Change Orders

All changes to the approved scope of work must be documented through a written change order signed by both the homeowner and contractor and approved by the City staff or Program Administrator.

If additional funds are required, the homeowner must provide the difference.

10. Progress Payments

The Contractor may submit a maximum of two (2) progress payment requests and one (1) final retention payment request. Ten percent (10%) of each invoice shall be withheld as retention and released upon project completion.

The final retention payment, equal to ten percent (10%) of the total contract amount, may be issued thirty-five (35) days after the Certification of Work has been issued for the completed project.

Copies of all payment requests and disbursements will be maintained in the project file.

11. Final Inspection and Notice of Completion

The project shall be deemed complete upon final inspection by City Staff or Program Administrator confirming that all approved work has been satisfactorily completed in accordance with the contract and program requirements.

Upon confirmation of completion, City Staff or program administrator will prepare a Certification of Work Completed form, which must be signed by the applicant prior to issuance of final payment.

The City Staff or Program Administrator will document the completed work with photographs, which will be maintained in the project file.

Applicants will also be requested to complete a program satisfaction survey.

TEMPORARY RELOCATION

The City will not provide temporary relocation assistance under this Program. Residents will be responsible for making their own arrangements if the property becomes temporarily uninhabitable during lead-based paint and asbestos testing/removal and construction. Owner-occupants are likewise not eligible for relocation benefits, regardless of project conditions.

CONFLICT OF INTEREST

No member of the governing body of the locality and no other official, employee, or agent of the City of Commerce local government shall be a program participant.

APPLICANT ELIGIBILITY

Eligible program participants are those that meet the following requirements:

- Property must be within city limits, be owner-occupied and serve as the applicant's primary residence.
- Property must have homeowner's insurance
- The total household income eligibility is based on the occupant's gross annual income and must be less than 180 percent of the area's median income.

Household Income Limits – Los Angeles County

Household Size	1	2	3	4	5	6	7	8
180% AMI	\$134,280	\$153,540	\$172,710	\$191,880	\$207,270	\$222,570	\$237,960	\$253,260

REQUIRED DOCUMENTATION

To assess program eligibility, applicants must submit appropriate documents as noted below.

- Copies of photo IDs for all adult household members
- Grant deed to the property
- Most recent mortgage statement or property tax bill
- Most recent utility bill
- Property insurance certificate
- Income tax returns from the prior year, include all schedules, for all adult working household members
- Copies of the two most recent consecutive months of payroll stubs for all adult working household members
- Copies of the two most recent consecutive months of bank statements for all adult household members
- Copies of the two most recent consecutive months of any *additional sources* of income for all adult household members
- *Staff may request additional income documentation not listed above to determine income*

REHABILITATION REQUIREMENTS

Lead-Based Paint

If the home was built before January 1, 1978, it may contain lead-based paint. For the safety of household members and workers, lead safety requirements must be followed before any work begins and contractors must be trained and certified in lead-safe work practices (e.g. wet sanding, plastic sheeting and High-Efficiency Particulate Air (HEPA) vacuuming).

A certified professional will test areas that may be disturbed during construction. If lead hazards are identified, proper safety measures and repairs must be completed before work continues. These steps help prevent exposure to harmful lead dust.

Costs related to required testing and any necessary treatment may be covered by the Program, depending on funding availability.

Asbestos

Homes built before 1980 may contain materials with asbestos. While asbestos is not harmful if left undisturbed, it can pose a health risk if damaged or disturbed during construction.

Before starting work that may affect certain materials (such as insulation, flooring, or roofing), a certified professional will test for asbestos. If asbestos is found, proper removal or containment must be completed safely and in accordance with applicable laws before construction moves forward.

These safety measures are required to protect both residents and workers during the rehabilitation process.

REHABILITATION STANDARDS

All repair work must meet Uniform Building Code standards (UBC) and the State's Enhanced Housing Quality Standards (HQS). The UBC sets foundational, minimum, requirements for construction, including structural integrity, fire resistance and safety whereas the HQS establishes minimum performance and acceptability criteria designed to ensure that housing is safe, sanitary, and secure, as required by the U.S. Department of Housing and Urban Development (HUD). Priority will be the elimination of health and safety hazards. Additionally, all repair work is to comply with any special design or construction standards established by the City of Commerce.

PROPERTY IMPROVEMENTS

The goal of the City's rehabilitation program is to complete exterior-only improvements that enhance curb appeal, preserve the condition of homes, and support neighborhood improvement efforts.

Examples of eligible improvements are limited to **exterior repairs and improvements**, including:

- Gates/fence repair or replacement.
- Exterior paint.
- Exterior finish (stucco, wood siding) or other repairs/partial repairs.
- Exterior door replacement and locks/hardware.
- Replacement of exterior windows visible from the street, with the possibility of including non-street-facing windows upon City approval.
- Roof repairs (repair only; full replacement only if feasible within the grant cap).
- Exterior trim and dry-rot repairs (including fascia/soffit repairs).
- Exterior stairs, steps, and handrails (when structurally integral).
- Porch repairs (exterior only; when structurally integral).
- Remove security bars and pay for the installation of a security system.
- Removal and replacement of damaged, uplifted, severely cracked, or otherwise unsafe concrete walkways and driveways located within the front yard and driveway aprons visible from the street.
- Eligible water-saving upgrades may include replacing grass with drought-tolerant landscaping, installing drip irrigation, repairing sprinkler leaks, and upgrading irrigation systems with smart controllers.
- Work in compliance with Federal regulations for lead-based paint hazards and asbestos.

Examples of non-eligible improvements include interior repairs/upgrades which are not visible from the street.

Examples of general property improvements include improvements that bring the property into compliance with local zoning requirements, fence repairs, exterior paint, or items to improve the appearance of the property but are not health and safety items.

When required for an eligible exterior repair, the building plan check fees and building permit fees may be included and will count toward the maximum grant amount.

RECONSTRUCTION

Reconstruction activities are not eligible under this Program. The demolition and rebuilding of a residential structure, whether in whole or in part, is strictly prohibited. The Program is limited to exterior repairs, maintenance, and improvements to existing structures only. Any project determined by the City to constitute reconstruction rather than rehabilitation will be deemed ineligible for assistance.

GRANT AMOUNT

The maximum grant amount available under this Program is up to ten thousand dollars (\$10,000.00) per eligible household, subject to the availability of program funds. Assistance is provided in the form of a grant and does not require repayment.

Eligible rehabilitation costs may include labor, materials, supplies, and other expenses necessary to complete approved improvements to the housing unit. Program participants may receive grant assistance under this Program once every ten (10) years.

NOTE: City's general funds may not be used to pay for property taxes.

If the total grant amount exceeds \$10,000.00 and the homeowner elects to proceed with the additional work, the homeowner shall be responsible for paying any costs above the \$10,000.00 limit. The homeowner must provide the City with a cashier's check payable to the selected contractor prior to the commencement of construction.

DISPUTE RESOLUTION/APPEALS PROCEDURE

Any applicant whose application is denied has the right to submit a written appeal within fifteen (15) calendar days of the denial notice.

SWEAT EQUITY

Participants shall not perform any labor or construction work on the property during the grant-funded project. All work must be completed by the approved, licensed contractor and any authorized subcontractors under contract with the City. Homeowners are prohibited from performing any portion of the rehabilitation work while the project is active.

AMENDMENTS

Amendments to these Guidelines may be made by the City. Any amendments will be made available to the homeowner by City staff and/or the Program Administrator (for example, through written notice, email communication, and updates posted on the City's website).

ATTACHMENT A

ANNUAL HOUSEHOLD INCOME DEFINITION

For the purposes of determining eligibility in accordance with HCD income guidelines, the Lender will defer to the full [HUD Section 8 Definition of Annual Income](#) at [24 CFR 5.609](#).

Annual Income does include, for all members of the household:

- Gross wages and salary before deductions.
- Net money income from self-employment.
- Cash income received from such sources as rental units, Social Security benefits, pensions, and periodic income from insurance policy annuities.
- Periodic cash benefits from public assistance and other compensation, including Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), Worker's Compensation, State Disability Insurance and Unemployment benefits.
- Interest earned on savings and investments.

Annual Income does not include:

- Non-cash income such as food stamps or vouchers received for the purpose of food or housing.
- Capital gains or losses.
- One-time unearned income such as scholarship and fellowship grants; accident, health or casualty insurance proceeds; prizes or gifts; inheritances.
- Payments designated specifically for medical or other costs, foster children, or their non-disposable income.
- Income from employment of children under the age of 18.
- Payment for the care of foster children.

If there is uncertainty about whether a type of income should be counted, the City will review the source of income and make the final determination as to whether it should be accounted for. Any exceptions to the program's income rules must be reviewed and approved by the City.

The City shall use the Income Limits published each year by HUD or the U.S. Department of Housing and Urban Development (HUD). The maximum annual income limit for an eligible household shall be 180 percent of Area Median Income (AMI) in accordance with the household size.