



## CITY OF COMMERCE AGENDA REPORT

**TO:** HONORABLE CITY COUNCIL **Item No. \_\_\_\_\_**

**FROM:** CITY MANAGER

**SUBJECT:** ADOPTION OF A RESOLUTION IMPLEMENTING THE CITY OF COMMERCE HOME BEAUTIFICATION PROGRAM AND TO AMEND AN AGREEMENT WITH AVANT GARDE INC. FOR THE IMPLEMENTATION AND ADMINISTRATION OF THE CITY OF COMMERCE HOME BEAUTIFICATION GRANT PROGRAM (HBGP) AND RELATED ACTIONS

**MEETING DATE:** January 27, 2026

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### RECOMMENDATION

It is recommended that the City Council:

1. Adopt a resolution to:
  - a. Approve the implementation of the City of Commerce Home Beautification Grant Program (HBGP) using an initial budget appropriation from the Project Management Fund in the amount of \$325,000, \$75,000 of which would be allocated for program implementation and administration;
  - b. Authorize the City Manager or designee to develop and adopt policies and procedures for distributing funds for qualified expenses to property owners participating in the HBGP, eligibility criteria, allowed expenses, and application process, among others;
  - c. Authorize the City Manager to amend an existing agreement with Avant Garde Inc. to increase the budget, scope and term for the implementation and administration of the HBGP; and
2. Take any additional related action as deemed necessary.

### ANALYSIS

The City seeks to establish HBGP using an initial budget appropriation in the amount of \$325,000 from the project management fund to provide grants for home beautification improvements. HBGP can provide financial assistance to eligible homeowners to complete exterior-only improvements that enhance curb appeal, preserve the condition of homes, and support neighborhood improvement efforts.

The following outlines additional details about the HBGP:

**Goals:**

- Improve Community Aesthetics: Encourage property owners to enhance the exterior of their homes to contribute to neighborhood improvement efforts for a more vibrant and beautiful City. These projects will be a catalyst for other property owners to also make investments in their homes.
- Preserve Home Condition: Exterior-only improvements to homes will extend the life of the structures and enhance curb appeal.
- Financial Assistance: Assist property owners who do not qualify for other income-qualifying financial assistance programs due to lower income requirements. For example, the City's Home Preservation Grant Program, funded by Community Development Block Grant (CDBG) funding, requires that applicants have household income limits that are at or below low-income household limits. The annual low-income household limit for a typical 4-person household is \$121,150.
- Gap Funding: Provide gap funding for individuals who can partially fund home improvements, but additional funding is needed to fully fund a project.

**Program Guidelines:**

The following outlines the HBGP guidelines:

Program Funding and Grant Amount:

- Funding Source: General Fund  
Maximum Grant Award: Up to \$10,000 per eligible household (includes all project costs)
- Program Term: Two (2) years or until funds are exhausted

Because the maximum award is \$10,000, the program can be designed to fund targeted exterior repairs that can reasonably be completed within the grant cap. Projects requiring full replacement may exceed the program grant amount and grant funding would only partially pay for some improvements.

Eligibility Requirements:

Applicants must meet all requirements, including:

- **Property Type:** Single-family residential, duplexes and residential properties with up to 4 residential units
- **Occupancy:** Owner-occupied (primary residence)
- **Income Eligibility:** Household income must be at or below At or below 180% AMI\*
- **Household Income Definition:** Household income includes the income of all persons in the household who are 18 years of age or older

\* AMI = Area Median Income

#### Household Income Limits

Household Size	AMI	180% AMI
1	\$74,600	\$134,280
2	\$85,300	\$153,540
3	\$95,950	\$172,710
4	\$106,600	\$191,880
5	\$115,150	\$207,270
6	\$123,650	\$222,570
7	\$132,200	\$237,960
8	\$140,700	\$253,260

#### Eligible Improvements:

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.
- Limited exterior window replacement (priority windows only).
- 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.
- Replace broken or dilapidated pavement for walkways and driveways visible from the street.
- Work in compliance with Federal regulations for lead based paint hazards and asbestos.

Interior repairs and upgrades are not eligible under this program.

While these details represent the current program framework, please note that adjustments may be made as needed to ensure the program's effectiveness and responsiveness to evolving community needs.

The Resolution contained in Attachment 1 authorizes the City Manager or designee to develop and adopt policies and procedures for distributing funds for qualified expenses to property owners participating in the HBGP, eligibility criteria, allowed expenses, and application process, among others.

#### **Program Administration:**

City staff requested a proposal from Avant Garde Inc. which currently implements and administers the City's CDBG Home Preservation Grant Program. Avant Garde Inc. has extensive expertise in grant program implementation and administration, including:

- Program development and implementation;
- Application processing and review;
- Outreach and marketing;
- Technical assistance to applicants;
- Reimbursement and disbursement management; and
- Program monitoring and reporting, and
- Compliance with State and Federal regulations.

Staff recommends Avant Garde Inc. to administer the HBGP since it currently serves the Commerce community with similar services. Avant Garde Inc. proposes a fee of \$75,000 of the allotted funding to administer the program, as indicated in Attachment 2.

### **Program Budget:**

City Council authorization for a budget appropriation is requested to fund and implement the HBGP. The following outlines the proposed HBGP budget:

Budget Appropriation	\$325,000
Grant Administration	\$75,000
Grant Funding for Disbursement	\$250,000
\$10,000 Grant Recipients	25

### **FISCAL IMPACT:**

If approved, the City Council will authorize a one-time appropriation of \$325,000 from the City's Project Management Fund, an assigned fund balance designated for one-time expenditures, to support the program implementation and administration of HBGP. \$250,000 will be allocated for 25 grant recipients and \$75,000 for the administration of the program.

### **ALTERNATIVES**

1. Approve recommendation
2. Reject recommendation
3. Provide staff with further direction

### **RELATIONSHIP TO STRATEGIC GOALS:**

The proposed action is consistent with Community Quality of Life Guiding Principle No. 5 of the City's Strategic Action Plan, which seeks to foster environmentally conscious

initiatives and promote a clean, well-maintained, and sustainable community. The HBGP supports this goal by improving housing conditions, preserving existing housing stock, and enhancing neighborhood stability.

Recommended by: Jessica Serrano, Director of Community Development

Reviewed by: Alvaro Castellon, Director of Finance

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Ernie Hernandez, City Manager

## **ATTACHMENTS**

1. Resolution, including Exhibit A – HBGP Guidelines
2. Avant Garde Inc. Proposal