



***City of Encinitas
FY 2019-20 Consolidated Annual
Performance and Evaluation Report***



**Development Services Department
505 S. Vulcan Avenue
Encinitas, CA 92024**

Approved by the City Council on October 28, 2020

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FY 2019-20 CONSOLIDATED ANNUAL ACTION PERFORMANCE AND EVALUATION REPORT (CAPER)

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

During the program year, the City has made progress in meeting the Strategic Plan goals of the FY 2015-20 Consolidated Plan and FY 2019-20 Action Plan. The focus of this FY 2019-20 CAPER is on activities carried out during the program year as allocated and intended before the global Coronavirus Pandemic. Funding and accomplishments specifically related to the Coronavirus will be included in the FY 2019-20 CAPER by substantial amendment at a later date.

On June 24, 2020, the City Council approved the Substantial Amendment to the FY 2019-20 Annual Action Plan. The Action Plan was amended to accept and allocate \$209,521 in CDBG-CV funds and reallocate \$118,126 in FY 2019-20 funds to Prepare, Prevent and Respond to Coronavirus.

| Activity | Original Allocation | Amended Allocation Including Adjustments to Address Coronavirus |
|------------------------------------|---------------------|---|
| Public Services | \$49,875 | \$124,875 |
| Administration | 48,380 | 48,380 <i>(no change)</i> |
| Fair Housing | 18,120 | 43,120 |
| Capital Improvement Projects | 98,000 | 98,000 <i>(no change)</i> |
| Facility Improvement | 58,366 | 0 |
| Residential Rehabilitation Program | 59,760 | 0 |
| Emergency Rental Assistance | 0 | 227,647 |
| Totals | \$332,501 | \$542,022 (\$332,501 FY 2019-20 Entitlement & \$209,521 CDBG-CV funds) |

The City of Encinitas requested to utilize available program waivers for submission of the FY 2019-20 CAPER. Those waivers were approved by the local HUD office on August 28, 2020. The City of Encinitas requested and was approved for the following waivers for submission of the FY 2019-20 CAPER:

- May 7, 2020 Availability of a Waiver and Alternate Requirement for the Consolidated Annual Performance and Evaluation Report (Performance Report) for Community Planning and Development (CPD) Grant Programs in Response to the Spread of Coronavirus

- August 7, 2020 Federal Register Notice (FN 6218-N01) Federal Register Notice (FN 6218-N01) - Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs

Through all CDBG funded activities during FY 2019-20, a total of 10,784 households were assisted, of which were 1,941 Encinitas residents. Of Encinitas residents assisted, 95 percent were extremely low-income (30 percent of Area Median Income).

The City funded four public service agencies (Community Resource Center, Interfaith Community Services, Meals on Wheels, and San Dieguito Alliance), one facility improvement project (Community Resource Center), and fair housing services. These activities align with the following Strategic Plan Goals: to support the provision of homeless services and prevention; and to support and strengthen the delivery and coordination of service providers that offer assistance to Encinitas low to moderate income residents with an emphasis on at-risk youth and seniors.

Although FY 2019-20 funding was reallocated from the City's Residential Rehabilitation Program, five households were assisted utilizing prior year funding, and another three projects are underway. These activities support the Strategic Plan Goal of providing housing assistance to low-income renters and homeowners.

During FY 2019-20, one facility improvement project (Community Resource Center) was approved for a social service/homeless service agency. The project was not completed during FY 2019-20 but is expected to be completed during FY 2020-21. This activity aligns with the Strategic Plan Goal of supporting improvements to facilities that provide services to Encinitas low to moderate income residents, such as seniors, youth, children, homeless, and victims of domestic violence. Accomplishments will be reported in the FY 2020-21 CAPER. Additionally, during FY 2019-20, one facility improvement project (Quality Children's Services) was completed for a children's care center. The project was funded in FY 2018-19 but was not completed until FY 2019-20; therefore, accomplishments are reported in this FY 2019-20 CAPER.

One prior-year capital improvement project was completed in FY 2019-20 (FY 2017-18, Cardiff ADA Accessibility Project). Another project (Mackinnon) was approved during FY 2019-20 and is currently underway. Both projects support the Strategic Plan Goal of enhancing the livability and quality of life of low- and moderate-income neighborhoods.

Additionally, \$118,700 in general funds was granted to a local service agency for Housing Navigation services as well as landlord incentives and move-in support. During FY 2019-20, the project successfully placed 38 formerly homeless households into permanent housing. On June 24, 2020 the Encinitas City Council voted to continue funding the program at \$118,700 with general funds for a fifth year. This project supports the Strategic Plan Goal of supporting the provision of homeless services, prevention, and shelter.

Finally, the Section 8 Housing Choice Voucher Rental Assistance Program assisted an average of 96 households during FY 2019-20, with total Housing Assistance Payments at \$1,131,700. This program supports the Strategic Plan Goal of providing housing assistance to low-income renters

and homeowners.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected – Strategic Plan | Actual – Strategic 5 Year-Plan | Percent Complete | Expected – Program Year | Actual – FY 2019-20 Program Year | Percent Complete |
|---|-----------------------------------|-----------------|---|------------------------|---------------------------|--------------------------------|------------------|-------------------------|----------------------------------|------------------|
| Assistance to low-income renters and homeowners | Affordable Housing | CDBG: \$0 | Rental units rehabilitated | Household Housing Unit | 5 | 0 | 0.00% | 0 | 0 | 0.00% |
| Assistance to low-income renters and homeowners | Affordable Housing (Res Rehab) | CDBG: \$0 | Homeowner Housing Rehabilitated | Household Housing Unit | 5 | 12 | 240% | 3 | 4 | 133.33% |
| Enhance livability and quality of life | Non-Housing Community Development | CDBG: \$0 | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 0 | 0 | 0% | 0 | 0 | 0.00% |
| Enhance livability and quality of life | Non-Housing Community Development | CDBG: \$0 | Other | Other | 5 | 2 | 40.00% | 0 | 0 | 00.00% |

| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected – Strategic Plan | Actual – Strategic 5 Year-Plan | Percent Complete | Expected – Program Year | Actual – FY 2019-20 Program Year | Percent Complete |
|--|--|-----------------|--|------------------------|---------------------------|--------------------------------|------------------|-------------------------|----------------------------------|------------------|
| Fair Housing | Non-Homeless Special Needs (Legal Aid) | CDBG: \$18,120 | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 150 | 151 | 100% | 20 | 44 | 220.00% |
| Homeless Services, Prevention, and Shelter | Homeless Non-Homeless Special Needs (Interfaith/La Posada) | CDBG: \$20,054 | Homeless Person Overnight Shelter | Persons Assisted | 50 | 81 | 230.00% | 30 | 34 | 133.33% |
| Homeless Services, Prevention, and Shelter | Homeless Non-Homeless Special Needs (Interfaith/ CRC) | CDBG: \$13,607 | Homelessness Prevention | Persons Assisted | 5,000 | 7,682 | 153.64% | 810 | 1,739 | 214.69% |
| New Affordable Housing Units | Affordable Housing | CDBG: \$0 | Rental units constructed | Household Housing Unit | 30 | 0 | 0.00% | 0 | 0 | 0% |
| Planning and Administration | Planning and Administration | CDBG: \$48,480 | Other | Other | n/a | n/a | n/a | n/a | n/a | n/a |

| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected – Strategic Plan | Actual – Strategic 5 Year-Plan | Percent Complete | Expected – Program Year | Actual – FY 2019-20 Program Year | Percent Complete |
|---|--|-----------------|---|------------------|---------------------------|--------------------------------|------------------|-------------------------|----------------------------------|------------------|
| Support services to low to moderate residents | Non-Homeless Special Needs (Meals on Wheels/ SDA) | CDBG: \$16,214 | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 400 | 424 | 106% | 77 | 91 | 115.19% |
| Support facility improvements | Non-Housing Community Development | CDBG: \$0 | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 0 | 74 | 0.00 | 25 | 0 | 00.0% |
| Support facility improvements | Non-Housing Community Development | CDBG: \$0 | Other | Other | 4 | 4 | 100.00% | 1 | 0 | 00.00% |

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

As defined by the City’s Consolidated Plan, the highest priorities are:

- Homeless services, prevention and shelter
- Low-income renters and homeowners assistance
- Seniors housing and services
- Fair housing

- Affordable Housing
- Planning and Administration

For the regular CDBG FY 2019-20 programs, the following totals apply:

| Activity | Allocated | Expended |
|------------------------------|------------------|---------------------|
| Public Services | \$49,875 | \$49,875 |
| Administration | \$48,380 | \$48,380 |
| Fair Housing | \$18,120 | \$18,120 |
| Capital Improvement Projects | \$98,000 | \$46,732.70 |
| Totals | \$214,375 | \$163,107.70 |

For addressing COVID19 needs with FY 2019-20 funds and CDBG-CV1 funds, the following totals apply:

| Activity | Allocated | Expended |
|--------------------------------|---|----------|
| Public Services & Fair Housing | \$100,000 | 0 |
| Emergency Rental Assistance | \$227,647 total (FY 2019-20 \$18,126 (CDBG-CV1 \$209,521) | 0 |
| | \$327,647 | \$0 |

During FY 2019-20, a total of \$66,590 in CDBG funds was allocated and expended for Planning and Administration (including \$18,120 for Fair Housing Services), \$33,661 was allocated and expended for homeless services, and \$9,707 was allocated and expended for senior services. Five Residential Rehabilitation projects were completed during FY 2019-20 and an additional three are currently underway utilizing prior year funding. No funding was directed towards affordable housing activities. A total of \$1,131,700 in Section 8 Housing Assistance payments were made to assist approximately 96 households.

As defined by the City's Consolidated Plan, the medium-level priorities are:

- Youth Services

- Public Facilities
- Public Improvements

During FY 2019-20, a total of \$6,707 in CDBG funds was allocated and expended for youth services and \$58,366 was allocated for a facility improvement project.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

| All Program Clients | CDBG |
|---|---------------|
| White | 8,211 |
| Black or African American | 704 |
| Asian | 280 |
| American Indian or American Native | 96 |
| Native Hawaiian or Other Pacific Islander | 78 |
| Other & Multi-Racial* | 1,415 |
| Total | 10,784 |
| Hispanic | 3,532 |
| Not Hispanic | 7,252 |

Table 2 – Table of assistance to racial and ethnic populations

*Other & Multi-Racial Category not available in IDIS CAPER Template

Narrative

A total of 10,784 individuals/households were assisted with the CDBG funded public services and projects during FY 2019-20. Of the total assisted households, approximately 76 percent were White, seven (7) percent were Black, two (2) percent were Asian, and 13 percent was Other/Multi-racial. Approximately 32 percent of the total assisted households were Hispanic.

| Encinitas Only | CDBG |
|---|--------------|
| White | 1395 |
| Black or African American | 68 |
| Asian | 22 |
| American Indian or American Native | 30 |
| Native Hawaiian or Other Pacific Islander | 10 |
| Other & Multi-Racial | 416 |
| Total | 1,941 |
| Hispanic | 546 |
| Not Hispanic | 1,395 |

Of the total assisted households, 1,941 were Encinitas residents, of which, approximately 71 percent were White, one (1) percent were Black, one (1) percent were Asian, and 22 percent were Other/Multi-racial. Approximately 28 percent of the assisted were Hispanic.

According to current American Community Survey (ACS) estimates, 88.7 percent of Encinitas residents are white, 3.8 percent are Asian, 0.8 percent are Black, and 3.4 percent are Other. Of the total population in Encinitas, 13.1 percent are Hispanic.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

| Source of Funds | Source | Resources Made Available | Amount Expended During Program Year |
|-----------------|--------|--------------------------|-------------------------------------|
| CDBG | HUD | | |

Table 3 – Resources Made Available

Narrative

A total of \$332,501 was the annual entitlement for FY 2019-20, of which a total of \$163,107.70 was expended. Additionally, \$218,196.27 was expended during FY 2019-20 for projects funded in prior years. Prior year funds spent during FY 2019-20 includes the following:

- \$92,684.27 for the FY 2017-18 Cardiff ADA Accessibility Project
- \$25,718 for the FY 2017-28 Community Resource Center Facility Improvement project
- \$28,000 for the FY 2018-19 Quality Children’s Services Facility Improvement Project
- \$71,794 for FY 2019-19 Residential Rehabilitation Program projects

Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|---------------|----------------------------------|---------------------------------|-----------------------|
| Old Encinitas | 0% | 0% | |

Table 4 – Identify the geographic distribution and location of investments

Narrative

No projects were completed in this area during FY 2019-20.

Census Tract 175.02 is located in the Community of Old Encinitas and is bounded by Santa Fe Drive to the south, Encinitas Boulevard to the north, west by Interstate 5 and on the eastern side by Balour Dr. As 2008-2012 ACS data shows, renters in this area account for 58 percent of all occupied units with approximately 670 rental households in the area, compared with the overall City percentage of renters at 35 percent. According to 2008-2012 ACS, median rent was \$1,573, with two-bedroom units being the largest (56 percent) size of rental units. Additionally, renters in this area are severely cost burdened, with 59 percent of households paying more than 50 percent of their income towards rent (2008-2012 ACS).

Census Tract 175.02 is a primarily residential neighborhood, with a commercial corridor along Santa Fe Drive and Encinitas Blvd. Several public schools are located within the area, including San Dieguito High School Academy, Sunset High School, Oak Crest Junior High School, and Ocean Knoll Elementary School. Additionally, the Santa Fe Drive project has been identified as a compliance measure within the City’s ADA Self-Evaluation and Transition Plan.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The CDBG program does not have a match requirement. However, funds were leveraged for most of the CDBG funded projects and programs. Approximately \$2,872,170 was leveraged for CDBG projects and activities during FY 2019-20 (Catholic Charities, Community Resource Center, Interfaith Bridge Housing, Interfaith Shelter, Meals on Wheels, San Dieguito), an average of \$478,695 per project. The leveraged funds are from a combination of public and private sources.

Additionally, any costs related to the administration of the CDBG Program, in excess of the amount provided through the CDBG grant are covered by the approved Development Services Department operational budget.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

The need for affordable housing for Encinitas' low to moderate income residents is great, and far exceeds the resources to meet that need. Household incomes have not kept pace with the rising cost of housing. Encinitas is a high cost community with median home prices well above county, state and national averages. According to HomeDex sales data derived from the North San Diego County Association of Realtors, the median home sales price for the County of San Diego was \$605,146 in June 2020. During the same time, the City of Encinitas had a median home sales price at \$1,129,000. Due to the City's desirable location and limited land supply, land is expensive, which makes the development of affordable housing costly. In sum, despite cooperation from the community and City, with limited resources and the high cost of housing and service provisions, the dollars available to address needs are small relative to overall needs. While CDBG may be used to leverage affordable housing development, it is not a sufficient tool to solve the complex issue of providing affordable housing. However, the City of Encinitas does have the following resources for the creation and maintenance of affordable housing.

Housing Element. The Housing Element Update establishes new multi-family zoning and contains policies and programs to assist vulnerable populations. The City Council adopted the 2013-21 Housing Element in 2019, which was later approved by the California Coastal Commission and then certified by the California Housing and Community Development Department. The implementation zoning ordinance for the Housing Element related to Emergency Shelters was approved by the City Council in 2019. Additional zoning amendments related to SROs, Reasonable Accommodations, Transitional, and Supportive Housing were initiated later in 2019 and are anticipated to be considered by the City Council, Coastal Commission, and State Housing and Community Development department in 2020. The City has also begun the next seven-year housing element cycle. The 2021-29 Housing Element must be completed and submitted to Housing and Community Development before April 2021.

Density Bonus State Law. The City of Encinitas continues to revise its Density Bonus ordinance to comply with State law. The Density Bonus State law provides new affordable rental and for-sale housing through the development of new subdivisions, when the developer seeks an increase in density above what the property's underlying zoning would allow. Over 40 affordable units have been created through the Density Bonus program.

Affordable Unit Policy. The City of Encinitas offers an amnesty program for homeowners of accessory units that were created without building permits. Once the unit has been brought up to current building and fire code, a covenant is placed on the property reserving the unit as a low-income rental. Over 40 affordable units have been created through this program.

Local Inclusionary Housing Policy. The Inclusionary Ordinance requires that developers of new subdivisions or rental projects provide affordable housing on-site or chose an alternative compliance method. The affordable units can be offered as a rental or homeownership opportunity and are restricted in perpetuity. The City recently updated its Inclusionary Ordinance increasing the requirement from one for every ten, to 10% Very Low, or 15% low- income. Further amendments will also be considered,

including establishing an in-lieu fee. Over 140 affordable units have been created through the City's Inclusionary Housing program since its inception.

HOME Program. The County of San Diego, as the lead agency in the HOME Consortium, offers a Down payment and Assistance Program for low-income first-time homebuyers. The program provides simple interest loans, of 17% of the purchase price for down payment assistance and 4%, up to \$10,000 in closing costs assistance to qualified households. The program has home value restrictions (currently \$485,000 for an attached home and \$622,650 for a single-family home), which is typically lower than market prices in Encinitas, making it a challenge for eligible homebuyers to find a home. However, eligible Encinitas Households are encouraged to participate in this program.

The County of San Diego also offers two types of HOME tenant-based rental assistance programs; a family reunification program and emancipated foster youth program. The City of Encinitas will coordinate with local social service providers to ensure that whenever possible, these regional housing resources are made available to eligible Encinitas households.

| | One-Year Goal | Actual |
|--|---------------|----------|
| Number of homeless households to be provided affordable housing units | 0 | 0 |
| Number of non-homeless households to be provided affordable housing units | 0 | 0 |
| Number of special-needs households to be provided affordable housing units | 0 | 0 |
| Total | 0 | 0 |

Table 5- Number of Households

| | One-Year Goal | Actual |
|--|---------------|----------|
| Number of households supported through rental assistance | 0 | 0 |
| Number of households supported through the production of new units | 0 | 0 |
| Number of households supported through the rehab of existing units | 0 | 0 |
| Number of households supported through the acquisition of existing units | 0 | 0 |
| Total | 0 | 0 |

Table 6 - Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Due to the limited CDBG annual resources, lack of direct HOME funding, and very high land costs, the City did not include the production of new affordable housing in its Consolidated Plan or Annual Action Plan. Although, whenever possible, CDBG will be utilized to leverage funding for eligible new affordable housing construction or acquisition and rehabilitation projects. The City of Encinitas does have local affordable housing funds and such funds may be combined as a leveraging tool for new housing development.

The City Council adopted the 2013-21 Housing Element in 2019, which was later approved by the California Coastal Commission and then certified by the California Housing and Community Development Department. The implementation zoning ordinance for the Housing Element related to Emergency Shelters was approved by the City Council in 2019. Additional zoning amendments related to SROs, Reasonable Accommodations, Transitional, and Supportive Housing were initiated later in 2019 and are anticipated to be considered by the City Council, Coastal Commission, and State Housing and Community Development department in 2020. The City has also begun the next seven-year housing element cycle. The 2021-29 Housing Element must be completed and submitted to Housing and Community Development before April 2021.

| Extremely Low Income and Very Low | Low Income | Moderate | Above Moderate | Total |
|-----------------------------------|------------|----------|----------------|-------|
| 587 | 446 | 413 | 907 | 2,353 |

Discuss how these outcomes will impact future annual action plans.

Should the Housing Element be successfully approved, the underlying zoning will become available for more affordable housing types.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

| Number of Persons Served | CDBG Actual (Encinitas Only) | HOME Actual |
|--------------------------|------------------------------|-------------|
| Extremely Low-income | 1,846 | 0 |
| Very Low-income | 60 | 0 |
| Low-income | 28 | 0 |
| Other | 7 | 0 |
| Total | 1,941 | 0 |

Table 7 – Number of Persons Served

Narrative Information

During FY 2019-20, 10,784 low income households were assisted with CDBG funded public service programs and fair housing services. Roughly 77 percent were in the extremely low-income category. Of the total assisted low-income households, 1,944 were Encinitas residents, of which, approximately 95 were extremely low income.

The Residential Rehabilitation Program assisted five low income homeowners during the program year.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through: Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

During FY 2019-20 \$118,700 in general funds was granted to a local service agency for Housing Navigation services as well as landlord incentives and move-in support. During FY 2019-20, the project successfully placed 38 former homeless households into permanent housing. On June 24, 2020, the Encinitas City Council voted to continue funding the program at \$118,700 with general funds for a fifth year. This project supports the Strategic Plan Goal of supporting the provision of homeless services, prevention, and shelter.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Encinitas does not have an emergency or transitional shelter. However, CDBG funds were allocated in FY 2019-20 to several emergency shelters in the region to provide Encinitas homeless shelter and services. Additionally, the City of Encinitas adopted an Emergency Shelter Ordinance in FY 2018-19 and will be considering a Supportive and Transitional Housing Ordinance in FY 2019-20.

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

The City of Encinitas does not receive HOME funding or Emergency Shelter Grant funding.

During FY 2019-20 a total of \$33,662 in CDBG funds was awarded to homeless programs and services. These funds went to support programs to aid in the prevention and elimination of homelessness. The Community Resource Center's Homeless Prevention and Intervention Program includes case management, food assistance, employment preparation, motel vouchers, and emergency shelter support. An additional \$32,000 was awarded in FY 2017-18 for a facility improvement project to support the Community Resource Center that is set to be completed in FY 2020-21.

Additionally, \$118,700 was awarded from the General Fund to support *Opening Doors*, a program aimed at ending homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Encinitas does not receive HOME funding or Emergency Shelter Grant funding.

During FY 2019-20 a total of \$33,661 in CDBG funds was awarded to homeless programs and services. These funds went to support programs to aid in the prevention and elimination of homelessness. The Community Resource Center's Homeless Prevention and Intervention Program includes case management, food assistance, employment preparation, motel vouchers, and emergency shelter support. An additional \$32,000 was awarded in FY 2017-18 for a facility improvement project to support the Community Resource Center that is set to be completed in FY 2019-20.

Additionally, \$118,700 was awarded from the General Fund to support *Opening Doors*, a program aimed at ending homelessness.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The City of Encinitas has a Public Housing Authority (PHA). The Encinitas PHA administers the Section 8 Housing Choice Voucher Program and does not have any public housing.

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

This does not apply as the City of Encinitas does not have Public Housing.

Actions taken to provide assistance to troubled PHAs

The City of Encinitas Housing Authority is not a troubled PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Encinitas is making great strides to reduce land use and zoning regulations and encourage the development of affordable units. On March 13, 2019, the City Council adopted the 2013-2021 Housing Element. This action will result in several zoning code amendments, including rezoning properties to 30 units per acre to accommodate multi-family housing development, allowing emergency shelters for homeless by right within a designated zone, and allowing transitional and supportive housing by right in residential zones to name a few.

The City of Encinitas continues to make amendments as needed to comply with various State Housing Laws, such as the Density Bonus law, which enables developers to seek an increase in density and/or request waivers and concessions in exchange for affordable units. The City of Encinitas also has a local Inclusionary Policy, which requires new residential development to contribute to the production of affordable housing. The City Council took actions to amend the Inclusionary Policy in 2018 and continues to examine potential amendments to increase the production of affordable units.

In April 2019, the City of Encinitas finalized the Permit Ready Accessory Program which encourages the construction of ADUs by offering property owners a selection of eight pre-approved ADU building plans that can be downloaded from the city's website. The program assists property owners in creating ADUs by providing customizable plans, expediting the process, and reducing preconstruction fees. Encinitas also continues to waive planning fees associated with the development of new ADUs. During CY 2019, over 100 new building permits were issued for ADUs.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The City participates in a regional Analysis of Impediments to Fair Housing Choice (AI). The impediments identified as part of the AI are obstacles the City must overcome to provide for its residents. The City has reported progress towards the impediments addressed in the FY 2015 AI in the attached Fair Housing Progress Report.

The CBDG program limits 15 percent of annual funding to public services, the City was not able to fully fund all project requests during FY 2019-20. The City will work with the service agencies to ensure that the program specific goals will be met and assist the groups in identifying additional funding opportunities as available and appropriate.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

HUD requires that all CDBG-funded activities be in compliance with HUD's regulations regarding lead-based paint. In accordance with program requirements, the City of Encinitas' Residential Rehabilitation Program requires that each home assisted and built prior to 1978 must undergo lead-based paint testing. If deteriorated lead-based paint surfaces are found, it must be stabilized during the rehabilitation of the property. Abatement must be performed by a certified lead-based paint professional with a certified lead-

based paint assessor issuing a Clearance Inspection prior to the issuance of the Notice of Completion.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Based on 2016 ACS data, approximately 7.4 percent of Encinitas residents are living at or below the federal poverty level. All communities share the goal of eradicating poverty, however, accomplishing the challenge of ending poverty is great, and involves many social, economic and institutional factors. Unfortunately, many of these issues are outside of the City's reach; however, the City can utilize the resources and tools available to assist those residents living at or below the poverty level.

The County administers the CAL WORKS Program, which is designed to move welfare recipients from dependency to self-sufficiency through employment. Job related education and training are provided through the County and the Community College Districts.

The City has outlined a five-point strategy for improving the quality of life for low-income households and neighborhoods. These points include:

Rental assistance and affordable housing. The Housing Authority provides rental assistance to approximately 96 households through Section 8 Housing Choice Vouchers.

Adult education. Mira Costa College and Adult School provides low-cost education, including night and online classes for working adults. The college offers academic degrees and certifications in many fields, which can enable graduates to find new careers and better job opportunities.

Job training and employment preparation. The County's Regional Occupational Program provides job training in specialized and technical vocations. The San Diego Workforce Partnership offers free job training and job placement programs through dozens of organizations countywide. The City of Encinitas supports the Community Resource Center in Encinitas, which includes employment preparation through their Homeless Prevention and Intervention Services programs.

Health and human services. The County of San Diego funds various non-profit organizations and provides health care and social services, including North County Health Services. This agency operates a clinic in Encinitas that provides health care for impoverished people, as well as a maternity healthcare clinic. The City of Encinitas will also continue to support organizations that offer health and social services to Encinitas low-income residents, such as drug abuse counseling and food programs.

Childcare. Encinitas has several low-cost childcare centers, as well as many small and large family day care homes. Quality Children's Services operates a preschool program in Encinitas. Additionally, two Head Start centers for children under five years of age operate in Encinitas.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The CDBG program is managed by the Advanced Planning and Housing section within the Development Services Department. The Advanced Planning and Housing section is responsible for coordinating efforts with the San Diego HOME consortium and monitoring of existing HOME programs. The Advanced Planning and Housing section also monitors all of the deed restricted units within the City and works very closely with property managers and developers to ensure that compliance with affordability restrictions is maintained.

The Development Services Department offers the opportunity to meet with City Staff to help citizens become more familiar with the City regulations, policies, programs and process, prior to application submittal for a development project. These meetings are referred to as Staff Advisory Committee meetings and are provided free of charge. Developers of housing with affordability requirements are provided with all of the necessary information and technical assistance prior to application submittal.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City of Encinitas, in coordination with its Fair Housing service provider, Legal Aid Society, held two public workshops on Fair Housing. Both workshops, one held in November 2019 and the other held in May 2020 (virtually) were specifically aimed towards landlords.

The City participates in the County of San Diego HOME Consortium, which includes the County of San Diego, and five other cities (San Marcos, Vista, Carlsbad, Santee and La Mesa). Members of the consortium meet to plan strategies and coordinate funding. However, with the new HOME rule changes in 2013, the City of Encinitas no longer directly receives annual funding for its HOME Programs. The City continues to participate in the San Diego HOME Consortium during successive qualification periods (FY2018-19 – FY2020-21), which will enable Encinitas residents to utilize the HOME programs administered by San Diego County.

Throughout the duration of the Action Plan, the City will continue to participate in the following regional committees:

- Regional Task Force on the Homeless
- San Diego Regional Alliance for Fair Housing (SDRAFFH)
- Community Development Block Group Administers Meeting
- Alliance for Regional Solutions

The City will continue to maintain partnerships with other local public and private agencies on regional solutions to long-term housing and community development problems. The City will continue to provide technical assistance to developers and community-based organizations that assist the City in the provision of affordable housing and facilities, as these are invaluable partnerships. The City will also encourage coordination and collaboration between non-profit agencies, housing providers and government agencies. Lastly, the City will maintain contact with trade organizations, such as the Building Industry Association (BIA), San Diego Apartment Association (SDAA) and the San Diego Housing Federation. The City will use these partnerships to help achieve the goals and objectives in the FY 2015-20 Consolidated Plan.

The City's Housing Authority is managed by the Advanced Planning and Housing section; therefore, the City CDBG staff can easily coordinate with the Housing Authority to help fulfill the Division's overall housing goals and objectives.

Finally, the City will continue to network and share information with other Housing Authorities through participation in the National Association of Housing and Redevelopment Officials (NAHRO), the Housing Authority Association of Southern California, Southern California Housing Finance Officers Association and

the San Diego Regional Housing Authorities.

Identify actions taken to overcome the effects of any impediments identified in the jurisdiction's analysis of impediments to fair housing choice. 91.520(a)

Entitlement Jurisdictions receiving CDBG funding are required to take actions to affirmatively further fair housing. Fair housing is achieved by ensuring that people are not denied access to housing opportunities because of their race, ethnicity, religion, disability, familial status, or other protected class. Entitlement cities report on their efforts to affirmatively further housing choice by completing the Analysis of Impediments to Fair Housing Choice (AI). The AI is a review of impediments or barriers that affect the rights of fair housing choice. The San Diego Regional AI for FY 2015-2020 was approved by the City of Encinitas City Council on May 13, 2015 as one of thirteen jurisdictional members of the San Diego Regional Alliance for Fair Housing (SDRAFFH). The Regional Alliance for Fair Housing is a coalition of fair housing organizations, community-based groups, concerned citizens, representatives of the housing industry, and government agencies working toward the goal of affirmatively furthering fair housing. The FY 2020-25 Analysis of Impediments was approved by the City Council on June 24, 2020.

The City of Encinitas affirmatively furthers fair housing by contracting for the provision of fair housing services and testing to determine the level of fair housing discrimination in Encinitas. The fair housing services include outreach and education to residents, property managers, lenders, and housing developers, legal assistance or referrals, tenant/landlord mediation, and assistance with filing complaints to HUD. The City's reported progress during FY 2019-20 towards the impediments addressed in the FY 2015-20 AI will be included in the Fair Housing Progress Report (Appendix B).

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The overall purpose of the monitoring is to maximize grant performance through identifying efficiencies, developing partnerships with stakeholders, collaboration with various service providers and providing the greatest amount of services to the citizens of Encinitas. All federally funded programs are monitored on a regular basis to ensure compliance with all applicable federal regulations. Monitoring is directed toward the program goals, and financial and regulatory performances. Each organization receiving CDBG grant money is visited, at least, once during the fiscal year by staff. In addition, staff collects quarterly reports and invoices to ensure program goals are on target to ensure the timeliness of expenditures. The primary objectives of these visits, as well as the overall monitoring process are to identify deficiencies and promote corrections in order to improve, reinforce or augment grant recipients' performance. The City also ensures that sub-recipients comply with all regulations related to administrative, financial and programmatic operations including Davis-Bacon prevailing wage regulations, and to ensure sub-recipients achieve their performance objectives within the project schedule and budget.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

For the FY 2019-20 CAPER, the written comment during a 30-day review period, September 25, 2020 – October 24, 2020. Residents and stakeholders were notified of the public review and comment period through a publication in a local newspaper, on the City's website, and direct email notification. The draft was available on the City's website, City Hall, the Encinitas Branch Library, Cardiff Branch Library, and the Encinitas Community/Senior Center. The City Council approved the FY 2019-20 CAPER at a public meeting on October 28, 2020. Proof of notice publication is provided in Appendix A. No public comments were received.

The City of Encinitas held other public meetings during FY 2019-20 and provided the public with the opportunity to participate through a variety of methods. Appendix A includes a summary of the other citizen participation efforts undertaken during FY 2019-20.

December 2019: CDBG Applicant workshop: The purpose of the workshop was to provide an overview of the CDBG program, the City's Consolidated Plan, and application process. Five individuals attended.

March 18, 2020: City Council Public Hearing: to authorize funding recommendations for CDBG projects and activities for incorporation in the draft FY 2020-21 Action Plan. There was one public speaker at the meeting, who spoke in favor of the recommended action. Residents and stakeholders were notified of the public hearing through a publication in a local newspaper, direct email notification, and posting on the City's Website.

April 22, 2020 City Council Public Hearing: The City Council approved the FY 2020-21 Action Plan. The Action Plan was available for a 30-day public review and comment period. No comments were received.

April 2, 2020: Fair Housing Conference: The City of Encinitas participated in the annual conference held by the San Diego Regional Alliance for Fair Housing in partnership with the San Diego Housing Federation: Fair Housing: Housing in the Digital Age.

June 24, 2020: City Council Public Hearing: The City Council approved a substantial amendment to the FY 2019-20 Annual Action Plan to accept and allocate \$209,521 in CDBG-CV funds and reallocate \$118,126 in FY 2019-20 funds to Prepare, Prevent and Respond to Coronavirus.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City Council approved the revised CDBG policies and procedures on June 7, 2017. The revisions were to establish a public service minimum amount of \$5,000, establish application criteria, and incorporate back-up projects in the Annual Action Plan. During FY 2019-20, the City revised and updated its Citizen Participation Plan to reflect updated federal regulations.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No. The City of Encinitas does not have any Brownfield Economic Development Initiatives.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

The City of Encinitas does not have any Brownfield Economic Development Initiatives.

NOT APPLICABLE FOR ENCINITAS

CR-60 - ESG 91.520(g) (ESG Recipients only)

ESG Supplement to the CAPER in *e-snaps*

For Paperwork Reduction Act

1. Recipient Information—All Recipients Complete

Basic Grant Information

| | |
|---|-------------|
| Recipient Name | ENCINITAS |
| Organizational DUNS Number | 789638095 |
| EIN/TIN Number | 330197843 |
| Identify the Field Office | LOS ANGELES |
| Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance | |

ESG Contact Name

Prefix
First Name
Middle Name
Last Name
Suffix
Title

ESG Contact Address

Street Address 1
Street Address 2
City
State
ZIP Code
Phone Number
Extension
Fax Number
Email Address

ESG Secondary Contact

Prefix
First Name
Last Name
Suffix
Title
Phone Number
Extension
Email Address

2. Reporting Period—All Recipients Complete

| | |
|-------------------------|------------|
| Program Year Start Date | 07/01/2019 |
| Program Year End Date | 06/30/2020 |

3a. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name
City
State
Zip Code
DUNS Number
Is subrecipient a victim services provider
Subrecipient Organization Type
ESG Subgrant or Contract Award Amount

CR-65 - Persons Assisted

4. Persons Served

4a. Complete for Homelessness Prevention Activities

| Number of Persons in Households | Total |
|---------------------------------|-------|
| Adults | |
| Children | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 8 – Household Information for Homeless Prevention Activities

4b. Complete for Rapid Re-Housing Activities

| Number of Persons in Households | Total |
|---------------------------------|-------|
| Adults | |
| Children | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 9 – Household Information for Rapid Re-Housing Activities

4c. Complete for Shelter

| Number of Persons in Households | Total |
|---------------------------------|-------|
| Adults | |
| Children | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 10 – Shelter Information

4d. Street Outreach

| Number of Persons in Households | Total |
|---------------------------------|-------|
| Adults | |
| Children | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 11 – Household Information for Street Outreach

4e. Totals for all Persons Served with ESG

| Number of Persons in Households | Total |
|---------------------------------|-------|
| Adults | |
| Children | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 12 – Household Information for Persons Served with ESG

5. Gender—Complete for All Activities

| | Total |
|--------------------------|-------|
| Male | |
| Female | |
| Transgender | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 13 – Gender Information

6. Age—Complete for All Activities

| | Total |
|--------------------------|--------------|
| Under 18 | |
| 18-24 | |
| 25 and over | |
| Don't Know/Refused/Other | |
| Missing Information | |
| Total | |

Table 14 – Age Information

7. Special Populations Served—Complete for All Activities

| Number of Persons in Households | | | | |
|--|--------------|--|---|---|
| Subpopulation | Total | Total Persons Served – Prevention | Total Persons Served – RRH | Total Persons Served in Emergency Shelters |
| Veterans | | | | |
| Victims of Domestic Violence | | | | |
| Elderly | | | | |
| HIV/AIDS | | | | |
| Chronically Homeless | | | | |
| Persons with Disabilities: | | | | |
| Severely Mentally Ill | | | | |
| Chronic Substance Abuse | | | | |
| Other Disability | | | | |
| Total (unduplicated if possible) | | | | |

Table 15 – Special Population Served

CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes

10. Shelter Utilization

| | |
|--|--|
| Number of New Units – Rehabbed | |
| Number of New Units – Conversion | |
| Total Number of bed - nights available | |
| Total Number of bed - nights provided | |
| Capacity Utilization | |

Table 16 – Shelter Capacity

11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

CR-75 – Expenditures

11. Expenditures

11a. ESG Expenditures for Homelessness Prevention

| | Dollar Amount of Expenditures in Program Year | | |
|---|---|------|------|
| | 2013 | 2014 | 2015 |
| Expenditures for Rental Assistance | | | |
| Expenditures for Housing Relocation and Stabilization Services - Financial Assistance | | | |
| Expenditures for Housing Relocation & Stabilization Services - Services | | | |
| Expenditures for Homeless Prevention under Emergency Shelter Grants Program | | | |
| Subtotal Homelessness Prevention | | | |

Table 17 – ESG Expenditures for Homelessness Prevention

11b. ESG Expenditures for Rapid Re-Housing

| | Dollar Amount of Expenditures in Program Year | | |
|---|---|------|------|
| | 2013 | 2014 | 2015 |
| Expenditures for Rental Assistance | | | |
| Expenditures for Housing Relocation and Stabilization Services - Financial Assistance | | | |
| Expenditures for Housing Relocation & Stabilization Services - Services | | | |
| Expenditures for Homeless Assistance under Emergency Shelter Grants Program | | | |
| Subtotal Rapid Re-Housing | | | |

Table 18 – ESG Expenditures for Rapid Re-Housing

11c. ESG Expenditures for Emergency Shelter

| | Dollar Amount of Expenditures in Program Year | | |
|--------------------|---|------|------|
| | 2013 | 2014 | 2015 |
| Essential Services | | | |
| Operations | | | |
| Renovation | | | |
| Major Rehab | | | |
| Conversion | | | |
| Subtotal | | | |

Table 19 – ESG Expenditures for Emergency Shelter

11d. Other Grant Expenditures

| | Dollar Amount of Expenditures in Program Year | | |
|-----------------|---|------|------|
| | 2013 | 2014 | 2015 |
| Street Outreach | | | |
| HMIS | | | |
| Administration | | | |

Table 20 - Other Grant Expenditures**11e. Total ESG Grant Funds**

| Total ESG Funds Expended | 2013 | 2014 | 2015 |
|--------------------------|------|------|------|
| | | | |

Table 21 - Total ESG Funds Expended**11f. Match Source**

| | 2013 | 2014 | 2015 |
|---------------------------|------|------|------|
| Other Non-ESG HUD Funds | | | |
| Other Federal Funds | | | |
| State Government | | | |
| Local Government | | | |
| Private Funds | | | |
| Other | | | |
| Fees | | | |
| Program Income | | | |
| Total Match Amount | | | |

Table 22 - Other Funds Expended on Eligible ESG Activities**11g. Total**

| Total Amount of Funds Expended on ESG Activities | 2013 | 2014 | 2015 |
|--|------|------|------|
| | | | |

Table 23 - Total Amount of Funds Expended on ESG Activities