



THE CITY OF SAN DIEGO

Fiscal Year 2012 / Third Program Year

Consolidated Annual Performance and Evaluation Report

for CDBG, HOME, HOPWA, and ESG Programs

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Fiscal Year 2012 Consolidated Annual Performance and Evaluation Report

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Third Program Year CAPER

The Third Consolidated Annual Performance and Evaluation Report (CAPER) includes Narrative Responses to CAPER questions that Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter Grants (ESG) grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional. The grantee must submit an updated Financial Summary Report (PR26).

GENERAL

Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the first year.

Program Year 3 CAPER "Executive Summary" Response:

In accordance with the federal regulations found in 24 CFR 570, the City of San Diego in the state of California (City) has prepared this CAPER for the period of July 1, 2011, through June 30, 2012 (Fiscal Year 2012). The CAPER presents the City's progress in carrying out projects and activities pursuant to the Fiscal Year (FY) 2012 Annual Action Plan for the CDBG, HOME, HOPWA, and ESG funds that it received from the United States Department of Housing and Urban Development (HUD) to principally benefit low- and moderate-income persons in the City.

This annual report also provides a general assessment of the City's progress in addressing the priorities and objectives contained in its five-year 2010–2014 Consolidated Plan (Con Plan) covering the period of July 1, 2009, through June 30, 2014.

The report is organized to be generally consistent with the City's FY 2012 Annual Action Plan so that interested parties can easily compare these documents and readily assess the City's performance in meeting the stated housing and community development goals. The FY 2012 Annual Action Plan and other pertinent documents may be accessed through the City's CDBG program website at <http://www.sandiego.gov/cdbg/general/plansreports.shtml>.

Table 1 below shows the federal Program Year 2011 HUD Community Planning and Development (CPD) funds that were granted to the City for the FY 2012 Annual Action Plan:

Table 1. FY 2012 Entitlement Allocations.

| | |
|---|---------------------|
| Community Development Block Grant (CDBG) | \$13,602,765 |
| HOME Investment Partnerships Program (HOME) | \$7,981,652 |
| Emergency Shelter Grants (ESG) | \$661,372 |
| Emergency Solutions Grants* | \$372,022 |
| Housing Opportunities for Persons with AIDS (HOPWA) | \$2,884,983 |
| Total | \$25,502,794 |

*The City did not receive this allocation from HUD in time to make expenditures in FY 2012.

In addition, Table 2 below shows the amount of CDBG program income (PI) used to fund CDBG projects and activities during FY 2012:

Table 2. CDBG Program Income Used in FY 2012.

| | |
|--|--------------------|
| FY 2011 Property Sale | \$639,465 |
| FY 2011 Redevelopment Agency Repayment | \$3,294,500 |
| Total | \$3,933,965 |

Program income is the gross income received by the grantee or subrecipient directly generated from the use of CDBG funds. Per HUD guidelines, PI may be used as an additional resource, but is subject to all the other CDBG requirements and must be used prior to the entitlement funds. The \$3,933,965 in PI noted in Table 2 above was used for CDBG projects and activities only.

Note that the figures presented in Table 1 and Table 2 include only: (1) FY 2012 funds received from HUD; and (2) PI carried over from prior fiscal years for FY 2012 projects and activities. The figures do not count funds expended in FY 2012 but are from prior fiscal years.

Furthermore, the HOME program received \$3,114,805 in PI in FY 2012. A majority of the PI received was the result of shared equity and amortizing loan principal payoffs and the collection of current interest payments.

Major Initiatives and Highlights

In FY 2012, the City continued to make steady progress in meeting the goals and objectives stated in the Con Plan. The following list highlights some of the City’s accomplishments:

- 1,036 homes were rehabilitated through CDBG and HOME funds.
- 26 rental units were constructed through HOME funds.
- 104 families were assisted with purchasing their homes through CDBG and HOME funds.
- 185 businesses were assisted through CDBG microenterprise programs.
- 1,677 homeless individuals were provided shelter through CDBG and ESG funds.
- 86 households living with HIV/AIDS received tenant-based rental assistance through HOPWA funds.
- 61 households living with HIV/AIDS received short-term rent, mortgage, and utility assistance through HOPWA funds.
- 505 households and 90 persons with HIV/AIDS received supportive services through HOPWA funds
- 2 City public improvement projects and 19 non-City public improvement projects were completed using CDBG funds.
- The City launched a Fair Housing Hotline that citizens may call if they believe they have been denied housing or the opportunity to apply for housing in the City because of being in a protected class.

City staff continued working with the Consolidated Plan Advisory Board (CPAB) to increase citizen participation and improve the FY 2013 CDBG application submittal and evaluation process. In FY 2012, CPAB, composed of members appointed by the City Council members and Mayor, met a total of 13 times. All the meetings were open to the public and staff, and agendas were distributed via e-mail, Internet posting, and hardcopy posting. Meeting notes summarizing the discussion items and actions taken were posted online and made available at subsequent meetings to keep interested parties informed. The CPAB meetings provided a consistent and effective forum for citizens to participate in the CDBG process, especially in the Annual Action Plan process, and served as a place for management and staff to vet policy issues and obtain public feedback. Members of CPAB reviewed applications for FY 2013 CDBG funding and made recommendations to

the City Council on which activities to fund in order to meet the goals and objectives stated in the Con Plan.

Besides CPAB, the City and/or its partner agencies (the San Diego Housing Commission and the County of San Diego) engaged and received feedback from the public and other community stakeholders in FY 2012 regarding the implementation of its HUD-funded programs through active participation in various collaborations and public bodies, such as the Regional Continuum of Care Council on Homelessness, the Joint City/County HIV Housing Committee, the San Diego HIV Health Services Planning Council, the City Council’s Public Safety and Neighborhood Services Committee, and the Board of the San Diego Housing Commission.



Image 1. Members of the public listening to a staff presentation during a Consolidated Plan Advisory Board meeting in September 2012.

In FY 2012, the City reviewed the goals and objectives in its Con Plan and edited them for simplicity and soundness. Duplicative objectives were combined and streamlined, and goals and objectives were reworded as needed for clarity. The edits allow for a better understanding of the goals and objectives by the public and facilitate the evaluation of accomplishments.

As of October 1, 2006, all HUD-funded activities must fit within the Outcome Performance Measurement Framework to provided standardized measurements nationwide. The framework consists of a matrix of three objectives (i.e., Decent Housing, Suitable Living Environment, and Economic Opportunity) and three outcomes (i.e., Availability/Accessibility, Affordability, and Sustainability) as shown on Table 3 below:

Table 3. Outcome Performance Measurement Framework.

| | Outcome #1 Availability/Accessibility | Outcome #2 Affordability | Outcome #3 Sustainability |
|--|--|--|---|
| Objective #1 Decent Housing | Create decent housing with improved/new availability | Create decent housing with improved/new affordability | Create decent housing with improved/new sustainability |
| Objective #2 Suitable Living Environment | Enhance suitable living environment through improved/new accessibility | Enhance suitable living environment through improved/new affordability | Enhance suitable living environment through improved/new sustainability |
| Objective #3 Economic Opportunity | Provide economic opportunity through improved/new accessibility | Provide economic opportunity through improved/new affordability | Provide economic opportunity through improved/new sustainability |

City efforts were particularly strong in creating decent housing in FY 2012. Overall, as of the end of FY 2012, \$11,630,290 had been expended toward decent housing; \$8,751,870 had been expended toward fostering a suitable living environment; and \$802,018 had been expended toward providing economic opportunities to low- and moderate-income persons.

The City successfully leveraged its CDBG, HOME, ESG, and HOPWA funds with other programs and funds from various sources in FY 2012. Some of these programs and funds included: Redevelopment Agency programs; Inclusionary Housing Fund; Housing Trust Fund; HUD Lead Hazard Control Grant; HUD Healthy Homes Demonstration Grant; various federal stimulus programs; Maintenance Assessment Districts; Storefront Improvement Program; and San Diego Regional Enterprise Zone. In addition, the Disabilities Services Department remained active in improving access in various forms to persons with disabilities in the City, and the Commission on Gang Prevention and Intervention successfully worked with various stakeholders, government

agencies, and the community to prevent and curb gang-related violence and other issues that impact low-income areas especially hard.

General Questions

1. *Assessment of One-Year Goals and Objectives*
 - a. *Describe the accomplishments in attaining the goals and objectives for the reporting period.*
 - b. *Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.*
 - c. *If applicable, explain why progress was not made towards meeting the goals and objectives.*
2. *Describe the manner in which the recipient would change its program as a result of its experiences.*
3. *Affirmatively Furthering Fair Housing*
 - a. *Provide a summary of impediments to fair housing choice.*
 - b. *Identify actions taken to overcome effects of impediments identified.*
4. *Describe other actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.*
5. *Leveraging Resources*
 - a. *Identify progress in obtaining "other" public and private resources to address needs.*
 - b. *How federal resources from HUD leveraged other public and private resources.*
 - c. *How matching requirements were satisfied.*

Program Year 3 CAPER "General Questions" Response:

Assessment of One-Year Goals and Objectives

In addition to the goals and objectives at the national level that compose the Outcome Performance Measurement Framework (see page 3), the City has established goals and objectives at the programmatic level, which are described in the Con Plan and amended as needed through the Annual Action Plans (refer to Appendix D). Furthermore, the City establishes annual goals at the individual project level to facilitate each project's evaluation at the end of its implementation and to relate the accomplishments of the project in meeting the program goals and objectives described in the Con Plan.

The narratives and tables in Appendix G and Appendix H, respectively, describe the goals and accomplishments for each project implemented in FY 2012. The narratives and tables also state the amount of funds expended for each project or activity in FY 2012.

Table 4F in Appendix F lists the projects and activities that were implemented, and how much was expended, as of the end of FY 2012 according to Con Plan goals and objectives. The tables in Appendix E aggregate and summarize the accomplishments of the individual projects and activities in FY 2012 per Con Plan goal and objective and allow for evaluation at the programmatic level.

Table 7F in Appendix F lists the projects and activities that were implemented, and how much was expended, as of the end of FY 2012 according to the national objectives and outcomes of the Outcome Performance Measurement Framework.

Program Modifications

The modifications to the CDBG program implemented during FY 2011 and FY 2012 will continue to be refined and put into practice in FY 2013. City staff will continue to work with CPAB to refine and streamline the application process as much as possible to assist with increasing the number and variety of service providers with the capacity to compete for CDBG funds. City staff has also begun exploring the potential creation of HUD-approved Neighborhood Revitalization Strategy Areas (NRSA) in the City for enhanced flexibility in undertaking economic development, housing, and public service activities leveraging CDBG funds with other public and private funding sources. As the current Con Plan comes to a close and work to prepare the next Con Plan (covering July 1, 2014, through June 30, 2019) begins, the City will be increasingly focusing its efforts toward meeting the goals and objectives in the current Con Plan in need of further attention.

The City's approach to allocating and administering its HOME funds remained largely unchanged from the previous year's reporting period and reflected the needs of the community, based on the FY 2012 Annual Action Plan objectives. In FY 2012, the City, grantee of the HOME funds, and the San Diego Housing Commission (SDHC), administrator of the HOME funds, entered into a memorandum of understanding (MOU) to formalize their long-standing relationship. The MOU clarifies the roles and responsibilities of each party and addresses the shared expectations relating to the stewardship of the HOME funds.

The City continues to maintain MOUs with SDHC and the County of San Diego to administer its ESG and HOPWA funds, respectively. No modifications to these programs are currently anticipated.

Fair Housing

In accordance with the Con Plan submittal regulations of HUD, the City participated in a regional effort involving all 19 jurisdictions in San Diego County to update the 2000 Analysis of Impediments to Fair Housing Choice (AI). This analysis identified constraints to reducing discrimination based on: race, color, national origin, ancestry, religion, gender, familial status (presence of children), physical or mental disability, age, sexual orientation, source of income, marital status, or any other arbitrary factor. Following is a summary of the 2011 update to the AI at the San Diego County level and at the City level:



- **San Diego Countywide**

- Lack of availability of outreach and educational materials throughout portions of the San Diego region.
- Many small property owners lack knowledge of fair housing laws and landlord rights and responsibilities.
- There is an underrepresentation among certain minority groups in the homebuyer market and observed disparity in loan approval rates.
- There are recurring rental/home market application denials due to credit history and financial management factors.
- Discrimination against persons with disabilities and based upon national origin or familial status is persistent and increasing.
- There are significant patterns of racial and ethnic concentration within all jurisdictions of the County of San Diego.
- There is an overconcentration of Section 8 Voucher use in specific geographic areas.
- The availability of accessible housing for persons with disabilities is limited.
- There is no Universal Design Ordinance.

- Lead-based paint hazards often disproportionately affect minorities and families with children.
 - Collaboration among jurisdictions and fair housing service providers in addressing service gaps needs improvement.
 - Inconsistent tracking of fair housing data makes comparison and trend analysis difficult.
 - There are disparities in providing high-quality fair housing services across the region.
 - There is a need for proactive testing audits for discrimination in the housing market, rather than relying on complaint driven testing.
 - There is a disconnect between tenant/landlord disputes and fair housing discrimination prevention.
 - Substandard housing conditions tend to impact minority households disproportionately.
 - Additional funds for fair housing service providers to conduct fair housing testing services are needed.
- **San Diego Citywide**
 - The City does not permit emergency shelters by right in at least one zoning district where adequate capacity is available to accommodate at least one year-round shelter.
 - The City's Zoning Ordinance does not include a definition of supportive housing, but it is permitted as regular housing.
 - There is a high concentration of Section 8 Housing Choice Voucher use in various ZIP codes throughout the City.

The City will take all actions that it can to reduce the impediments to fair housing identified in the 2011 update of the AI. To further address these impediments, during FY 2012, the City engaged two fair housing services providers for a multi-year contract: the Housing Opportunities Collaborative and Legal Aid Society of San Diego, Inc.

The Housing Opportunities Collaborative offers services in the component areas of general community outreach and education to historically underrepresented communities; technical training opportunities for housing provider, lender and insurance industries; maintenance of a fair housing discrimination intake process; and collaborations and/or linkages with other entities, which further strengthen fair housing activities in the City.

Fair Housing Hotline

1-800-462-0503

The Legal Aid Society of San Diego, Inc., offers services in the component areas of technical training opportunities for fair housing testers; complaint-based and random testing; education for homebuyers and tenants on fair housing rights;

maintenance of a fair housing discrimination investigation and enforcement process and collaborations and/or linkages with other entities, which further strengthen fair housing activities in the City.

The City will also continue to support the Fair Housing Resource Board, which disseminates information about fair housing rights and responsibilities or offer related services.

Refer to Appendix M for more details on the impediments identified and the actions to be taken by the City to address those impediments.

Other Actions to Address Obstacles to Meeting Underserved Needs

The downturn in the economy has exacerbated social needs associated with loss of employment, housing and homelessness, and crime. The downturn in economic activity and the ensuing drop in the City's tax revenues have also made lack of funding an even greater obstacle to meeting underserved needs. In response, the City continues to actively pursue funds from other sources to leverage its CDBG, HOME, HOPWA, and ESG grant funds. Refer to the "Leveraging Resources" section of this CAPER below for a description of other funds obtained and programs implemented by the City or its partners in the areas of housing, economic development, homeless and community development activities, and federal stimulus programs. In addition, refer to the "Other Narrative" section of this CAPER on page 61 for a description of the City's efforts to improve accessibility to its facilities, activities, benefits, programs, and services for those with disabilities, and on its efforts to reduce and preclude gang-related violence and issues.

Leveraging Resources

The City has earned a number one ranking out of 93 participating California jurisdictions in terms of leveraging ratio for rental activities, according to the latest SNAPSHOT of HOME program performance.

As a jurisdiction with substantial housing and community development needs, the City needs to leverage its CDBG, HOME, ESG, and HOPWA entitlement grants with a variety of non-CPD funding sources and programs to maximize the effectiveness of available funds. The availability of these local, state, and non-profit resources and programs have greatly improved the City's ability to address community development needs.

For multifamily housing development, SDHC leverages money from a wide variety of sources, including the state of California, local Housing Trust Funds, inclusionary housing and coastal funds, and proceeds

from the issuance of multifamily housing revenue bonds. The state's CalHOME program money is used for first-time homeowners, and local loans and grants provide financial assistance for homeowner rehabilitation activities. The large degree of leveraging has earned the City a number one ranking out of 93 participating jurisdictions in the state of California in terms of leveraging ratio for rental activities, according to the latest SNAPSHOT of HOME program performance.

Following are the non-CPD funding sources and programs in the areas of housing, economic development, homeless/community development, and federal stimulus programs that leverage the City's CDBG, HOME, ESG, and HOPWA entitlement grants:

- ***Housing Activities:***

Downpayment/Closing Cost Assistance Grants: These programs are available to first-time homebuyers purchasing market-rate and affordability-restricted homes in the City of San Diego. The assistance is offered to families earning 80 to 100 percent of the area median income (AMI) and the grant amounts are between 4 percent and 6 percent of the purchase price, not to exceed \$15,000. The grants must be repaid if the home is sold, refinanced, or not owner-occupied within the first six years of ownership.

Mortgage Credit Certificate Program: The Mortgage Credit Certificate (MCC) Program allows a qualified homebuyer a credit each year on their federal income tax, in an amount equal to 15 to 20 percent of the mortgage interest paid that year. MCC reduces the borrower's federal income tax liability through a direct credit, thus increasing the income available to

qualify for a mortgage loan. An MCC can have the effect of raising the loan amount, by up to 20 percent, for which a buyer can qualify.

Deferred Payment 3% Interest Loan Program: This program is available to first-time homebuyers purchasing market-rate and affordable homes in the City. The assistance is offered to families earning 80 to 100 percent of AMI. The deferred payment 3 percent interest loans have a term of 30 years. No monthly payment of principal or interest is required. The loan amount for market-rate homes (80 to 100 percent of AMI) and affordable homes (100 percent of AMI) is 17 percent of the purchase price. The loan amount for buyers of affordable units earning 80 percent or less of AMI is 25 percent of the purchase price.

Mobile Home Repair Grants: Mobile home owners earning up to 60 percent of AMI may be eligible for one-time-only grants of up to \$5,500 for the repair of health and safety hazards, such as roofing, plumbing, electrical, heating, broken windows, and porch repair.

No Interest (0%) Deferred Payment Loans: Home repair loans are offered to very low-income (under 60 percent of AMI) owner-occupants of 1-unit properties Citywide up to \$25,000 to eliminate health and safety hazards and implement neighborhood improvements. Full repayment of principal is required upon future sale, further encumbrance, or non-owner occupancy or 30 years from the date of the loan, whichever occurs first.

Multi-Family Bond Program: This program offers below-market financing to developers of multi-family rental projects that set aside a portion of the units in their projects as affordable housing. Activities eligible for financing include new construction, acquisition, and rehabilitation of projects located in the City. Specifically, a project is eligible for tax-exempt multi-family bond financing if one of the following conditions is met:

- A minimum of 20 percent of the units must be set aside for occupancy by households earning up to 50 percent of AMI, as adjusted for family size; or
- A minimum of 40 percent of the units must be set aside for occupancy by households earning up to 60 percent of AMI, as adjusted for family size.

In addition, state law requires that a minimum of 10 percent of the units be set aside for occupancy of households earning up to 50 percent of AMI, as adjusted for family size. As a result, projects financed with tax-exempt bonds must set aside at least 20 percent of the units at 50 percent of AMI or 10 percent of the units at 50 percent of AMI and 30 percent of the units at 60 percent of AMI.

Multi-Family Rental Development Program: Under the Multi-family Rental Development Program, loans serve as gap financing to supplement private equity and debt for multi-family housing developments either through new construction or acquisition/rehabilitation. In exchange for below-market interest rates and favorable repayment terms, the developer agrees to restrict rents on a certain number of units for 55 years or longer.

Density Bonus Program: This state-authorized program is designed to provide a density bonus and up to three regulatory concessions to developers in exchange for reserving a percentage of housing units for low- and moderate-income or senior households for specified periods of time.

Affordable Housing Fund: The City's Affordable Housing Fund is a permanent, annually renewable source of funds to help meet the housing assistance needs of the City's very low- to moderate-income households. Within the Affordable Housing Fund are two accounts: the Inclusionary Housing Fund account and the Housing Trust Fund account.

- **Inclusionary Housing Fund**: San Diego adopted a Citywide Inclusionary Housing Ordinance in July 2003. Pursuant to the ordinance, 10 percent of new residential development must be made affordable to households earning up to 100 percent of AMI for for-sale units or 65 percent of AMI for rental units. A fee determined by the square footage of the proposed development may be paid in-lieu of building the affordable units. These fees are deposited into the Inclusionary Housing Fund and are used for construction of new affordable housing stock and other programs if approved by the City Council in the Affordable Housing Fund Annual Plan.
- **Housing Trust Fund**: The Housing Trust Fund was created by City Council ordinance on April 16, 1990. The Housing Trust Fund receives most of its funding from an impact fee on commercial development. Housing Trust Fund monies can be used in a variety of ways, including loans, grants, or indirect assistance for the production and maintenance of assisted units and related facilities. To comply with the ordinance, Housing Trust Fund monies shall be allocated: (1) at least 10 percent to Transitional Housing; (2) at least 60 percent to very low-income households (defined as households with incomes at or below 50 percent of AMI); (3) no more than 20 percent to housing for low-income households (defined as households with incomes between 50 and 80 percent of AMI); and (4) no more than 10 percent to moderate-income first-time homebuyers.

Coastal Affordable Housing Replacement Program: This state-authorized program is designed to provide replacement housing for development that displaces low- or moderate-income households from housing units located in the Coastal Overlay Zone (i.e., condo conversions and demolition of rental units).

Public Housing: The City currently owns 76 public housing units at two sites, and a plan is under HUD review to convert 113 additional existing SDHC-owned units to public housing. A more detailed description of that plan and the results of HUD's review will be reported in the FY 2013 CAPER.

Rental Housing Assistance Program (Section 8): The Housing Choice Voucher Program (Section 8), administered by SDHC, provided rent subsidies for about 14,000 San Diego households in FY 2012. In addition, SDHC's Workforce & Economic Development Division staff helped break the cycle of poverty by encouraging residents to take free classes on topics such as career development and personal finance. As an incentive, SDHC offered special asset-building accounts that helped motivate enrollees to save money for school, books, small business startup, or home purchase.

Single Room Occupancy (SRO) Program: Although not the sole answer to the homeless problem, SROs provide extremely low-income housing opportunities to homeless or nearly homeless individuals. The City established an SRO hotel ordinance in an effort to replace the existing stock of SRO hotel rooms and provide relocation assistance to tenants displaced as a result of SRO closure. The City continues to support the development of SROs, living units, or housing affordable to very low-income households, especially in locations in close proximity to transit.

Redevelopment Agency Programs: The Redevelopment Agency of the City of San Diego (Redevelopment Agency) was dissolved as of February 1, 2012. The City, serving as the successor agency, has assumed the former Redevelopment Agency's assets, rights, and obligations under the California Community Redevelopment Law, subject to some limitations, and is winding down the former Redevelopment Agency's affairs and taking other actions in accordance with the dissolution provisions. Through January 31, 2012, the collaborative efforts of the Redevelopment Agency and the leveraging of over \$251 million in Redevelopment Low- and Moderate-Income Housing Set-Aside Funds resulted in the construction or acquisition of more than 5,652 affordable housing units in San Diego: 3,896 (69 percent) of the units are available to very low-income households; 1,069 (19 percent) of the units are available to low-income households; and 687 (13 percent) of the units are available to moderate-income households. In exchange for the financial assistance from the Redevelopment Agency, the developer agrees to restrict the rents on rental properties for not less than 55 years and agrees to restrict re-sale prices on homeownership units for not less than 45 years. During FY 2012, four projects were completed with Redevelopment Agency assistance and added a total of 233 units to the City's affordable housing inventory. These projects were located in the areas of Centre City, City Heights, and Southeastern San Diego.

During its existence, the Redevelopment Agency of the City of San Diego created more than 5,652 affordable housing units, of which 233 were added to the City's affordable housing inventory in FY 2012.

In addition to new construction and acquisition/rehabilitation using Redevelopment Low- and Moderate-Income Housing Set-Aside Funds, the Redevelopment Agency also sponsored the following housing programs in FY 2012:

- Home in the Heights First-Time Homebuyer Assistance Program (HITH): The goal of the program was to make homeownership more accessible and affordable to families seeking to reside within the City Heights Redevelopment Project Area and Planning Area. Increased homeowner occupancy has been identified as an important factor for improving neighborhood stability, encouraging private investment, and improving the local housing stock. Participants with a household income of 100 percent of AMI or less could qualify for a silent second loan amount of up to \$30,000 forgivable over a 20-year term, provided the participant remained an owner-occupant of the home. This program was administered by Community HousingWorks, a non-profit organization, on behalf of the Redevelopment Agency and assisted over 100 first-time homebuyers during its existence.
- Housing Enhancement Loan Program (HELP): HELP was created by the Redevelopment Agency as part of an overall redevelopment program to increase, improve, and preserve the supply of housing affordable to and occupied by low/moderate-income households. HELP provided one-time forgivable loans ranging from \$5,000 to \$30,000 at an annual simple interest of 3 percent to owner-occupants whose gross household income did not exceed 100 percent of AMI. The loans could be used to address interior and exterior conditions of properties; to repair health and safety hazards; and to rehabilitate, repair, and install improvements, such as qualifying energy and water conserving landscape improvements. The loans were forgiven over a ten-year term, provided the owner-occupancy requirement was fulfilled. HELP was available in the City Heights, College Grove, Crossroads, Grantville, Linda Vista, North Park and San Ysidro redevelopment

project areas, as well as the Southeastern Economic Development Corporation Area of Influence. HELP provided assistance to over 550 households, and was administered by SDHC on behalf of the Redevelopment Agency.

Low-Income Housing Tax Credits (LIHTC): The LIHTC program, which is based on Section 42 of the Internal Revenue Code, was enacted by Congress in 1986 to provide the private market with an incentive to invest in affordable rental housing. Federal housing tax credits are awarded to developers of qualified projects. Developers then sell these credits to investors to raise capital (or equity) for their projects. The tax credits are awarded to individual projects based on a competitive process. The City, through its housing and community development agencies, continued to assist local affordable housing projects compete for LIHTCs through FY 2012.

HUD Lead Hazard Control Grant: This grant to reduce lead hazards in residences occupied or frequently visited by children under six years of age is available for owner-occupied or rental properties with occupants under 80 percent of the AMI and located within the City. Financial assistance is offered up to \$10,000 for single-family residences and up to \$5,000 per multi-family unit, plus \$5,000 for common areas. Refer to the "Lead-Based Paint" section of this CAPER on page 28 for more information.

HUD Healthy Homes Demonstration Grant: This grant provides property owners with a complete risk assessment of their property and up to \$5,000 per unit to remedy health and safety issues discovered during the assessment. Refer to the "Lead-Based Paint" section of this CAPER on page 28 for more information.

- **Economic Development Activities**

Revolving Loan Programs: The City continues to utilize Economic Development Administration (EDA) funds to implement a suite of revolving loan funds available to expanding small- to mid-size businesses and entrepreneurs in the form of gap financing. The San Diego Regional Revolving Loan Fund (SDRRLF) and the Small Business Micro Revolving Loan Fund (SBMRLF) programs are designed to address the capital access needs of small businesses in the region. The SDRRLF regional boundary includes the city of Chula Vista, while the SBMRLF boundary is limited to the City of San Diego.

Commercial Revitalization: The City's Office of Small Business supports small business development and commercial revitalization via self-assessments and special grants:

- **Maintenance Assessment Districts**: As part of commercial revitalization efforts, the City's Economic Development Division has established eight property assessment districts whose combined assessments total \$7,428,126 annually. The assessments generated by the districts provide direct and special benefits to property owners in older commercial corridor areas of the City. Activities include maintenance of landscaped and paved medians, landscaped right-of-ways and slopes, open space, parks, ponds, flood control channels, monuments, decorative street lighting, decorative gates, signage, and banners, as well as cleaning of curbs and gutters, sweeping sidewalks, provision of security services, and monitoring.
- **Storefront Improvement Program**: The Storefront Improvement Program revitalizes commercial building façades visible to customers, neighboring merchants, and residents. The City provides design assistance and financial incentives to small business owners who wish to make a creative change to their storefronts. Every year, the program is open to small businesses (12 or fewer employees) located in

the City with a current Business Tax Certificate. In FY 2012, the City assisted 20 businesses/property owners with a total of \$107,583, leveraging \$349,197 of private investment.

Redevelopment: Although the state of California eliminated tax increment financing and special legal mechanisms to carry out redevelopment in FY 2012, certain projects and programs that had been in place prior to the disestablishment of redevelopment authority were allowed to continue in FY 2012. These grandfathered projects and programs continued to complement CDBG-funded activities related to affordable housing, neighborhood revitalization, and economic opportunity. In FY 2012, these activities included financial assistance for the: construction of new affordable housing units; rehabilitation of owner-occupied single-family homes; reuse of a former military base; installation of streetlights; repair and/or installation of sidewalks; and commercial façade improvements.

- **Homeless and Community Development Activities**

Supportive Housing Program (SHP): SHP provides for the development and operation of supportive housing and services to assist homeless people transition from homelessness into housing and to enable them to gain their independence and self-sufficiency. In the federal FY 2011 (i.e., City FY 2012) SuperNOFA funding round, \$6.9 million was awarded to organizations in the City. These organizations provided a cash match of 25 percent of the total amount of the award (approximately \$1.7 million). The programs provided 1,271 beds for homeless individuals and families.

Shelter Plus Care Program (S+C): S+C provides for permanent supportive housing for homeless individuals with disabilities and their families. The goal of this program is to help participants: gain housing stability; increase their income; and achieve greater self-sufficiency. S+C funds are matched 100 percent by in-kind supportive services from sponsor agencies. In 2011, SDHC was awarded \$2.4 million in grant funds to provide 191 units of supportive housing. SDHC partnered with sponsor agencies to provide the housing and supportive services in FY 2012.

Neil Good Day Center (NGDC): SDHC provided \$500,000 to fund the operation of NGDC in FY 2012. NGDC is a day shelter that provides the street homeless in downtown San Diego with a place to check in during the day for showers, laundry, and mail and to meet with service providers for mental health and substance abuse referrals, case management, job referral services, medical referrals, benefits assistance and IDs, and shelter and housing referrals. A total of 3,495 unduplicated clients were served at NGDC in FY 2012.

Interfaith Shelter Network Rotational Shelter Program: In FY 2012, SDHC provided \$10,000 to cover the match requirement to receive funding for the program through the County of San Diego. The Rotational Shelter Program is a network of churches that provide shelter for homeless individuals and families at their sites, along with case management and service referrals for the guests who stay up to two weeks at their church. The program served 98 people and provided 3,249 bed nights of shelter in FY 2012.

Veterans Affairs Supportive Housing (VASH) Voucher Program: SDHC administers the VASH voucher program and was awarded 150 vouchers to house homeless veterans and their families in FY 2012.

Sponsor-Based Voucher Program: SDHC, a HUD-recognized "Moving to Work" agency, administers a sponsor-based voucher program. Seventy-five vouchers were dedicated in FY 2012 to chronically homeless populations under the Project 25 initiative (25 vouchers) and

Vulnerability Index (50 vouchers). The goal of the program is to provide the housing assistance for programs serving the most vulnerable (i.e., those most at risk of dying on the streets) and the most frequent users of public resources. Wrap-around services are provided by the County of San Diego.

Serial Inebriate Program (SIP): This innovative program, founded in January 2000, was initiated as a problem-solving effort to reduce the revolving door wherein chronic, homeless alcoholics go in and out of detox centers, county jail, and local hospital emergency rooms. This community effort brings together the justice system, police and sheriff's departments, emergency medical services, health and human services, and treatment providers in a collaborative effort to reduce the use of costly public resources by providing homeless serial inebriates a diversion from the streets and jail to housing and treatment programs with intensive case management. Most of the clients have multiple issues, which may include addictions to multiple substances, mental and physical health issues, and cognitive and behavioral issues. Now a national model, the SIP program provides 12 beds funded by SDHC (\$57,705 in FY 2012) and case management and treatment funded by the County of San Diego (\$166,000 in FY 2012).

Homeless Outreach Team (HOT): In operation since 2001, HOT provides outreach and engagement services throughout the City, and is the City's initial point of contact with both chronic homeless and chronic inebriates living on the streets. The HOT Team consists of four San Diego City police officers, two County of San Diego health and human services specialists, and one Psychiatric Emergency Response Team clinician. They work Monday through Friday during the hours of 6:00am and 4:00pm within the downtown, Hillcrest, and beach areas of the City. In FY 2012, they had 2,061 contacts with homeless individuals, and placed 434 in shelters, housing, medical assistance facilities, or detox centers.

Downtown Storage Center: The Water Man Check-In Center opened in February 2011 as part of a settlement agreement with the City. The settlement required the City to pay \$100,000 to the non-profit Isaiah Project to set up and operate a warehouse for storing the personal property of the homeless. Three hundred fifty (350) homeless people a day store their belonging in bins at this site. The funding from the City was enough to sustain the project for one year, and two City Council districts subsequently donated \$20,000 each for a total of \$40,000 to extend the operation of the center until fall 2012. Currently, SDHC administers the contract with the Girls Think Tank as the operator of the center.

HUD 108 Loan Program: The HUD 108 Loan Program is a major public investment tool offered to local governments by HUD. In FY 2012, the City had a portfolio of seven loans totaling \$12,064,000, of which three loans totaling \$7,180,000 were defeased. The projects include libraries, public facilities, senior and health centers, and a camping facility. All projects meet eligibility and national objectives as set forth by HUD. Each of the projects that utilized HUD 108 loans was also supported with funding from various other local, state, and/or other federal funds. See page 50 for more information on the defeased loans.

Solar America Cities Grant: The City received a total of \$500,000 in Solar America Cities Grant funds from the United States Department of Energy (DOE). Through this funding, the City identified and implemented two projects that met the following objectives:

Three objectives for FIRE SAFE COMMUNITIES:

1. Improve community crisis response capability and enhance energy security at strategic facilities by integrating distributed generation into the region's emergency response infrastructure;

2. Provide key lessons—technical, economic, and contractual—for the deployment of integrated solar photovoltaic and advanced energy storage projects in support of the Smart Green Grid; and
3. Leverage the City’s leadership position to create a powerful platform for renewable generation education and outreach by having demonstration projects at facilities within the community.

Two objectives for MULTI-FAMILY AFFORDABLE SOLAR HOUSING RESEARCH to remove barriers that prevent multifamily affordable housing developments from installing solar photovoltaic (PV) systems:

1. Generate and provide data to developers that demonstrate the expected benefits of installing solar PV systems, both for tenants and for building owners.
2. Conduct the first solar PV impact studies that incorporate the new Virtual Net Metering tariff.

All of the Solar America Cities grant objectives were completed in FY 2012.

- **Stimulus Programs**

Neighborhood Stabilization Program (NSP): NSP is a one-time supplemental CDBG stimulus grant intended to provide assistance for the redevelopment of abandoned and foreclosed homes and residential properties to benefit low-, moderate-, and middle-income persons. The NSP grant has a length of approximately four years. NSP activities include a Financing Mechanism for first-time homebuyers, Acquisition/Rehabilitation and Rental to Low-Income Tenants, Acquisition/Rehabilitation and Resale of homes to first-time homebuyers, Redevelopment of Demolished or Vacant Properties, and Program Administration. In FY 2012, the City substantially completed its NSP-funded activities. During the year, remaining budgeted NSP funds were transferred to the Acquisition/Rehabilitation and Resale (of homes to first-time homebuyers) activity. In addition, the Acquisition/Rehabilitation and Rental to Low-Income Tenants activity was completed with the lease-up of the City View Apartments. These apartments include 30 restricted units (19 units are available to NSP low-income households, and 11 units are available to NSP moderate-income households) and one manager’s unit.

Community Development Block Grant—Recovery (CDBG-R): CDBG-R is a one-time supplemental CDBG stimulus grant with a program length of approximately three years. The CDBG-R program is intended to stimulate the economy by providing additional funds to carry out the CDBG program, and in particular activities that involve hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through the rehabilitation or retrofitting of existing buildings. In FY 2012, the CDBG-R program completed construction on the Mount Hope Market Street median and street light project, which provided improved street lighting, traffic calming, and aesthetic improvements to the Mount Hope neighborhood of Southeastern San Diego. In addition, rehabilitation of the Trojan Avenue and National Avenue Apartments neared completion, and the rehabilitation of the Paul Mirabile Center began. The North Shores Vocational Center Roof Replacement project commenced and was completed within FY 2012 as well.

Homeless Prevention and Rapid Re-Housing Program (HPRP): HPRP is a one-time, 3-year stimulus grant intended to provide financial assistance and services to either prevent

individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. The assistance provided through HPRP includes financial assistance (rental, deposit, utility, moving costs, hotel/motel voucher), case management, outreach, housing search and placement services, legal services and credit repair services. In FY 2012, the total numbers of unduplicated persons and households provided Homelessness Prevention assistance were 341 and 150 respectively; and the total numbers of unduplicated persons and households provided Homeless Assistance were 804 and 539, respectively, for a total of 1,145 persons or 689 households. In FY 2012, HPRP funds paid security deposits and short-term rental assistance until sponsor-based vouchers absorbed the housing assistance payments.

Energy Efficiency and Conservation Block Grant (EECBG): DOE's EECBG program is funded by the American Recovery and Reinvestment Act and provides funds for projects in local communities to help them improve energy efficiency, reduce their energy use and fossil fuel emissions, and create green jobs locally. As a condition of the EECBG grant, DOE required the City to develop an Energy Efficiency and Conservation Strategy (EECS). The Mayor and City Council appointed an ad hoc committee consisting of energy efficiency and renewable energy experts along with community advocates to develop the EECS. The ad hoc committee met six times between June 25, 2009, and August 10, 2009. The outcome was a list of recommended concepts and allocation to guide the development of specific projects. On April 15, 2010, the City received final approval of the \$12.5 million EECBG grant, which is a one-time, 3-year supplemental stimulus grant. The City energy efficiency projects include residential and low-income residential, Balboa Park and other municipal buildings, street lighting improvements, and development of a Climate Mitigation and Adaptation Plan. In FY 2011, subgrantee agreements were approved for Balboa Park projects and lighting upgrade projects began implementation in municipal buildings. In FY 2012, the Balboa Park and municipal building energy efficiency projects were completed. The other activities are still in process.

Match Requirements: Compliance with HOME matching requirements is described on page 37. Compliance with ESG matching requirements is described on page 44. Compliance with HOPWA matching requirements is described on page 58.

Managing the Process

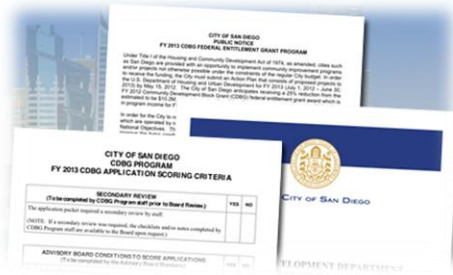
1. *Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.*

Program Year 3 CAPER "Managing the Process" Response:

CDBG

Application/Action Plan Process: The City's CDBG application process was integral to ensuring robust public participation in the planning and implementation of the CDBG program in FY 2012. The process began on November 1, 2010, when the FY 2012 CDBG application packet was made available to the public. All potential applicants were required to attend one application workshop session. Eight workshops were conducted by CDBG staff, not including one-on-one technical assistance sessions arranged by appointment.

The deadline for submission of the CDBG applications was December 10, 2010. CDBG program staff received 137 application submittals and conducted programmatic and fiscal reviews of each application packet from December 13 through December 29, 2010. Beginning January 13, 2011,



CDBG program staff notified applicants of any eligibility issues and implemented an application completeness check period through January 19, 2011. A total of 122 applications underwent the completeness check process. Afterwards, a total of 113 applications were forwarded to the Council offices for their review and funding consideration by February 24, 2011. (Note that CPAB was just being initiated during the FY 2012 CDBG application period and was not yet at the point of being a part of the application review and recommendation process.) Funding recommendations were presented to a

Special Joint Meeting of the Public Safety & Neighborhood Services Committee and City Council Committee of the Whole on March 10, 2011.

CPAB: In FY 2012, CPAB began meeting in earnest, convening 13 times. Board members were active in establishing the scoring criteria and in reviewing and scoring applications for FY 2013 CDBG funds. CPAB recommendations to the City Council on which applicants to grant FY 2013 CDBG funds were discussed at meetings open to the public, giving the community at large multiple opportunities to participate in the planning and funding allocation process.

Section 108 Loans: In FY 2012, the CDBG program defeased three loans, totaling \$7,180,000 of the Section 108 loans from the portfolio. The purpose of the defeasance is to repay HUD the full amortized amount due on the loan and allow the City to write down its Section 108 loan portfolio. In essence, this allows the City to release funds that were pledged in future annual entitlement years (towards servicing a Section 108 debt/loan) to applicants applying for CDBG funds for their programs/projects. See page 50 for more information on the defeased loans.

HOME

The City's HOME program is performing soundly, as evidenced by indicators provided in a variety of HUD-generated reports. The program's intentions and activities are communicated through a series of regular meetings with the development community and social service providers, and by participating in local, regional, and national housing events. Efforts are underway to update the primary source of applicant funding for HOME funds—the Notice of Funding Availability—and to assess the goals and accomplishments of the HOME program as they relate to the Con Plan and Annual Action Plans. The approval to use HOME funds in a manner consistent with the goals and objectives of the Con Plan and Annual Action Plans continues to be granted by a 7-member SDHC Board of Commissioners and by the City Council acting as the Housing Authority of the City of San Diego.

ESG

In FY 2012, the City, through SDHC, continued to be an active member of the Regional Continuum of Care Council (RCCC). RCCC is a large, cooperative community group consisting of representatives of the 18 cities within San Diego County, the County of San Diego, non-profit service providers, and other interested parties. It meets on a monthly basis to identify gaps in homeless services, establish funding priorities, and pursue an overall systemic approach to addressing homelessness in the San Diego region. Participation in this forum ensures that the City's efforts to address homelessness using ESG funds and other resources are coordinated regionally, respond to the most critical needs, and take into consideration input from the public and other homeless advocates.

HOPWA

It is the policy of the County of San Diego to ensure adequate citizen involvement in the planning, implementation, and evaluation of its housing and community development programs. In FY 2012, HOPWA program staff worked diligently with community-based organizations, government agencies and developers to establish adequate housing and support services for people living with HIV/AIDS.

Program staff continued to maintain a permanent seat on the San Diego HIV Health Services Planning Council in FY 2012, which is responsible for planning services for people living with HIV/AIDS in San Diego and for allocating funding for these services. The Planning Council met once a month in FY 2012, and all meetings were open and public.

In addition, HOPWA program staff continued to be actively engaged in the Joint City/County HIV Housing Committee in FY 2012. The HIV Housing committee includes members of other HIV planning groups, affordable housing developers, service providers, and consumers. It provides meaningful citizen and community participation in the planning process associated with affordable housing and related support services for person living with HIV/AIDS. The Joint City/County HIV Housing Committee serves as an advisory body to the director of the San Diego County Department of Housing and Community Development (HCD) regarding priorities and needs of the community affected by HIV/AIDS and housing. The Joint City/County HIV Housing Committee met every other month in FY 2012, and all meetings were open and public.

It is the County's intent to provide opportunities for meaningful involvement at all stages of the process including: needs identification, priority setting, funding allocations, and program recommendations.

Citizen Participation

- 1. Provide a summary of citizen comments.*
- 2. In addition, the performance report provided to citizens must identify the federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.*

Program Year 3 CAPER "Citizen Participation" Response:

Citizen Comments

Comments and questions received during the review period are included in this CAPER as Appendix B. While no comments or questions were received from the public, staff did receive comments and requests for clarification and additional information on the CAPER from City Council members, their representatives, and CPAB members during two publicly held meetings and via e-mail and telephone. Refer to Appendix B for staff responses.



Image 2. Draft FY 2012 CAPER in production.

The public review period on the draft CAPER began on September 4, 2012, and comments were accepted through September 19, 2012. Notice of the availability of the draft CAPER for review and comment was published in both English and Spanish in four community newspapers (refer to Appendix A for proof of publication) and on the City's CDBG website. The full draft CAPER was made available on the City's CDBG website, and SDHC posted links on its website to the report and associated public notice. Staff distributed hardcopies of the draft CAPER to Council members, to CPAB members, at eight different City branch libraries and community centers primarily serving low- and moderate-income communities, and at the front counters of the City's CDBG Program Offices and the

City Clerk's Office. The City also requested community organizations to distribute the Internet link to the draft CAPER using their distribution lists. Staff reached out to the chairpersons of various community planning groups to notify them of the availability of the draft CAPER, and a media release on the report was provided to the Mayor's Office for issuance in August 2012.

On September 12, 2012, CPAB held a meeting, during which staff presented the draft CAPER and members of the public had the opportunity to provide comments. On September 13, 2012, staff attended a Council docket briefing meeting, which was open to public, to address any questions on the draft CAPER. On September 18, 2012, the City Council met during a publicly noticed and televised session to receive a staff report on the draft CAPER and to receive comments from the public.

Throughout the public review period, the City used SurveyMonkey.com to collect comments. Staff used the City's CDBG e-mail distribution list to disseminate the link to the survey. The public was also able to submit comments through e-mail, telephone, and regular mail.

Citizen Participation

Goal 1 (Priority 10 in FY 2012) of the City's Con Plan is to improve citizen and stakeholder participation for annual action plans. Implementation and improvement of the citizen and stakeholder participation process for annual action plans is an ongoing activity in accordance with the City's Citizen Participation Plan. Because "improving the process" is neither defined nor results in a year-end quantifiable performance outcome, any citizen and stakeholder participation activity is reported in narrative form.

In FY 2012, the City and its partner agencies (SDHC and County of San Diego) engaged and received feedback from the public and other community stakeholders regarding the implementation of its HUD-funded programs through active participation in various collaborations and public bodies, such as CPAB, the Regional Continuum of Care Council on Homelessness, the Joint City/County HIV Housing Committee, the San Diego HIV Health Services Planning Council, the City Council's Public Safety and Neighborhood Services Committee, and the Board of the San Diego Housing



Image 3. A citizen reviewing the Draft FY 2012 CAPER in a City branch library.

Commission. Refer to the “Executive Summary” and “Institutional Structure” sections of this CAPER on page 1 and below, respectively, for more information.

Funding Commitments and Expenditures

Refer to pages 1 and 2 of this CAPER for a breakdown of the CPD funds that were granted to the City for the FY 2012 Annual Action Plan and for a breakdown of the PI received. Table 4 shows, per program, the total amount of funds in encumbrance and expended in FY 2012. Note that the figures presented in Table 4 below include funds granted to the City in, and carried over from, fiscal years prior to FY 2012.

Table 4. CPD Funds in Encumbrance and Expended in FY 2012.

| Program | Amount in Encumbrance* | Amount Expended |
|----------------|-------------------------------|------------------------|
| CDBG | \$21,482,129 | \$12,266,497 |
| HOME | \$7,183,487 | \$5,845,059 |
| ESG | \$616,772 | \$0.00** |
| HOPWA | \$3,352,843 | \$3,072,621 |
| Total | \$32,635,231 | \$21,184,178 |

*Encumbrance did not necessarily occur in FY 2012 and did not necessarily involve CPD funds granted by HUD to the City for the latter’s FY 2012 Annual Action Plan. **ESG funds were expended in FY 2012, but processing of the expenditures through HUD is still pending. SDHC spent a total of \$614,446 for the Homeless Emergency Winter Shelter Program and Cortez Hill Family Shelter.

Geographic Distribution

Maps illustrating the location of the CDBG, HOME, HOPWA, and ESG projects implemented in FY 2012 are attached to this CAPER as Appendix C. For each map, a listing of the projects by funding is also included. The maps in Appendix C also show the FY 2012 project sites relative to low/moderate-income census tracts and areas of minority concentration in the City. The City has defined an area of minority concentration as any census tract with a minority population that is 20 percentage points greater than that of the City’s total minority percentage. In this instance, minority refers to all ethnic groups other than non-Hispanic whites. Citywide, non-Hispanic whites account for 54.9 percent of the total population per the 2010 Census.

Institutional Structure

- 1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.*

Program Year 3 CAPER “Institutional Structure” Response:

Implementation of the City’s Con Plan is carried out by the City’s Economic Development Division, SDHC, and the County of San Diego. The City has a memorandum of understanding with SDHC to administer its HOME and ESG funds, and with the County of San Diego to administer its HOPWA funds. The Economic Development Division administers the City’s CDBG funds and is responsible for the overall coordination among the three entities in terms of planning and reporting, taking care of administrative issues, interfacing with HUD, and serving as staff to CPAB. Each entity enters into contracts with subrecipients, the majority of them being non-profit/community organizations, to carry out most of its projects and activities.

In FY 2012, the City dissolved its Redevelopment Department due to the elimination of redevelopment authority in the state of California. The dissolution resulted in a number of former

Redevelopment Department staff being reassigned to displace CDBG staff within the Economic Development Division. The new staff from the Redevelopment Department came with extensive experience in various housing, community, and economic development programs and projects, and the CDBG program was able to begin drawing upon this experience and expertise toward the tail end of FY 2012. To get them up to speed with CDBG regulations, in May and June 2012, the City sent staff to CDBG-specific and NEPA training in Los Angeles and coordinated with the National Community Development Association to hold a 3-day training session in San Diego on the basics of CDBG for practitioners. The training was also attended by SDHC staff.

Besides training new staff, the City, the County of San Diego, and SDHC continued to bolster general staff capacity by sending them to various trainings. City CDBG staff logged approximately 515 hours of training cumulatively in FY 2012. Training occurred via webinars and onsite and offsite classes, and topics included: HPRP; HOPWA financial management; underwriting and developer capacity for HOME-funded projects; market analysis; recent IDIS changes; Consolidated Planning; databases; Emergency Solutions Grants program management and Interim Rule; the City capital improvement project process; community housing development organization (CHDO) policies and procedures; rental housing development finance; acquisition and relocation; CDBG reporting, accounting, and monitoring; and CDBG basics.

In FY 2012, the CPAB meetings served as a forum not only for public engagement in the Con Plan process, but also for staff from the City, SDHC, and the County of San Diego to strengthen relationships, increase coordination and cooperation, and share relevant information with each other. The CPAB meetings will continue to help enhance coordination among the three entities.

In FY 2012, the City updated its CDBG website to make it more visually appealing and user friendly. A page dedicated to fair housing issues and information was launched in June 2012. The page features the Fair Housing Hotline (1-800-462-0503) that citizens may call if they believe they have been denied housing or the opportunity to apply for housing in the City because of being in a protected class. Staff will continue to work on updating the website's content and featuring projects and activities funded by CDBG, HOME, HOPWA, and ESG to showcase the accomplishments of the City in implementing its Con Plan by using HUD funds and other resources.

Regarding the City's HOME program, it is performing soundly, as evidenced by indicators provided in a variety of HUD-generated reports. The program's intentions and activities are communicated through a series of regular meetings with the development community and social service providers, and by participating in local, regional, and national housing events. Efforts are underway to update the primary source of applicant funding for HOME funds—the Notice of Funding Availability—and to assess the goals and accomplishments of the HOME program as they relate to the Con Plan and Annual Action Plans. The approval to use HOME funds in a manner consistent with the goals and objectives of the Con Plan and Annual Action Plans continues to be granted by a 7-member SDHC Board of Commissioners and by the City Council acting as the Housing Authority of the City of San Diego.

In FY 2012, the City, through SDHC, continued to be an active member of RCCC. RCCC is a large, cooperative community group consisting of representatives of the 18 cities within San Diego County, the County of San Diego, non-profit service providers, and other interested parties. It meets on a monthly basis to identify gaps in homeless services, establish funding priorities, and pursue an overall systemic approach to addressing homelessness in the San Diego region. Participation in this forum ensures that the City's efforts to address homelessness using ESG funds and other resources are coordinated regionally, respond to the most critical needs, and take into consideration input from the public and other homeless advocates. The information shared and activity coordination afforded through this forum help overcome gaps in institutional structures.

In FY 2012, HOPWA program staff worked diligently with community-based organizations, government agencies and developers to establish adequate housing and support services for people living with HIV/AIDS. Program staff continued to maintain a permanent seat on the San Diego HIV Health Services Planning Council, which is responsible for planning services for people living with HIV/AIDS in San Diego and for allocating funding for these services. In addition, HOPWA program staff continued to be actively engaged in the Joint City/County HIV Housing Committee in FY 2012. The HIV Housing committee includes members of other HIV planning groups, affordable housing developers, service providers, and consumers. It provides meaningful citizen and community participation in the planning process associated with affordable housing and related support services for persons living with HIV/AIDS. The information shared and activity coordination afforded through these forums help overcome gaps in institutional structures.

Monitoring

1. *Describe how and the frequency with which you monitored your activities.*
2. *Describe the results of your monitoring, including any improvements.*
3. *Self Evaluation*
 - a. *Describe the effect programs have in solving neighborhood and community problems.*
 - b. *Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.*
 - c. *Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low- and moderate-income persons.*
 - d. *Indicate any activities falling behind schedule.*
 - e. *Describe how activities and strategies made an impact on identified needs.*
 - f. *Identify indicators that would best describe the results.*
 - g. *Identify barriers that had a negative impact on fulfilling the strategies and overall vision.*
 - h. *Identify whether major goals are on target and discuss reasons for those that are not on target.*
 - i. *Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.*

Program Year 3 CAPER "Monitoring" Response:

Monitoring Process and Frequency

In FY 2012, the CDBG program's monitoring function had four components: project implementation, contract management, monitoring compliance, and audit.

- Project Implementation: Prior to implementation of CDBG activities, subrecipients that receive CDBG allocations (which included City departments) were required to attend a mandatory Contract Packet Workshop conducted by the CDBG program office staff (three different sessions were offered). The workshop included an overview of CDBG requirements, other federal requirements, and City contracting requirements. A copy of HUD's *Playing by the Rules Handbook* was distributed to all subrecipients. In addition, contract packet documents and reporting documents were discussed and distributed.
- Contract Management: All open CDBG projects were assigned to a specific project manager who was responsible for the negotiation and execution of a contract to implement project activities. All contracts included HUD requirements. The project manager was also

responsible for contract compliance and project management. Ongoing technical assistance from project managers was provided throughout the contract period.

- **Monitoring Compliance:** The monitoring process involved desk audits of reports and supporting documentation, onsite monitoring reviews, frequent telephone contacts, written communications, and meetings. The primary goal of monitoring was to identify deficiencies and promote corrections in order to improve, reinforce, or augment the subrecipients' performance. As part of this process, City staff watched for the potential of fraud, waste, mismanagement, and/or other opportunities for potential abuse. Contract provisions were in place that provided for the suspension of funds, termination of the contract, and disallowance of reimbursement requests at any time during the program year based on performance deficiencies. On an individual basis, staff worked with subrecipients to correct identified deficiencies through discussion and/or technical assistance, prior to imposing any sanctions.
- **Audit:** As part of the year-end requirements, subrecipients were required to submit fiscal reports based on contract terms. Governmental units and non-profit organizations expending more than \$500,000 in federal funds during FY 2012 were required to submit a copy of a Single Audit to the City to adhere to OMB Circular A-133 requirements. A Single Audit was required to be submitted for desk review by the CDBG program, regardless of whether there were findings noted in the audit pertaining to CDBG funds, since it served as an additional monitoring tool used to evaluate the fiscal accountability of subrecipients. As part of the closeout process, subrecipients expending FY 2012 CDBG funds were required to submit an Audited Financial Statement for desk review, if submission of a Single Audit was not applicable.

Housing programs supported with federal funds (such as the HOME program) and subject to the Con Plan are monitored on a regular basis to ensure compliance with occupancy and affordability requirements. SDHC monitors all of the City's affordable housing supported with federal funds awarded to the City or to the Housing Authority of the City of San Diego (Housing Authority). In addition, SDHC monitors affordable housing projects that utilize favorable financing provided through the Housing Authority, and in many cases the properties assisted with funds from the former Redevelopment Agency.

SDHC performed the following monitoring functions in FY 2012:

- Prepared and made available to housing program participants (i.e., project owners and participating households) any general information regarding income limitations and restrictions, which were applicable to the affordable units;
- Reviewed and determined eligibility of participating households prior to initial occupancy of affordable units or when required by affordability restrictions;
- Reviewed documentation submitted by project owners in connection with the annual certification process for eligible tenants and owners' compliance with affordable housing restrictions;
- Inspected project books and records pertaining to the incomes and rents of participating households, as SDHC deemed necessary;
- Notified project owners of any circumstances of non-compliance of which SDHC became aware and took necessary actions to bring project into compliance; and
- Performed Housing Quality Standards inspections on all HOME-funded rental properties as outlined in the HOME regulations.

SDHC monitored privately-owned housing units and affordable units provided through the Section 8 program. Affordable housing projects receiving funding directly from the state or federal government are often monitored solely by those entities.

Approximately 70 multifamily rental projects and owner-occupied properties, comprising more than 1,000 units, are monitored each year through desk audits and onsite visits to ensure HOME affordability restrictions are being met, and that the administrative, fiscal, and management components of these developments are adequate to meet the needs of the tenants that they house.

SDHC also administers the City's ESG funds. All contracts funded by ESG specify monitoring, inspecting, and reporting requirements. SDHC has established appropriate administrative and financial systems to fully enable SDHC to conduct a year-end review process to document the financial close-out, client eligibility and performance outcomes, and regulatory compliance for ESG projects. In FY 2012, SDHC followed a simultaneous ESG/CDBG monitoring process since the seasonal shelters (one for veterans and one for adults) and Cortez Hill Family Center both had ESG and CDBG funds. The process included visits to each site to: (1) meet the staff; (2) observe the programs in operation; (3) inspect the physical sites; and (4) review program performance information against backup data and personal observation.

ESG staff also used the monthly reports and billings to ensure each activity was on target with its goals. Staff checked that the billings were well documented and in line with the budget and that backup documentation was included to show that expenditures were budgeted and paid in accordance with policy. Staff used established systems of checks and balances when reviewing the billings and monthly reports.

Regarding HOPWA, all contracts funded by this program specify monitoring, inspecting, and reporting requirements. Each year, HCD staff monitors all HOPWA projects.

During FY 2012, all HOPWA-funded activities were monitored by reviewing monthly, quarterly, and annual progress reports that included project accomplishments, information on the number of families assisted, proof of current insurance coverage, annual audits, management reports, compliance with rent restrictions and rent calculations to ensure programs are producing effective measurable results. In addition, staff conducted onsite file reviews and unit inspections to ensure compliance with Housing Quality Standards. In addition, HCD staff provided ongoing technical assistance to subrecipients throughout the year.

Monitoring Results and Improvements

During FY 2012, fiscal desk audits were conducted on the majority of the requests for reimbursement. Additionally, there were 11 fiscal onsite visits, and no major issues were noted. All questioned costs and concerns were corrected in a timely manner by the subrecipients. Also during FY 2012, 242 general site visits and/or program monitoring visits were conducted. These visits ensured program compliance and the provision of needed technical assistance to subrecipients.

During FY 2012, HOME program staff conducted the monitoring functions described in the "Monitoring Process and Frequency" section above. Of the 68 HOME developments being monitored, 66 projects, or 97 percent, are in compliance with all tenant income eligibility and program rent level requirements. The two projects currently out of compliance submitted late or incomplete reports or were missing other relevant documentation. SDHC staff continues to work with these owners and property managers to resolve the issues and anticipates full compliance in FY 2013.

During FY 2012, ESG program staff conducted the monitoring functions described in the "Monitoring Process and Frequency" section above. There were no findings or significant discrepancies discovered as a result of the monitoring. The seasonal shelters, as well as Cortez Hill Family Center, continued to serve populations as established and defined, reach their projected goals, and expend program funds in accordance with contracts, budget, and expenditure policies and procedures.

During FY 2012, all HOPWA-funded activities were monitored as described in the "Monitoring Process and Frequency" section of this CAPER on page 23. A total of 14 site visits were conducted. During the monitoring, only minor issues were encountered (e.g., rent calculation errors, missing forms, etc.) which were immediately corrected, and no major issues were identified. All units were in compliance with Housing Quality Standards either at the initial inspection or after making minor repairs.

In addition, HCD staff monitored all affordable housing projects that have HOPWA units set aside. A total of 11 site visits to these affordable housing projects were conducted, and no major issues were encountered.

Self-Evaluation

Effects on Neighborhoods/Communities: The projects and activities funded by CDBG, HOME, ESG, and HOPWA in FY 2012 benefited low- and moderate-income persons in the City. These efforts were done in partnership with a host of community-based organizations and government agencies that shared a profound commitment to improving the lives of the citizens of San Diego. These organizations and agencies worked closely with the communities that they served and knew firsthand the actual needs present and deserving of attention, as well as the opportunities afforded by CDBG, HOME, ESG, and HOPWA funding. Many of these organizations actively participated in the CPAB and City Council meetings that were held in FY 2012 pertaining to the use of those funds, and advocated for their projects, activities, and programs. The recent trend of decreasing entitlement funds has raised concern among these organizations and agencies that rely on HUD funding to enhance and expand their work in the community. The high interest and concern displayed by these organizations and agencies indicate the effectiveness of the City's HUD-funded programs in making inroads to solving neighborhood and community problems in the City. Without CDBG, HOME, ESG, and HOPWA funds, neighborhoods and communities would be worse off than they are now.

Each of the projects and activities described in this CAPER went toward meeting at least one goal and objective in the Con Plan. Refer to Appendices G and H to review the accomplishments of these efforts in FY 2012. In short, they addressed the priority needs for housing, economic development and job creation, homeless assistance, neighborhood improvements, and HIV/AIDS assistance.

Meeting Priority Needs/Objectives and Community Vision: In FY 2012, the City continued to make steady progress on meeting the goals and objectives outlined in the adopted Con Plan, which describes the community vision to be achieved through the CDBG, HOME, ESG, and HOPWA programs. Refer to Appendix E to review the accomplishments of these efforts in FY 2012 on a goal-by-goal and objective-by-objective basis. Refer to Table 4F in Appendix F for a listing of the projects and activities implemented in FY 2012 and arranged according to Con Plan goals, objectives, and outcomes, as well as to Table 7F in Appendix F, which lists the projects and activities according to the objectives and outcomes of the national Outcome Performance Measurement Framework.

In general, the City has met over 50 percent of its goals and objectives as of the end of FY 2012. The City has done particularly well in using HOPWA funding to meet Goal 4, which is to create a

better living environment for persons living with HIV/AIDS. The City continues to make steady progress regarding Goal 5 in developing affordable housing and assisting renters through the HOME program. Implementation of minor residential rehabilitation activities (Objective 7.1.3 of Goal 7) continues to be solid, with 80 percent of the 5-year goal of rehabilitating 2,932 homes being met as of the end of FY 2012. The City has already met 98 percent of its 5-year goal of assisting 548 small businesses by providing financial literacy, business development services, and other educational services.

An area of improvement is the City’s efforts to assist nonprofits with capacity building (Goal 12) to enable a larger pool of organizations to successfully compete for CDBG funds. Although the City has dedicated CDBG funds to capacity building, its subrecipients continue to struggle with finding ways to meet this goal. Capacity building, by its very nature, is an effort that requires a fairly long-term commitment and intense interaction before positive results are seen, and even then, results tend to be difficult to quantify. Another area of improvement is fair housing activities. Nevertheless, the City’s efforts regarding fair housing will dramatically improve in FY 2013 with the hiring of two fair housing service providers whose activities will help ensure fair housing issues are addressed adequately and in a timely manner.

The community’s vision of increased affordable housing and economic opportunity continued to become a reality in FY 2012. For example, HOME funding was being used to develop 242 new affordable rental units, not counting the 33 units that were completed, in FY 2012. CDBG funding was used to conduct 980 minor residential rehabilitations, helping families improve their living conditions and avoid having to move to more expensive housing just to escape substandard conditions. In FY 2012, the City used CDBG funds to assist 185 small businesses; 74 of those businesses were new. Refer to Appendix G for a full narrative description of the project accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

Decent Housing/Suitable Living Environment/Economic Opportunity: Each of the projects and activities implemented in FY 2012 went toward meeting one of the objectives of the national Outcome Performance Measurement Framework, which include decent housing, suitable living environment, and economic opportunity. Refer to Table 7F in Appendix F, which lists the projects and activities according to those objectives. As of the end of FY 2012, \$11,630,290 had been expended toward decent housing; \$8,751,870 had been expended toward fostering a suitable living environment; and \$802,018 had been expended toward providing economic opportunities to low- and moderate-income persons.

Activities Canceled or Delayed: Table 5 below lists the CDBG-funded projects that had no activity in FY 2012 and their status as of July 2012:

Table 5. CDBG-Funded Projects without Activity in FY 2012.

| IDIS # | Year Funded | Agency Project | Status |
|--------------|--------------|---|---|
| 6113 | 2012 | Balboa Park Cultural Partnership Balboa Park ADA Upgrades | Scope and site control issues; pending CDBG project agreement execution |
| 6116 | 2012 | City Park & Recreation Department Park Security Lights Upgrade | Ongoing coordination with City Public Works Department |
| 6117 | 2012 | City Park & Recreation Department Recreation Center Gym Floor Replacement | Ongoing coordination with City Public Works Department |
| 6118 | 2012 | City Park & Recreation Department Views West Neighborhood Park ADA Upgrades | Bid process in progress |
| 6119 5807 | 2012 2011 | ElderHelp of San Diego ElderHelp Community Center | Scope and site control issues; pending CDBG project agreement execution |

| IDIS # | Year Funded | Agency Project | Status |
|--------|-------------|---|---|
| 6121 | 2012 | Harmonium, Inc. San Diego Regional Teen Center Public Facility Improvements | Pending lease renewal of project site |
| 6124 | 2012 | City Commission for Arts & Culture Aztec Brewery Historic Rathskeller Restoration | Change of project sponsor due to Redevelopment Agency dissolution |
| 6131 | 2012 | Alliance for African Assistance Microenterprise Program | Canceled; funds to be reprogrammed |
| 6138 | 2012 | Jewish Family Services JFS Fix-It Service | Canceled; funds to be reprogrammed |
| 5815 | 2011 | YMCA of San Diego County Oz San Diego Renovations | Canceled; funds to be reprogrammed |
| 5818 | 2011 | Alliance for African Assistance Microenterprise Program | Canceled; funds to be reprogrammed |
| 5846 | 2011 | Local Initiatives Support Corporation Neighborhoods First | Canceled; funds to be reprogrammed |
| 5901 | 2011 | City Office of the Mayor Mentor Protégé Program | No project activity reported to CDBG staff |
| 5465 | 2010 | North Park Organization of Businesses Neighborhood Bicycle Rack Installation | Canceled; funds to be reprogrammed |
| 5468 | 2010 | Pazzaz, Inc. Healthy Learning Communities | Canceled; funds to be reprogrammed |
| 5482 | 2010 | Ocean Beach Community Development Corporation North Ocean Beach Gateway | Ongoing negotiations regarding scope and budget details |
| 5490 | 2010 | Townspeople, Inc. 51 st Street Affordable Housing Rehabilitation | Canceled; funds to be reprogrammed |

City staff continued to be in regular contact with subrecipients and City departments to ensure slower moving projects made timely progress and did not affect the City expenditure requirements.

In FY 2012, the City was granted \$372,022 in Emergency *Solutions* Grants funds, which required processing a substantial amendment to the FY 2012 Annual Action Plan to reflect the projects to be funded. The City approved the substantial amendment in May 2012, and it was not until June 2012 that the City received word from HUD of the approval of the substantial amendment. Furthermore, because of changes to the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 regarding federal environmental review procedures, HUD was not able to issue the Emergency *Solutions* Grants agreement to the City for execution in FY 2012. Therefore, no projects to be funded by the \$372,022 in Emergency *Solutions* Grants funds were implemented in FY 2012. However, the funds will be expended in FY 2013.

With regard to the HOME program in FY 2012, the number of owner-occupied units rehabilitated fell behind schedule compared to recent years as a result of an emphasis in completing higher priority lead-based paint reduction projects. Fewer affordable multifamily housing rental units were completed because several projects are still undergoing substantial rehabilitation and are in varying stages of construction. A significant number of these units will be completed during FY 2013, and results will be reported in the FY 2013 CAPER. Finally, there were fewer homeownership opportunities due in part to continuing scarcity in the affordable for-sale home inventory.

With regard to the HOPWA program in FY 2012, no project or activity fell behind schedule.

Impact on Identified Needs: Each of the projects and activities described in this CAPER went toward meeting at least one goal and objective in the Con Plan. Refer to Appendix E to review the accomplishments of these efforts in FY 2012 on a goal-by-goal and objective-by-objective basis. In short, they addressed the priority needs for housing, economic development and job creation, homeless assistance, neighborhood improvements, and HIV/AIDS assistance.

Indicators Describing Results: Each of the projects and activities described in this CAPER went toward meeting at least one goal and objective in the Con Plan. Prior to implementation, indicators were identified for each project or activity to use for assessment. Refer to Appendix H for the project tables that identify the indicator(s) for each project or activity. Refer to Appendix E to review the aggregate accomplishments of these efforts in FY 2012 on a goal-by-goal and objective-by-objective basis using the indicators.

Barriers: In FY 2011, as part of the City's effort to reform the CDBG allocation process and to allow for greater public participation, the City established CPAB to advise the Mayor and City Council on policy issues related to the Con Plan and allocation of CDBG funds. During the FY 2012 application process, CPAB did not have enough members for a quorum, and it was not until the beginning of FY 2012 that the vacancies were filled. Because of the newness of the CPAB members and the timing of their appointments, it was impossible for CPAB to be involved in the FY 2012 Annual Action Plan process. However, it should be noted that CPAB was able to review and provide funding recommendations to the City Council for the FY 2013 CDBG entitlement funds. Their meetings throughout FY 2012 provided a consistent and effective forum for citizens to participate in the CDBG process, especially in the Annual Action Plan process, and served as a place for management and staff to vet policy issues and obtain public feedback.

In FY 2012, the City was granted \$661,372 in ESG funds. Refer to the "Homeless" section of this CAPER on page 38 for a description of the projects that were funded. In June 2012, City staff was notified by HUD that, based on clarification of the statutes issued by HUD headquarters in Washington, D.C., only entitlement grantees are authorized to draw funds directly from HUD's Integrated Disbursement & Information System (IDIS) for ESG projects. While this clarification did not delay the implementation of projects serving the homeless population, the administrative process that needed to be followed to establish the City's ability to draw down funds from IDIS and reimburse SDHC for its services in administering the ESG program did create delays in the timely drawdown of funds in FY 2012. However, all issues regarding this matter will be resolved in FY 2013.

In addition, late into FY 2012, the City was granted \$372,022 in Emergency *Solutions* Grants funds, which required processing a substantial amendment to the FY 2012 Annual Action Plan to reflect the projects to be funded. The City approved the substantial amendment in May 2012, and it was not until June 2012 that the City received word from HUD of the approval of the substantial amendment. Furthermore, because of changes to the HEARTH Act of 2009 regarding federal environmental review procedures, HUD was not able to issue the Emergency *Solutions* Grants agreement to the City for execution in FY 2012. Therefore, no projects to be funded by the \$372,022 in Emergency *Solutions* Grants funds were implemented in FY 2012.

In addition to those relative to processes and administration, barriers to fulfilling the Con Plan that the City encountered in FY 2012 included the cost of labor, materials, supplies and land, lack of local and state funding, and overly burdensome local, state, and federal regulations. These barriers made it a challenge to implement HOME-funded activities that benefitted persons of low and moderate income.

For a description of barriers in FY 2012 relative to the HOPWA program, refer to the "Barriers or Trends" section of this CAPER on page 60.

Major Goals on Target: Each of the projects and activities described in this CAPER went toward meeting at least one goal and objective in the Con Plan. Refer to Appendix E to review the accomplishments of these efforts in FY 2012 on a goal-by-goal and objective-by-objective basis.

Adjustments/Improvements: The City will continue to seek non-CPD funds to leverage those that it receives through CDBG, HOME, ESG, and HOPWA. City staff will also continue to work with CPAB to develop ways to streamline the allocation process and will begin exploring the potential establishment of NRSAs in the City for enhanced flexibility in undertaking economic development, housing, and public service activities to leverage CDBG funds with other public and private funding. As the current Con Plan comes to a close and work to prepare the next Con Plan (covering July 1, 2014, through June 30, 2019) begins, the City will be increasingly focusing its efforts toward meeting the goals and objectives in the current Con Plan in need of further attention.

Lead-Based Paint

1. *Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.*

Program Year 3 CAPER "Lead-Based Paint" Response:

The City's Lead Safety and Healthy Homes Program (LSHHP), in partnership with SDHC's Home Safe Home Program (HSHP) and various other community organizations, has been working since 2002 with the goal of improving the quality of life of its citizens through the elimination of all lead paint hazards. LSHHP and HSHP have used a blend of strategies to prevent lead poisoning, including education, outreach, training, home remediation, and code enforcement.

FY 2012 Accomplishments

HSHP administers a HUD Lead Hazard Control Grant and a HUD Lead Hazard Reduction Demonstration Grant Program, as well as other housing rehabilitation programs, all of which require the elimination of lead paint hazards. Through the two HUD grant programs, 30 owner-occupied and 141 rental units had lead paint hazards removed in FY 2012. An additional 40 owner-occupied residences had lead hazards removed as part of other housing rehabilitation programs. Lead-based paint information was provided to all applicants seeking assistance through each of these programs.

In FY 2012, three blood lead testing community outreach activities for children under the age of six were held in various neighborhoods. A total of 173 children were tested for elevated levels of lead in their blood.

An orientation/training on requirements per 24 CFR Part 135 Section 3 was also provided by SDHC to contractors that currently submit bids to property owners with whom SDHC is working. Three of these contractors are qualified as "Section 3 Business Concerns".

In March 2011, HSHP was awarded an additional 3-year HUD Lead-Based Paint Hazard Control Grant for \$3.1 million, and a 3-year \$1 million HUD Healthy Homes Production Grant. These grants facilitated lead hazard removal in San Diego residences in FY 2012 and beyond. During FY 2012, a total of 17 units were remediated of "Healthy Homes" deficiencies using these funds.

HSHP continues to seek additional means to develop the capacity to perform lead hazard control work throughout the City. On June 1, 2012, HUD's Office of Healthy Homes and Lead Hazard Control awarded a \$2.48 million grant to the City, which will extend through May 31, 2015. It is anticipated that through the use of these funds, 135 units will be remediated from existing lead-based paint hazards.

One of the most cost effective tools in eliminating lead hazards in housing continues to be through enforcement of the City's Lead Hazard Prevention and Control Ordinance. LSHHP is the City's

enforcement agency for this ordinance. This ordinance, which has become a national model for local governments, requires:

- Paint applied to a dwelling unit or structure built prior to January 1, 1979, be presumed to contain lead, unless lead-based paint testing proves it to be below established thresholds;
- The owner of a dwelling unit to take action to prevent the occurrence of a lead hazard and correct any lead hazard, upon receiving notice of its existence;
- All renovation activities meet the containment and clearance requirements of the HUD guidelines;
- Residents be relocated when lead contaminants are likely unable to be contained or controlled during renovations;
- Renovations be done in accordance with the new Renovation, Remodeling, and Painting (RRP) rule of the United States Environmental Protection Agency (EPA).
- Contractors document a visual clearance of all work that disturbs painted surfaces on a standardized City form;
- Licensed daycare facilities ensure children's blood lead levels are tested within 30 days of enrollment; and
- Home improvement stores prominently display lead warnings signs.

The FY 2011 CDBG LSHHP Enforcement Project Program, funded with remaining unexpended FY 2009 and FY 2010 CDBG funds, was completed on January 31, 2012. The program's overall stated objective was to open approximately 30 to 35 new proactive cases in FY 2011, utilizing FY 2010 CDBG funds, and continue to process the remaining 26 proactive cases rolled over from FY 2009.

In FY 2012, the City used HUD and other funds to remove lead-based paint hazards from 224 owner-occupied and rental units.

The program exceeded the project objectives and concluded with a total of 270 housing units being remediated of lead hazards. Through this program in FY 2012, LSHHP served a total of 152 units through 69 code enforcement cases. Fifty-nine of these cases were found to have lead hazards impacting 113 residential units. Forty-four of these cases involving 103 units were closed during this period. Of these, 37 cases with lead hazards impacting 72 units were cleared of lead hazards.

In FY 2010, LSHHP received a notice of award for a 32-month grant from HUD's Healthy Homes Demonstration Grant Program. This grant, known as the San Diego Healthy Homes Collaborative (SDHHC), continues to build on the success of a similar FY 2007 grant and addresses all health and safety issues, including lead hazards, through the implementation of a healthy home program. To ensure parents enrolled in the program are aware of the importance of childhood lead poisoning prevention, the initial questions asked during each household interview conducted include if their children have been tested for lead. This prompts the Health Educator to educate parents on general lead poisoning prevention, and parents are encouraged to have their children tested. All of the SDHHC home assessments are conducted by State Certified Lead Inspector/Risk Assessors responsible for the enforcement of the City's Lead Hazard Prevention and Control Ordinance. Lead hazards that are below established *de minimis* quantities are eliminated through cleaning and paint stabilization, utilizing a variety of grant partner resources, or by property owners either through voluntary compliance or enforcement. In FY 2012, 13 of the 101 units that underwent renovation activities as part of SDHHC were remediated of lead hazards.

LSHHP was the first RRP training provider in the San Diego area accredited by EPA. Becoming an EPA-Certified Training Provider was in response to the EPA RRP Rule requiring contractors who disturb painted surfaces to be trained and certified by April 22, 2010. In FY 2012, 92 individuals were trained and certified as EPA-Certified Lead Renovators by LSHHP. In addition to learning EPA

requirements, the class attendees were also provided education on the City’s Lead Hazard Prevention and Control Ordinance.

LSHHP is an established partner in the National Healthy Housing Training Center and Network. This partnership enhances LSHHP’s capacity to educate housing and health professionals, as well as community members, on creating healthier home living environments, including the remediation of lead hazards. During FY 2012, LSHHP provided: 2-day Healthy Homes Essentials Trainings to 73 persons during three events; hosted a 1-day California Department of Public Health Enforcement training that was attended by 57 persons; provided a 3-day-long Healthy Homes for Community Health Workers training to a total of 97 persons; and provided a Healthy Homes Rating System training to 31 persons.

At the end of FY 2012, LSHHP issued a contract award to Katz & Associates, Inc., a marketing firm specializing in public outreach for public works, environmental, and consumer awareness programs. The purpose of this contract is to create public awareness of the need to conduct renovation activities in a manner by which lead hazards are not created, and utilize contractors that are trained and certified to do the work correctly. This program is being funded by a bankruptcy settlement that the City received as part of an ongoing lawsuit that the City and other agencies are pursuing against paint manufactures for continuing to sell lead-based paint after knowing of its harmful health effects. This \$700,000 settlement is earmarked to be spent on lead-related activities over the next several years.

LSHHP continues to seek various grants and other means of leveraging funds to develop the capacity to perform lead hazard control work and ensure it can be sustainable. The San Diego County Health and Human Services Agency’s Childhood Lead Poisoning Prevention Program has been provided state funding for code enforcement activities. City LSHHP staff has been working with the County of San Diego to finalize a contract to utilize these funds to conduct code enforcement activities. It is anticipated that this contract will be in place in FY 2013. LSHHP also applied for, and was awarded FY 2013 CDBG funds to address lead hazards through code enforcement. The primary focus of this grant is to conduct proactive code enforcement in low-income areas that have a high percentage of rental units. A report on this CDBG-funded code enforcement activity will be included in the FY 2013 CAPER.

CDBG-Funded Lead Safe Programs

Objective 7.3 of Goal 7 of the Con Plan specifically calls for reducing lead-based paint hazards in the City’s housing stock. Table 6 below shows the CDBG projects that were in implementation in FY 2012 pursuant to this objective. Refer to Appendix G for a full narrative description of each project’s accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

Table 6. CDBG Projects Addressing Lead-Based Paint Hazards in FY 2012.

| IDIS # | Funding Year | Agency | Project | Expenditure |
|--------|--------------|-----------------------------|---------------------------------|-------------|
| 5493 | 2010 | City Environmental Services | Lead Safe Neighborhoods Program | \$39,000 |
| 5150 | 2009 | City Environmental Services | Lead Safe Neighborhoods Program | \$102,355 |

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HOUSING

Housing Needs

1. *Describe Actions taken during the last year to foster and maintain affordable housing.*

Program Year 3 CAPER "Housing Needs" Response:

The City, through SDHC, its housing partner, continues its strong commitment to making housing more affordable to San Diegans at the lower ends of the income spectrum. Through a broad range of programs and activities—discussed in more detail on pages 7–11 and 31–38 of this CAPER—hundreds of affordable rental units and homeownership opportunities were provided to families and households at or below 80 percent of AMI.

Specific Housing Objectives

1. *Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households, comparing actual accomplishments with proposed goals during the reporting period.*
2. *Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households, comparing actual accomplishments with proposed goals during the reporting period.*
3. *Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.*

Program Year 3 CAPER "Specific Housing Objectives" Response:

Progress Evaluation

Goal 5 (Priority 8 in FY 2012), Goal 6 (Priority 4), Goal 7 (Priority 6b), Goal 8 (Priority 2b), and Goal 13 (Priority 9) of the City's Con Plan address the need in the City for a greater supply of affordable housing (especially in proximity to transit), greater opportunities for homeownership, and improvements to the housing stock and facilities. Refer to Appendix D to review the goals and all of the associated objectives and outcomes.

Table 7 below shows the CDBG and HOME projects that were implemented in FY 2012 pursuant to Goals 5, 6, and 7 to address housing needs. Refer to Appendix G for a full narrative description of each project's accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

Table 7. CDBG and HOME Projects in FY 2012 Addressing Housing.

| IDIS # | Funding Year | Agency | Project | Expenditure |
|---------|--------------|------------------------------|--------------------------------|-------------|
| Various | 2012 | San Diego Housing Commission | Rental Housing Production/CHDO | \$4,514,409 |
| Various | 2012 | San Diego Housing Commission | Homeownership Activities | \$732,573 |
| Various | 2012 | San Diego Housing Commission | Owner-Occupied Rehabilitation | \$366,589 |
| 6254 | 2012 | City Park & Recreation | Azalea Park | \$60,484 |
| 6213 | 2012 | San Diego Housing Commission | Tenant-Based Rental Assistance | \$231,488 |

| IDIS # | Funding Year | Agency | Project | Expenditure |
|--------|--------------|------------------------------------|--|-------------|
| 6161 | 2012 | Ocean Discovery Institute | Living Lab Facility Property Acquisition | \$200,000 |
| 6144 | 2012 | Community HousingWorks | HomeOwnership Center | \$244,374 |
| 6143 | 2012 | Urban Corps of San Diego County | Urban Corps WEER | \$73,974 |
| 6142 | 2012 | Urban Corps of San Diego County | Urban Corps Green Streets | \$69,814 |
| 6141 | 2012 | San Diego Housing Commission | Picador Boulevard Apartments | \$0 |
| 6140 | 2012 | Rebuilding Together San Diego | Roof Repair/Replacement and ADA | \$132,309 |
| 6139 | 2012 | Rebuilding Together San Diego | Safe at Home Minor Repair | \$93,841 |
| 6137 | 2012 | GRID Alternatives | Solar Affordable Homes | \$89,025 |
| 6136 | 2012 | City Heights CDC | Village View Home Apartments | \$547,004 |
| 6135 | 2012 | Burn Institute | Senior Smoke Alarm | \$97,747 |
| 6128 | 2012 | Sherman Heights Community | Main Building/Yellow Housing | \$0 |
| 6127 | 2012 | San Diego Food Bank | Various Facility Improvements | \$49,905 |
| 6126 | 2012 | San Diego Center for Children | Campus Improvements | \$0 |
| 6125 | 2012 | City Arts and Culture Commission | Aztec Brewery Rathskeller | \$0 |
| 6124 | 2012 | PATH Ventures | Connections Housing | \$0 |
| 6123 | 2012 | MAAC Project | 5471 PJAM Safety Improvements | \$0 |
| 6122 | 2012 | Home Start, Inc. | Maternity Shelter Program | \$163,390 |
| 6121 | 2012 | Harmonium, Inc. | San Diego Regional Teen Center | \$0 |
| 6120 | 2012 | Family Health Centers | City Heights Family Health Center | \$0 |
| 6119 | 2012 | ElderHelp of San Diego | ElderHelp Community Center | \$0 |
| 6117 | 2012 | City Park & Recreation | Recreation Center Gymnasium Floors | \$0 |
| 6116 | 2012 | City Park & Recreation | Park Security Lights | \$0 |
| 6115 | 2012 | Center for Community Solutions | Project H.E.A.L. | \$6,000 |
| 6114 | 2012 | Boys and Girls Clubs | Clairemont Boys and Girls Club | \$3,344 |
| 5902 | 2011 | YWCA of San Diego County | Becky's Fire Alarm/Sprinkler System | \$160,000 |
| 5884 | 2011 | Pro Kids Golf Academy | Program Space Expansion/Renovation | \$250,000 |
| 5851 | 2011 | Home Start, Inc. | Maternity Shelter Program | \$130,750 |
| 5831 | 2011 | Community HousingWorks | HomeOwnership Center | \$215,000 |
| 5828 | 2011 | San Diego/Imperial Labor Council | Safe Homes | \$213,144 |
| 5827 | 2011 | Rebuilding Together San Diego | Home Rehabilitation and Roof Repair | \$196,206 |
| 5826 | 2011 | Rebuilding Together San Diego | Rebuilding Together San Diego | \$180,034 |
| 5824 | 2011 | Burn Institute | Senior Smoke Alarm | \$67,129 |
| 5814 | 2011 | Union of Pan Asian Communities | Seismic Retrofit | \$220,351 |
| 5813 | 2011 | San Ysidro Health Center | Ocean View Dental Department | \$127,579 |
| 5811 | 2011 | San Diego Center for Children | Multi-Sensory Room | \$172,980 |
| 5810 | 2011 | La Maestra Community Health | Heart of the Community Campaign | \$140,000 |
| 5809 | 2011 | Father Joe's Villages | Village Rehabilitation | \$373,055 |
| 5808 | 2011 | Family Health Centers | City Heights Family Health Center | \$500,000 |
| 5807 | 2011 | ElderHelp of San Diego | ElderHelp Community Center | \$0 |
| 5805 | 2011 | Center for Employment Training | CET San Diego | \$228,350 |
| 5720 | 2010 | Fourth District Seniors Resource | Lobby Soundproofing | \$625 |
| 5717 | 2010 | The Arc of San Diego | North Shores Vocational Center | \$26,059 |
| 5715 | 2010 | Pro Kids Golf Academy | Clubhouse Renovation and Security | \$52,451 |
| 5712 | 2010 | City Park & Recreation | South Clairemont Recreation Center | \$5,000 |
| 5570 | 2010 | Stepping Stone of San Diego | Enya House Rehabilitation | \$30,000 |
| 5520 | 2010 | Ocean Discovery Institute | Living Lab Facility Property Acquisition | \$115,000 |
| 5493 | 2010 | City Environmental Services | Lead Safe Neighborhoods Program | \$39,000 |
| 5491 | 2010 | Townsppeople | Wilson Avenue Rehabilitation | \$34,061 |
| 5482 | 2010 | Ocean Beach CDC | North Ocean Beach Gateway | \$0 |
| 5477 | 2010 | Urban Corps of San Diego County | TreeSmart San Diego | \$11,189 |
| 5476 | 2010 | Union of Pan Asian Communities | Seismic Retrofit | \$41,846 |
| 5471 | 2010 | San Diego Rescue Mission | Nueva Vida Haven, Care Unit, & Clinic | \$51,179 |
| 5470 | 2010 | San Diego Center for Children | Main Campus Facilities Improvements | \$152,689 |
| 5469 | 2010 | Father Joe's Villages | Village and Josue Homes | \$30,000 |
| 5464 | 2010 | La Maestra Community Health | Heart of the Community Campaign | \$84,151 |
| 5463 | 2010 | Home Start, Inc. | Maternity Shelter Program | \$70,000 |
| 5453 | 2010 | Big Sister League of San Diego | McAfee Residence Renovation | \$31,990 |
| 5452 | 2010 | Bayside Community Center | Linda Vista Community Center | \$59,375 |
| 5437 | 2009 | City Engineering & Capital Project | Stockton Lights | \$0 |
| 5188 | 2009 | Ocean Discovery Institute | Living Lab Facility Property Acquisition | \$110,000 |

| IDIS # | Funding Year | Agency | Project | Expenditure |
|--------|--------------|---------------------------------|-------------------------------------|-------------|
| 5158 | 2009 | San Diego Housing Commission | Parker-Kier Apartments | \$400,146 |
| 5156 | 2009 | San Diego Housing Commission | Parker-Kier Apartments | \$138,241 |
| 5150 | 2009 | City Environmental Services | Lead Safe Neighborhoods Program | \$102,355 |
| 5147 | 2009 | Townspeople | Wilson Avenue Rehabilitation | \$25,000 |
| 5145 | 2009 | San Diego Housing Commission | Parker-Kier Apartments | \$559,091 |
| 5130 | 2009 | City Park & Recreation | South Clairemont Recreation Center | \$13,000 |
| 5129 | 2009 | City Park & Recreation | Language Academy Joint Use Fields | \$894,006 |
| 5125 | 2009 | Urban Corps of San Diego County | TreeSmart San Diego | \$25,000 |
| 5123 | 2009 | Union of Pan Asian Communities | Seismic Retrofit | \$25,000 |
| 5122 | 2009 | Father Joe's Villages | Village and Josue Homes | \$89,742 |
| 5116 | 2009 | San Diego Center for Children | Main Campus Facilities Improvements | \$26,950 |
| 5113 | 2009 | Pro Kids Golf Academy | Golf Clubhouse Renovation | \$61,000 |
| 5111 | 2009 | La Maestra Community Health | Heart of the Community Campaign | \$86,460 |
| 5097 | 2009 | Bayside Community Center | Linda Vista Community Center | \$75,000 |
| 4871 | 2008 | City Park & Recreation | Language Academy Joint Use Fields | \$35,000 |
| 4865 | 2008 | Union of Pan Asian Communities | Seismic Retrofit | \$12,300 |
| 4863 | 2008 | Father Joe's Villages | Village and Josue Homes | \$25,000 |
| 4857 | 2008 | Father Joe's Villages | Village Child Development Center | \$200,000 |
| 4856 | 2008 | Pro Kids Golf Academy | Golf Clubhouse Renovation | \$31,114 |
| 4852 | 2008 | La Maestra Community Health | Heart of the Community Campaign | \$40,000 |
| 4833 | 2008 | Big Sister League of San Diego | McAfee Residence Renovation | \$19,000 |
| 4749 | 2007 | City Park & Recreation | South Clairemont Recreation Center | \$41,000 |

Goal 8 (Priority 2b in FY 2012) is to increase opportunities for affordable housing to be located in close proximity to transit. In FY 2012, no CDBG application was received addressing this goal. It should be noted that CDBG funds may not be utilized to fund planning activities per Council Policy 700-02. However, in FY 2012, SDHC approved a 3-year work plan to facilitate the creation of transit-oriented affordable housing by engaging in the following activities:

1. Pursuing sites and priority areas for transit-oriented development;
2. Strengthening resource coordination;
3. Forming and enhancing creative community partnerships;
4. Increasing workforce linkages and economic opportunities; and
5. Providing appropriate oversight.

Furthermore, the Housing Element of the City's General Plan incorporate policies and guidelines that promote transit-oriented development with regards to housing.

Goal 13 (Priority 9 in FY 2012) is to maintain the quality of foreclosed housing stock and make units available to low- and moderate-income families, if possible. In FY 2012, this goal was addressed through the NSP program, a one-time supplemental CDBG stimulus grant that is scheduled to expire on March 31, 2013. Refer to the "Leveraging Resources" section of this CAPER on page 14 for more information on NSP activities.

Section 215 Affordable Housing

During the reporting period, 242 affordable housing opportunities were accomplished, exceeding the goals set forth in the FY 2012 Annual Action Plan.

"Worst-Case" Housing Needs/Housing for Persons with Disabilities

In FY 2012, apartment rehabilitations included Americans with Disabilities Act (ADA) accessibility enhancements.

Public Housing Strategy

1. *Describe actions taken during the last year to improve public housing and resident initiatives.*

Program Year 3 CAPER "Public Housing Strategy" Response:

The City currently owns 76 public housing units at two sites, and a plan is under HUD review to convert 113 additional existing SDHC-owned units to public housing. A more detailed description of that plan and the results of HUD's review will be reported in the FY 2013 CAPER.

Barriers to Affordable Housing

1. *Describe actions taken during the last year to eliminate barriers to affordable housing.*

Program Year 3 CAPER Barriers to Affordable Housing Response:

The need for more affordable housing in the City continued to be felt in FY 2012 as demand greatly exceeded the supply. To address this need, the City, through SDHC, continued to utilize density bonus provisions, the Inclusionary Housing Program, and condominium conversion tenant relocation benefits. In addition, the City continued to make progress on developing a transit-oriented development strategy and to study commercial linkage fees and work force housing policies. SDHC continued working with a task force on best practices and potential new funding sources, which will complete a master plan for affordable housing to include steps for implementation, as well as a method to monitor and report on progress and accomplishments.

In FY 2012, affordable housing projects funded by the former Redevelopment Agency continued to be in development. They aid in eliminating barriers to affordable housing by increasing its supply. See page 10 for details on these projects.

In FY 2012, the City continued to use CDBG and HOME funds to maintain and increase the supply of affordable housing through rental assistance, rental housing production, housing rehabilitation, and homebuyer assistance. Refer to the "Housing Needs" and "HOME" sections of this CAPER on pages 31 and 34, respectively, for more information.

HOME / American Dream Downpayment Initiative (ADDI)

1. *Assessment of Relationship of HOME Funds to Goals and Objectives*
 - a. *Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.*
2. *HOME Match Report*
 - a. *Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.*
3. *HOME MBE and WBE Report*
 - a. *Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).*
4. *Assessments*
 - a. *Detail results of onsite inspections of rental housing.*

- b. Describe the HOME jurisdiction’s affirmative marketing actions.
- c. Describe outreach to minority and women owned businesses.

Program Year 3 CAPER “HOME/ADDI” Response:

Assessment of Relationship of HOME Funds to Goals/Objectives

The City received an allocation from HUD of \$7,981,652 in HOME funds for the period of July 1, 2011, through June 30, 2012. Table 8 below shows how the funds were allocated:

Table 8. FY 2012 HOME Funds Allocation.

| Activity | Amount |
|---|--------------------|
| Rental Housing Production | \$2,261,468 |
| Homebuyer Activities | \$2,483,181 |
| Homeowner Rehabilitation | \$886,850 |
| Community Housing Development Organizations | \$1,197,248 |
| Tenant-Based Rental Assistance | \$354,740 |
| Program Administration | \$798,165 |
| Total | \$7,981,652 |

In addition to the allocation from HUD, PI of \$3,256,085 was generated for FY 2012, and, including carry over from prior years, \$3,657,053 in PI was disbursed among the programs listed above.

All of SDHC’s HOME activities serve households at 80 percent or below of AMI and concentrate on the households included in the Con Plan’s Affordable Housing Priorities listed as “High Priority” and “Medium Priority”.

“High Priority” includes households and income groups at 80 percent or below of AMI who are renters paying over 30 percent of income for housing, homeowners at 50 percent or below of AMI needing housing rehabilitation, and homeownership assistance to households who are earning 31 to 80 percent of AMI.

“Medium Priority” includes household and income groups at 51 to 80 percent of AMI who are homeowners in need of housing rehabilitation, and homeownership assistance to households earning 0 to 30 percent of AMI.

Rental Housing Production: To assist renters paying over 30 percent of income for housing, during the past year, HOME funds were used to complete one rental housing development project with 33 restricted units, 26 of which are HOME units. Table 9 below provides a summary of the project completed with HOME-CHDO funds in FY 2012 and ongoing HOME-assisted projects in various stages of development. A majority of these ongoing projects will be completed next fiscal year, and the accomplishments will be reported in the FY 2013 CAPER.

Table 9. FY 2012 HOME Rental Housing Production.

| IDIS # | Project | Address | Activity | HOME Amount | HOME Units | Total Units |
|--|-------------------|--------------------------|--------------------------------|-------------|------------|-------------|
| Completed HOME-Assisted Project | | | | | | |
| 5077 | Townspople - CHDO | 4637 34 th St | Acquisition and Rehabilitation | \$4,050,397 | 26 | 33 |
| Ongoing HOME-Assisted Projects | | | | | | |
| 4989 | Veterans Village | 4141 Pacific Hwy | Acquisition & New Construction | \$1,193,231 | 10 | 12 |

| IDIS # | Project | Address | Activity | HOME Amount | HOME Units | Total Units |
|--------|---------------------|--------------------------------------|--------------------------------|-------------|------------|-------------|
| 6035 | Parker-Kier | 2172 Front St | Major Rehabilitation | \$2,815,974 | 24 | 33 |
| 6237 | Connections Housing | 1250 6 th Ave | Acquisition and Rehabilitation | \$1,889,634 | 15 | 73 |
| 6242 | Mason Hotel | 1345 5 th Ave | Major Rehabilitation | \$1,444,016 | 16 | 16 |
| 6340 | Juniper Gardens | 4251 Juniper St | Major Rehabilitation | \$2,844,132 | 15 | 39 |
| 6347 | COMM-22 Seniors | 22 nd St & Commercial Ave | New Construction | \$4,190,000 | 29 | 69 |

Homebuyer Activities: HOME funds helped to provide shared appreciation, interest deferred loans, and downpayment and closing cost assistance grants to 39 first-time homebuyers, with 23 of them having children. The average family income was approximately 60 percent of AMI (currently \$48,180 for a family of four).

Homeowner Rehabilitation Activities: SDHC’s HOME-funded homeowner rehabilitation program assisted 24 households with the following incomes:

- 5 households at 30 percent or less of AMI (currently \$24,100 for a family of four)
- 9 households at 50 percent or less of AMI (currently \$40,150 for a family of four)
- 8 households at 60 percent or less of AMI (currently \$48,180 for a family of four)
- 2 households at 80 percent or less of AMI (currently \$64,250 for a family of four)

Eighteen of the 24 homes were rehabilitated by minority-owned and operated businesses.



Image 4. Before (left) and after (right) photos of a home interior rehabilitation that used HOME funds.

Tenant-Based Rental Assistance (TBRA): HOME TBRA provides rental subsidies to help individuals afford housing costs such as rent, utility costs, and security deposits. Administered by SDHC, the program assisted victims of domestic violence who graduated from other housing programs and individuals in need of immediate financial assistance to obtain affordable housing. In FY 2012, 73 individuals and families with children were assisted with \$231,488 in HOME funds.

In addition, during the FY 2012 reporting period, Housing Trust Funds totaling over \$1.2 million were committed to fund rental housing development, non-profit capacity building and operating support, rehabilitation of owner- and renter-occupied homes, and homeownership. Inclusionary Housing Funds totaling nearly \$4.8 million were committed to fund rental housing development and homeownership. Since 1992, the San Diego Housing Trust Fund has contributed more than \$72

million to rental housing development, non-profit capacity building and core operating support, technical assistance, rehabilitation, and homeownership activities. Since 2005, more than \$46 million of Inclusionary Housing Funds have been committed to rental housing development and homeownership activities.

American Dream Downpayment Initiative

It should be noted that the American Dream Downpayment Initiative (ADDI) is no longer a HUD-funded program.

HOME Match Report

HUD requires the City to match 25 percent of the HOME funds used to develop affordable housing. As noted in the HOME Match Report (HUD Form 40107-A) in Appendix J, a match of \$1,476,663 was contributed during FY 2012 and an excess amount of \$24,574,397 will be carried over to meet match liability in subsequent years.

HOME MBE and WBE Report

In FY 2012, there were 18 contracts with Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs) totaling \$340,819. Refer to Appendix J for more information.

Assessments

Inspections: As required by 24 CFR §92.504(d), during the required affordability period for HOME-assisted rental units, SDHC staff performs onsite inspections of HOME-assisted rental housing to determine compliance with the HUD-required property standards of 24 CFR §92.251. As required by HUD, HOME-assisted rental projects with one to four units are inspected every three years; projects from five to 25 units are inspected every two years; and projects with 26 or more units are inspected annually.

During FY 2012, 169 HOME-assisted rental housing units were inspected. Those that failed inspection the first visit were re-inspected, and all ultimately passed inspection in subsequent visits. The reasons for the initial failures included minor breaches of electrical, safety, and health code standards (i.e., leaks around refrigerators, faulty ground fault interrupter circuits, broken doors, worn carpet, etc.).

Affirmative Marketing: SDHC has adopted affirmative marketing requirements for all housing with five or more HOME-assisted units. These requirements include policies and procedures for informing the public, owners, and potential tenants about fair housing laws and describe how developers and SDHC will affirmatively market housing that is assisted with HOME funds. In addition, all applicants of HUD HOME funds are required to develop an Affirmative Fair Housing Marketing Plan as a condition for receipt of funding, and SDHC maintains records for a period of at least five years to document actions taken to affirmatively market HOME-assisted units.

Minority/Women Outreach: In addition to following its HOME Program Affirmative Marketing Policy, SDHC staff conducted the following Disabled Veteran Business Enterprise (DVBE), Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE), and Section 3 Business Concern outreach activities in FY 2012:

- Utilized the Onvia DemandStar electronic bidding system for outreach to prospective DVBE/DBE/MWBE/SBE bidders for all major solicitations in addition to SDHC's existing database;

- Advertised all major bids in minority-focused news publications;
- Facilitated “How to Do Business with the San Diego Housing Commission” workshops with local organizations; and
- Participated in small business outreach events with local agencies as part of the Public Agency Consortium.

HOMELESS

Homeless Needs

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new federal resources obtained from Homeless SuperNOFA.

Program Year 3 CAPER “Homeless Needs” Response:

Actions Addressing Needs of Homeless



Image 5. Winter season beds for homeless single adults, funded in part by ESG and CDBG monies in FY 2012.

Goal 3 (Priority 6a in FY 2012) of the City’s Con Plan is to provide shelter for persons who are homeless and assist them in moving out of homelessness. Objectives include operating shelters and assisting families with access to transitional housing, case management, and support services. Refer to Appendix D to review Goal 3 and all of the associated objectives and outcomes.

Table 10 below shows the CDBG and ESG projects that were implemented in FY 2012 pursuant to Goal 3 to address homeless needs. Refer to Appendix G for a full narrative description of each project’s accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

Table 10. CDBG and ESG Projects in FY 2012 Addressing Homeless Needs.

| IDIS # | Funding Year | Agency | Project | Expenditure |
|--------|--------------|-----------------------------------|---------------------------------|-------------|
| 6330 | 2012 | San Diego Housing Commission | Homeless Winter Shelter Program | \$0* |
| 6330 | 2012 | San Diego Housing Commission | Cortez Hill Family Shelter | \$0* |
| 6157 | 2012 | St. Vincent de Paul Village, Inc. | Homeless Outreach Team | \$67,094 |
| 6153 | 2012 | San Diego Housing Commission | Homeless Winter Shelter Program | \$422,192 |
| 6152 | 2012 | San Diego Housing Commission | Cortez Hill Family Center | \$182,820 |
| 6145 | 2012 | Alpha Project for the Homeless | Take Back the Streets | \$342,590 |

*Although ESG funds were not drawn down via IDIS in FY 2012, SDHC expended \$251,630 for the Homeless Winter Shelter Program and \$362,816 for the Cortez Hill Family Shelter.

In addition to the projects shown in Table 10 above, in FY 2012, the City continued to make progress on Connections Housing. Scheduled to open in December 2012, Connections Housing will

be an integrated service and residential community whose primary goal is to help homeless individuals living on neighborhood streets rebuild their lives and secure permanent housing. Virtually every resource an individual would need to break the cycle of homelessness will be available onsite at this facility:

- Individual Assessments: Outreach workers will individually interview every homeless person in the neighborhoods surrounding Connections Housing to identify how best to help each person move from the street to housing. A common misperception is that many chronically homeless people choose to live on the street. In fact, nearly everyone would prefer a roof over their head. Their resistance is to "one-size-fits-all" programs. Connections Housing programs will be tailored for each individual.
- The One-Stop Service Center: Program spaces for a diverse group of social service providers and government agencies will create a "mini-mall" of services and approaches to meet individual needs and to address the root causes of homelessness. The One-Stop Service Center's spacious reception area for those awaiting services will prevent lines outside the building.
- Primary Care Health Clinic: Family Health Centers of San Diego, a non-profit family of clinics that has provided affordable healthcare to San Diegans for 40 years, will relocate its Downtown Family Health Center to the first floor of Connections Housing. Homelessness and health are inextricably linked and this comprehensive clinic will provide primary medical and mental health services.
- Transitional/Interim Housing: Able to accommodate 150 people at one time, this program of Connections Housing is designed to move people off the street quickly. Clients using this short-term housing are encouraged to access the services in the mall to help get leads to jobs and community resources. Clients in this housing program typically stay several months, without the need to return and stand in line each day to secure their spot. Residents are preparing to move into permanent housing.
- Permanent Supportive Housing: Supportive housing provides a permanent place to live, coupled with support services that address the issues that make people homeless in the first place. This cutting edge approach has achieved significant success in many other cities. Connections Housing will have 73 permanent studio units.

Funding for this project comes from many sources. On March 1, 2011, the San Diego City Council and Centre City Development Corporation, working on behalf of the Redevelopment Agency, voted to commit \$16 million in local funds to the project; another \$2 million comes from SDHC. In addition, the City has committed CDBG funding, the private non-profit Corporation for Supportive Housing is contributing funds, and federal Continuum of Care Supportive Housing Program funds have been committed. Federal low-income housing tax credits will provide an estimated \$14.3 million to cover the remainder of the \$32.3 million development costs. Additional funds will be sought from the County of San Diego's Mental Health Services Act Program, the Veteran's Administration, and the Federal Affordable Housing Program.

For other projects and activities taken to address the needs of homeless persons, refer to the "Leveraging Resources" section of this CAPER on page 12.

Transition to Permanent Housing and Independent Living

The YWCA of San Diego operates the Cortez Hill Family Shelter, which provides 45 units to serve families year round. Families can stay up to 120 days (four months) and receive services focused

on helping them find work and become self-supporting. In FY 2012, Cortez Hill served 150 families, with 195 adults and 318 children. All families received basic shelter and two meals a day for up to 120 days, as well as case management services. Families were offered counseling, career assessments, medical and legal services, and follow-up services after leaving the shelter. Refer to Appendix G for a full narrative description of this project's accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for the project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

SDHC also administered the Homeless Prevention and Rapid Re-Housing program (HPRP) for the City. Funds from that program in FY 2012 provided security deposits for veterans as a bridge to Veterans Affairs Supportive Housing (VASH) vouchers (permanent housing), and for families leaving transitional housing programs and moving into stable housing situations. FY 2012 was Year 3 of the HPRP program, which has provided financial assistance and case management to a total of 981 households to transition them from homelessness to stable housing situations and help them gain financial stability.

SDHC also funded local non-profits for ongoing support of their transitional housing programs through the City's Housing Trust Fund (HTF). In FY 2012, \$982,583 of HTF funds was provided to support 15 transitional housing programs, most of which also received Continuum of Care Supportive Housing Grants and used HTF grants as matching funds. The goal of these programs is to assist homeless individuals and families overcome specific challenges, such as mental and physical illnesses, chronic substance abuse, lack of job skills, family dysfunction, and living skills issues, and provide temporary housing with services so people are supported as they strive to achieve economic and housing stability.

The City in FY 2012 also used HOPWA funds to fund transitional housing and permanent housing specifically for persons living with HIV/AIDS. Refer to the "Specific HOPWA Objectives" of this CAPER on page 53 for a description of those activities.

Homeless SuperNOFA

The Regional Continuum of Care Council (RCCC) is a regional planning group for homeless providers throughout the City and County of San Diego. This Continuum of Care (COC) provides advocacy, information, and planning for homeless issues throughout the region, as well as applies to HUD for homeless funding under the annual SuperNOFA. RCCC is supported financially by SDHC and the County HCD. Each body contributed \$10,000 in FY 2012 for facilitation of this COC. SDHC also contributed \$10,000 for a consultant to work on the HUD 2011 SuperNOFA application on behalf of the City's applicants.

The Regional Task Force on the Homeless (RTFH), which runs the Homeless Management Information System (HMIS) for the COC, also administers the Point in Time (PIT) Count, an annual physical count of homelessness required by HUD. With numbers derived from the PIT Count, the RTFH provides the region with homeless statistics and a profile of homelessness. SDHC contributes \$45,000 annually to the HMIS effort.

Last year's significant accomplishment for RCCC was to merge the City and the County COCs into one application for the 2011 SuperNOFA. This move was to align and prepare the region for the new HEARTH Act of 2009, which in part provides formal regulations to guide the establishment and operation of COCs. In many respects, the San Diego region as a whole is well positioned and prepared for the new HEARTH Act requirements because of its dedicated proactivity regarding homeless issues. Following are some of the other RCCC accomplishments in FY 2012:

- United States Interagency Council on Homelessness (ICH) Coalition Meeting:
 - A special session of the RCCC Steering Committee was held on July 21, 2011, so that representatives of the Steering Committee and key partners could meet with Anthony Love, Deputy Director from the national ICH, and Ed Cabrera, Region IX Director. RCCC was well received by Mr. Love who was complimentary regarding the COC’s long, active history and significant work over the years and noted RCCC’s philosophy of serving all homeless persons and offering an array of housing and service options
- County of San Diego Section 8 Pilot Program:
 - The County of San Diego designated a preference on their Section 8 Waiting List for graduates of transitional housing programs. The formal agreement between the County of San Diego, the transitional housing agencies, and RCCC was signed and executed. A detailed training for program implementation and referrals was held in July 2011.
- Emergency Solutions Grants Coordination:
 - Reviewed the new Emergency Solutions Grants rules;
 - Provided consultation regarding City and County of San Diego jurisdictions with Emergency Solutions Grants programs for the new second allocation; and
 - Reviewed and ranked state Emergency Solutions Grants applications.
- HEARTH Act of 2009:
 - Provided members with a HEARTH update and prepared for the new rules/transition from the McKinney-Vento Homeless Assistance Act to the HEARTH Act; and
 - Began the process of a COC Checkup and San Diego Assessment as required by HUD.
- Veterans’ Issues:
 - Participated in the VASH 100-day campaign to house 75 veterans.
- Community Connections and Prisoner Re-Entry; State Re-Alignment:
 - Provided information and continuing updates on early release of prisoners in San Diego County and the effects on homelessness in the region.
- Supported and began the process to become the repository for the family homeless plan as developed by San Diego Grantmakers’ Homeless Working Committee: Keys to Housing (K2H).

Through the RCCC planning process, the McKinney-Vento Homeless Assistance Act funds support an array of local homeless initiatives including: permanent supportive housing, transitional housing programs and services, and Safe Haven for the homeless mentally ill.

The SuperNOFA application for federal FY 2011 (submitted to HUD in the fall of FY 2012) brought in \$9,882,897 of funding for SHP and S+C programs within the City. Grant renewals were announced in December 2011, and new grants were announced in March 2012. All grants in the City’s application were renewals except for Connections Housing, which received a new SHP grant. Table 11 below and Table 12 on page 42 lists grants awarded for the City:

Table 11. Supportive Housing Program Grants in FY 2012.

| Grantee Name | Project Name | Amount | Beds |
|---|---|-----------|------|
| San Diego Youth & Community Services | Take Wing Transitional Living Program | \$87,571 | 42 |
| The Association for Community Housing Solutions (TACHS) | Del Mar Apartments Supportive Services Only | \$73,500 | 20 |
| St. Vincent de Paul Village, Inc. | Toussaint Academy | \$402,182 | 30 |

| Grantee Name | Project Name | Amount | Beds |
|---|---|--------------------|--------------|
| The Association for Community Housing Solutions | TACHS SHP Leasing | \$113,400 | 38 |
| Catholic Charities | Ninth & F Street Apartments | \$33,333 | 30 |
| St. Vincent de Paul Village, Inc. | Solutions Consortium - Project | \$1,699,096 | 472 |
| St. Vincent de Paul Village, Inc. | Family Living Center | \$513,712 | 110 |
| St. Vincent de Paul Village, Inc. | Fresh Start | \$619,024 | 150 |
| St. Vincent de Paul Village, Inc. | Boulevard Apartments | \$45,099 | 15 |
| St. Vincent de Paul Village, Inc. | Solutions 4 | \$890,000 | 96 |
| YMCA of San Diego County | Turning Point | \$178,739 | 20 |
| Volunteers of America Southwest California | Substance Abusing Mentally Ill | \$301,164 | 18 |
| Regional Task Force on the Homeless Inc. | Homeless Management Information Systems San Diego | \$108,914 | 0 |
| YWCA of San Diego County | Transitional Living Continuum | \$553,691 | 55 |
| Vietnam Veterans of San Diego | Veterans Rehab Center | \$202,850 | 80 |
| Episcopal Community Services | Downtown Safe Haven | \$509,328 | 28 |
| Episcopal Community Services | Women & Children's Program | \$557,110 | 67 |
| PATH (People Assisting the Homeless) | Connections Housing | \$610,000 | 73 |
| Total SHP | | \$7,498,713 | 1,344 |

Table 12. Shelter Plus Care Program Grants in FY 2012.

| Grantee | Name of Project | Amount | Beds | Units |
|------------------|--|--------------------|------------|-------------|
| SDHC | SDHC 2009 Merged Grant | \$1,006,224 | 94 | 84 |
| SDHC | Pathfinders Streamview | \$132,288 | 15 | 8 |
| SDHC | St. Vincent de Paul Village, Inc. | \$405,360 | 30 | 30 |
| SDHC | TACHS Prism Project | \$357,912 | 35 | 35 |
| SDHC | South Bay Community Services La Posada | \$212,400 | 26 | 12 |
| SDHC | The Center | \$270,000 | 22 | 22 |
| Total S+C | | \$2,384,184 | 222 | 191* |

*Three S+C grants are ongoing and were not up for renewal in the 2011 competition. They are: TACHS Cove: 15 units; Mental Health Systems: 10 units; and Townspeople 34th Street: 5 units. This brings the total to 221 S+C units in the City.

Specific Homeless Prevention Elements

1. *Identify actions taken to prevent homelessness.*

Program Year 3 CAPER "Specific Housing Prevention Elements" Response:

The City did not allocate FY 2012 CDBG or ESG funds for the provision of homeless prevention services.

Emergency Shelter Grants (ESG)

1. *Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations, such as those living on the streets).*

2. *Assessment of Relationship of ESG Funds to Goals and Objectives*
 - a. *Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.*
 - b. *Detail how ESG projects are related to implementation of a comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.*
3. *Matching Resources*
 - a. *Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions, such as the value of a building or lease, donated materials, or volunteer time.*
4. *State Method of Distribution*
 - a. *States must describe their method of distribution and how it rated and selected its local government agencies and private non-profit organizations acting as subrecipients.*
5. *Activity and Beneficiary Data*
 - a. *Completion of attached ESG Program Performance Chart or other reports showing ESG Program expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.*
 - b. *Homeless Discharge Coordination*
 - i. *As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.*
 - c. *Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.*

Program Year 3 CAPER "ESG" Response:

Emergency Shelter/Transitional Housing Needs

The City used ESG funds in FY 2012 to fund the Homeless Emergency Winter Shelter Program (one for veterans and one for single adults) and the Cortez Hill Family Center. The shelters provided homeless individuals normally on the streets with a bed, meals, and a range of comprehensive services from case management to medical services. The Cortez Hill Family Center provided transitional housing and related supportive services to families who would have otherwise been on the streets.

Assessment of Relationship of ESG Funds to Goals/Objectives

Goal 3 of the City's Con Plan is to provide shelter for persons who are homeless and assist them in moving out of homelessness. Objectives include operating shelters and assisting families with access to transitional housing, case management, and support services. Refer to Appendix D to review Goal 3 and all of the associated objectives and outcomes.

In FY 2012, the City used its \$661,372 of ESG funds to fund the Homeless Emergency Winter Shelter Program (one for veterans and one for single adults) and the Cortez Hill Family Center. Refer to Appendix G for a full narrative description of each project's accomplishments in FY 2012. Also, the tables in Appendix E aggregate and summarize the accomplishments of the individual projects in FY 2012 per Con Plan goal and objective and allow for evaluation at the programmatic

level. Refer to the section on Goal 3 in Appendix E to review the ESG-related accomplishments as of the end of FY 2012.

In FY 2012, the City, through SDHC, continued to be an active member of RCCC. RCCC is a large, cooperative community group consisting of representatives of the 18 cities within San Diego County, the County of San Diego, non-profit service providers, and other interested parties. It meets on a monthly basis to identify gaps in homeless services, establish funding priorities, and pursue an overall systemic approach to addressing homelessness in the San Diego region. Participation in this forum ensures that the City’s efforts to address homelessness using ESG funds and other resources are coordinated regionally, respond to the most critical needs, and take into consideration input from the public and other homeless advocates.

Table 13 below shows the number and types of homeless individuals and persons in households that were served with ESG funds in combination with other funds in FY 2012.

Table 13. Number and Types of Individuals Served with ESG Funds in FY 2012.

| Project | Available Facilities | Persons Served |
|-----------------------------|-----------------------------|--|
| Cortez Hill Family Center | 150 beds/45 living units | 513 persons/150 families (195 adults; 318 children) |
| Single Adult Winter Shelter | 220 beds | 783 persons |
| Veterans Winter Shelter | 150 beds | 381 persons |
| Total | 520 beds | 1,677 persons |

Matching Resources

The City is required to match dollar-for-dollar the ESG funding provided by HUD from other public or private sources. The City can provide matching funds directly, or through matching funds or voluntary efforts provided by any subrecipient or project sponsor.

In FY 2012, the City’s allocation of \$661,372 in ESG funds were matched with \$1,004,795 as detailed in Table 14 below:

Table 14. FY 2012 ESG Program Match.

| Agency | Match Source | Project | Amount |
|-------------------------------------|-----------------------------------|------------------------------------|--------------------|
| Young Women’s Christian Association | State of California | Cortez Hill Family Center | \$48,000 |
| City of San Diego | Community Development Block Grant | Cortez Hill Family Center | \$187,184 |
| San Diego Housing Commission | San Diego Housing Commission | Cortez Hill Family Center | \$200,000 |
| City of San Diego | Community Development Block Grant | Homeless Emergency Shelter Program | \$511,069 |
| San Diego Housing Commission | San Diego Housing Commission | Homeless Emergency Shelter Program | \$58,542 |
| Total | | | \$1,004,795 |

State Method of Distribution

The requirement for states to describe their method of distribution and how they rated and selected their local government agencies and private non-profit organizations acting as subrecipients is not applicable to the City.

Activity and Beneficiary Data

Using ESG funds, SDHC contracted with Alpha Project for the Homeless, Veterans Village of San Diego, and Young Women’s Christian Association to provide beds and services to the homeless at the Single Adult Winter Shelter, Veterans Winter Shelter, and Cortez Hill Family Center, respectively. These agencies collected demographic data throughout the operation of the facilities, which were compiled and reported to the City via SDHC on a monthly basis. The agencies kept track of new and unduplicated clients served. There were no issues in collecting, reporting, and evaluating the data. Table 15 below shows the ESG expenditures in FY 2012 by activity type:

Table 15. FY 2012 ESG Expenditures by Activity Type.

| Project | Activity Type | ESG Expenditure |
|---------------------------------------|------------------------------------|------------------------|
| Cortez Hill Family Center | Essential Services/Operating Costs | \$362,816 |
| Single Adult/Veterans Winter Shelters | Essential Services | \$251,630 |
| Program Administration | Administration | \$33,069 |
| Total | | \$647,515 |

In FY 2012, the City was granted \$372,022 in Emergency *Solutions* Grants funds, which required processing a substantial amendment to the FY 2012 Annual Action Plan to reflect the projects to be funded. The City approved the substantial amendment in May 2012, and it was not until June 2012 that the City received word from HUD of the approval of the substantial amendment. Furthermore, because of changes to the HEARTH Act of 2009, HUD was not able to issue the Emergency *Solutions* Grants agreement to the City for execution in FY 2012. Therefore, no projects to be funded by the \$372,022 in Emergency *Solutions* Grants funds were implemented in FY 2012. However, the funds are anticipated to be expended in FY 2013 for homeless prevention and re-housing through security/utility deposits and short-term rental subsidies.

No FY 2012 ESG funds were utilized for homeless prevention activities, and the City has no formal homeless discharge coordination policy in place. However, in FY 2012, the City, through RCCC, continued to support and coordinate with a number of community organizations and governmental agencies that actively engage in planning and implementing discharge plans and protocols that address the needs of individuals at risk of becoming homeless after receiving services. These individuals include youth aging out of foster care, homeless individuals who are frequent users of health care or mental health services, and individuals leaving county correctional facilities who have special needs and need assistance with transitioning to mainstream society. Members of RCCC work together to coordinate their efforts and build a continuum of care that provides supportive and preventative services to these individuals at high risk of homelessness after release.

COMMUNITY DEVELOPMENT

Community Development

1. *Assessment of Relationship of CDBG Funds to Goals and Objectives*
 - a. *Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.*
 - b. *Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.*
 - c. *Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.*

2. *Changes in Program Objectives*
 - a. *Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.*
3. *Assessment of Efforts in Carrying Out Planned Actions*
 - a. *Indicate how grantee pursued all resources indicated in the Consolidated Plan.*
 - b. *Indicate how grantee provided certifications of consistency in a fair and impartial manner.*
 - c. *Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.*
4. *For Funds Not Used for National Objectives*
 - a. *Indicate how use of CDBG funds did not meet national objectives.*
 - b. *Indicate how did not comply with overall benefit certification.*
5. *Anti-Displacement and Relocation — for activities that involve acquisition, rehabilitation, or demolition of occupied real property*
 - a. *Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.*
 - b. *Describe steps taken to identify households, businesses, farms, or non-profit organizations that occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.*
 - c. *Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or non-profit organizations.*
6. *Low/Mod Job Activities — for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons*
 - a. *Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.*
 - b. *List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.*
 - c. *If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.*
7. *Low/Mod Limited Clientele Activities — for activities not falling within one of the categories of presumed limited clientele low- and moderate-income benefit*
 - a. *Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele, at least 51% of whom are low and moderate income.*
8. *Program Income Received*
 - a. *Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.*
 - b. *Detail the amount repaid on each float-funded activity.*
 - c. *Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.*
 - d. *Detail the amount of income received from the sale of property by parcel.*
9. *Prior-Period Adjustments — where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:*
 - a. *The activity name and number as shown in IDIS;*

- b. *The program year(s) in which the expenditure(s) for the disallowed activity(ies) were reported;*
- c. *The amount returned to line-of-credit or program account; and*
- d. *Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.*

10. Loans and Other Receivables

- a. *List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.*
- b. *List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.*
- c. *List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.*
- d. *Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.*
- e. *Provide a list of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.*

11. Lump Sum Agreements

- a. *Provide the name of the financial institution.*
- b. *Provide the date the funds were deposited.*
- c. *Provide the date the use of funds commenced.*
- d. *Provide the percentage of funds disbursed within 180 days of deposit in the institution.*

12. Housing Rehabilitation — for each type of rehabilitation program for which projects/units were reported as completed during the program year

- a. *Identify the type of program and number of projects/units completed for each program.*
- b. *Provide the total CDBG funds involved in the program.*
- c. *Detail other public and private funds involved in the project.*

13. Neighborhood Revitalization Strategies — for grantees that have HUD-approved neighborhood revitalization strategies

- a. *Describe progress against benchmarks for the program year. For grantees with federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.*

Program Year 3 CAPER "Community Development" Response:

Assessment of Relationship of CDBG Funds to Goals/Objectives

While all projects and activities described in this CAPER may be considered as furthering community development in the City, Goals 9, 10, 11, and 12 of the Con Plan particularly address community development. Goal 9 (Priority 1 in FY 2012) is to expand opportunities for new industries and local small businesses. Goal 10 (Priority 2a in FY 2012) is to support the continued revitalization of low/moderate-income neighborhoods. Goal 11 (Priority 11 in FY 2012) is to explore additional financial resources to create new programs that further community development. Goal 12 (Priority 5 in FY 2012) is to enhance efforts to build the capacity of non-profit organizations, including those that provide fair housing assistance. Refer to Appendix D to review Goals 9–12 and all of the associated objectives and outcomes.

Table 16 below shows the CDBG projects that were implemented in FY 2012 pursuant to Goals 9 and 12 to further community development. Refer to Appendix G for a full narrative description of each project’s accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

Table 16. CDBG Projects in FY 2012 Addressing Community Development.

| IDIS # | Funding Year | Agency | Project | Expenditure |
|--------|--------------|--------------------------------|--------------------------------------|-------------|
| 6160 | 2012 | Local Initiatives Support Corp | Neighborhoods First II | \$6,879 |
| 6159 | 2012 | Local Initiatives Support Corp | Community Development Capacity Build | \$25,434 |
| 6134 | 2012 | Union of Pan Asian Communities | Multicultural Economic Development | \$88,380 |
| 6133 | 2012 | Southwestern Community College | Small Business Development Center | \$0 |
| 6132 | 2012 | Horn of Africa | City Heights Refugee Business | \$136,883 |
| 6130 | 2012 | ACCION San Diego | Microlending Program | \$196,923 |
| 6129 | 2012 | Access, Inc. | Microenterprise Development | \$41,527 |
| 5901 | 2011 | City Office of the Mayor | Mentor Protégé Program | \$1,468 |
| 5880 | 2011 | Southwestern Community College | Small Business Development Center | \$72,089 |
| 5822 | 2011 | Southwestern Community College | Fast Track Contracting Opportunities | \$79,966 |
| 5817 | 2011 | ACCION San Diego | Microlending Program | \$184,783 |

In FY 2012, Goal 10 was not addressed with projects funded by CDBG, HOME, or HOPWA. However, the City continued efforts to revitalize low/moderate-income neighborhoods in FY 2012 through Citywide code enforcement, the LSHHP program, and redevelopment. Refer to pages 10 and 28 for more information on redevelopment and the LSHHP program, respectively.

In FY 2012, the City received a reduced allocation in CDBG and HOME entitlement funds relative to allocations in previous years. Therefore, Goal 11 to create new programs as dollars become available was not addressed in FY 2012. It should also be noted that Goal 11 does not result in an annual quantifiable performance measure.

Program Objective Changes

There were several program goals, objectives, and outcomes that were reworded and/or combined to provide clarification, eliminate duplicative objectives, and/or ensure the inclusion of 5-year quantifiable measurements. See Appendix D for the latest version of the goals, objectives, and outcomes.

Assessment of Efforts in Carrying Out Planned Actions

In FY 2012, the City leveraged CDBG funds with funds from other federal, state, and local sources. Refer to the “Leveraging Resources” section on page 7 for a description of those sources and the programs that they funded.

The City’s CDBG Program Office handles certifications of consistency with the Con Plan for agencies applying for other HUD funding. Certifications are handled in a fair, impartial, and timely manner. The City has taken no action to hinder the implementation of the Con Plan and has actively implemented related projects and programs that aid in achieving the goals and objectives of the



Image 6. A small business owner who received a loan in FY 2012 made possible in part by CDBG.

Con Plan. Table 17 below shows the certifications of consistency with the Con Plan that the City prepared in FY 2012:

Table 17. FY 2012 Certifications of Consistency.

| Date | Applicant | Project Name | Federal Program |
|-------------|--|---|--|
| 10/21/2011 | CA 601 San Diego City and County Continuum of Care | Continuum of Care Homeless Assistance Programs 2011 | Supportive Housing Program; Shelter Plus Care Program |
| 12/20/2011 | San Diego Housing Commission | Home Safe Home Program | HUD Lead-Based Paint Hazard Control Grant |
| 01/10/2012 | Neighborhood House Association | Housing Counseling Program | HUD Local Housing Counseling Program |
| 02/29/2012 | DAVCO Development, LLC | Villages at Zion Senior Apartments | HOME Investment Partnerships Program |
| 03/06/2012 | San Diego Housing Commission | Family Self-Sufficiency Coordinator | Housing Choice Voucher Family Self-Sufficiency Coordinator |
| 04/16/2012 | Palm Communities | San Diego Mesa Commons | HOME Investment Partnerships Program |

The City did not hinder implementation of the Con Plan by action or willful inaction. The City pursued and obtained funds from multiple sources that assisted in meeting Con Plan goals and objectives. Refer to the "Leveraging Resources" section on page 7 for a description of those sources and the programs that they funded.

Furthermore, staff continued to work with CPAB in FY 2012 to increase citizen participation and improve the FY 2013 CDBG application submittal and evaluation process. Refer to the "Executive Summary" section on page 2 for more information on this effort.

Funds Not Used for National Objectives

All CDBG-funded projects in FY 2012 met a national object as required.

Anti-Displacement and Relocation

No CDBG-funded projects were conducted during FY 2012 that required displacement or relocation of households, businesses, farms, or non-profit organizations subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974.

Low/Mod Job Activities

No CDBG funds were allocated to any project conducting Low/Mod Job Activities.

Low/Mod Limited Clientele Activities

No CDBG funds were allocation to any project conducting Low/Mod Limited Clientele Activities that did not meet the low/moderate-income benefit requirements. All projects conducting Low/Mod Limited Clientele Activities served presumed limited clientele or collected and maintained required documentation demonstrating that the activities conducted benefited limited clientele, at least 51 percent of whom were low or moderate income.

Program Income

The City received \$3,933,965 of PI due to property sales and CDBG debt repayment by the former City of San Diego Redevelopment Agency. Of the \$3,933,965, a total of \$639,465 came from the sale of property at 811 25th Street, San Diego, California 92102-2738 (Assessor’s Parcel Number 534-404-17-00). All PI received was allocated toward FY 2012 CDBG projects.

In FY 2012, the City did not have any float-funded activity. Therefore, no repayment was required.

Table 18 below shows the HUD Section 108 Loans that the City repaid using FY 2012 CDBG funds:

Table 18. FY 2012 HUD Section 108 Loan CDBG Repayments.

| IDI S # | Project Name | FY 2012 Repayment Amount | Outstanding Balance |
|--------------|--|--------------------------|-----------------------|
| 6162 | Camp Hope (B-03-MC-06-0542-B) | \$35,646 | \$138,919.40 |
| 6163 | Central Police Station (B-97-MC-06-0542) | \$241,425 | \$3,530,844.00 |
| 6164 | College Rolando Library (B-99-MC-06-0542-B) | \$266,183 | Defeased |
| 6165 | District 4-Senior Center (B-03-MC-06-0542) | \$260,779 | Defeased |
| 6166 | LGBT Centre (B-04-MC-06-0542) | \$20,096 | \$120,634.40 |
| 6167 | Logan Heights Family Health Center (B-98-MC-06-0542-A) | \$95,250 | \$1,520,660.70 |
| 6168 | Logan Heights Library #1 (B-01-MC-06-0542) | \$249,711 | Defeased |
| Total | | \$1,169,090 | \$5,311,058.50 |

Prior-Period Adjustment

There were no prior-period adjustments in FY 2012.

Loans and Other Receivables

The City did not have any loans or other receivables in FY 2012 that apply to this section.

Lump Sum Agreements

The City did not execute any lump sum agreements in FY 2012.

Housing Rehabilitation

In FY 2012, there were seven CDBG-funded projects that performed minor residential rehabilitation. Table 19 below shows by project and IDIS number the year of funding, the number of units rehabilitated, the amount of non-CDBG funds leveraged, and the amount of CDBG funds expended. Refer to Appendix G for a complete description of each project’s accomplishments in FY 2012.

Table 19. CDBG-Funded Housing Rehabilitation Projects in FY 2012.

| IDIS # | Year Funded | Project Name | Units Completed | Non-CDBG Funds Leveraged | CDBG Funds Expended |
|--------|-------------|--|-----------------|--------------------------|---------------------|
| 6143 | 2012 | Urban Corps WEER Project | 98 | \$10,296 | \$73,974 |
| 6142 | 2012 | Urban Corps CDBG Green Streets Project | 13 | N/A | \$69,814 |
| 6139 | 2012 | "Safe at Home" Minor Repair Program | 124 | \$559,200 | \$93,841 |



Image 7. A new roof installed in FY 2012 by a non-profit organization using CDBG funds.

| IDIS # | Year Funded | Project Name | Units Completed | Non-CDBG Funds Leveraged | CDBG Funds Expended |
|--------|-------------|-------------------------------|-----------------|--------------------------|---------------------|
| 6135 | 2012 | Senior Smoke Alarm Program | 453 | \$120,861 | \$94,747 |
| 5828 | 2011 | Safe Homes Project | 65 | N/A | \$213,144 |
| 5826 | 2011 | Rebuilding Together San Diego | 39 | \$275,000 | \$180,034 |
| 5824 | 2011 | Senior Smoke Alarm Program | 220 | N/A | \$67,129 |

It should be noted that, in FY 2012, 24 owner-occupied homes were rehabilitated using HOME funds. Refer to Appendix C for a map of the locations of the homes rehabilitated.

Neighborhood Revitalization Strategies

The City did not have any HUD-approved Neighborhood Revitalization Strategies in FY 2012.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Program Year 3 CAPER “Antipoverty Strategy” Response:

According to the 2010 American Community Survey 1-Year Estimates of the United States Census Bureau, 17.4 percent of all City residents are estimated to be living below the poverty level. Among all families with children, 18.5 percent are estimated to be living below the poverty level. The situation is the worst for female-headed families with children, with 39.5 percent estimated to be living below the poverty level.

Using CDBG funds, the City assisted a total of 185 microenterprise businesses in FY 2012, of which 111 were new businesses established.

One of the most significant efforts taken by the City to reduce the number of persons living below the poverty level is economic development. Using CDBG funds, the City has provided for small business assistance and has nurtured microenterprise development. In FY 2012, six microenterprise development projects had access to CDBG funds to provide assistance to the City’s minority and refugee populations. A total of 185 businesses were assisted, and 111 new businesses were established. It should be noted that activities will continue through FY 2013.

The City leverages the CDBG funds that it directs toward economic development with programs administered by its Office of Small Business and Business Finance Section. Refer to the “Leveraging Resources” section on page 11 for a description of those programs and the accomplishments in FY 2012.

In addition, the City participates in the San Diego Regional Enterprise Zone (SDREZ), a joint venture with the cities of Chula Vista and National City. SDREZ is an area designated for 15 years within these cities where businesses receive substantial tax breaks and other incentives. The SDREZ designation and incentives help to encourage business attraction, location, and job growth in the designated area. Because San Diego’s economy is regional in nature, collaborating with other local cities and the state to expand business incentives increases San Diego County’s ability to compete with other regions, create new jobs, and increase investment in the region. SDREZ serves residents who are economically disadvantaged and residents facing barriers to employment by

stimulating private investment and creating new employment opportunities in low/moderate-income communities. Established in 2006, SDREZ consists of 34,720 acres of prime commercial and industrial land, as well as eligible residential census tracts in the cities of San Diego, Chula Vista, and National City. Program administration of SDREZ is funded and supported by the cities of Chula Vista, National City, and San Diego, as well as the Unified Port of San Diego (known as the SDREZ Partnership). Some of the SDREZ incentives for businesses include:



- A tax credit against the purchase of new manufacturing, assembly, data processing, or communications equipment equivalent to the amount of sales or use tax;
- A tax credit on the wages to qualified new employees over a 5-year period (up to 50 percent in the first year, 40 percent in the second year, etc.);
- The option to accelerate depreciation on business property;
- A deduction for lenders on the net interest earned from loans made to enterprise zone businesses; qualified loans include business loans, mortgages, and loans from noncommercial sources;
- Priority for various state programs, such as state contracts/grants;
- Assistance with recruitment and hiring targeted employees;
- Expedited permit processing for commercial projects; and
- Access to specialized technical assistance programs.

The following list highlights some of the SDREZ accomplishments in FY 2012:

- Regionwide:
 - 9,319 hiring credit certificates issued
 - 25 percent of hiring credit certificates issued were for new jobs
 - Average hourly rate for certificates issued was \$11.07
- Citywide:
 - 6,695 hiring credit certificates issued
 - 27 percent of hiring credit certificates issued were for new jobs
 - Average hourly rate for certificates issued was \$12.45

NON-HOMELESS SPECIAL NEEDS

Non-Homeless Special Needs

1. *Identify actions taken to address special needs of persons that are not homeless but require supportive housing (including persons with HIV/AIDS and their families).*

Program Year 3 CAPER "Non-Homeless Special Needs" Response:



Goal 2 (Priority 3 in FY 2012) of the City's Con Plan is to create a better living environment for persons with special needs. Objectives include making public facilities accessible to person with disabilities, increasing private sector housing with accessibility features, supporting the provision of social services to low- and moderate-income persons, and encouraging the creation of supportive housing. Refer to Appendix D to review Goal 2 and all of the associated objectives and outcomes.

Image 8. A tutoring facility whose renovation was completed in FY 2012 using CDBG funds.

Table 20 below shows the CDBG projects that were implemented in FY 2012 pursuant to Goal 2 to address non-homeless special needs. Refer to Appendix G for a full narrative description of each project’s accomplishments in FY 2012. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, how much funding was allocated to the project, and the actual amount expended.

Table 20. CDBG Projects in FY 2012 Addressing Non-Homeless Special Needs.

| IDIS # | Funding Year | Agency | Project | Expenditure |
|--------|--------------|----------------------------------|------------------------------------|-------------|
| 6158 | 2012 | STAR/PAL | STAR/PAL Center to Serve Youth | \$92,577 |
| 6156 | 2012 | Social Advocates for Youth | Teen Court | \$45,202 |
| 6155 | 2012 | San Diego Workforce Partnership | Hire-A-Youth | \$451,679 |
| 6154 | 2012 | San Diego LGBT Center | Behavioral Health Services | \$100,000 |
| 6151 | 2012 | Pro Kids Golf Academy | Youth Educational Programs | \$66,779 |
| 6150 | 2012 | National Family Justice Center | Women of Wisdom | \$258,464 |
| 6149 | 2012 | Fourth District Seniors Resource | Public Service Enhancement Project | \$37,465 |
| 6148 | 2012 | City Park & Recreation | Therapeutic Recreation Services | \$200,000 |
| 6147 | 2012 | Center for Community Solutions | You Are the Solution | \$48,785 |
| 6146 | 2012 | The Angel's Depot | Senior Food-for-a-Week | \$50,785 |
| 6118 | 2012 | City Park & Recreation | Views West Neighborhood Park ADA | \$0 |
| 6113 | 2012 | Balboa Park Cultural Partnership | Balboa Park ADA Upgrades | \$0 |
| 5573 | 2010 | Friends of the Riford Center | Riford Center | \$193,929 |

In addition to the CDBG projects on Table 20 above, non-homeless special needs were addressed in FY 2012 with projects funded by HOPWA. Refer to the “Specific HOPWA Objectives” section of this CAPER below for a description of the supportive housing projects that were implemented in FY 2012 to meet the needs to persons living with HIV/AIDS and their families.

Refer to page 63 of this CAPER for a description of the City’s efforts to increase accessibility to persons with disabilities.

Specific HOPWA Objectives

1. *Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives*
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
 - a. *That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;*
 - b. *That community-wide HIV/AIDS housing strategies are meeting HUD’s national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;*
 - c. *That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;*
 - d. *That through community-wide strategies, federal, state, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;*
 - e. *That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,*
 - f. *That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.*

2. *This should be accomplished by providing an executive summary (1–5 pages) that includes:*
- a. *Grantee Narrative*
 - i. *Grantee and Community Overview*
 - (1) *A brief description of your organization, the area of service, the name of each project sponsor, and a broad overview of the range/type of housing activities and related services.*
 - (2) *How grant management oversight of project sponsor activities is conducted and how project sponsors are selected.*
 - (3) *A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS.*
 - (4) *A brief description of the planning and public consultations involved in the use of HOPWA funds, including reference to any appropriate planning document or advisory body.*
 - (5) *What other resources were used in conjunction with HOPWA-funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations.*
 - (6) *Collaborative efforts with related programs, including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.*
 - ii. *Project Accomplishment Overview*
 - (1) *A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage, or utility payments to prevent homelessness; rental assistance; facility-based housing, including development cost, operating cost for those facilities, and community residences.*
 - (2) *The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds.*
 - (3) *A brief description of any unique supportive service or other service delivery models or efforts.*
 - (4) *Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.*
 - iii. *Barriers or Trends Overview*
 - (1) *Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement;*
 - (2) *Trends you expect your community to face in meeting the needs of persons with HIV/AIDS; and*
 - (3) *Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5–10 years.*
 - b. *Accomplishment Data*
 - i. *Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).*
 - ii. *Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).*

Program Year 3 CAPER "Specific HOPWA Objectives" Response:

Overall Assessment

Goal 4 (Priority 7 in FY 2012) of the City's Con Plan is to create a better living environment for persons who are living with HIV/AIDS. Objectives include providing housing assistance and

supportive services and increasing public awareness of HIV/AIDS and information and resources available to those living with HIV AIDS. Refer to Appendix D to review Goal 4 and all of the associated objectives and outcomes.

Refer to the HOPWA CAPER prepared by the County of San Diego, included as Appendix L to this CAPER, for an assessment of the accomplishments in relation to HOPWA-specific goals and objectives in FY 2012.

In addition, Table 4F in Appendix F lists the projects and activities that were implemented, and how much was expended, in FY 2012 according to Con Plan goals and objectives. The tables in Appendix E aggregate and summarize the accomplishments of the individual projects and activities in FY 2012 per Con Plan goal and objective and allow for evaluation at the programmatic level. Refer to the section on Goal 4 in Appendix E to review the HOPWA-related accomplishments as of the end of FY 2012.

Grantee and Community Overview



Image 9. A person receiving a home-delivered meal made possible by HOPWA funds.

The City is the HOPWA program grantee. Through a contract agreement with the San Diego County Department of Housing and Community Development (HCD), the County of San Diego has assumed all administrative responsibilities for the HOPWA program. In addition to the Countywide HOPWA program, HCD operates housing programs in the unincorporated areas and in 15 of the 18 cities within San Diego County. HCD provides housing assistance and community improvements through programs that benefit low- and moderate-income persons.

The County of San Diego administered HUD's HOPWA Program Year 2011 allocation of \$2,884,983 to fund activities implemented in FY 2012. In addition, prior-year funds were used to supplement the federal Program Year 2011 allocation for activities in FY 2012. These funds were expended in direct service contracts with agencies and non-profit organizations providing direct services to low-income persons with HIV/AIDS. HOPWA funds are distributed throughout the County of San Diego to implement the following eligible activities:

- Acquisition/rehabilitation/new construction of affordable housing
- Administration
- Housing information and referral services
- Resource identification
- Housing operating cost
- Tenant-based rental assistance
- Short-term supportive facilities (hotel/motel vouchers)
- Supportive services
- Technical assistance
- Short-term rental, mortgage, and utility assistance

On September 16, 2008, the San Diego County Board of Supervisors authorized a HOPWA request for proposals (RFP) for FYs 2010, 2011, and 2012, and authorized the execution of contracts for a term of one year with two 1-year renewal options. Subsequently on September 30, 2009, another HOPWA RFP for direct housing and related services was released in the amount of \$750,000. Eight proposals were received, of which four were recommended for funding. Table 21 on page 56 shows

the community-based organizations and County of San Diego agencies that were recommended for and received funding to implement HOPWA-eligible activities through the aforementioned RFPs. In FY 2012, the contracts for these organizations and agencies were renewed. Refer to Appendix G for a full description of these projects.

Table 21. FY 2012 HOPWA-Funded Projects.

| IDIS # | Agency | Project | Expenditure |
|----------------------|--|--|-------------|
| 6179 | Being Alive San Diego | Helping Hands Moving Services | \$59,560 |
| 6184 | Karibu Center for Social Support and Education | Emergency Housing | \$303,983 |
| 6183 | Community HousingWorks | Residential Services Coordinator | \$32,059 |
| 6185 | County of San Diego Health and Human Services Agency | HIV, STD, and Hepatitis Branch Case Management Program | \$245,701 |
| 6182 5590 5979 | County of San Diego Housing and Community Development Department | Tenant-Based Rental Assistance Program | \$647,644 |
| 6186 6187 | Fraternity House, Inc. | Fraternity House Licensed Residential Care Home | \$169,712 |
| 6188 6189 | Fraternity House, Inc. | Michaëlle House Licensed Residential Care Home | \$209,507 |
| 6192 | South Bay Community Services | Residential Services Coordinator | \$26,419 |
| 6195 | St Vincent De Paul Village, Inc. | Josue Homes Transitional Housing | \$599,017 |
| 6193 | Stepping Stone of San Diego | Enya House Transitional Housing | \$151,060 |
| 6196 | Townspeople | Operations and Support of 51st Street and Wilson Avenue Apartments | \$80,943 |
| 6197 | Townspeople | Housing Information and Referral Program | \$92,700 |
| 6191 | Mama's Kitchen | HOPWA Nutrition Project | \$159,500 |
| 6194 | Stepping Stone of San Diego | Central Avenue Sober Living Transitional Housing | \$102,180 |
| 6190 | Fraternity House, Inc. | Transportation Services | \$7,940 |
| 6198 | Townspeople | Short-Term Rent, Mortgage and Utility Assistance (STRMU) | \$184,696 |

Project Sponsor Oversight/Selection: All contracts funded by HOPWA specify monitoring, inspecting, and reporting requirements. Each year, HCD staff monitors all HOPWA projects.

During FY 2012, all HOPWA-funded activities were monitored by reviewing monthly, quarterly, and annual progress reports that described project accomplishments, information on the number of families assisted, proof of current insurance coverage, annual audits, management reports, compliance with rent restrictions, and rent calculations to ensure programs are producing effective measurable results. In addition, staff conducted onsite file reviews and unit inspections to ensure compliance with Housing Quality Standards. In addition, HCD staff provided ongoing technical assistance to subrecipients throughout the year.

The procurement process was handled by the County of San Diego's Purchasing and Contracting Department. As described on page 55, project sponsors that received HOPWA funds in FY 2012 were selected through two separate RFPs in 2008 and 2009. Contracts for FY 2012 were renewed based on the project sponsor's performance and availability of funds.

Needs/Statistics: A 2012 Key Data Findings report completed by the San Diego HIV Health Services Planning Council states that the cumulative number of AIDS cases reported through December 31, 2011 was 14,805. The rate of new AIDS cases has decreased or leveled off since 1993. However, the number of people living with AIDS continues to increase each year (although at a slower or level rate) as people with AIDS live longer. Five hundred twenty-five new cases were reported in San Diego County between January 1, 2010, and December 31, 2011.



Image 10. A HOPWA-supported apartment complex for persons living with HIV/AIDS.

In 2010, a needs assessment of people living with HIV/AIDS (PLWHA) was conducted by the San Diego HIV Health Services Planning Council, in which 1,072 PLWHA were surveyed. According to the 2010 HIV/AIDS Needs Assessment, an estimated 23 percent of PLWHA surveyed had at least one unmet medical care need. The study reported that 50 percent of PLWHA surveyed reported making \$1,000 or less a month, including benefits. The five most important unmet needs included HIV/AIDS medications, primary HIV medical care, dental care, case management, and permanent or ongoing assistance with housing/shelter.

Planning/Public Consultations: It is the policy of the County of San Diego to ensure adequate citizen involvement in the planning, implementation, and evaluation of its housing and community development programs. As in years past, HOPWA program staff worked diligently in FY 2012 with community-based organizations, government agencies, and developers to establish adequate housing and support services for people living with HIV/AIDS. Program staff maintained a permanent seat on the San Diego HIV Health Services Planning Council. In addition, the County of San Diego provided staff to the Joint City/County HIV Housing Committee. The HIV Housing Committee includes members of other HIV planning groups, affordable housing developers, service providers, and consumers. It provides meaningful citizen and community participation in the planning process associated with affordable housing and related support services for person living with HIV/AIDS. The HIV Housing Committee serves as an advisory body to the director of the San Diego County Department of Housing and Community Development regarding priorities and needs of the community affected by HIV/AIDS and housing. It is the County of San Diego's continuing intent to provide opportunities for meaningful involvement at all stages of the process, including:

- Needs identification
- Priority setting

- Funding Allocations
- Program recommendations

Leveraging: The HOPWA program leverages an array of funding from public and private resources that help address the needs of persons with HIV/AIDS. Volunteers provide a substantial amount of service hours at many HOPWA-funded agencies. Volunteers are recruited from volunteer fairs or may be participants of HOPWA-funded programs. In FY 2012, volunteer activities included staffing reception desks at some HOPWA-funded agencies or providing landscaping services at a transitional housing facility. Volunteers also contributed to home improvement efforts, such as painting the interior and exterior of a transitional housing facility. Many agencies also received in-kind contributions. Agencies received contributions, such as free bread, tortillas, and baked goods from a local market. HOPWA-funded agencies also took a proactive approach to increasing program income. HOPWA-funded agencies implemented annual fundraising plans to increase income from private donations, foundations, and grants. HOPWA-funded agencies also partnered with non-HOPWA funded agencies to offer a broader scope of services. Collaborating agencies included: First United Methodist Church; North Park Family Health Clinic; The San Diego Lesbian, Gay, Bisexual, Transgender Community Center; UCSD Women, Children, and Adolescent HIV Program; Vista Community Clinic; Mama's Kitchen; and Indian Health Centers. In FY 2012, a total of \$2,736,210 in committed leveraged funds from other public and private resources helped address the needs identified in the Con Plan.

Collaborative Efforts: The County of San Diego, on behalf of the City, has worked closely with the Regional Continuum of Care Committee, which is jointly sponsored by the San Diego HIV Health Services Planning Council and the County of San Diego HIV Prevention Community Planning Board, and includes over 50 community-based organizations, government agencies, and



Image 11. A transitional housing site, renovated in FY 2012 using HOPWA funds, for recovering substance abusers and recovering substance abusers who have mental illness.

developers to establish adequate housing and support services for people living with HIV/AIDS. HCD staff also maintains a permanent seat on the County of San Diego HIV Health Services Planning Council, in addition to convening the Joint City/County HIV Housing Committee that addresses special needs concerns for persons living with HIV/AIDS who are homeless and not homeless but require supportive housing. The Joint City/County HIV Housing Committee includes members of other HIV planning groups, affordable housing developers, service providers, and

consumers. It provides meaningful citizen and community participation in the planning process associated with affordable housing and related support services for persons living with HIV/AIDS. The Joint City/County HIV Housing Committee serves as an advisory body to the director of the San Diego County Department of Housing and Community Development regarding priorities and needs of persons in the community affected by HIV/AIDS and housing.

Project Accomplishment Overview

The HOPWA program has provided funding for the following activities for low-income persons living with HIV/AIDS and their families in San Diego County:

1. Transitional housing
2. Permanent housing
3. Case management services
4. Tenant-based rental assistance
5. Acquisition/rehabilitation and new construction
6. Information and referral services
7. Moving services
8. Residential services coordination
9. Emergency housing
10. Technical assistance

Since 1993, a total of 120 units have been created. Currently, there are a total of 59 stewardship units that are in operation. On June 16, 2009, the San Diego County Board of Supervisors authorized the allocation of up to \$1.2 million in HOPWA funds to Townspeople, a non-profit public benefit corporation, for the acquisition and rehabilitation of the 34th Street Project in FY 2010, which continued to provide five HOPWA permanent housing units in FY 2012.

Following are brief descriptions of unique supportive services or other service delivery models or efforts implemented in San Diego County to benefit persons living HIV/AIDS in FY 2012:

- Case Management Services: Case management programs sponsored by the County of San Diego Health and Human Services Agency provided intensive case management and supportive services to 90 people.

Karibu Center for Social Support and Education provided emergency housing in the form of hotel/motel vouchers, and 83 households were assisted. Emergency housing of this type was clarified by HUD's Technical Assistance staff as being considered a HOPWA supportive services activity.
- Housing Information and Referral Services: Approximately 8,485 contacts for information and referrals were made in FY 2012 via walk-ins, telephone calls, and website hits. This program maintains and updates biweekly a list of affordable rental units in San Diego County with HIV-sympathetic landlords, which is faxed to over 125 case managers, consumers, agencies, and other interested parties. The program also maintains a weekly census of available beds in community residences and is able to refer consumers and their advocates to agencies with available beds. Finally, the program maintains a website (<http://www.townspeople.org>) for their services, which includes the biweekly list of affordable rental units in San Diego County.
- Moving Services: Approximately 132 households were provided with moving services Countywide in FY 2012. Moving services included completely moving a participant to a new

location or providing materials required to move, such as boxes and packing tape. The program assisted individuals with HIV/AIDS in an effort to promote housing stability.

- **Residential Services Coordination:** Residential services coordination was implemented eight years ago to assist providers in addressing the needs of HIV-infected residents residing in project-based housing. The purpose of the program is to assist residents in maintaining stable housing through daily contact with staff. The staff acts as a liaison between residents, case management, and property management to address any issues that may threaten the residents' housing stability. Staff from Community HousingWorks, South Bay Community Services, and Townspeople assisted approximately 43 households in FY 2012.
- **Other Accomplishments:** On September 2, 2009, in response to funding cuts, the Joint City/County HIV Housing Committee approved and recommended to the director of the San Diego County Department of Housing and Community Development the reallocation of prior-year HOPWA funds up to \$770,000 to HIV/AIDS agencies/programs that had experienced a loss of funding. On September 30, 2009, a HOPWA RFP for direct housing and related services was released in the amount of \$750,000. The following four projects were recommended for and received funding; they provided services in FY 2012:
 - **Mama's Kitchen | HOPWA Nutrition Project:** This project provides supportive services in the form of home-delivered meals to individuals with AIDS or HIV-related diseases throughout San Diego County.
 - **Stepping Stone of San Diego | Central Avenue:** This project is a residential substance abuse treatment facility that provides HIV/AIDS-specific services to its residents. Services include group facilitation, individual one-on-ones, staff supervision, and crisis intervention.
 - **Fraternity House | Transportation Services Project:** This project provides transportation services for residents of Fraternity House and Michaelle House.
 - **Townspeople | Short Term Rent, Mortgage, and Utility Assistance:** This project provides short term rent, mortgage, and utility assistance for qualifying individuals with HIV/AIDS.

Barriers or Trends Overview

In FY 2012, service providers encountered several barriers to providing HOPWA-funded services in the San Diego region. Providers reported a negative impact to their agencies and the services that they provide due to cuts to state and federal budgets. Reductions in federally funded Ryan White CARE Act and similar state of California budget cuts resulted in staff reductions and reduced the service capacity of certain providers.

Continuing difficulties also include increasing the HIV/AIDS community's awareness of their fair housing rights and responsibilities. While agencies may receive anecdotal information regarding discrimination based on disabilities, few HOPWA participants report complaints to fair housing enforcement agencies.

Finally, high housing costs in San Diego County impacted the ability of HOPWA providers to move program participants from HOPWA-funded housing into the private rental market. It is very difficult for clients to obtain a security deposit, provide the first month's rent, and qualify for a market-rate unit without some form of rental subsidy. Many clients reported that they were homeless or virtually homeless for lack of affordable housing.

Historically, the HOPWA program has received entitlement funds equal to the activities proposed. Program staff has worked diligently with community-based organizations, government agencies, and developers to establish adequate housing and support services for people living with HIV/AIDS. In a collaborative effort, HOPWA staff continues to participate and maintain a permanent seat in the San Diego HIV Health Services Planning Council. HOPWA staff facilitates in establishing a subcommittee as needed of the Joint City/County HIV Housing Committee to help determine funding priorities for upcoming years.

Accomplishment Data

Refer to the HOPWA CAPER prepared by the County of San Diego, included as Appendix L to this CAPER, for data on accomplishments in FY 2012.

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Program Year 3 CAPER "Other Narrative" Response:

Commission on Gang Prevention and Intervention

The Commission on Gang Prevention and Intervention was established in response to gang-related violence in 2003 in Southeastern San Diego. The City Council worked with City management and the Chief of Police to develop a collaborative process to address gang violence. In April 2006, Council passed an ordinance establishing the Commission.

The purpose of the 21-member Commission is to: develop a strategic collaborative effort between various agencies that work with gang-related issues; make policy recommendations to the Mayor and City Council on issues of gang prevention, intervention, diversion, and suppression methods; identify local, state, and federal funding sources; identify best practice efforts; and advocate, formulate, and recommend for adoption proactive gang policies, ordinances, and guidelines.

In FY 2012, the Commission's Strategic Action Plan was updated and reviewed and approved by the Mayor and City Council. The updated Strategic Action Plan further clarified the Commission's vision of: pursuing strategies to prevent the growth of gang activity and violence in San Diego neighborhoods through multi-dimensional collaborative efforts; facilitating community involvement through strategic guidance and leadership; and identifying necessary funding to accomplish goals.

In FY 2012, the Commission accomplished the following:

- The Commission, along with University of San Diego's Peace College, presented the 2012 Biennial Youth Resilience & Gang Prevention Summit on April 25, 2012. There were 300 attendees and over 60 strategies submitted for review and inclusion in the Commission's Strategic Action Plan.
- The Commission actively requested regular reports from the San Diego County Probation Department to monitor the state of California's Prison Realignment initiative and its impact on gang activity in the City.

- The Commission set up an Ad Hoc Committee in November 2011 to review research on trauma-informed practices and information, and organized a community symposium to improve its ability to respond to families and communities.
- The Commission supported the San Diego Unified School District's Check & Connect Program through referring resources and sharing information. The Commission also supported the San Diego County District Attorney's Office's Girls Only Program at the Encanto Boys & Girls Club and participated in Youth Voice meetings in the Mid-City Community. Youth at all levels of learning need mentoring as an important intervention strategy.
- Commission members from the San Diego County Sheriff's Department, City of San Diego Police Department, and San Diego Unified School District developed an initiative to educate the community about Commercially Sexually Exploited Children, an aspect of gang-involved economics that impacts schools in the community. More than 50 principals and City of San Diego Park & Recreation Department staff were trained on the issue November 2011.
- With jobs being one of its focuses, the Commission partnered with the Mid-City Business Association Youth Roundtable to host the City Heights Youth Job Fair in May 2012. More than 200 youth participated. The Commission also supported applicants vying for Youth Build Funding during 2011 through letters and referrals to resources.
- The Commission used its e-mail distribution list to disseminate information on available funding from the City of San Diego Commission on Arts and Culture and during the fall of 2011 supported several organizations (i.e., Boys & Girls Club and AjA Project) applying for funding to implement art involvement projects targeting gang at-risk neighborhoods.
- The Commission continued to support Safe Passage, an initiative at three schools (Montgomery Middle School, Bell Middle School, and Horace Mann Middle School) in San Diego. The collaboration has school officials, the City of San Diego Police Department, the San Diego County Probation Department, the San Diego Metropolitan Transit System, the San Diego City Attorney's Office, Commission members, community organizations, and volunteers sitting together to improve school safety. The result has been notable. In 2009, 44 percent of students surveyed at Montgomery Middle School saw fights at least twice a week. In 2012, only three percent of youth surveyed reported seeing fights more than twice a week before school.
- Members of the Commission continued to be actively part of The California Cities Gang Prevention Network. The Commission contributed information to the California Department of Corrections and Rehabilitation, which will be managing the California Gang Resistance Intervention Program.
- The Commission worked with the Urban League, which developed a collaboration for applying for San Diego Workforce Partnership funding in 2011 to implement a jobs program for Southeastern San Diego, which included several small organizations, such as Right Way Landscaping. Unfortunately, it was not funded. The Commission is currently working with two other organizations that are in the process of building their collaborations, United African American Ministerial Action Council and Unity in the Community. The Commission provided 20 letters in support of applications in the past 12 months.
- The Commission continued to respond to RFPs from federal and state agencies to support implementation of its Strategic Action Plan. The Commission also worked with community organizations that wished to apply for CDBG funding to address gang-related issues.

The members of the Commission continually affirm their commitment to work together because of the impact their work has had on gang violence in the community. While the Commission is not a service provider, through its facilitation of collaborative efforts, there have been families supported (e.g., via Crime Free Multi-Housing and the San Diego Compassion Project), youth diverted from the criminal justice system (e.g., via Collaborative Curfew Sweeps), and youth trained for jobs (e.g., via Black Contractor's Association and the Labor Council's Youth Build [a Department of Labor youth training program] and the San Diego Workforce Partnership-funded Youth Opportunity Program).

Though the Commission does not distribute funds, over the past two years, the Commission has supported six organizations that have brought in over \$1 million to the community for targeted programs that support or provide intervention services to youth.

The partnerships among the members of the Commission (i.e., the City of San Diego Police Department, San Diego Unified School District, San Diego County Probation Department, San Diego County District Attorney's Office, San Diego Workforce Partnership, and San Diego County Office of Education, along with community organization members, such as Harmonium, Metro United, Reality Changers, Unity Tech, California Endowment, and Second Chance) and agencies/departments, such as the San Diego City Attorney's Office, City of San Diego Park & Recreation Department, San Diego County Health and Human Services Agency, San Diego County Mental Health Services, and the numerous community-based organizations, make it possible for the City to effectively resolve gang-related issues facing our communities.

City of San Diego Disability Services

The City's Disability Services Department was established in 1991 per the Americans with Disabilities Act (ADA) of 1990. The mission of the department is to ensure that every facility, activity, benefit, program, and service operated or funded by the City is fully accessible to, and useable by, people with disabilities in accordance with the ADA, as well as other federal, state, and local access codes and disability rights laws.

In FY 2012, Disability Services continued to provide oversight on ADA projects to ensure access to City facilities and public right-of-ways. Staff offered ongoing technical assistance on ADA requirements and disability issues through trainings, onsite surveys, policy recommendations, and guidance regarding alternate formats and effective communication efforts. Staff served the Mayor's Committee on Disability, which met 10 times in FY 2012 and provided a forum for the public and City staff and management to raise ADA issues, vet policies, and disseminate and receive progress reports on the City's continuing ADA efforts. The following lists the accomplishments of the Committee on Disability in FY 2012:

- Researched and provided recommendations to the Mayor and others for increasing employment for people with disabilities at the City;
- In collaboration with the City's Office of Homeland Security, researched, developed, and documented a "Planning Matrix on Emergency Preparedness for People with Disabilities" that has now been shared with the Federal Emergency Management Agency (FEMA), the County of San Diego Office of Emergency Services, the California Emergency Management Agency, the National Association of ADA Coordinators, the California State Independent Living Council, and others;
- Hosted two presentations and discussions regarding accessibility and the proposed Plaza de Panama Project at Balboa Park; supported project accessibility officially in April 2012; and
- Provided input on City Emergency Evacuation Plans and purchase of evacuation chairs.

In addition, Disability Services continued to manage all disability-related complaints for the City. Complaints came in via e-mail and telephone calls and were primarily concerned with issues relating to audible pedestrian signals, path of travel/public right-of-ways, traffic control devices, curb ramps, and sidewalks (the latter two categories of complaint having the largest volumes). Once a complaint was received, Disability Services sent the information to the responsible department to investigate. A staff person was assigned within seven days, and within 30 days a plan of action was communicated back to Disability Services and the complainant. If funding was required, the complaint was placed on an unfunded needs list until funding became available. In FY 2012, the City received 99 such ADA complaints, of which 39 were resolved.

The following list summarizes the accomplishments of Disability Services in FY 2012:

- 19 of 52 active ADA capital improvement projects were completed (37 percent);
- 89 construction documents were reviewed;
- 102 onsite inspections were done;
- 78 facilities were surveyed;
- 39 of 99 ADA complaints received were resolved (39 percent);
- 12 ADA presentations/trainings were conducted; and
- 154 technical assistance efforts were rendered.

Regarding ADA capital improvements, in 1997, the City adopted a Transition Plan to guide its efforts in identifying, prioritizing, and removing physical barriers to accessibility related to its services, programs, and activities. A total of 212 facilities were identified in the Transition Plan. As of the end of FY 2012, a total of 160 facilities (75%) have undergone the removal of barriers.

In FY 2012, the City committed approximately \$1.5 million from the General Fund to ADA projects, leveraging \$99,000 in CDBG funds. These funds went to eight capital improvement facility projects at various City parks, community centers, libraries, and to public right-of-way improvements for curb ramps, missing sidewalks, and audible pedestrian signals.



Image 12. A meeting of the Mayor's Committee on Disability.

In FY 2012, 19 ADA capital improvement projects were completed, funded with various sources, including land sales, development impact fees, and CDBG. These funds improved accessibility and safety at various public facilities, sidewalks, and right-of-ways for those with disabilities. At the end of the FY 2012, 33 additional ADA capital improvement projects were at various stages of progress, such as design, bid, and construction. The public may now monitor ongoing ADA capital improvement projects through the website of the City's Capital Improvements Program at <http://www.sandiego.gov/cip/projectinfo/index.shtml>.

Disability Services will continue to leverage its resources to make the City more accessible to those with disabilities. The ADA and civil rights, by their very nature, focus on the needs and rights of individuals; they are built on the belief that all individuals, regardless of their circumstances, are entitled to equal treatment in American society. Supporting this vision is the ongoing mission of the Disability Services Department.

Section 504

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of disability in programs and activities conducted by HUD or that receive financial assistance from HUD.

In addition to its responsibility for enforcing other federal statutes prohibiting discrimination in housing, HUD has a statutory responsibility under Section 504 to ensure that individuals are not subjected to discrimination on the basis of disability by any program or activity receiving HUD assistance. Section 504 charges HUD with enforcing the right of individuals to live in federally subsidized housing free from discrimination on the basis of disability.

Any person with a disability who feels he or she is a victim of discrimination in a HUD-funded program or activity may file a complaint with his or her local Section 504 Administrator. The City's ADA and Disability Services Department Director serves as its Section 504 Administrator.

Those in the City may contact the Disability Services Department using the information below to learn more about Section 504 or to file a complaint:

- 1200 Third Avenue, 9th Floor
Suite 924, MS 56G
San Diego, CA 92101
(619) 236-5979 | Telephone
(619) 236-5903 | TTY
(800) 462-0503 | Fair Housing Hotline
disability@sandiego.gov

Additional information about Section 504 can also be found on HUD's website.

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