



Fiscal Year 2013 |
Fourth Program Year

CDBG, HOME, HOPWA,
and ESG Programs

Consolidated Annual Performance and Evaluation Report

Colina del Sol Recreation Center Gymnasium Floor Replacement



September 2013

Prepared by:

The City of San Diego

Economic Development Division

HUD Programs Administration

1200 Third Avenue, Suite 1400, MS 56D

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THE CITY OF SAN DIEGO

September 27, 2013

N. Dean Huseby
Community Planning and Development Representative
U.S. Department of Housing and Urban Development
611 West 6th Street, Suite 801
Los Angeles, CA 90017

Dear Mr. Huseby:

Subject: Fiscal Year 2013 Consolidated Annual Performance and Evaluation Report

Please find enclosed for your review the City of San Diego's Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2013 (July 1, 2012, through June 30, 2013) as required by the United States Department of Housing and Urban Development (HUD). The subject CAPER describes the City's implementation of its Fiscal Year 2013 Annual Action Plan using funds received from HUD under the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). This CAPER also provides a general assessment of the City's progress in addressing the priorities and objectives contained in its 2010–2014 Consolidated Plan (July 1, 2009, through June 30, 2014).

If you have any questions regarding the CAPER, please contact: Sima Thakkar, Program Manager, at (619) 236-5902 or SThakkar@sandiego.gov; or Eliana Barreiros, CDBG Policy Coordinator, at (619) 533-6510 or EBarreiros@sandiego.gov.

Thank you for your kind attention.

Sincerely,

William Fulton
Director
Planning and Neighborhood Restoration Department

Enclosure

cc: Sima Thakkar, Program Manager
Eliana Barreiros, CDBG Policy Coordinator



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THE CITY OF SAN DIEGO

Fiscal Year 2013 Consolidated Annual Performance and Evaluation Report

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THE CITY OF SAN DIEGO

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Fourth Program Year CAPER

The Fourth 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 Solutions 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 fourth year.

Program Year 4 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, 2012, through June 30, 2013 (Fiscal Year 2013). The CAPER presents the City's progress in carrying out projects and activities pursuant to the Fiscal Year (FY) 2013 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 2013 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 2013 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 2012 HUD Community Planning and Development (CPD) funds that were granted to the City for the FY 2013 Annual Action Plan:

Table 1. FY 2013 Entitlement Allocations.

Community Development Block Grant (CDBG)	\$10,703,022
HOME Investment Partnerships Program (HOME)	\$4,452,630
Emergency Solutions Grants (ESG)*	\$1,177,964
Housing Opportunities for Persons with AIDS (HOPWA)	\$2,883,128
Total	\$19,216,744

*Note that, late in FY 2012, the City received an additional ESG allocation of \$372,022; expenditure of said funds did not commence until FY 2013.

In addition, Table 2 below shows the amount of CDBG program income (PI) used to fund CDBG projects and activities during FY 2013:

Table 2. CDBG Program Income Used in FY 2013.

FY 2013 Redevelopment Agency Repayment	\$3,842,200
Total	\$3,842,200

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 \$3,842,200 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 2013 funds received from HUD; and (2) PI carried over from prior fiscal years for FY 2013 projects and activities. The figures do not count funds expended in FY 2013, which were carried over from prior fiscal years.

Furthermore, the HOME program received \$1,461,972 in PI in FY 2013. A majority of the PI received was the result of shared equity and amortizing loan principal payoffs and the collection of current interest payments.

Note that the expenditure figures presented in this CAPER were as reported in HUD’s Integrated Disbursement and Information System (IDIS) database as of September 18, 2013.

Major Initiatives and Highlights

In FY 2013, 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 during FY 2013:

- 1,754 homes were rehabilitated through CDBG and HOME funds.
- 25 rental units were constructed through HOME funds.
- 94 families were assisted with purchasing their homes through CDBG and HOME funds.
- 225 businesses were assisted through CDBG microenterprise programs.
- 2,411 homeless individuals were provided shelter through CDBG and ESG funds.
- 82 households living with HIV/AIDS received tenant-based rental assistance through HOPWA funds.
- 427 households with HIV/AIDS received supportive services through HOPWA funds
- 26 City public improvement projects and 23 non-City public improvement projects were completed using CDBG funds.
- The City continued to operate 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 2014 CDBG application submittal and evaluation process. In FY 2013, the CPAB, composed of members appointed by the City Council members and Mayor, met a total of 14 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 the CPAB reviewed applications for FY 2014 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 the 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 2013 regarding the implementation of its HUD-funded programs through active participation in various collaborations and public bodies, such as the City Council, the City Council’s Public Safety and Neighborhood Services Committee, the Board of the San Diego Housing Commission, the Regional Continuum of Care Council (on homelessness), the Joint City/County HIV Housing Committee, and the San Diego HIV Health Services Planning Council.



Image 1. Members of the public and staff attending a Consolidated Plan Advisory Board meeting in July 2013.

In FY 2013, the City refined Goal 12 of the Con Plan to incorporate additional outcomes regarding fair housing that were developed in consultation with its fair housing service contractors. The additional outcomes enhance the City’s ability to measure its progress on furthering fair housing knowledge, practices, and enforcement throughout its HUD-funded projects and programs.

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 expanding the supply of decent and affordable housing in FY 2013. Overall, in FY 2013, \$13,794,942 was expended toward housing; \$9,498,113 was expended toward fostering a suitable living environment; and \$742,563 was 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 2013. 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 4 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 2013. The narratives and tables also state the amount of funds expended for each project or activity in FY 2013.

Table 4F in Appendix F lists the projects and activities that were implemented, and how much was expended, as of the end of FY 2013 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 2013 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 the amount of funds expended as of the end of FY 2013 according to the national objectives and outcomes of the Outcome Performance Measurement Framework.

Program Modifications

In September 2012, the City established a policy to automatically set aside a portion of its annual CDBG funds for public services in an amount not to exceed \$1,318,078 for homeless-related programs and services. The set-aside policy further implements the City's desire to address the needs of its most vulnerable citizens, and realigns the City's priorities in the use of its CDBG public services funds in conjunction with ESG funds.

In addition to the greater emphasis on homeless-related programs and services, the modifications to the CDBG program implemented during FY 2011 and FY 2012 continued to be refined and put into practice in FY 2013. In FY 2013, the CDBG application form for the FY 2014 CDBG funding cycle was streamlined and reformatted by staff with input from the CPAB and the public. Many applicants from previous fiscal years noted that the revised application was easier to understand and complete. City staff will continue to work with the CPAB to refine and streamline the CDBG allocation process and increase its transparency and efficiency.

In FY 2013, City staff also began work to prepare the next Con Plan (covering July 1, 2014, through June 30, 2019), which will involve: performing a comprehensive needs assessment; actively engaging residents and community leaders, service providers, and staff and policymakers to provide input; and formulating goals, objectives, and outcomes to guide the expenditure of HUD funding in the most impactful way with the greatest number of low/moderate-income beneficiaries. The results of this Con Plan effort would drive how the City structures the administration of its HUD-funded programs and prioritizes its resources over the next five-year cycle.

In addition, as part of the current mayoral administration's efforts to place greater emphasis on community and economic development in the City, the City's HUD Programs Administration Office will be housed within a department that emphasizes an integrated and multifaceted approach to neighborhood revitalization and growth. The new department, to be established in FY 2014, will include long-range planning and urban design, neighborhood services and economic development functions. While the new department has yet to be fully integrated and running as such, it is expected that this will take place in the near term.

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 2013 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 an MOU with the SDHC to administer its ESG funds. Recent changes to HUD regulations governing the ESG program limit street outreach and emergency shelter expenditures to no more than 60 percent of the annual allocation. The rest of the allocation may be used for homelessness prevention and rapid re-housing activities. The changes place greater emphasis on ensuring that the homeless population spends less time on the streets, in shelters, or in transitional housing, and housing them as rapidly as possible. Therefore, the SDHC has designed a security deposit program for homeless and chronically homeless people who have been awarded Veterans Affairs Supportive Housing (VASH) vouchers and sponsor-based vouchers. This program will be in addition to the homeless emergency winter shelter program.

The City continues to maintain an MOU with the County of San Diego to administer its HOPWA funds.

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 activities intended to prevent housing discrimination.
- 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 2013, the City continued to engage two fair housing services providers through a multi-year contract: the Housing Opportunities Collaborative and Legal Aid Society of San Diego, Inc.

Fair Housing Hotline

1-800-462-0503

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.

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 continues to support the Fair Housing Resource Board, which disseminates information about fair housing rights and responsibilities or offers related services.

Refer to Appendix M for more details on the impediments identified and the actions taken by the City during FY 2013 to address those impediments. Highlights of these actions include:

- 6,609 multilingual information brochures distributed;
- 252 fair housing inquiries received;
- 124 unduplicated housing discrimination complaints received;
- 42 unduplicated investigations implemented;
- 30 unduplicated investigations resolved;
- 133 random, paired fair housing tests conducted;
- 42 new fair housing testers trained;
- 10 fair housing workshops conducted for home seekers, homebuyers and tenants;
- 8 fair housing workshops conducted for property managers and landlords;
- 22 fair housing training sessions conducted for non-profit agencies and CDBG Program staff; and
- 44 public/community events attended.



Image 2. A copy of the fair housing brochure developed by the City in FY 2013. It is available in English, Spanish, Tagalog, Vietnamese, and Chinese.

In addition, Objective 12.2 of the Con Plan was refined to incorporate additional outcomes regarding fair housing that were developed in consultation with its fair housing service contractors. The additional outcomes enhance the City's ability to measure its progress on furthering fair housing knowledge, practices, and enforcement throughout its HUD-funded projects and programs.

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 68 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 with other California participating jurisdictions out of a pool of 93 in terms of leveraging ratio for rental activities, according to the latest SNAPSHOT of HOME program performance.

As a jurisdiction with substantial affordable 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. Refer to Appendix O for a list of FY 2013 CDBG project fund leveraging.

For the development of multi-family affordable housing, the 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 with other participating jurisdictions out of a pool of 93 in the state of California in terms of leveraging ratio for rental activities, according to the latest Performance SNAPSHOT HUD report.

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. Grant funds are capped at \$15,000 and must be repaid if the home is sold, refinanced, or ceased to be occupied by the grantee 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.

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 the 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 the AMI) and affordable homes (100 percent of the MI) is 17 percent of the purchase price. The loan amount for buyers of affordable units earning 80 percent or less of the AMI is 25 percent of the purchase price.

Mobile Home Repair Grants: Mobile home owners earning up to 60 percent of the 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 (below 60 percent of the 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 the 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 the 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 the 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 the AMI, or 10 percent of the units at 50 percent of the AMI and 30 percent of the units at 60 percent of the 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 the AMI for for-sale units or 65 percent of the 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 must be allocated as follows: (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 the AMI); (3) no more than 20 percent to housing for low-income households (defined as households with incomes between 50 and 80 percent of the 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: In FY 2013, the City received final approval from HUD for the transition of 113 units into the Public Housing program, adding to the 76 public housing units already in the inventory. Refer to the "Public Housing Strategy" section of this CAPER on page 37 for more information.

Rental Housing Assistance Program (Section 8): The Housing Choice Voucher Program (Section 8), administered by the SDHC, provided rent subsidies for about 14,000 San Diego households in FY 2013. In addition, the SDHC's Workforce & Economic Development Division staff encourages beneficiaries of this program to take free classes on topics such as career development and personal finance. As an incentive, the 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: 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 (RDA) was dissolved as of February 1, 2012, in accordance with state law. Assembly Bill 26

(the "Dissolution Act") terminated all redevelopment activities and restricted the authority of redevelopment agencies to take actions, incur new or increased debt, obligations and provided for the establishment and designation of successor agencies and oversight boards to "unwind" the affairs of the dissolved redevelopment agencies. Generally, successor agencies carry out *enforceable obligations* of the former redevelopment agencies while oversight boards supervise and direct certain activities of the successor agencies (in accordance with California Health and Safety Code sections 34180 and 34181). On January 10, 2012, the City Council designated the City to serve as the Successor Agency for the purposes of winding down the former RDA's operations and to retain the former RDA's housing assets and assume housing responsibilities pursuant to AB 26. During FY 2013, the following projects were completed with former Redevelopment Agency funding and staff's assistance, which added a total of 398 units and 24 beds to the City's affordable housing inventory:

During FY 2013, a total of 398 units and 24 beds were added to the City's affordable housing inventory with the completion of projects managed and funded by the former Redevelopment Agency of the City of San Diego.

- Florida Street Apartments: With a total development cost of \$30 million, the project consists of 82 affordable rental units plus one market-rate manager's unit. The project includes subterranean parking, energy conservation systems, and the implementation of "green" building technologies, such as onsite generation of electrical power utilizing photovoltaic panels and water conservation measures. Units range from one to three bedrooms in size and are restricted to families earning 50 to 60 percent of the AMI. The units, rising up to four stories high, surround two courtyards.
- Mission Apartments: With a total development cost of \$26 million, the project consists of 84 affordable rental units restricted to families earning up to 60 percent of the AMI. The project's floor plan of two and three bedrooms range in size from approximately 753 square feet to 1,043 square feet. Onsite amenities include a community room with offices, a kitchen, a computer room, tot lots and play areas, outdoor seating, and planters. The project complies with Universal Design standards. The project is a transit-oriented residential development with the Washington Street Trolley Station immediately adjacent. Residents are able to walk directly from their doorstep to the station using a walkway.
- Vietnam Veterans of San Diego, Phase IV: Veterans Village serves as transitional housing (for up to two years) for veterans who are going through or have graduated from treatment programs provided by the facility. With a total development cost of \$3.2 million, Phase IV of Veterans Village adds 12 apartments with 24 transitional living beds available to young homeless Iraq and Afghanistan war veterans earning at or below 50 and 60 percent of the AMI. Each apartment houses up to two residents. Amenities built include community space, three classrooms, a lounge, and offices. Residents benefit from Veterans Village programs offering support in maintaining substance abuse recovery, mental health counseling, and job training.
- Estrella del Mercado: Estrella del Mercado is the residential component built on the east parcel of the mixed-used Mercado del Barrio Project in the community of Barrio Logan. With a total development cost of \$39.3 million (excluding conveyance of the property), the project consists of 92 units, 91 of which are restricted to families

earning 30 to 60 percent of the AMI. As part of the larger mixed-use project, amenities on site include a community room, a public plaza and landscaping, public art, parking, various off-site improvements, and sustainability features. Residents also have easy access to retail shops, a major grocer, and a trolley station within steps from their homes.

- Hotel Sandford: With a total development cost of \$12.2 million, the project consists of 129 affordable rental units plus one manager's unit. Rents are affordable to low-income seniors who earn up to 60 percent of the AMI. The building rehabilitation included exterior improvements, such as returning the building to its original color scheme and sidewalk replacement. The building's historic arched wood windows on the fourth floor, festoon lighting, and other original features were also restored.

In FY 2013, 34 income-eligible owner-occupied single-family homes were rehabilitated using former Redevelopment Agency funds totaling in the amount of \$419,820.

In addition, the City, serving as the successor agency, approved the Affordable Housing Master Plan on May 13, 2013, which outlines the priorities and a proposed strategy for managing the remaining Redevelopment-related housing assets of the City that maximizes their effectiveness in continuing affordable housing production.

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 2013.

HUD Lead Hazard Control Grant: This grant funding is intended to reduce lead hazards in residences occupied or frequently visited by children under six years of age. Through this program, funding is made 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 30 for more information.

HUD Healthy Homes Demonstration Grant: This grant provided 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. In addition to HUD grant funding, which ended on June 30, 2013, the program, known as "Safe and Healthy Homes Project," also received CDBG funding in FY 2013 and will continue into FY 2014 with CDBG funding. Refer to the "Lead-Based Paint" section of this CAPER on page 30 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 programs 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 with a combined income of over \$7.5 million annually. The assessments funds 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 from the public right-of-way. The City provides design assistance and financial incentives to small business owners who wish to rehabilitate or upgrade 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 2013, the City assisted 11 businesses/property owners with a total of \$55,693, leveraging \$152,220 of private investment. In an effort to reach out to more small businesses, City staff gave a program presentation at 10 micro-business district member meetings and functions.



Image 3. A ribbon-cutting ceremony for a small business in Hillcrest that participated in the Storefront Improvement Program.

- **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 2012 (i.e., City FY 2013) SuperNOFA funding round, \$7.1 million was awarded to organizations in the City. The programs provided approximately 2,000 beds for homeless individuals and families.

Shelter Plus Care Program (S+C): S+C provides funding 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 2012, the SDHC was awarded \$2.6 million in grant funds to provide 289 units of supportive housing. The SDHC partnered with sponsor agencies to provide the housing and supportive services in FY 2013.

Neil Good Day Center (NGDC): The City provided \$550,000 from its general funds to continue the operation of NGDC in FY 2013. NGDC is a day shelter that provides the homeless population 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 2,884 unduplicated clients were served at NGDC in FY 2013.

Shelters and Interim Beds for Homeless Adults: Fiscal Year 2013 heralded the long-awaited opening of Connections Housing, a site which offers interim and permanent housing for homeless individuals, as well as services and healthcare. Although this new housing offered additional shelter opportunities for homeless individuals on the streets of San Diego, it was determined that there was still a need for the seasonal shelters, which serve veterans and single adults. Both shelters opened for four months during the winter months; however, the City decided to extend the shelters to the end of FY 2013. A combination of funding sources was used in FY 2013 to set up and operate the seasonal shelters, which included \$235,000 in CDBG funds, \$164,954 in ESG funds, and \$550,000 in General Funds.



Image 4. Connections Housing in downtown San Diego.

Veterans Affairs Supportive Housing (VASH) Voucher Program: The SDHC administers the VASH voucher program and was awarded 75 vouchers to house homeless veterans and their families in FY 2013.

Sponsor-Based Voucher Program: The 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). In FY 2013, these sponsor-based voucher programs continued, as well as an additional allocation of 75 sponsor-based for chronic and homeless individuals and families for a rapid re-housing effort in downtown San Diego called Blitz Week.

Transitional Project-Based Voucher Program: In FY 2013, the SDHC started a new program for special needs homeless seniors and individuals. Through this program, vouchers are awarded to organizations that provide transitional housing for seniors (20 vouchers) and special needs adults (16 vouchers). The vouchers pay for temporary housing, which allows the sponsor organization to get their clients off the street, connect them with services, and help them gain access to permanent housing.

Serial Inebriate Program (SIP): This innovative program, founded in January 2000, was initiated as a problem-solving effort to reduce the "revolving door" through which homeless individuals 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 certain homeless individuals with access to housing and treatment programs combined 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 the SDHC (\$57,705 in FY 2013) and case management and treatment funded by the County of San Diego (\$232,000 in FY 2013).

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 6:00 a.m. and 10:00 p.m. They have Citywide responsibility, but the majority of their activity is within the downtown, Hillcrest, and beach areas of the City. In FY 2013, they had 2,054 contacts with homeless individuals, and placed 553 in shelters, housing, medical assistance facilities, or detox centers.

Transitional Storage Center: The Transitional Storage 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 a site in downtown San Diego. In FY 2013, the City Council allocated \$39,000 to the center to be administered by the SDHC.

ESG Rapid Re-Housing Program: In FY 2013, HUD released a second allocation of funding designed to provide rapid re-housing opportunities to homeless individuals and families. Under the new Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act regulations, the emphasis is on ensuring that homeless people spend less time on the streets, in shelters, or in transitional housing. This allocation provides the financial resources to house people as rapidly as possible. The SDHC designed a security deposit program for homeless and chronically homeless people who were being awarded VASH vouchers and sponsor-based vouchers. In FY 2013, 81 homeless households were provided with security deposits enabling them to get housed as quickly as possible.

Ryan White Treatment Extension Act (RWTEA): Funds from RWTEA are administered by the HIV, STD, and Hepatitis Branch of the County of San Diego's Public Health Services with an average funding level of roughly \$11 million per year. The two main components that are funded are Core Medical services and Support services. Core Medical services provide primary medical care, specialist medical care, mental health, medical case management, and substance abuse outpatient services to people living with HIV/AIDS (PLWHA). Support services assist PLWHA in accessing treatment for HIV/AIDS infection. All of these services are available to HOPWA clients. Most of the HOPWA housing providers require that clients have a Ryan White-funded Medical Case Manager to provide services to the client while residing in a HOPWA program. Clients also access various support services such as transportation, residential substance abuse services, short-term rental assistance, and emergency financial assistance through their Medical Case Manager. RWTEA also provides for some emergency housing services and works closely with the HOPWA funded emergency housing provider to assure that clients who go into this program use it appropriately and to their best advantage. HOPWA programs rely on the services provided by RWTEA and the working relationship has been excellent and effective.

Redevelopment: Although redevelopment agencies were dissolved in FY 2012, certain projects and programs that had been in place prior to the dissolution of this state program were allowed to continue in FY 2013. These grandfathered projects and programs continued to complement CDBG-funded activities related to affordable housing, neighborhood revitalization, and economic opportunity. In FY 2013, these activities included financial assistance for the following projects: construction of new affordable housing units; rehabilitation of owner-occupied single-family homes; reuse of a former military base; commercial façade improvements; and public improvements within the public right-of-way. The following is a list of the projects completed in FY 2013 related to community development:

- Monarch School: Completed construction to replace and expand the Monarch School, a school for disadvantaged children in grades Kindergarten to 12, within the former Centre City Redevelopment Project Area. The total development cost was \$18.6 million.
- Buildings No. 1 and No. 12: Completed the restoration and reuse of buildings within the former Naval Training Center Redevelopment Project Area for Stone Brewing World Bistro and Gardens. The total development cost was \$8 million.
- Dennis V. Allen Park: Completed the restoration of new playground equipment and playground surface areas within the former Mount Hope Redevelopment Project Area. Total development cost was \$87,000.

HUD 108 Loan Program: The HUD 108 Loan Program is a major public investment tool offered to local governments by HUD. In FY 2013, the City had a portfolio of four loans totaling \$3,419,000, which were defeased with a payment of \$2,569,549. The projects included public facilities, health centers, and a camping facility. All projects met 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 55 for more information on the defeased loans.

- **Stimulus Programs**

Neighborhood Stabilization Program (NSP): NSP is a one-time supplemental CDBG stimulus grant created by the Housing and Economic Recovery Act of 2008 that enables states and local governments to assist in the redevelopment of abandoned and foreclosed homes and residential properties to benefit low-, moderate-, and middle-income persons in those areas hit hardest by the foreclosure crisis. The NSP grant has a length of approximately four years. NSP activities include access to financing for first-time homebuyers, acquisition/rehabilitation of rental housing made available to low-income tenants, acquisition/rehabilitation and resale of homes to first-time homebuyers, redevelopment of demolished or vacant properties for low-income residents, and program administration. Program activities were primarily implemented and completed during FY 2010 and FY 2011. The City reallocated \$523,757 of its NSP funds to the "acquisition/rehabilitation and resale to first-time homebuyers" activity in FY 2012 and, in FY 2013, the City purchased three foreclosed properties and sold all three properties to low-, moderate-, or middle-income qualified buyers. The City fully expended its NSP grant allocation by the March 3, 2013 deadline, and the NSP program continues to generate program income, which is dedicated to the ongoing administration of NSP loans.

Community Development Block Grant—Recovery (CDBG-R): CDBG-R is a one-time supplemental CDBG stimulus grant created through the American Recovery and

Reinvestment Act of 2009 with a program length of approximately three years. The CDBG-R program enables states and local governments to carry out, on an expedited basis, eligible activities under the CDBG program to stimulate the economy through measures that modernize the nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. Program activities were implemented beginning in FY 2010 and the City's CDBG-R funds were largely expended by the end of FY 2012. In FY 2013, rehabilitation was completed on the Trojan Avenue Apartments (49 apartment units) and National Avenue Apartments (6 apartment units). In addition, the rehabilitation of two congregate restrooms at the Paul Mirabile Center was completed. This program concluded on September 30, 2012, and successfully closed out on March 21, 2013.

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. Program activities were implemented beginning in FY 2010, and the City's HPRP funds had been mostly expended by the end of FY 2012 except for some remaining monies which carried over to FY 2013. The total numbers of unduplicated persons and households provided homeless assistance in FY 2013 were 225 and 171, respectively. In FY 2013, HPRP funds paid security deposits and short-term rental assistance until sponsor-based vouchers absorbed the housing assistance payments. This program concluded on August 27, 2012, and successfully closed out on March 6, 2013. During the entire grant term, 2,152 persons and 1,088 households were assisted.

Energy Efficiency and Conservation Block Grant (EECBG): The United States Department of Energy (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, consisting of heating, ventilation, and air conditioning (HVAC) and lighting upgrades. In FY 2013, the low-income residential retrofit program, which performed residential energy efficiency retrofits, was completed. The other activities are still in process.

Match Requirements: Compliance with HOME matching requirements is described on page 41. Compliance with ESG matching requirements is described on page 48. Compliance with HOPWA matching requirements is described on page 64.

Managing the Process

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

Program Year 4 CAPER “Managing the Process” Response:

CDBG

Application/Action Plan Process: The City’s CDBG application/allocation process was integral to ensuring robust public participation in the planning and implementation of the CDBG program in FY 2013. The process began on November 10, 2011, when the FY 2013 CDBG application packet was made available under three separate categories to the public. All potential applicants were required to attend one application workshop session. Eleven workshops were conducted by CDBG staff, as well as one-on-one technical assistance sessions as requested by prospective applicants.



The deadline for submission of the CDBG applications was December 12, 2011. CDBG program staff received 78 application submittals and conducted programmatic and fiscal reviews of each application packet from December 19, 2011, through January 5, 2012. CDBG program staff notified applicants of any eligibility issues and implemented an application completeness check period through January 19, 2012. After undergoing the completeness check process, a total of 67 applications were forwarded to the CPAB on January 26, 2012, which convened three ad hoc committees to review, score, and rank the applications. On February 22 and

23, 2012, CPAB held a public meeting to discuss the scoring and ranking and to finalize its prioritized list of projects recommended to the City Council for funding. Applicants and members of the public had the opportunity to make comments.

On March 19, 2012, the full City Council received a staff report on the CPAB-recommended projects. Applicants and members of the public had the opportunity to make comments before the City Council determined which projects would be funded during FY 2013 and subsequently incorporated into the FY 2013 Annual Action Plan.

The draft FY 2013 Annual Action Plan was made available for public review and comment from April 10, 2012, through May 9, 2012. Within that 30-day period, the draft FY 2013 Annual Action Plan was presented to the CPAB on May 3, 2012, and to the full City Council on May 8, 2012.

CPAB: In FY 2013, the CPAB met in earnest, convening 14 times. In addition to their regular purview as described in the Municipal Code, board members were active in revising the CDBG application form and in reviewing and scoring applications for FY 2014 CDBG funds. The CPAB recommendations to the City Council on which applicants to grant FY 2014 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 2013, the CDBG program defeased four loans, totaling \$3,419,000 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 55 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 (NOFA)—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 2013, the City, primarily through the SDHC, continued to be an active member of the Regional Continuum of Care Council (RCCC). The 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. Refer to the "Homeless SuperNOFA" section of this CAPER on page 44 for details on the accomplishments of the RCCC in FY 2013.

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 2013, 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 2013, 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 2013, and all meetings were open and public.

In addition, HOPWA program staff and City staff continued to be actively engaged in the Joint City/County HIV Housing Committee in FY 2013. 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 2013, and all meetings were open and public.

It is the County of San Diego'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 4 CAPER "Citizen Participation" Response:

Citizen Comments

Comments and questions received during the review period are included in this CAPER as Appendix B. Members of the public, service providers, City Council staff, City Council members, and CPAB members provided comments and questions to staff via e-mail, telephone, and orally at public meetings. The comments and questions received involved advocating for the allocation of resources to youth programs and women military veterans, the use of CDBG program income from repayments by the former Redevelopment Agency, minor textual edits to correct errors, and requests for general clarification and additional information on the CAPER.



Image 5. Draft CAPER in production at the City's Publishing Services Division's print shop.

The public review period on the draft CAPER began on September 4, 2013, and ended on September 18, 2013. 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. Upon its release for public review, the full draft CAPER was made available on the websites of the City and the SDHC. Staff also ensured that hardcopies of the draft CAPER were made available to Council members, CPAB members, at seven 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 Office and the City Clerk's Office. The City also requested community organizations and recipients of the notice of the CAPER availability to

distribute the Internet link to the draft CAPER using their distribution lists. Staff also reached out to the chairpersons of various community planning groups to notify them of the availability of the draft CAPER.

During the public review period of the CAPER, the CAPER was also be presented to the City Council and the CPAB, which provided additional opportunities for staff to consider comments and input from the decision-makers, as well as the large community of stakeholders in this process.

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. Finally, the public was also able to submit comments through e-mail, telephone, and regular mail.

Citizen Participation

Goal 1 (Priority 8 in FY 2013) 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, citizen and stakeholder participation activities are reported in narrative form.



Image 6. A citizen reviewing the Draft FY 2013 CAPER in a City branch library.

In FY 2013, 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 the City Council, the City Council’s Public Safety and Neighborhood Services Committee, the CPAB, the Regional Continuum of Care Council (on homelessness), the Joint City/County HIV Housing Committee, the San Diego HIV Health Services Planning Council, and the Board of the San Diego Housing Commission. Refer to the “Executive Summary” and “Institutional Structure” sections of this CAPER on page 1 and on page 22, 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 2013 Annual Action Plan and for a breakdown of the PI received. Table 4 below shows, per program, the total amount of funds in encumbrance and expended in FY 2013. 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 2013.

Table 4. CPD Funds in Encumbrance and Expended in FY 2013.

Program	Amount in Encumbrance during FY 2013*	Amount Expended during FY 2013 Only	Total Amount Expended as of End of FY 2013
CDBG	\$21,472,570	\$12,203,615	\$15,324,568
HOME	\$4,007,367	\$8,566,538	\$8,566,538
ESG	\$1,407,203	\$628,625	\$628,625
HOPWA	\$2,754,699	\$2,594,465	\$2,594,465
Total	\$29,641,839	\$23,993,243	\$27,114,197

*Encumbrance did not necessarily occur in FY 2013 and did not necessarily involve CPD funds granted by HUD to the City for the latter’s FY 2013 Annual Action Plan.

Geographic Distribution

Maps illustrating the location of the CDBG, HOME, HOPWA, and ESG projects implemented in FY 2013 are attached to this CAPER as Appendix C. Note that in most instances, beneficiaries of these projects are disbursed geographically, and the points on the maps denote the locations of the sub-recipients (agencies managing specific projects) rather than the locations of the beneficiaries. For each map, a listing of the projects by funding is also included. The maps in Appendix C also show the FY 2013 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, minorities account for 45.1 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 4 CAPER "Institutional Structure" Response:

Implementation of the City's Con Plan is carried out by the City's HUD Programs Administration Office, the SDHC, and the County of San Diego. The City has memoranda of understanding with the SDHC to administer its HOME and ESG programs, and with the County of San Diego to administer its HOPWA programs. City of San Diego staff, housed within the Economic Development Division, coordinates and manages all of the CDP funds and is responsible for their overall administration, inclusive of preparation of the CAPER and the Annual Action Plans. City staff is also responsible for the administration of CDBG funds and all related programs and projects. City staff is also charged with the overall coordination needed among HUD, the SDHC, and the County of San Diego and with serving as staff to the CPAB. The City, SDHC, or the County of San Diego, as applicable, enter into contracts with subrecipients, the majority of them being non-profit community organizations, to carry out most of its projects and activities. Regular coordination meetings among City and SDHC staff were held throughout FY 2013.

In FY 2013, the City, the County of San Diego, and the SDHC continued to bolster general staff capacity by sending them to various trainings. City CDBG staff logged approximately 104 hours of training cumulatively in FY 2013, while SDHC HOME staff logged approximately 86 hours. Training occurred via webinars and onsite and offsite classes, and topics included: affordable housing; eCon Planning Suite; fair housing laws and litigation; Section 3 regulations and compliance; IDIS for grantees; CDBG basics; City development approval processes; City CDBG database and project tracking; environmental review; and tenant relocation.

In FY 2013, the CPAB meetings served as a forum not only for public engagement in the Con Plan process, but also for staff from the City, the 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.

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In FY 2013, the City continued to update its CDBG website as to design and content to make it more visually appealing and user friendly. A page continued to be dedicated to fair housing issues and information. 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. The page also features monthly calendars of fair housing-related events, issues of the City's *Practice Fair Housing* newsletter, and the City's fair housing informational brochure available in five languages (English, Spanish, Tagalog, Chinese, and Vietnamese). In addition, a page dedicated to Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities conducted by HUD or that receive financial assistance from HUD was launched. The website provides information on how any person with a disability who feels himself or herself a victim of discrimination in a HUD-funded program or activity may file a complaint with the City's Section 504 Administrator. 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.



Image 7. A screen shot of the home page of the City's CDBG website featuring an affordable housing poster contest.

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 (NOFA)—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 2013, the City continued to be an active member of the RCCC. The 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. Refer to the "Homeless SuperNOFA" section of this CAPER on page 44 for details on the accomplishments of the RCCC in FY 2013.

In FY 2013, HOPWA program staff worked diligently with community-based organizations, government agencies and developers of affordable housing 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 and City staff continued to be actively engaged in the Joint City/County HIV Housing Committee in FY 2013. 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 and their families. 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 4 CAPER "Monitoring" Response:

Monitoring Process and Frequency

In FY 2013, 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 in April 2012). 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.



Image 8. Workshop for agencies receiving CDBG funding.

- 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. Through regular monitoring of its subrecipients, staff ensures they abide by the all applicable federal, state and local standards and work with recipients to increase efficiencies and augment their 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 2013 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 2013 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. The 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, the 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.

The SDHC performed the following monitoring functions in FY 2013:

- 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 the SDHC deemed necessary;
- Notified project owners of any circumstances of non-compliance of which the SDHC became aware and took necessary actions to bring the projects into compliance; and
- Performed Housing Quality Standards inspections on all HOME-funded rental properties as outlined in the HOME regulations.

The 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 71 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.

The 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 the 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 2013, the SDHC followed a simultaneous ESG/CDBG monitoring process because the veterans and single adult shelters, the new Connections Housing Interim Beds Program, and Cortez Hill Family Center all had ESG and/or 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 2013, 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 2013, fiscal desk audits were conducted on the majority of the CDBG requests for reimbursement submitted. Additionally, there were 13 fiscal onsite visits to review the records of subrecipients (visits focused on review of fiscal/budgetary matters), and no major issues were noted. All questioned costs and concerns were corrected in a timely manner by the subrecipients. Also during FY 2013, 111 general site visits and/or program monitoring visits were conducted. These visits ensured program compliance and the provision of needed technical assistance to subrecipients.



Image 9. CDBG staff conducting monitoring and a site visit with a funded agency.

During FY 2013, HOME program staff conducted the monitoring functions described in the "Monitoring Process and Frequency" section above. Of the 71 HOME developments being monitored, 64 projects, or 90 percent, are in compliance with all tenant income eligibility and program rent level requirements. The seven 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 2014.

During FY 2013, 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 2013, all HOPWA-funded activities were monitored as described in the "Monitoring Process and Frequency" section of this CAPER on page 26. A total of 12 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 10 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 2013 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 residents 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 2013 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.

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 2013. 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 2013, 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 2013 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 2013 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 about 80 percent of its goals and objectives as of the end of FY 2013. The City has done particularly well in using CDBG/ESG funding to meet Goal 3, which is to provide shelter for persons who are homeless and assist them in moving out of homelessness, and 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 127 percent of the 5-year goal of rehabilitating 2,932 homes being met as of the end of FY 2013. The City has already met 135 percent of its 5-year goal of assisting 548 small businesses by providing financial literacy, business development services, and other educational services. The City has fully met its goal of acquiring and rehabilitating foreclosed properties (41 in total) using NSP funding to make them available to low- and moderate-income renters and homebuyers. The City's 5-year goal of assisting 43,844 persons through a variety of public services (Objective 2.3.1 of Goal 2) was met and exceeded (113 percent of the goal) as of the end of FY 2013.

The City continues to make strides in its efforts to assist nonprofits with capacity building (Objective 12.1 of Goal 12). It should be noted that while such progress may not be evident based on the information reported in the CAPER (given the City's report is confined to reporting progress on numeric targets versus goals adopted in 2009), City staff is readily available and called upon often to provide guidance and technical assistance to the non-profit community.

An area of improvement that was identified in the FY 2012 CAPER is the fair housing program. The City's efforts regarding fair housing dramatically improved in FY 2013 with the hiring of two fair housing service providers whose activities helped ensure fair housing issues were addressed adequately and in a timely manner. The City refined Goal 12 of the Con Plan to incorporate additional outcomes pertaining to the fair housing program which were developed in consultation with its fair housing service contractors. The additional outcomes enhance the City's ability to measure its progress on furthering fair housing knowledge, practices, and enforcement throughout its HUD-funded projects and programs. The new outcomes include providing outreach and educational workshops to unduplicated groups (Outcome 12.2.3 of Goal 12) and conducting workshops to home-seekers, homebuyers, and tenants on fair housing (Outcome 12.2.6 of Goal 12). As of the end of FY 2013, these outcomes have been met and exceeded. Refer to the "Fair Housing" section of this CAPER on page 6 and Appendix M for details on the actions taken by the City in FY 2013 to address identified impediments to fair housing choice.

In FY 2013, the City used CDBG funds to assist 225 small businesses, of which 142 were new businesses.

The community's vision of increased affordable housing and economic opportunity continued to become a reality in FY 2013. For example, HOME funding was being used to develop 230 new affordable rental units, not counting the 56 units that were completed, in FY 2013. CDBG funding from the past two fiscal years was used to conduct 1,337 minor residential rehabilitations in FY 2013, helping families improve their living conditions and

avoid having to move to more expensive housing just to escape substandard conditions. In FY 2013, the City used CDBG funds to assist 225 small businesses; 142 of those businesses were new. Refer to Appendix G for a full narrative description of the project accomplishments in FY 2013. 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 2013 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 carried out in accordance with those objectives. In FY 2013, \$13,794,942 had been expended toward decent housing; \$9,498,113 had been expended toward fostering a suitable living environment; and \$742,563 had been expended toward providing economic opportunities to low- and moderate-income persons.

Activities Canceled or Delayed: Table 5 below lists the CDBG-funded project that had no activity in FY 2013 and its status as of July 2013:

Table 5. CDBG-Funded Project without Activity in FY 2013.

IDIS #	Year Funded	Agency Project	Status
6272	2013	City Park & Recreation Department Palisades Comfort Station ADA Upgrades	CDBG allocation canceled; funds to be reprogrammed, and project to proceed without CDBG funds

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.

With regard to the HOME program in FY 2013, the number of owner-occupied units rehabilitated fell slightly behind the estimated rehabilitation goal due to the need for closeout paperwork, which was in process at the end of the fiscal year. Fewer affordable multifamily rental units were completed vis-à-vis the goal because rental housing activities necessitate multi-year effort due to their complex financing structures, large number of units, and the need to obtain/coordinate third-party non-HOME funds, which leverage the HOME funds. Seven HOME-funded rental housing activities are very close to completion, having completed their construction stage, but remain in the process of converting to the permanent financing stage before they can be closed. A significant number of these rental housing units will be completed during FY 2014, and results will be reported in the FY 2014 CAPER. Finally, there were substantially greater first-time homeownership opportunities, which were likely bolstered due to the availability of very low interest rates.

With regard to the HOPWA program in FY 2013, 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 2013 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 2013 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 the CPAB to advise the Mayor and City Council on policy issues related to the Con Plan and allocation of CDBG funds. During the FY 2013 application process, the CPAB had enough members for a quorum and was able to review

applications and provide funding recommendations to the City Council for the FY 2013 CDBG entitlement funds. Its meetings throughout FY 2013 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 staff to vet policy issues and obtain public feedback. Because of the relative newness of CPAB, its members continued to get up to speed as to complex HUD regulations and City policies during FY 2013. It should be noted that while the CPAB had a sufficient number of members for a quorum during FY 2013, not all the seats were filled. City Council offices and the Mayor's Office are diligently working to fill the vacancies as soon as possible.

In addition to those relative to processes and administration, barriers to fulfilling the Con Plan that the City encountered in FY 2013 included the decreasing trend in available federal funds and corresponding annual CDP grants, which is compounded by increasing cost of labor, materials, supplies and overall expenses needed to increase the supply of affordable housing. Additional barriers are due to the lack of local and state funding, as well as the expenses due to a complex regulatory environment which is ever evolving. 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 2013 relative to the HOPWA program, refer to the "Barriers or Trends" section of this CAPER on page 66.

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 2013 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 identify more specific areas within the City to direct CDBG funds towards to benefit the neediest in these areas in the most impactful way. 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) continues, the City will be focusing its efforts toward meeting the goals and objectives in the current Con Plan in need of further attention, while simultaneously working to establish fresh goals and objectives for the next 5-year period.

Lead-Based Paint

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

Program Year 4 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 2013 Accomplishments

HSHP currently administers two HUD Lead Hazard Control Grants, as well as other housing rehabilitation programs, all of which require the elimination of lead paint hazards. The HUD grants reduce lead hazards in residences occupied or frequently visited by children under six years of age and are available for owner-occupied or rental properties with occupants under 80 percent of the AMI. In FY 2013, the HUD grant funding removed lead hazards in, 18 owner-occupied and 76 rental

units. An additional 8 owner-occupied residences had lead hazards removed as part of the work completed by other housing rehabilitation programs.

The HSHP has also received a total of \$1.28 million since 2010 in Healthy Homes funding to address healthy and safety issues including lead. Other healthy homes work addressed pests and rodent problems, mold, moisture, indoor air quality, hazardous materials, and home safety issues. In FY 2013 a total of 46 owner-occupied and 28 rental units received healthy homes interventions and lead hazard remediation. In addition, the SDHC's rehabilitation programs were refocused to align with healthy homes principles.

In FY 2013, three blood lead testing community outreach activities for children under the age of six were held in various neighborhoods. A total of 287 children were tested for elevated levels of lead in their blood.

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 LSHHP administers the FY 2013 CDBG-funded Lead Safety Enforcement Program (LSEP). Under this program, code violation notices were issued to 100 housing units, and 73 housing units were cleared of lead hazards as of June 30, 2013. The remaining cases will have lead hazards cleared in FY 2014. Three cases impacting four units were cleared of lead hazards through enrollment in the HUD-funded Lead Hazard Control Grants administered by the SDHC's HSHP. The program targeted census tracts identified with the most vulnerable population likely to be unknowingly exposed to lead hazards. Based on 2000 census data, this targeted area has the following characteristics:

1. Over 60 percent of all housing units in each of these census tracts are rental units.
2. The average household income in each the census tracts is at or below "low income" (80 percent of the AMI)

3. The census tract meets at least one of the following three conditions:
 - a. At least 30 percent of the properties are rental properties built prior to 1970;
 - b. The median family income is at or below the poverty level (50 percent of the AMI);
 - or
 - c. The percent of household members that are children less than six years of age is greater than 30 percent.

A request to extend the performance period to ensure associated cases are closed and lead hazards removed was approved by the CDBG Program Office on July 12, 2013.

The LSHHP finalized a California Department of Public Health Services, Childhood Lead Poisoning Prevention Branch (CLPPB)–funded contract with the County of San Diego on November 6, 2012. The performance period of this funding will conclude on June 30, 2014. The LSHHP closed 32 of the 53 active cases in FY 2013. Of these there were 24 cases impacting 41 units that were cleared of lead hazards under this program.

In FY 2013, the City used HUD and other funds to remove lead-based paint hazards from 264 owner-occupied and rental units.

The LSHHP FY 2013 CDBG-funded “Safe and Healthy Homes Project” (SHHP) stated objective is to provide minor rehabilitation for health and safety measures to 67 low/moderate-income residential units. This project includes evaluating and remediating homes for identified lead hazards. The SHHP was successfully completed on June 30, 2013. A total of 67 residential units were remediated of health and safety hazards. Each of these households housed low-income or very low-income

families that either had a child less than 18 years of age, a pregnant woman, or an elderly person over the age of 62. Lead-safe work practices were used for all renovations conducted. Seven of the 67 units cleared were enrolled in Lead Hazard Control Grant Program administered by the SDHC’s HSHP.

The LSHHP has administered a HUD Office of Healthy Homes and Lead Hazard Control (OHHLHC) Healthy Homes Demonstration Grant since June of 2010. This grant, known as the San Diego Healthy Homes Collaborative (SDHHC), builds 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. Originally scheduled to conclude at the end of January 2013, the grant performance period was extended an additional five months after the FY 2013 CDBG funded “Safe and Healthy Homes” program was awarded funding. In doing so, 20 of these units had renovations funded by the SHHP. The City was able to maximize the benefit to these households by providing in-home education, pest control services, and cleaning services with the OHHLHC funding. The final 36 of the grant total of 180 units renovated for health and safety was completed this year. Lead hazards were remediated in seven of the 36 households, all of which were rental units. Six of these units had lead hazards remediated through enrollment in the Lead Hazard Control grants administered by the HSHP, and one property owner elected to remediate the hazards at his own expense.

LSHHP was the first RRP training provider in the San Diego area accredited by the 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 2013, 35 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 2013, LSHHP provided: the two-day Healthy Homes Essentials Trainings to 30 persons during two events; and a one-day Healthy Homes for Community Health Workers training 12 persons.

As part of the City's continuing efforts to generate awareness of Childhood Lead Poisoning Prevention, the LSHHP worked with a City Public Information Officer to help create a proclamation by the San Diego City Council declaring the week of October 21, 2012, as "Lead Poisoning Prevention Awareness Week" in San Diego. Councilmember Marti Emerald sponsored the proclamation during the City Council meeting held October 23, 2012. The City also issued a news release to promote awareness of lead week and generate awareness of lead week activities that included the proclamation, an informational meeting on proposed amendments to the Lead Hazard Prevention and Control Ordinance, and a free blood lead testing event sponsored by the County of San Diego. The news release also provided an overview of the City's new "Get Leaducated" campaign. This campaign was funded by a settlement that City received as part of a lawsuit



against paint manufacturers and was supplemented by some of the CLPPB funding mentioned above. Katz & Associates, Inc., a marketing firm specializing in public outreach for public works, environmental, and consumer awareness programs, was hired to create public awareness of lead

poisoning prevention and focus on making contractors be aware that renovation activities need to be conducted in a manner by which lead hazards are not created and for the public to utilize contractors that are trained and certified to do the work correctly. The "Get Leaducated" slogan and banner graphic have been used as part of mailings, local newspaper advertisements, and bookmarks for distribution at libraries. These materials invite residents to visit the LSHHP website for information on how to be lead safe. The website of the City's Environmental Services Department was also updated with the "Get Leaducated" campaign materials. Residents that visit the website can take a free online quiz to see if their home has lead hazards, and are incentivized to visit the website by awareness of the HUD grants available that provide free home repairs to correct lead paint hazards. The City has also installed large "Get Leaducated" signs on one side of City-owned trash trucks throughout the City that will continue to generate awareness for years to come. Additionally, a 30-second public service announcement was created and broadcasted on two San Diego radio stations (KYXY and KEGY) for four consecutive weekend mornings in June 2013.

CDBG-Funded Lead Safe Program

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 on page 34 shows the CDBG project that was in implementation in FY 2013 pursuant to this objective. Refer to Appendix G for a full narrative description of the project's accomplishments in FY 2013. 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.

Table 6. CDBG Project Addressing Lead-Based Paint Hazards in FY 2013.

IDIS #	Funding Year	Agency	Project	Expenditure during FY 2013
6305	2013	City Environmental Services	Lead Safety Enforcement Program	\$30,979

HOUSING

Housing Needs

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

Program Year 4 CAPER "Housing Needs" Response:

The City and the SDHC continue 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 8–12 and 34–42 of this CAPER—hundreds of affordable rental units and homeownership opportunities were provided to families and households at or below 80 percent of the 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 4 CAPER "Specific Housing Objectives" Response:

Progress Evaluation

Goal 5 (Priority 6B in FY 2013), Goal 6 (Priority 7), Goal 7 (Priority 4), Goal 8 (Priority 5A), and Goal 13 (Priority 5B) of the City's Con Plan address the need in the City for a greater supply of affordable housing, greater opportunities for homeownership, and improvements to the affordable housing stock and facilities. Refer to Appendix D to review the goals and all of the associated objectives and outcomes.

Note that Goal 7, as originally formulated (refer to Outcome 7.2.2), encompasses *facilities* (in addition to *housing*) that benefit low- and moderate-income persons. These facilities, for example, include, but are not limited to, recreational buildings, parks, community centers, portions of

privately-owned facilities (such as offices) which are fully intended to serve the public, health clinics, and the public right-of-way. Because of the original formulation of Goal 7 in the Con Plan which combines housing and facilities into one goal, the information on such facilities are presented in the "Housing" section of this CAPER.

Table 7 below shows the CDBG and HOME projects that were active (partially or fully implemented) in FY 2013 pursuant to Goals 5, 6, and 7 to address housing needs. Refer to Appendix G for a detailed narrative description of each project's accomplishments in FY 2013. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, the amount of funding allocated to each project, and the actual amount expended during FY 2013.

Table 7. CDBG and HOME Projects in FY 2013 Addressing Housing.

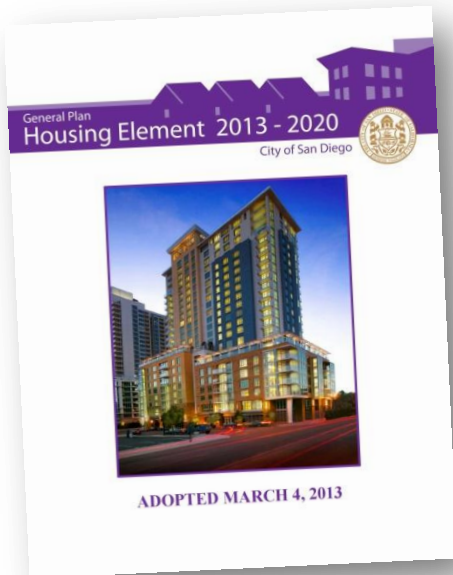
IDIS #	Funding Year	Agency	Project	Expenditure during FY 2013
Various	2013	San Diego Housing Commission	CHDO	\$5,647,266
Various	2013	San Diego Housing Commission	Rental Housing Production	
Various	2013	San Diego Housing Commission	First-Time Homebuyer Program	\$2,262,626
Various	2012	San Diego Housing Commission	Owner-Occupied Rehabilitation	\$133,461
6213	2013	San Diego Housing Commission	Tenant-Based Rental Assistance	\$523,185
6292	2013	Community HousingWorks	HomeOwnership Center	\$250,000
6291	2013	Townspople	Low-Income Housing Solar Power	\$0
6290	2013	St. Paul's Episcopal Homes	St. Paul's Emergency Generator	\$0
6289	2013	GRID Alternatives	San Diego Solar Affordable Homes	\$133,300
6288	2013	City Environmental Services	Safe and Healthy Homes Project	\$91,480
6287	2013	City Heights CDC	Sycamore Court Rehabilitation	\$435,202
6286	2013	City Heights CDC	City Heights Neighborhood Rehab	\$256,519
6285	2013	Burn Institute	Senior Smoke Alarm Program	\$22,195
6278	2013	Urban Corps of San Diego County	Campus Safety and Security	\$39,657
6277	2013	Union of Pan Asian Communities	UPAC Seismic Retrofit	\$137,876
6276	2013	San Ysidro Health Center	SDCDC Expansion Project	\$399,143
6275	2013	San Diego Center for Children	Campus Improvements FY 2013	\$11,094
6274	2013	Pro Kids Golf Academy	Netting Enclosure of Driving Range	\$47,000
6273	2013	La Maestra Family Clinic	La Maestra Dental Expansion	\$110,249
6271	2013	City Park & Recreation	Memorial Pool Improvements	\$0
6270	2013	City Park & Recreation	Linda Vista Community Park Shelter	\$100,000
6269	2013	City Park & Recreation	Gompers Neighborhood Park ADA	\$551,028
6268	2013	Casa Familiar	Social Service Center	\$161,018
6254	2012	City Park & Recreation	Azalea Park	\$72,811
6143	2012	Urban Corps of San Diego County	Urban Corps WEER Project	\$17,309
6142	2012	Urban Corps of San Diego County	Urban Corps CDBG Green Streets	\$19,331
6141	2012	San Diego Housing Commission	Picador Boulevard Apartments	\$1,231,878
6140	2012	Rebuilding Together San Diego	Roof Repair/Replacement Program/ADA	\$109,103
6139	2012	Rebuilding Together San Diego	"Safe at Home" Minor Home Repair	\$165,357
6137	2012	GRID Alternatives	San Diego Solar Affordable Homes	\$58,248
6136	2012	City Heights CDC	Village View Home Apartments	\$246,731
6135	2012	Burn Institute	Senior Smoke Alarm Program	\$7,463
6128	2012	Sherman Heights Com Ctr Corp	Main Building and Yellow Housing	\$100,000
6127	2012	San Diego Food Bank Corporation	Warehouse Docks/Roadway/Racking	\$570,095
6126	2012	San Diego Center for Children	Campus Capacity/Safety/Security	\$303,209
6125	2012	City Arts & Culture Commission	Aztec Brewery Historic Rathskeller	\$289,843
6124	2012	PATH Ventures	Connections Housing	\$950,000
6123	2012	MAAC Project	5471 PJAM Safety Improvements	\$101,652
6121	2012	Harmonium, Inc.	San Diego Regional Teen Center	\$99,553
6120	2012	Family Health Centers	City Heights Family Health Center	\$383,397
6117	2012	City Park & Recreation	Recreation Center Gym Floor	\$330,000
6116	2012	City Park & Recreation	Park Security Lights Upgrades	\$38,000
6115	2012	Center for Community Solutions	Project H.E.A.L.	\$168,572
6114	2012	Boys & Girls Club	Clairemont Resource & Training Center	\$650,000

IDIS #	Funding Year	Agency	Project	Expenditure during FY 2013
5482	2010	Ocean Beach CDC	North Ocean Beach Gateway	\$0
5471	2010	San Diego Rescue Mission	Nueva Vida Haven	\$10,828
5470/5116	2010/2009	San Diego Center for Children	Main Campus Facilities Improvements	\$0
5437	2009	City Engineering & Capital Project	Stockton Lights	\$106,204
5158	2009	San Diego Housing Commission	Parker-Kier Apartments	\$0
5156	2009	San Diego Housing Commission	Parker-Kier Apartments	\$0
5145	2009	San Diego Housing Commission	Parker-Kier Apartments	\$0

It should be noted that, although numerous programs/projects were funded to increase the supply of affordable and safe housing, none of the projects were categorized under Goal 8 (increasing opportunities for affordable housing located in close proximity to transit) during the reporting period given the other goals related to affordable housing in the Con Plan.

Additionally, during FY 2013, SDHC approved a 3-year work plan to facilitate the development 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 incorporates policies and guidelines that promote transit-oriented development with regards to housing. The City’s award-winning Housing Element for the period covering 2013–2020 was adopted by the City Council on March 4, 2013. Goal 4 of the Housing Element is to provide affordable housing opportunities consistent with a land use pattern which promotes infill development and socioeconomic equity.

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 2013, this goal was addressed through the NSP program, a one-time supplemental CDBG stimulus grant that expired on March 31, 2013. Refer to the “Leveraging Resources” section of this CAPER on page 16 for more information on NSP activities.

Section 215 Affordable Housing

During the reporting period, 102 affordable housing opportunities were accomplished, exceeding the goal of 78 set forth in the FY 2013 Annual Action Plan (that is, HOME units—CHDO, Rental Housing Production, and Homebuyer Activities—that meet the qualifications set forth in Section 215).

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

In FY 2013, 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 4 CAPER "Public Housing Strategy" Response:

On May 17, 2013, the SDHC received final approval from HUD for the transition of 113 units into the Public Housing program. With this approval, the current outstanding state of California loans on the two properties involved will be deferred for an additional 55 years. In addition, the SDHC will be able to utilize Replacement Housing Factor funds (federal funds) to perform a full rehabilitation of the 113 units, common areas, and amenities. The anticipated Date of Funding Availability (DOFA) is October 1, 2013, for the Otay Villas sites (78 units) and August 1, 2014, for the Scattered Sites (35 units). Due to the transition, rents at the 112 units (one unit is a non-restricted Manager's unit) will change from 25 percent of the tenant's income to 30 percent of the tenant's income to comply with pertinent Public Housing policies and regulations. The transition of 113 units into the Public Housing program adds to the City's 76 units already in said program.

Barriers to Affordable Housing

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

Program Year 4 CAPER Barriers to Affordable Housing Response:

The need for more affordable housing in the City continued to be felt in FY 2013 as demand greatly exceeded the supply. To address this need, the City, through the SDHC, continued to utilize density bonus provisions, updated the Inclusionary Housing Program fee and administered condominium conversion tenant relocation benefits. In addition, the SDHC developed priority points under its NOFA for transit-oriented development and workforce housing and conducted a nexus study in its efforts to update the commercial linkage fee. The Affordable Housing Best Practices Task Force has continued to meet on revenues and is scheduled to review the commercial linkage nexus study as part its revenue analyses.



In FY 2013, 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. Civic San Diego, a City-owned non-profit organization charged with the administration of some of the former Redevelopment Agency projects, completed a master plan that outlines priorities and a proposed strategy for the remaining Redevelopment Agency housing assets that maximizes their effectiveness in continuing affordable housing production.

Specifically, the master plan provides proposed uses for the real properties and proposed expenditures of the remaining Redevelopment housing set-aside funds. The City Council adopted this plan on May 15, 2013. Implementation of the plan will help eliminate barriers to affordable housing.

In FY 2013, 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 34 and 38, 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 4 CAPER "HOME/ADDI" Response:

Assessment of Relationship of HOME Funds to Goals/Objectives

The City received an allocation from HUD of \$4,452,630 in HOME funds for the period of July 1, 2012, through June 30, 2013. Table 8 below shows how the FY 2013 funds were allocated and how much was expended per activity type:

Table 8. FY 2013 HOME Funds Allocation and Expenditure.

Activity	FY 2013 Allocation	Expenditure during FY 2013*
Rental Housing Production	\$2,030,653	\$5,647,266
Community Housing Development Organizations	\$667,854	
Homebuyer Activities	\$1,000,000	\$2,262,626
Homeowner Rehabilitation	\$0	\$133,461
Tenant-Based Rental Assistance	\$308,860	\$523,185
Program Administration	\$445,263	\$445,263
Total	\$4,452,630	\$9,011,801

*Note that the expenditure column reflects funds allocated in previous fiscal years to projects/programs that were active during FY 2013.

In addition to the allocation from HUD, PI of \$1,461,972 was generated for FY 2013, of which \$378,366 was disbursed among the programs listed above. Carryover funds from prior years were also expended in FY 2013. Thus, a total of \$9,011,801 in HOME funds was expended in FY 2013.

All of the SDHC’s HOME activities serve households with incomes that do not exceed 80 percent of the 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 the AMI who are renters paying over 30 percent of income for housing, homeowners at 50 percent or below of the AMI needing housing rehabilitation, and homeownership assistance to households who are earning 31 to 80 percent of the AMI.

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



Image 10. A veterans housing complex completed in FY 2013 in part with HOME funds.

Rental Housing Production: To assist individuals and households spending more than 30 percent of their income for housing during the past year, HOME funds were used to complete one rental housing development project with 56 restricted units, 25 of which are HOME units. Table 9 below provides a summary of the project completed with HOME-CHDO funds in FY 2013 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 2014 CAPER.

Table 9. FY 2013 HOME Rental Housing Production.

IDIS #	Project	Address	Activity	HOME Amount	HOME Units	Total Units
Completed HOME-Assisted Project						
4989	Veterans Village	4141 Pacific Hwy	Acquisition & New Construction	\$1,193,231	25	56
Ongoing HOME-Assisted Projects						
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 77 first-time homebuyers (57 of these consisting of households with children) through the provision of shared appreciation mortgages, interest deferred loans, and down payment and closing cost assistance grants. The average family income of the beneficiaries of these programs was approximately 60 percent of the AMI (currently \$48,360 for a family of four).

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Homeowner Rehabilitation Activities: The SDHC's HOME-funded homeowner rehabilitation program assisted 10 households with the following incomes:

- 3 households at 30 percent or less of the AMI (currently \$24,200 for a family of four)
- 4 households at 50 percent or less of the AMI (currently \$40,300 for a family of four)
- 1 households at 60 percent or less of the AMI (currently \$48,360 for a family of four)
- 2 households at 80 percent or less of the AMI (currently \$64,500 for a family of four)

Four of the 10 homes were rehabilitated by minority-owned and -operated businesses.



Image 11. Before (left) and after (right) photos of a home exterior 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 the 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 2013, 75 individuals and families with children were assisted with \$523,185 in HOME funds.

In addition, during the FY 2013 reporting period, Housing Trust Funds totaling over \$1.3 million were committed to fund rental housing development, rehabilitation of owner- and renter-occupied homes, and homeownership. Inclusionary Housing Funds totaling nearly \$1.3 million were committed to fund rental housing development and homeownership. Since 1992, the San Diego Housing Trust Fund has contributed more than \$73 million to rental housing development, non-profit capacity building and core operating support, technical assistance, rehabilitation, and homeownership activities. Since 2005, more than \$47 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 \$140,413 was contributed during FY 2013 and an excess amount of \$24,171,321 will be carried over to meet match liability in subsequent years.

HOME MBE and WBE Report

In FY 2013, there were four contracts with Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs) totaling \$69,420. 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 in accordance with 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 2013, 135 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: The 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 the 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 the 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 DVBE/DBE/MWBE/SBE businesses as part of 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.

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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 4 CAPER "Homeless Needs" Response:

Actions Addressing Needs of Homeless



Image 12. Winter season beds for homeless single adults, funded in part by ESG and CDBG monies in FY 2013.

Goal 3 (Priority 3B in FY 2013) 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 2013 in accordance with Goal 3 which call for addressing the needs of homeless families and individuals. Refer to Appendix G for a full narrative description of each project’s accomplishments in FY 2013. 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 2013 Addressing Homeless Needs.

IDIS #	Funding Year	Agency	Project	Expenditure
6426	2013	San Diego Housing Commission	Homeless Shelter Program–ESG	\$270,309
6426	2013	San Diego Housing Commission	Cortez Hill Family Shelter–ESG	\$358,316
6303	2013	St. Vincent de Paul Village	Family Living Program/Child Develop	\$375,452
6298	2013	San Diego Housing Commission	Homeless Shelter Program–CDBG	\$503,620
6297	2013	San Diego Housing Commission	Cortez Hill Family Center–CDBG	\$203,838
6295	2013	Interfaith Shelter Network	Rotational Shelter Program	\$59,487
6293	2013	Catholic Charities	Rachel’s Women’s Center	\$73,478
6395	2012	San Diego Housing Commission	Homeless Prevention/Rapid Re-Housing	\$42,375

In addition to the projects shown in Table 10 above, in February 2013, Connections Housing opened its doors as 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. A myriad of services needed to break the cycle of homelessness are available onsite at this facility:

- Individual Assessments: Outreach workers 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 are tailored for each individual.
- The One-Stop Service Center: Program spaces for a diverse group of social service providers and government agencies 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 prevents 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, has relocated its Downtown Family Health Center to the first floor of Connections Housing. Homelessness and health are inextricably linked, and this comprehensive clinic provides 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 which lead to homelessness in the first place. This approach has achieved significant success in many other cities. Connections Housing has 73 permanent studio units.

In FY 2013, 2,411 homeless individuals were provided shelter using ESG and CDBG funds.

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. An additional \$2 million from the SDHC budget were also allocated to the project. In addition, the City committed CDBG funding, the private non-profit Corporation for Supportive Housing contributed funds, and federal Continuum of Care Supportive Housing Program funds were committed. Federal low-income housing tax credits provided an estimated \$14.3 million to cover the remainder of the \$32.3 million development costs. Additional funds were 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 13.

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 2013, Cortez Hill served 144 families,

with 184 adults and 305 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 2013. 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.

The SDHC also administered the Homeless Prevention and Rapid Re-Housing program (HPRP) for the City. Funds from that program in FY 2013 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. Fiscal Year 2013 was the end of Year 3 of the HPRP program, which had provided financial assistance and case management to a total of 1,080 households to transition them from homelessness to stable housing situations and help them gain financial stability.

The City in FY 2013 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 60 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. The RCCC is supported financially by the SDHC and the County HCD. Each body contributed \$10,000 in FY 2013 for facilitation of this COC. The SDHC also contributed \$10,000 for a consultant to work on the HUD 2012 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. The SDHC contributes \$45,000 annually to the HMIS effort.

Significant accomplishments in FY 2013 included participating in strategic planning for the new HEARTH requirements and working with a HUD National Technical Assistance (TA) team to analyze and assist the RCCC in recognizing the challenges that exist and recommend ways to progress and ensure HEARTH compliance. Following are some of the other RCCC accomplishments in FY 2013:

- United States Interagency Council on Homelessness (USICH):
 - In the winter of 2012, the RCCC completed a national COC Checkup and created five action plans. In September 2012, the San Diego CoC was invited to participate with USICH and HUD in the Priority Community Initiative (PCI). PCI includes one year of technical assistance to operationalize the HEARTH Act. A TA plan was submitted to HUD in November 2012 and was approved for work to begin at the conclusion of the CoC NOFA in January 2013.
- HEARTH Act of 2009:
 - Developed a revised Cross-Walk between legacy program guidelines and HEARTH Interim Rules;

- Participated in four site visits and extensive TA with PCI TA, focusing on HMIS, governance, systems mapping, and planning;
- Began local systems analysis using a TA-provided systems modeling tool;
- With assistance from the Corporation for Supportive Housing, completed and reported on transitional housing (TH) analysis on three projects and began the conversion process for one project;
- Secured private funds from local philanthropy to conduct 15 additional TH analyses;
- Completed the second 100-Day Campaign centered on acceleration;
- Co-hosted a 100,000 Homes Bootcamp training with the Orange County CoC; and
- Participated in two Southern California CoC Leadership Roundtable meetings and three National CoC Peer Sharing conference calls.
- Veterans Issues:
 - Joint participation in acceleration Bootcamp;
 - Prioritized Disabled Veterans with Other than Honorable discharge status;
 - Held quarterly VASH-CoC meetings/calls;
 - Conducted improved PITC outreach to veterans;
 - Completed second annual Veterans Annual Homeless Assessment Report (AHAR);
 - Assessed underutilized resources for retargeting to veterans; and
 - Met with Easter Seals of America national leaders to promote a veterans-specific project in San Diego.
- Emergency Solutions Grants Coordination:
 - Consulted with California HCD to develop priorities for leveraging state and local ESG funds to be able to serve non-entitlement areas;
 - Refined and document local review process;
 - Convened a new scoring panel to review and rank ESG applications for two entitlement areas;
 - Consulted with four ESG entitlement areas and three jurisdictions for Consolidated Plan input;
 - Drafted Assurances and other policies;
 - Consulted with HMIS lead in planning for ESG reporting and for tracking applicants who do not receive services;
 - Provided an education forum for local non-profits regarding ESG “old” versus “new” rules for HUD SNAPSHOTS; and
 - Determined continued eligibility or ineligibility status for TH programs.
- Community Connections and Prisoner Re-Entry; State Re-Alignment:
 - Completed program design and Request for Qualifications (RFQ) for re-entry;
 - Began piloting Central Point of Entry and Uniform Assessment and opened Community Transition Center in January 2013; and
 - In October 2012, received funding approval from Community Corrections Partnership Board for Housing Pilot Program that is coordinated with CoC;
 - Completed Keys to Housing presentations to 16 jurisdictions and received support from 13 jurisdictions; and
 - Provided input for the Housing Element of general plans for two jurisdictions.
- County of San Diego Section 8 Pilot Program:
 - The first annual review of the pilot project was completed in 2012–2013. Guidelines changed, and as a result the length of stay in TH was reduced by 25 percent. Vouchers were allocated from slower performing projects to higher utilization projects. For the upcoming year, additional targeting of veterans, including other than honorable, was instituted.

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 2012 (submitted to HUD in the fall of FY 2013) brought in \$15.5 million in homeless funding for the entire San Diego region. Of this amount, City projects were awarded \$444,137 in new funding and \$9,960,242 in renewal funding for SHP and S+C programs within the City. Awards for new grants were announced in July 2013; grant renewals were announced in March and May 2013. Most grants in the application for City projects were renewals except for two grants for the Regional Task Force on the Homeless and one for the SDHC. Table 11 on page 46 lists grants applied for in the application:

Table 11. Continuum of Care Program Grants in FY 2014.

Grantee Name	Project Name	Program Type	Housing Type	Budget
Regional Task Force on the Homeless	HMIS Capacity Building	HMIS	N/A	\$250,557
San Diego Housing Commission	San Diego Rapid Re-Housing	PH	PH	\$198,580
People Assisting the Homeless (PATH)	Connections Housing	SHP	PH	\$605,229
San Diego Youth & Community Services	Take Wing	SHP	TH	\$86,810
St. Vincent de Paul	Fresh Start	SHP	TH	\$613,644
Catholic Charities	9 th & F Street Apartments	SHP	PH	\$33,075
Episcopal Community Services	Downtown Safe Haven	SHP	SH	\$504,999
Veterans Village of San Diego	Veterans Rehabilitation Center	SHP	TH	\$201,100
YWCA of San Diego County	Transitional Living Continuum	SHP	TH	\$548,879
St. Vincent de Paul	Solutions Consortium	SHP	TH	\$1,684,330
St. Vincent de Paul	Family Living Center	SHP	TH	\$509,247
St. Vincent de Paul	Toussaint Academy	SHP	TH	\$398,687
St. Vincent de Paul	Solutions 4	SHP	TH	\$882,441
St. Vincent de Paul	Boulevard Apartments	SHP	PH	\$44,707
The Association For Community Housing Solutions (TACHS)	TACHS SHP Cove Apartments	SHP	PH	\$112,199
TACHS	TACHS SSO	SHP	SSO	\$73,076
YWCA of San Diego County	Women and Children’s Program	SHP	TH	\$552,541
San Diego Housing Commission	SDHC Merged Grant	PH	PH	\$1,017,431
Volunteers of America	SAMI Program	SHP	PH	\$298,547
San Diego Housing Commission	St. Vincent de Paul—Village Place	PH	PH	\$395,228
San Diego Housing Commission	TACHS Cove Apartments	PH	PH	\$235,835
San Diego Housing Commission	South Bay Community Services—La Posada	PH	PH	\$222,673
San Diego Housing Commission	TACHS—Prism	PH	PH	\$359,972
YMCA of San Diego County	Turning Point	SHP	TH	\$177,268
San Diego Housing Commission	Pathfinders of San Diego	PH	PH	\$137,824
San Diego Housing Commission	The Center (Del Mar Grant)	PH	PH	\$264,500
Total				\$10,509,242
TH=Transitional Housing; HMIS=Homeless Management Information Systems; PH=Permanent Housing for Persons with Disabilities; SSO=Supportive Services Only; SH=Safe Haven				

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 4 CAPER “Specific Homeless Prevention Elements” Response:

The City did not allocate FY 2013 CDBG or ESG funds for the provision of homeless prevention services.

Emergency Solutions 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 4 CAPER "ESG" Response:

Emergency Shelter/Transitional Housing Needs

The City used ESG funds in FY 2013 to fund the Homeless Emergency Winter Shelter Program, the Connections Housing Interim Bed Program, 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 shelter 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 2013, the City used a significant portion of its \$1,177,964 of ESG entitlement to fund the Homeless Emergency Winter Shelter Program, the Connections Housing Interim Bed Program, 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 2013 in relation to this 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 2013.

In FY 2013, the City continued to be an active member of the RCCC. The 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 12 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 2013.

Table 12. Individuals Served via ESG-Funded Shelter Programs in FY 2013.

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
Connections Housing Interim Bed Program	150 beds	299 persons
Total	670 beds	2,079 persons

In addition to funding shelter programs, ESG funds from the FY 2012 second allocation went towards a security deposit program that served 81 households in FY 2013.

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 2013, the City’s allocation of \$1,177,964 in ESG funds were matched with \$2,109,253 as detailed in Table 13 below:

Table 13. FY 2013 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

Agency	Match Source	Project	Amount
City of San Diego	Community Development Block Grant	Homeless Emergency Shelter Program (Veterans)	\$235,069
San Diego Housing Commission	San Diego Housing Commission	Homeless Emergency Shelter Program (Tent Construction)	\$175,000
San Diego Housing Commission	San Diego Housing Commission	Homeless Emergency Shelter Program (Single Adults)	\$317,000
City of San Diego	General Funds	Shelters (Single Adults and Veterans)	\$550,000
Connections Housing Year-Round Program	Community Development Block Grant	Interim Beds	\$276,000
Connections Housing Year-Round Program	San Diego Housing Commission	Interim Beds	\$40,000
San Diego Housing Commission	HUD/VASH	Security Deposit Plus Program	\$81,000
Total			\$2,109,253

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, the 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 the 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. Refer to Appendix P for the demographic data collected. Table 14 and Table 15 below show the ESG expenditures in FY 2013 by activity type:

Table 14. FY 2013 ESG Expenditures by Activity Type.

IDIS	Activity Type	Allocation	Expenditure
6426	Emergency Shelter:	\$653,770	\$628,625
	• <i>Single Adult Homeless Emergency Shelter Program</i>	\$84,954	\$81,721
	• <i>Veterans Homeless Emergency Shelter Program</i>	\$80,000	\$88,008
	• <i>Connections Housing Interim Bed Program</i>	\$126,000	\$100,580
	• <i>Cortez Hill Family Shelter</i>	\$362,816	\$358,316
6427	Rapid Re-Housing (<i>Security Deposit Plus Program</i>)	\$435,847	\$0
6425	HMIS	\$10,000	\$0
6425	Administration:	\$78,347	\$39,829
	• <i>SDHC</i>	\$74,347	\$35,829
	• <i>City of San Diego</i>	\$4,000	\$4,000
Total		\$1,177,964	\$234,841

Table 15. FY 2012 ESG (Second Allocation) Expenditures by Activity Type.

IDIS	Activity Type	Allocation	Expenditure
6395	Rapid Re-Housing (<i>Security Deposit Plus Program</i>)	\$317,586	\$42,375
6322	HMIS	\$10,000	\$0
6321	Administration	\$44,436	\$0
Total		\$372,022	\$42,375

In FY 2012, the City was granted \$372,022 in ESG 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 ESG agreement to the City for execution in FY 2012. Therefore, no projects to be funded by the \$372,022 in ESG funds were implemented in FY 2012. However, a portion of the funds were expended in FY 2013 for homeless prevention and re-housing through security/utility deposits and short-term rental subsidies.

No FY 2013 ESG funds were utilized for homeless prevention activities, and the City has no formal homeless discharge coordination policy in place. However, in FY 2013, the City, through the 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 the 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 4 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 2013) is to expand opportunities for new industries and local small businesses. Goal 10 (Priority 2 in FY 2013) is to support the continued revitalization of low/moderate-income neighborhoods. Goal 11 (Priority 9 in FY 2013) is to explore additional financial resources to create new programs that further community development. Goal 12 (Priority 6C in FY 2013) 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 on page 53 shows the CDBG projects that were implemented in FY 2013 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 2013. Refer to Appendix H for project tables showing the goals established for each project, the actual accomplishments, a description of the project, the amount of funding that was allocated to the project, and the actual amount expended.

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Table 16. CDBG Projects in FY 2013 Addressing Community Development.

IDIS #	Funding Year	Agency	Project	FY 2013 Expenditure
6284	2013	Union of Pan Asian Communities	Multicultural Economic Development	\$115,967
6283	2013	San Diego Housing Commission	Microenterprise Training/Development	\$59,938
6282	2013	International Rescue Committee	IRC CDBG Microenterprise Program	\$105,350
6281	2013	Horn of Africa Community	San Diego Micro-Enterprise Project	\$147,865
6280	2013	Acción San Diego	Microlending Program	\$225,503
6279	2013	Access, Inc.	Microenterprise Development	\$48,772
6160	2012	Local Initiatives Support Corp	Neighborhood First II	\$21,994
6133	2012	Southwestern Community College	Small Business Development Center	\$39,169

Note that Goal 7, as originally formulated (refer to Outcome 7.2.2), encompasses *facilities* (in addition to *housing*) that benefit low- and moderate-income persons. These facilities, for example, include, but are not limited to, recreational buildings, parks, community centers, health clinics, and the public right-of-way. Because of the original formulation of Goal 7 in the Con Plan that combines housing and facilities into one goal, information on such facilities are presented in the "Specific Housing Objectives" section of this Con Plan on page 34.



Image 13. Small business owners who received a loan in FY 2013 made possible in part by CDBG.

During FY 2013, none of the projects funded was categorized as addressing Goal 10 in the Action Plan. However, the City continued efforts to revitalize low/moderate-income neighborhoods in FY 2013 through many of the projects funded with CDP funds, as well as Citywide code enforcement, the LSHHP program, and Redevelopment activities. Refer to pages 10 and 30 for more information on redevelopment and the LSHHP program, respectively.

In FY 2013, the City received a reduced allocation in CDBG, HOME, and HOPWA entitlement funds relative to allocations in previous years. Therefore, Goal 11 to create new programs as dollars become available was not addressed in FY 2013. It should also be noted that Goal 11 does not result in an annual quantifiable performance measure.

Program Objective Changes

In FY 2013, the City refined Goal 12 of the Con Plan to incorporate additional outcomes regarding fair housing that were developed in consultation with its fair housing service contractors. The additional outcomes enhance the City's ability to measure its progress on furthering fair housing knowledge, practices, and enforcement throughout its HUD-funded projects and programs. See Appendix D for the latest version of the goals, objectives, and outcomes.

In September 2012, the City established a policy to automatically set aside a portion of its annual CDBG funds for public services in an amount not to exceed \$1,318,078 for homeless-related programs and services. The set-aside policy further implements the City's desire to address the needs of its most vulnerable citizens, and realigns the City's priorities in the use of its CDBG public services funds in conjunction with ESG funds.

Assessment of Efforts in Carrying Out Planned Actions

In FY 2013, the City leveraged CDBG funds with funds from other federal, state, and local sources. Refer to the "Leveraging Resources" section on page 8 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 Con Plan. Table 17 below shows the certifications of consistency with the Con Plan that the City prepared in FY 2013:

Table 17. FY 2013 Certifications of Consistency.

Date	Applicant	Project Name	Federal Program
11/19/2012	Wakeland Housing and Development Corporation	Juniper Garden Apartments	HOME Investment Partnerships Program
12/13/2012	San Diego Housing Commission	San Diego Rapid Re-Housing Program	HUD Continuum of Care
01/09/2013	San Diego City and County Continuum of Care (CA-601)	HEARTH Continuum of Care Application FY 2012	HEARTH Continuum of Care Program NOFA
01/15/2013	Fore Property Company	Villages at Zion Senior Apartments	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 8 for a description of those sources and the programs that they funded.

Furthermore, staff continued to work with the City Council and the CPAB in FY 2013 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 2013 met a national object as required.

Anti-Displacement and Relocation

No CDBG-funded projects were conducted during FY 2013 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.



Image 14. Newly installed gymnasium floor at a City recreation center made possible by CDBG funds.

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 individuals and/or families presumed by HUD to be principally LMI (abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers), 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 \$3,842,200 of PI due to CDBG debt repayment by the former City of San Diego Redevelopment Agency. All PI received was allocated toward FY 2013 CDBG projects.

In FY 2013, 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 2013 CDBG funds:

Table 18. FY 2013 HUD Section 108 Loan CDBG Repayments.

IDIS #	Project Name	Loan Amount	FY 2013 Repayment Amount	Outstanding Balance
6306	Camp Hope (B-03-MC-06-0542-B)	\$280,000	\$66,000	Defeased
6307	Central Police Station (B-97-MC-06-0542)	\$2,040,000	\$1,625,000	Defeased
6308	LGBT Centre (B-04-MC-06-0542)	\$146,000	\$56,000	Defeased
6309	Logan Heights Family Health Center (B-98-MC-06-0542-A)	\$953,000	\$620,000	Defeased
Total		\$3,419,000	\$2,367,000	\$0

It should be noted that a total of \$202,549 was also paid in interest to defease the loans shown in Table 18 above in FY 2013.

Prior-Period Adjustment

There were no prior-period adjustments in FY 2013.

Loans and Other Receivables

In FY 2013, the City did not have any CDBG float-funded activities.

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Table 19 below shows the total number of outstanding HOME-funded loans and the principal balance owed as of the end of FY 2013.

Table 19. Outstanding HOME Loans and Principal Balance Owed as of June 30, 2013.

Loan Type	Total Number of Outstanding Loans	Total Principal Balance Owed	Deferred Payment or Forgivable?	Loan Term Length (Years)
First-Time Homebuyer	915	\$28,402,976	Deferred; none forgiven	30
Owner-Occupied and Rental Rehabilitation	303	\$4,189,546	Deferred or require payments; none forgiven	10-30
Rental Housing Production	90	\$108,765,314	Deferred or require fixed or residual receipts payments; none forgiven	30-55
Total	1,308	\$141,357,836		

Table 20 below shows the total number of HOME-funded loans whose principal balance was written off as of the end of FY 2013 and the terms of the forgiveness.

Table 20. Loans and Principal Balance Deferred/Forgiven as of June 30, 2013.

Loan Number	Loan Type	Address	Amount Written Off	Brief Explanation
3-18-1575	Rehabilitation	Poplar Street, San Diego, CA 92105	\$15,000	The property was sold at a foreclosure sale on 12/03/2012 to a third-party bidder. The property sold for \$205,100 (opening bid was \$115,926). A report was written and approved for the SDHC not to bid. The SDHC loans were lost by virtue of the sale.
4-01-0498	First-Time Homebuyer	Caminito Mundo, San Diego, CA 92119	\$16,500	There was a short sale on 12/07/2012. The SDHC received \$8,500.
4-SA-1177	First-Time Homebuyer	Caminito Espino, San Diego, CA 92154	\$15,000	On 01/09/2013, the property was sold as a short sale. The SDHC received \$6,500, which was posted to the second trust deed loan. The remainder of \$84,750 and the memorandum of lien in the amount of \$15,000 were written off.
4-SA-1269	First-Time Homebuyer	Leilani Way, San Diego, CA 92154	\$96,000	A Trustee's Sale was held on 04/03/2013 and the property was sold to a third-party bidder. Excess funds have been requested.
8-ES-0002 4-03-0769	First-Time Homebuyer	Brooklyn Avenue, San Diego, CA 92114	\$38,196	The property went back to the beneficiary at a foreclosure sale held on 11/30/2012.

As of the end of FY 2013, the City did not have loans made with CDBG funds that had gone into default and for which the balance was forgiven or written off.

As of the end of FY 2013, the City or its subrecipients did not have property available for sale that had been acquired or improved using CDBG funds.

Lump Sum Agreements

The City did not execute any lump sum agreements in FY 2013.

Housing Rehabilitation

In FY 2013, there were 15 CDBG-funded projects that completed residential rehabilitation. Table 21 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 as of the end of FY 2013. Refer to Appendix G for a complete description of each project's accomplishments in FY 2013.

Table 21. CDBG-Funded Housing Rehabilitation Projects in FY 2013.

IDIS #	Year Funded	Project Name	Units Completed	Non-CDBG Funds Leveraged	CDBG Funds Expended
6305	2013	Lead Safety Enforcement Program	182	\$0	\$30,979
6288	2013	Safe and Healthy Homes Project FY 2013	67	\$0	\$91,480
6287	2013	Sycamore Court Rehabilitation	6	\$35,000	\$435,202
6286	2013	City Heights Neighborhood Rehab Project	9	\$135,374	\$256,519
6285	2013	Senior Smoke Alarm Program	183	\$0	\$22,195
6289	2013	San Diego Solar Affordable Homes Program	43	\$939,021	\$133,300
6137	2012	San Diego Solar Affordable Homes Program	56	\$694,800	\$167,273
6143	2012	Urban Corps WEER Project	65	\$0	\$109,268
6142	2012	Urban Corps CDBG Green Streets Project	25	\$0	\$110,455
6141	2012	Picador Apartments Rehabilitation	71	\$1,815,336	\$1,231,878
6140	2012	Roof Repair/Replacement Program & ADA	23	\$0	\$200,000
6139	2012	"Safe at Home" Minor Home Repair Program	1,014	\$0	\$271,644
6136	2012	Village View Apartments Rehabilitation	29	\$0	\$906,082
6135	2012	Senior Smoke Alarm Program	530	\$0	\$100,938
6123	2012	5471 PJAM Safety Improvements	287	\$0	\$101,652
Total			2,590	\$3,619,531	\$4,168,865

It should be noted that, in FY 2013, 10 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 2013.

Antipoverty Strategy

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

Program Year 4 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 most critical 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 225 microenterprise businesses in FY 2013, of which 142 were new businesses established.

Beyond the provision of more access to affordable housing through a number of efforts taken by the City to reduce the number of persons living below the poverty level is through economic development activities. Using CDBG funds, the City has provided for small business assistance and has nurtured microenterprise development. In FY 2013, eight microenterprise development projects had access to CDBG funds to provide assistance to the City's minority and refugee populations. A total of 225 businesses were assisted, and 142 new businesses were

established. It should be noted that activities will continue through FY 2014.

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 12 for a description of those programs and the accomplishments in FY 2013.

Since 1986, the City has had a State of California Enterprise Zone Program designation. Enterprise Zones are in low-income disadvantaged communities, are designated for 15 years, and are areas where businesses may receive substantial tax breaks and other incentives. In 2006, the City applied for and was awarded a new regional designation, the San Diego Regional Enterprise Zone (SDREZ). This was a joint venture with the cities of Chula Vista and National City. San Diego's economy is regional in nature; therefore, collaborating with other local cities and the state to expand business incentives increases San Diego's ability to compete with other regions, create new jobs, and increase investment in the local 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.



With the addition of approximately 3,000 acres of prime commercial and industrial in FY 2013, the SDREZ consists of 38,000 acres of commercial and industrial land, as well as eligible residential census tracts. Program administration of the SDREZ is 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 state and local 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 the recruitment and hiring of 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 2013:

- Regionwide:
 - 11,247 hiring credit certificates issued (20 percent increase from FY 2012)
 - 17 percent of hiring credit certificates issued were for new jobs
 - Average hourly rate for certificates issued was \$12.71 (15 percent increase from FY 2012)
- Citywide:
 - 8,128 hiring credit certificates issued (21 percent increase from FY 2012)
 - 19 percent of hiring credit certificates issued were for new jobs
 - Average hourly rate for certificates issued was \$13.29 (7 percent increase from FY 2012)

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 4 CAPER "Non-Homeless Special Needs" Response:

Goal 2 (Priority 3A in FY 2013) 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.

Table 22 below shows the CDBG projects that were implemented in FY 2013 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 2013. 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.



Image 15. An ADA improvement in Balboa Park funded by CDBG.

Table 22. CDBG Projects in FY 2013 Addressing Non-Homeless Special Needs.

IDIS #	Funding Year	Agency	Project	Expenditure
6304	2013	The Angel’s Depot	Senior Food for a Week	\$91,246
6302	2013	Senior Community Centers	Senior Nutrition Program	\$128,140
6301	2013	San Diego Volunteer Lawyer Prog	Safe and Secure Families Project	\$144,458
6300	2013	San Diego Second Chance Prog	Job Readiness Training for Unemployed	\$199,951
6299	2013	San Diego LGBT Community Ctr	Behavioral Health Services	\$100,000
6296	2013	Mama’s Kitchen	Home-Delivered Meal Service	\$99,230
6294	2013	Family Health Centers	Safe Point San Diego	\$71,571
6270	2013	City Park & Recreation	Linda Vista Community Park Picnic	\$100,000
6118	2012	City Park & Recreation	Views West Neighborhood Park ADA	\$305,100
6113	2012	Balboa Park Cultural Partnership	Balboa Park ADA Upgrades	\$247,378
5573	2010	Friends of the Riford Center	Riford Center	\$29,809

In addition to the CDBG projects on Table 22 on page 59, non-homeless special needs were addressed in FY 2013 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 2013 to meet the needs to persons living with HIV/AIDS and their families.

Refer to page 70 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 4 CAPER “Specific HOPWA Objectives” Response:

Overall Assessment



Image 16. A person receiving a home-delivered meal made possible by HOPWA funds.

Goal 4 (Priority 6A in FY 2013) 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 2013.

In addition, Table 4F in Appendix F lists the projects and activities that were implemented, and how much was expended, in FY 2013 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 2013 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 2013.

Grantee and Community Overview

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 the every-day 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 2012 allocation of \$2,883,128 to fund activities implemented in FY 2013. In addition, prior-year funds were used to supplement the federal Program Year 2012 allocation for activities in FY 2013. 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

On April 5, 2011, the San Diego County Board of Supervisors authorized the release of the HOPWA request for proposals (RFP) for FYs 2013, 2014, and 2015, and authorized the execution of contracts for a term of one year with two 1-year renewal options. Subsequently on November 2, 2012, another HOPWA RFP was released. Table 23 below 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. Refer to Appendix G for a full description of these projects.

Table 23. FY 2013 HOPWA-Funded Projects.

IDIS #	Agency	Project	Expenditure
6378	Being Alive San Diego	Helping Hands Moving Services	\$59,560
6472	Townspeople	Emergency Housing	\$36,042
6379	Community HousingWorks	Residential Services Coordinator	\$30,981
6382	County of San Diego Health and Human Services Agency	HIV, STD, and Hepatitis Branch Case Management Program	\$250,355
6389 6182	County of San Diego Housing and Community Development Department	Tenant-Based Rental Assistance Program	\$669,080
6380	Fraternity House, Inc.	Fraternity House Licensed Residential Care Home	\$171,934

IDIS #	Agency	Project	Expenditure
6381	Fraternity House, Inc.	Michaelle House Licensed Residential Care Home	\$208,590
6385	South Bay Community Services	Residential Services Coordinator	\$26,419
6388	St Vincent De Paul Village, Inc.	Josue Homes Transitional Housing	\$599,017
6387	Stepping Stone of San Diego	Enya House Transitional Housing	\$167,640
6471	Townspople	Housing Operations	\$20,141
6470	Being Alive	Housing Information and Referral Program	\$38,625
6371	Mama’s Kitchen	HOPWA Nutrition Project	\$158,510
6386	Stepping Stone of San Diego	Central Avenue Sober Living Transitional Housing	\$100,534

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 2013, 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 62, project sponsors that received HOPWA funds in FY 2013 were selected through two separate RFPs in 2012.

Needs/Statistics: A 2013 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, 2012 was 15,028. 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. Four hundred forty-one new cases were reported in San Diego County between January 1, 2011, and December 31, 2012.



Image 17. A HOPWA-supported apartment complex for persons living with HIV/AIDS.

In 2012, a needs assessment of people living with HIV/AIDS (PLWHA) was conducted by the San Diego HIV Health Services Planning Council, in which 924 PLWHA were surveyed. According to the 2012 HIV/AIDS Needs Assessment, an estimated 23 percent of PLWHA surveyed had at least one unmet medical care need. The study reported that approximately 52 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 2013 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. During FY 2013, volunteers provided a substantial amount of service hours at many HOPWA-funded agencies. Volunteers are typically recruited from volunteer fairs or may be participants of HOPWA-funded programs, the United States Navy, local church congregations, St. Village de Paul Village Volunteer Services, Josue Homes alumni, community-based pharmacies, local HIV service organizations, and pharmaceutical companies. Volunteers come with the desire to contribute to the program and clientele. Volunteers for specific tasks, like grounds cleanup or orientation groups, were recruited through the St. Vincent de Paul Village Volunteer Services program. A HOPWA provider reported that in 2012, volunteers provided 33,806 hours of service, in addition to driving over 132,000 miles to deliver meals to clients at their own expense. Many agencies also received in-kind contributions and cash donations. HOPWA-funded agencies also took a proactive approach to increasing program income. HOPWA-funded agencies implemented annual fundraising plans to increase income received 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 the following: North Park Family Health Center provided HIV education and sober support groups; (FUN)ction sponsored recreational events; AIDS Healthcare Foundation consulted with clients and staff regarding prescription/medication issues; and the LGBT Center of San Diego provided training on working with the transgender community. Pie in the Sky volunteers sold 4,700 pies, netting \$100,000 in funding. The major sponsors of this event were Wells Fargo Bank, Original Pancake House of Poway & Temecula, CareFusion Foundation, and MDC Group. The 2013 Mama's Day event raised \$220,000 with 650 guests and sponsorships from Hyatt Regency La Jolla, Nordstrom, Sycuan Casino, Union Bank, Bowden Family Foundation, Issa Family Foundation, and Pepsi. HOPWA-funded agencies collaborate with a variety of health care providers and case management agencies to identify eligible clients including, but not limited to, Christie's Place, San Ysidro Health

Center, Kaiser Permanente, Owen Clinic, and Sharp Rees-Stealy Medical Group. A total of \$3,610,788 in committed leveraged funds from other public and private resources helped address the needs identified in the 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 developers to establish adequate housing and support services for people living with HIV/AIDS.

In FY 2013, 427 households with HIV/AIDS received supportive services through HOPWA funds, and 82 households received tenant-based rental assistance.

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 developed. Currently, there are a total of eight 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 2013.

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.

Townspople provided emergency housing in the form of hotel/motel vouchers to 12 households. 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 1,114 contacts for information and referrals were made in FY 2013 via walk-ins, telephone calls, and website hits. This program provides information regarding available and affordable housing that meets the needs of people with special needs, housing options for those living with HIV/AIDS with co-occurring disorders, vacancies, application procedures and contact information for housing providers and comprehensive housing plans for persons living with HIV/AIDS to maintain housing, prevent homelessness, and return unsheltered persons living with HIV/AIDS to suitable housing.
- Moving Services: Approximately 91 households were provided with moving services Countywide in FY 2013. 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 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 and South Bay Community Services assisted approximately 33 households in FY 2013.

Barriers or Trends Overview

In FY 2013, 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 the 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.

MTS Compass Passes were discontinued for non-disabled persons with no income previously funded by the Ryan White Treatment Extension Act grantee. Yet, transportation is listed as needed to keep people in medical care by 43 percent of HIV service providers according to the 2013 Provider Survey, and by 32 percent of consumers according to the 2012 Consumer Survey. HOPWA providers plan to coordinate a recommendation to MTS to provide discounted passes to persons living with HIV due to their need to receive medical care services—much like the work of MTS to provide discounted passes to students.

Lack of part-time employment opportunities for persons re-entering the job market was a barrier. Josue Homes plans to work with the Job Developer at St. Vincent de Paul Village to find part-time opportunities for Josue Homes clients. Shrinking funding for specialized HIV primary and support services was also another barrier. Providers must identify support services, employment opportunities, and affordable housing resources for clients. Specifically, providers must identify resources not funded by the usual HIV funding streams (e.g., RWTEA, HOPWA). With the implementation of the Affordable Care Act, providers and consumers must share information and strategies for obtaining and maintaining appropriate and effective medical care for HIV and co-occurring disorders.

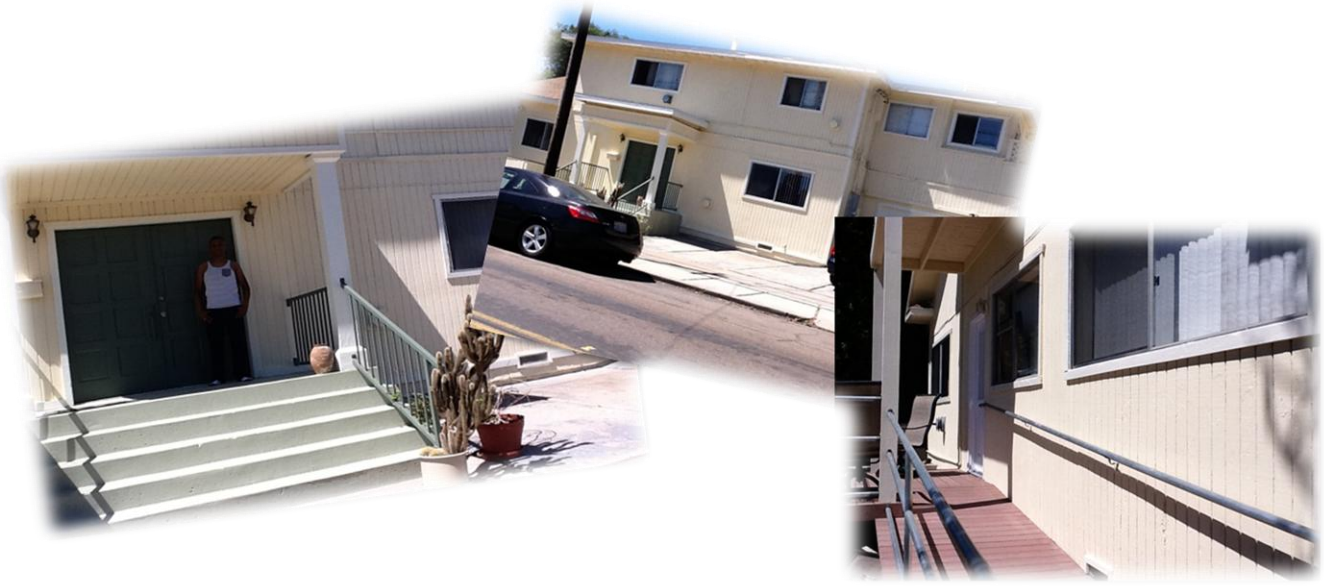


Image 18. A transitional housing site supported by HOPWA funds in FY 2013 for recovering substance abusers and recovering substance abusers who have mental illness.

Barriers such as lack of stable housing, low income, and poor nutrition have been identified as gaps within the National HIV/AIDS Strategy (NAS) model. It is anticipated that mental health issues, such as untreated mental illness, cumulative trauma, and substance abuse, will need to enter into the discussion of major barriers impacting the HIV epidemic. Funding is the ongoing challenge in providing services. In addition, as the HIV/AIDS community ages, it is anticipated that there will be more people requiring services as ancillary medical conditions arise. Finally, high housing costs in San Diego County continue to impact 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 in an amount generally in line with the budget of 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 2013.

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OTHER NARRATIVE

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

Program Year 4 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. Since 2006, the Commission has served as the official advisory body to the Mayor and City Council on policy issues regarding gang prevention and intervention. The collaborative work of the Commission members has impacted and continues to impact the violence in the community in a positive way.

The purpose of the 20-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 2013, the Commission accomplished the following:

- **Youth Jobs:** The Commission supported a youth employment strategy that was a best practice youth development approach for young people intended to alter the trajectory toward gang involvement. The San Diego Workforce Partnership is a member of the Commission. They received City funds to implement Connect2Careers. Connect2Careers is designed to address San Diego's ongoing skills gap by providing meaningful summer work experiences that prepare young adults for in-demand jobs. More than 50 companies joined with the City to provide intern opportunities for youth.
- **Collaborative Education and Advocacy Against Community Violence:** The impact of community violence on the youth in the community has become a clarion call to action for the Commission. In response to a recent gang related violence in the community of City Heights, the Commission co-organized and co-sponsored a Trauma Informed Care Conference entitled *Responding to Community Violence—Impact, Awareness, and Empowerment* in October 2012. Alliance for Community Empowerment (ACE), San Diego County Health and Human Services Agency, Jenna Druck Foundation, Harmonium, UC San Diego Health Services, The Peace Coalition, Youth Voice, San Ysidro Health Clinic, Jonathan Villafuerte, and Motivating The Teen Spirit were the partners.

In attendance were 164 community members, agency staff, and professionals. The result of the conference was a series of recommendations for how the County and City agencies can better assist the community through services, resources, and an overall increased understanding on the impact community violence has on their lives.

- **Continued Promotion of Safe Passage and Summer Extended Hours:** The Commission assisted Montgomery Middle School to apply for and win a grant to support its parent involvement with Safe Passage.

The Commission also supported the City's Park & Recreation Department's extended hours program for the summer, which included a partnership with the San Diego Police Department. The Mountain View, Southcrest, Encanto, Mid City and Memorial recreation centers offered activities to engage youth during the summer from 6:00 p.m. to 9:00 p.m. on Friday evenings.

- **Statewide Collaborations:** Since 2007, San Diego has been a member of the California Cities Gang Prevention Network, the first of its kind in the nation. The network focuses on "successful policies and practices that interweave prevention, intervention, enforcement, and community 'moral voice' as an alternative to prison-only solutions".

The Commission has found the network to be a valuable resource relevant to its work. Though it is no longer funded by the California Wellness Foundation and the California Endowment, the City's Commission intends to continue representing San Diego and working with other cities that remain committed (San Francisco, San Bernardino, Los Angeles, Salinas, Santa Rosa, San Jose, and Oakland). Through the network, San Diego has served as a resource to Sacramento as they built a Task Force and to Long Beach as they began to build a strategic plan on impacting violence.

- **Provision of Information about Evidence-Based Strategy Concepts:** The Commission co-hosted Robert Lewis, Jr. Mr. Lewis was the vice president in charge of StreetSafe, a Boston project that aims to combat gang violence by deploying street workers—many of them former gang members themselves—to reach out to the young residents of Boston's most dangerous neighborhoods. Mr. Lewis was inspirational and shared his passion for working with youth.

Los Angeles Deputy Mayor Guillermo Cespedes, who heads Los Angeles's successful violence intervention program, the Gang Reduction and Youth Development (GRYD) program, shared with groups all over the county what works based on his professional experience and corresponding assessments. The GRYD concept has been evaluated and researched. The Commission hosted the 2-day visit in San Diego. Cespedes says Los Angeles has reduced violence in the most violent neighborhoods by 16 percent. As each gang-related homicide costs the city around \$1.2 million, reducing violence through community programs is a cost-saver in the long run.

- **Community and San Diego Police Department Partnership:** Commission members worked on two strategies to impact violence:
 - **Community Walks:** Pastors and community members walked neighborhoods where there had been gun violence to offer support through referrals and information. The targeted neighborhoods were Encanto, Mid City, and South 35th Street. The group evolved into a stand-alone initiative called Community Assistance Support Team (CAST).
 - **Hospital Response:** Pastors, the San Diego Police Department, and community volunteers began conversations with the trauma centers in the City to create a hospital response protocol. UC San Diego has been looking for funding of this effort.
- **Ongoing Community-Wide Collaboration:** While the Commission is not a service provider, families have been supported as a result of its facilitation of resources and collaborative (e.g., via Crime Free Multi-Housing, CAST, and the San Diego Compassion Project), youth have been diverted from the criminal justice system (e.g., via Collaborative Curfew Sweeps), and youth have been 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's Connect2Careers Program).

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, 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, allow the City to effectuate positive changes in the City's communities.

City of San Diego Office of ADA Compliance & Accessibility

In 1991, the City appointed an ADA Coordinator to comply with the Americans with Disabilities Act (ADA) of 1990 and serve as the Executive Director of the Office of ADA Compliance & Accessibility (formerly known as the Disability Services Department). The mission of the office 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 2013, ADA Compliance & Accessibility 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 (MCD), which met 9 times in FY 2013 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 2013:

- Researched and provided support and recommendations to the Mayor and other agencies and City departments;
- Addressed the City Council on the MCD's vision, mission, roles, accomplishments, and recommendations for people with disabilities;
- Advocated and advised on:
 - Plaza de Panama Project
 - Emergency Preparedness Efforts of Office of Homeland Security
 - City of San Diego's Website
 - Consistent ADA Project Funding Source
 - Employment Opportunities for the Disabled
 - Committee Becoming a Board or Commission
 - SANDAG/MTS Mid-Coast Corridor Trolley Project
 - Museum of Man California Tower Project
 - ADA Accessible Technology for New Main Library
 - New Department Name for Disability Services Department

In addition, ADA Compliance & Accessibility 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, ADA Compliance & Accessibility 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 ADA Compliance & Accessibility and the complainant. If funding was required, the complaint was placed on an unfunded needs list until funding became available. In FY 2013, the City received 97 ADA complaints, of which 19 were resolved.

The following list summarizes the accomplishments of ADA Compliance & Accessibility in FY 2013:

- 11 of 101 active ADA capital improvement projects were completed (11 percent);
- 94 construction documents were reviewed;
- 117 onsite inspections were done;
- 136 facilities and intersections were surveyed;
- 19 of 97 ADA complaints received were resolved (20 percent);
- 87 total ADA complaints were resolved (outstanding complaints from 2008 to 2013);
- 9 ADA presentations/trainings were conducted;
- 173 technical assistance efforts were rendered; and
- 1,501 requests for information and research were completed.

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 2013, a total of 169 facilities (80 percent) have undergone the removal of barriers.

In FY 2013, the City committed approximately \$2.8 million from the General Fund, \$2.5 million in Development Impact Fees, and \$8.2 million in Deferred Capital Bond to ADA projects. These funds went to 17 capital improvement facility projects at various City parks, community centers, libraries, and 55 public right-of-way improvement projects such as curb ramps, missing sidewalks, and audible pedestrian signals.

In FY 2013, 11 ADA capital improvement projects were completed, funded with various sources, including land sales, development impact fees, and CDBG. At the end of the FY 2013, 90 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>.



Image 19. A meeting of the Mayor's Committee on Disability.

ADA Compliance & Accessibility 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 Office of ADA Compliance & Accessibility.

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 director of the City's Office of ADA Compliance & Accessibility serves as its Section 504 Administrator.

Those in the City may contact the Office of ADA Compliance & Accessibility 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
(800) 462-0503 | Fair Housing Hotline
711 | Telecommunications Relay Service
adacompliance@sandiego.gov

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

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