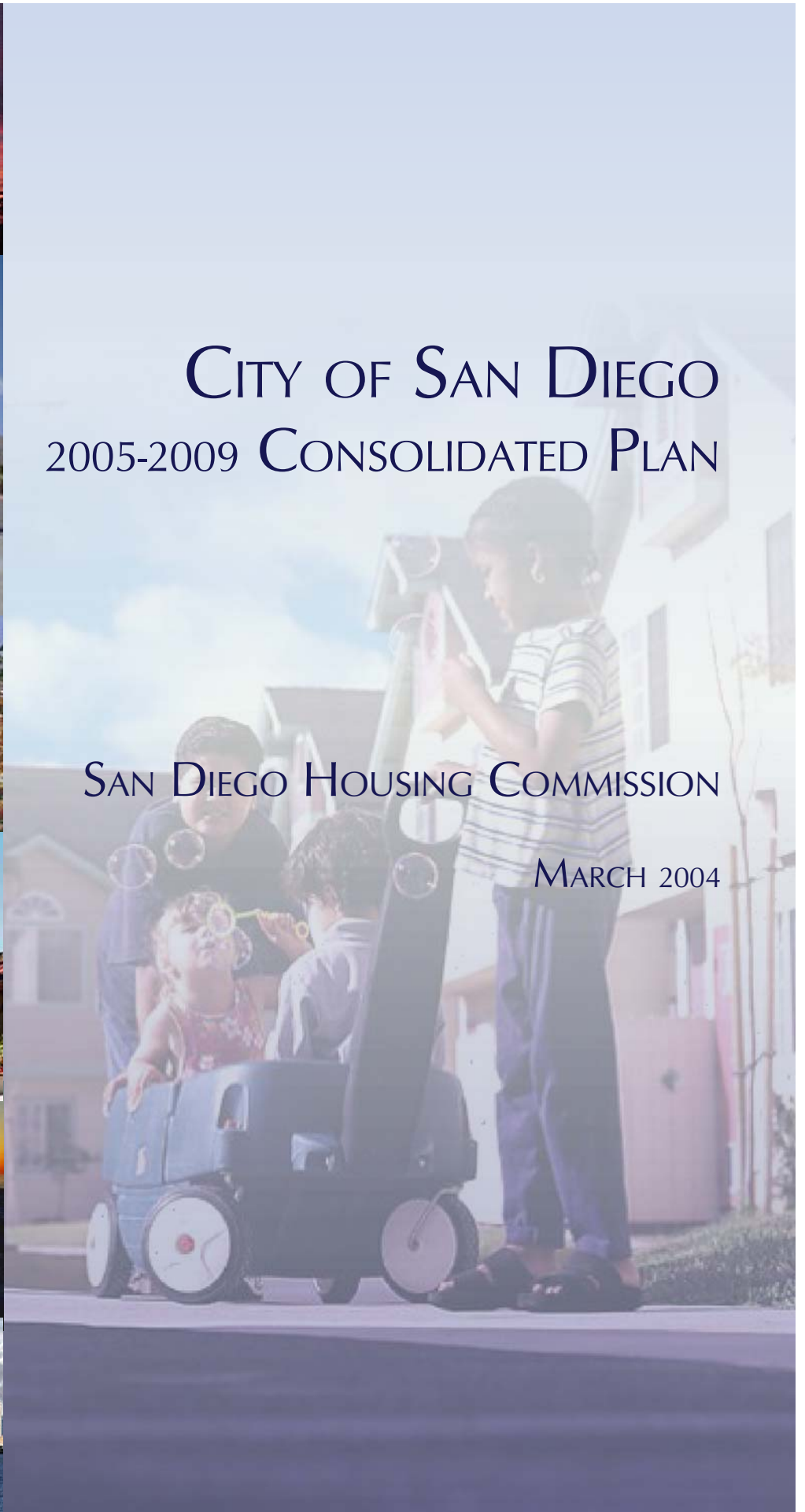




CITY OF SAN DIEGO 2005-2009 CONSOLIDATED PLAN

SAN DIEGO HOUSING COMMISSION

MARCH 2004



**CITY OF SAN DIEGO
2005-2009 CONSOLIDATED PLAN**

DRAFT

MARCH 2004

SAN DIEGO HOUSING COMMISSION
1625 Newton Avenue
San Diego, CA 92113

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Chapter 1

Introduction

The Consolidated Plan (CP) is a planning document that identifies the City's overall housing and community development needs, and outlines a strategy to address those needs. The Plan includes the following components:

- An assessment of the City's housing and community development needs and market conditions;
- A strategy that establishes priorities for addressing the identified housing and community development needs; and
- A one-year investment plan that outlines the intended use of federal resources.

1.1 Planning Frameworks

The 2005-2009 Consolidated Plan for the City of San Diego satisfies requirements of five Community Planning and Development (CPD) programs offered by the U.S. Department of Housing and Urban Development (HUD):

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- Emergency Shelter Grant (ESG)
- American Dream Downpayment Initiative (ADDI)
- Housing Opportunities for Persons with AIDS (HOPWA)

This 2005-2009 Consolidated Plan for the City covers the period of July 1, 2004 through June 30, 2009.

1.2 Program Descriptions

Community Development Block Grant (CDBG)

The CDBG program was initiated by the Housing and Community Development Act (HCDA) of 1974. The primary objective of this program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low and moderate income (defined as below 80 percent of area median income).

Through the CDBG program, the U.S. Department of Housing and Urban Development (HUD) provides funds to local governments for a wide range of community development activities for low-income persons. CDBG funds are likely the most flexible federal funds available to local governments. Funds can be used for a wide array of activities, including:

- Housing rehabilitation (loans and grants to homeowners, landlords, non-profits, and developers)
- Down payment and other homeownership assistance
- Lead-based paint detection and removal
- Acquisition of land and buildings
- Construction or rehabilitation of public facilities such as shelters for the homeless and domestic violence victims
- Removal of architectural barriers to the elderly and disabled
- Public services such as job training, transportation, and child care
- Rehabilitation of commercial or industrial buildings
- Loans or grants to businesses

Regulations governing the CDBG program require that each activity undertaken with CDBG funds meet one of the following three broad national objectives:

- Benefit people with low and moderate incomes
- Aid in the prevention or elimination of slums and blight
- Meet an urgent need (such as earthquake, flood, or hurricane relief)

HOME Investment Partnership (HOME)

The HOME program was created as part of the 1990 National Affordable Housing Act. The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for low income households (defined as below 80 percent of area median income). The program gives local governments the flexibility to fund a wide range of affordable housing activities through housing partnerships with private industry and non-profit organizations. HOME funds can be used for activities that promote affordable rental housing and homeownership by low income households, including:

- Building acquisition
- New construction and reconstruction
- Moderate or substantial rehabilitation
- Homebuyer assistance
- Tenant-based assistance

Strict requirements govern the use of HOME funds. Two major requirements are that the funds must be: (1) used for activities that target low income families; and (2) matched 25 percent by non-federal funding sources.

Emergency Shelter Grant (ESG)

The Emergency Shelter Grants (ESG) program provides homeless persons with basic shelter and essential supportive services. ESG funds can be used for a variety of activities, including:

- Rehabilitation or remodeling of a building used as a shelter
- Operations and maintenance of a homeless facility
- Essential supportive services (i.e., case management, physical and mental health treatment, substance abuse counseling, childcare)
- Homeless prevention

ESG grant funds must be matched dollar-for-dollar with non-federal funds or "in-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time.

American Dream Downpayment Initiative (ADDI)

The new initiative provides communities throughout America with \$200 million in grants to help homebuyers with the downpayment and closing costs, the biggest hurdles to homeownership. The program is intended to increase the overall homeownership rate, especially among minority groups who have lower rates of homeownership compared to the national average. The focus is on low and moderate income families who are also first-time homebuyers. To participate, recipients must have annual incomes that do not exceed 80 percent of the area median income.

Housing Opportunities for Persons with AIDS (HOPWA)

The HOPWA program provides grant funds to design long-term, comprehensive strategies for meeting the housing needs of low income people living with HIV/AIDS. HOPWA funds can be used for a variety of activities, including:

- Acquisition, rehabilitation, or new construction of housing units
- Facility operations
- Rental assistance
- Short-term payments to prevent homelessness

HOPWA funds are granted to the largest jurisdiction in a county. The City of San Diego is the recipient of HOPWA funds on behalf of all San Diego County jurisdictions. However, by agreement between the City and the County, the County Department of Housing and Community Development administers the HOPWA funds.

1.3 Geographic Areas Covered

The City of San Diego is the country's seventh largest city and California's second largest city with its population of approximately 1.2 million people. The City comprised approximately 43 percent of the County population in 2000. Located in the western portion of the County, the City comprises about 324 square miles of land area (only eight percent of the total County area). While many CPD-funded programs are available citywide, the City will outreach and market those programs most strongly in the areas of greatest need.

1.4 Income Definition

While the federal programs use different terms to define income categories, for purposes of the Consolidated Plan, the following income definitions based on the Median Family Income (MFI) for the Metropolitan Statistical Area (MSA) are used:

- **Extremely Low Income:** 0-30 percent of County MFI
- **Low Income:** 31-50 percent of County MFI
- **Moderate Income:** 51-80 percent of County MFI

The specific income limits, however, are adjusted for household size.

1.5 Lead Agency

The San Diego Housing Commission (SDHC) serves as the lead agency in coordinating the preparation of the Consolidated Plan, annual Action Plan, and consolidated reporting. SDHC administers the HOME program and housing-related CDBG funds. The City of San Diego Community and Economic Development Department administers the non-housing CDBG funds and ESG funds. The San Diego County Department of Housing and Community Development (HCD) administers the HOPWA program.

1.6 Relationship to the Housing Element

The Housing Element is a component of the City of San Diego General Plan. The Housing Element is a State of California planning requirement and provides policy guidance on the availability, adequacy, and affordability of housing for all socioeconomic segments of the City. The Consolidated Plan is an implementation plan for housing and community development strategies, with an emphasis on households earning incomes up to 80 percent of the County Median Family Income. Because the Consolidated Plan is an implementation plan, it should be consistent with the overall policy direction of the Housing Element.

The Consolidated Plan regulations are modeled after the California Housing Element law and therefore, significant overlaps in terms of content requirements exist between the two documents. A technical difference that should be clarified is income definitions under Housing Element and Consolidated Plan regulations (Table 1-1).

Table 1-1: State and Federal Income Definitions

% of County MFI	Consolidated Plan	Housing Element
0-30%	Extremely Low	Extremely Low
31-50%	Low	Very Low
51-80%	Moderate	Low
81-120%	Middle/Above	Moderate

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Chapter 2

Community Outreach

Community outreach is an important component of HUD's Community Planning and Development (CPD) grant programs (i.e. CDBG, HOME, ESG, and HOPWA). To foster community outreach, the City of San Diego has developed a Citizen Participation Plan (CPP), which establishes policies and protocols for community outreach and citizen involvement for the use of CPD funds. The CPP is presented in this chapter.

During the development of this 2005-2009 Consolidated Plan, the City of San Diego adhered to the Citizen Participation Plan and provided multiple opportunities for community input. The community outreach process undertaken for the development of this Consolidated Plan is also presented in this chapter.

2.1 Citizen Participation Plan

Introduction

As required by law, the City of San Diego (the City) has developed this Citizen Participation Plan which contains the City's policies and procedures for public involvement in the Consolidated Plan process and the related use of CDBG, HOME, ESG, and HOPWA funds. Because of the system established in San Diego for the administration of these funds, this Citizen Participation Plan governs relevant actions of the County of San Diego and the San Diego Housing Commission in regard to their administration of the HOPWA and HOME programs respectively.

Definitions

CDBG: Community Development Block Grant, a HUD grant which provides funds for a variety of community development programs which benefit low and moderate income persons

ESG: Emergency Shelter Grant, A HUD grant which provides funds for homeless shelters and supportive services

HOME: Home Investment Partnership Programs, a HUD grant which provides funds to expand the supply of decent affordable housing for low income households

HOPWA: Housing Opportunities for Persons with AIDS, a HUD grant which provides funds for housing and support services for low income persons living with AIDS and their families

HUD: the Federal Department of Housing and Urban Development

Consolidated Plan: a five-year strategic plan related to the use of the above grant funds

Annual Action Plan: the annual allocation plan related to the above grant funds

Consolidated Annual Performance Evaluation Report (CAPER): the annual assessment of performance related to the above grant funds

Administrative Responsibilities and Contact Information

The City is the recipient of all the grant funds listed above and directly administers the CDBG and ESG programs. Through contractual arrangements with the City, the San Diego Housing Commission administers the HOME program and the County of San Diego administers the HOPWA program. Contact information for each program follows:

- **CDBG:** Anita Pyle, CDBG Administrator, (619) 236-6694, apyle@sandiego.gov
- **ESG:** Kimberly Pearson Brown, Homeless Services Coordinator, (619) 533-6280, kpearson-brown@sandiego.gov
- **HOME:** Meredith Bryant, Financial specialist (619) 578-7591, Meredith@sdhc.org
- **HOPWA:** David Estrella, Housing Program Analyst, (619) 694-8712 david.estrella@sdcounty.ca.gov

The San Diego Housing Commission, in partnership with the City, has responsibility for administration of the Consolidated Plan process which includes all activities related to development and dissemination of Consolidated Plans, Annual Action Plans, Consolidated Annual Performance Evaluation Reports and this CPP. Additional information may be obtained from Rob Albrecht at (619) 578-7539, roba@sdhc.org.

Encouraging Public Participation

It is the intent of the City of San Diego to encourage and facilitate the participation of residents in the formulation of priorities, strategies and funding allocations related to the Consolidated Plan process, emphasizing involvement by low and moderated income persons, especially those living in low and moderate income neighborhoods. San Diego also encourages participation of diverse populations, including people who do not speak English and persons with disabilities.

An overview of the Consolidated Planning process is available in Spanish and Vietnamese, the languages of residents who comprise a significant portion of San Diego's low and moderate income neighborhoods. Residents needing materials in other languages are encouraged to contact Rob Albrecht at (619) 578-7539 or by e-mail at roba@sdhc.org.

Role of Low Income People

The primary purpose of the programs covered by this Citizen Participation Plan is to improve communities by providing decent housing, a suitable living environment, and growing economic opportunities-all principally for low and moderate income people.

Because the amount of federal CDBG, HOME, ESG, and HOPWA money San Diego receives each year is primarily based on the severity of both poverty and substandard housing conditions in San Diego, the City recognizes the importance of public participation that genuinely involves people who have experienced these conditions. It is San Diego's intent to provide opportunities for meaningful involvement by low income people at all stages of the process, including:

- Need identification
- Priority setting
- Funding allocation
- Program recommendations

Stages of the Consolidated Plan Process

The policies and procedures in this CPP relate to five specific stages of action mentioned in law or regulation. These stages include:

1. The needs assessment stage, i.e. the identification of housing and community development needs which generally occurs during development of a Consolidated Plan
2. The plan development stage, i.e., preparation of a Draft Consolidated Plan and/or Draft Annual Action Plan
3. The approval stage, i.e., formal approval by elected officials of a final Consolidated Plan or Annual Action Plan
4. The amendment stage, i.e., when a change in proposed use of funds in an Annual Action Plan or to the priorities established in the Consolidated Plan is made, a formal Substantial Amendment will be proposed, considered and acted upon. (See "Stages in the Process" of this CPP for the definition of what constitutes a substantial amendment)
5. The performance review phase, i.e., preparation of the CAPER

Program Year in San Diego

The “program year” established by the City for these funds is July 1 through June 30.

Public Notice

Items Covered by the Public Notice Requirement

The City will provide advanced public notice once any of the following documents is available: the Proposed Annual Action Plan or Consolidated Plan, any proposed Substantial Amendment, and the Annual Performance Report. In addition, the City will provide public notice of all public hearings related to the funds or to the planning process covered by this CPP.

“Adequate” Advance Public Notice

HUD considers advance public notice to be adequate if given with enough lead time for the public to take informed action and to comment. The amount of lead time can vary, depending on the event. Specific minimum amounts of lead time for different events are described later in this CPP.

Forms of Public Notice

Public notices will be published in the *San Diego Union Tribune* as a display advertisement in a non-legal section of the newspaper. Whenever feasible, display ads and/or press releases for publication in appropriate neighborhood and ethnic newspapers will also be used. Notice will also be given through mailings to San Diego’s Community Planning Groups and other organizations or individuals who have requested to receive such notices. Notice will be given through mailings to neighborhood organizations, public housing resident groups, religious organizations in lower income neighborhoods and agencies providing services to lower income people.

Public Access to Information

The City of San Diego will provide the public with reasonable and timely access to information and records relating to the data or content of the Consolidated Plan as well as the proposed, actual, and past use of funds covered by this CPP. In addition, the City will provide the public with reasonable and timely access to local meetings related to the proposed or actual use of funds.

Standard Documents

Standard documents include: the proposed and final Annual Action Plans, the proposed and final Consolidated Plans, proposed and final Substantial Amendments to an Annual Action Plan or Consolidated Plan, Annual Performance Reports (CAPERS), and this CPP.

Availability of Standard Documents

In the spirit of encouraging public participation, copies of standard documents will be provided to the public. These materials will be available in a form accessible to persons with disabilities, upon request to Rob Albrecht, (619) 578-7539, roba@sdhc.org

Places Where Standard Documents Are Available

Standard documents will be available as the following locations: the Central Library and all 34 branch libraries, all 14 City Community Service Center, the office of the City Clerk (202 C Street, 2nd floor), the office of the CDBG Administrator (1200 Third Avenue, Suite 924), and the office of the Housing Commission (1625 Newton Avenue). All standard documents will also be posted on the Housing Commission's web site, *sdhc.net*.

Public Hearings

Public hearings will be held at key stages of the process to obtain the public's views and to provide the public, to the greatest extent possible, with responses to their questions and comments. The City holds public hearings to obtain input regarding community needs during development of a Consolidated Plan, to review proposed uses of the funds in each Annual Action Plan, and to assess how funds were spent during the previous program year as reported in the Annual Performance Report. More information about these specific hearings is contained in "Stages of the Process" of this CPP.

Access to Public Hearings

Public hearings will be held only after there has been adequate notice as described in "Public Notice" of this CPP. At a minimum, a display advertisement in the non-legal section of the *San Diego Union Tribune*, published at least 14 days before the hearing, is required.

The City has elected to hold most public hearings related to the Consolidated Plan process at regularly scheduled meetings of City designated Community Planning Groups that serve low and moderate income neighborhoods. These meetings are held in the evening and are located in neighborhoods where concentrations of low and moderate persons reside. Other public hearings are held during business hours in accessible downtown locations, easily accessible by public transit. The public hearing at which Consolidated Plans and/or Annual Action Plans are approved by the City Council are conducted at City Hall.

Public Hearings and Populations with Unique Needs

All public hearings are held at locations accessible to people with disabilities. If non-English speaking or hearing impaired residents request assistance to participate in a public hearing, the City will obtain appropriate assistance to the greatest extent possible.

Stages in the Process

Identifying Needs

Because the housing and community development needs of low and moderate income people are so great and so diverse, priorities must be set in order to decide which needs should get more attention and more resources than other needs. This is the basic reason the Consolidated Plan exists.

The City holds public hearings to obtain residents' opinions about needs and what priority those needs have during the development stage of the Consolidated Plan (every 5 years). Public hearing about needs will be completed at least 15 days before a draft Consolidated Plan is published for comment, so that the needs identified can be considered by the City and addressed in the draft Plan.

“Proposed” Annual Action Plan and/or Consolidated Plan

The law providing the funds related to this Citizen Participation Plan calls for improved accountability of jurisdictions to the public. In that spirit and in compliance with the terms of the law, the City will use the following procedures:

General Information: At the beginning of this stage, usually in November of each year, the City will provide public notice of the anticipated receipt of grant funds, including an estimate of the amount of CDBG, HOME, HOPWA and ESG funds it expects to receive in the following year and a description of the range of types of activities that can be funded with these resources. Also, the notice will provide an estimate of the amount of these funds which will be used in ways that will benefit low and moderate income people. Contact information for each of the funds will be included in the notice so that interested persons can obtain additional information.

The plans of the City to minimize the extent to which low and moderate income people will have to leave their homes as a result of the use of these federal dollars (displacement) are also available at this stage. The City's “anti-displacement plan” describes how San Diego will compensate people who are actually displaced as a result of the use of these funds, specifying the type and amount of compensation.

Technical Assistance: City staff (and as appropriate, Housing Commission and County staff) will work with organizations and individuals representative of low and moderate income people who are interested in submitting a proposal to obtain funding for an activity. All potential applicants for funding will be encouraged to contact staff (City of San Diego for CDBG and ESG; the County of San Diego for HOPWA, and the SD Housing Commission for HOME) before completing a proposal form. Technical assistance workshops regarding the funding process and how to apply will be provided to interested organizations early in the process.

Availability of a Proposed Plan: Copies of Proposed Consolidated Plans and/or Annual Action Plans are distributed to the Community Planning Groups at which hearings have been held and are also made available by request. In addition, copies are made available at the locations specified above in “Public Access to Information” of this CPP.

Public Hearing and Further Action: In addition to the public hearings held in the community regarding proposed Plans, public hearings about proposed Plans are held by the Housing Commission Board, the Land Use and Housing Committee of the City Council and the City Council. All comments from the community hearings and the Housing Commission Board hearing, as well as those received in writing during the 30-day public comment period, are presented to the Land Use and Housing Committee and the City Council for their consideration. All such comments are considered by staff in preparation of the final Plans and are presented in the final Plans.

Final Annual Action Plan and/or Consolidated Plan

Copies of the final Plan and a summary will be made available to the public upon request. In addition, copies will be available at the locations specified above in “Public Access to Information.”

Substantial Amendments to the Annual Action Plan and/or Consolidated

The following are defined as substantial amendments by the City and will require public notice and provision of a public comment period:

Annual Action Plan:

1. The addition or deletion of an activity (program) that changes the funding at the Category level by more than 30 percent
2. A change in the purpose or scope of an activity that results in the activity changing from one Category to another.
3. Any use of HUD 108 financing that was not described in the current Annual Action Plan

Consolidated Plan:

1. An addition or deletion of a priority
2. A change in the method of distribution of the funds received through the Consolidated Plan Process.

Public Notice and Public Hearing for Substantial Amendments: The City will provide reasonable notice of a proposed Substantial Amendment so that residents will have an opportunity to review and comment on it. Notice will be made according to the procedures described in “Public Notice” of this CPP and will allow a 30-day period for public comment. In preparing a final Substantial Amendment, due consideration will be given to all comments and views expressed by the public. The final Substantial Amendment will have a section that presents all comments and explains why any comments were not accepted.

Annual Performance Report

Every year, San Diego must submit to HUD the Consolidated Annual Performance Evaluation Report, the CAPER, within 90 days of the close of the program year, i.e., by September 30th. In general, the Annual Performance Report describes how funds were actually spent and the extent to which these funds were used for activities that benefited low and moderate income people.

Public Notice and Public Hearing for Annual Performance Reports: The City will provide reasonable notice that an Annual Performance Report (CAPER) is available so that residents will have an opportunity to review and comment on it. Notice will be made according to the procedures described in “Public Notice” above. The City will provide at least 14 days advance notice of the availability of the CAPER before the public hearing, which will be held by the Housing Commission Board.

Copies of the CAPER will be made available to the public upon request. In addition, copies will be available at the locations listed in “Public Access to Information.”

In preparing a CAPER for submission to HUD, consideration will be given to all comments and views expressed by the public, whether given as verbal testimony at the public hearing or submitted in writing. The Annual Performance Report sent to HUD will have a section that presents all comment.

Complaint Procedures

Written complaints from the public about the City’s citizen participation process or the Consolidated Plan process will receive careful consideration and will be answered in writing within 15 working days. Written complaints should be sent to Rob Albrecht at the following address: San Diego Housing Commission, 1625 Newton Avenue, San Diego, CA, 92113. Complaint may also be sent to Mr. Albrecht via e-mail at roba@sdhc.org.

Amending the Citizen Participation Plan

This Citizen Participation Plan can be amended only after the public has been notified of the City’s intent to modify it and only after the public has had a reasonable chance to review and comment on proposed substantial changes.

2.2 Community Outreach for the 2005-2009 Consolidated Plan

The community outreach program for the development of the 2005-2009 Consolidated Plan involves the following components:

- Four presentations before Community Planning Groups
- Housing and Community Development Needs Survey
- Outreach to social service agencies and other public/quasi-public organizations

Presentations before Community Planning Groups

Presentations and discussions were held at four community planning group meetings to describe what a Consolidated Plan is and obtain community input on housing and community development needs. The specific four planning groups were chosen because they represent areas with the highest concentrations of low and moderate income populations (Table 2-1).

Table 2-1: Community Planning Meeting Locations

Community Planning Group	Location	Date
San Ysidro Planning and Development Group	San Ysidro School District Education Center	January 20, 2004
Linda Vista Community Planning Committee	Linda Vista Library	January 26, 2004
City Heights Area Planning Committee	Mid-City Community Police Substation	February 2, 2004
Southeastern San Diego Planning Committee	Neighborhood House	February 9, 2004

Key Issues Identified

Several recurring comments were expressed by residents during these four meetings:

- The level of funding available is significantly below the extent of needs in San Diego.
- Use of federal funds is too restrictive and the City should seek legislative change for more local controls.
- Housing costs are too high and affordable housing opportunities are needed. However, certain neighborhoods have an over-concentration of low-income housing and the City should seek to disperse such housing.
- Neighborhood improvements, especially housing rehabilitation, property maintenance, and code enforcement issues, should be addressed.

Housing and Community Development Needs Survey

The Housing and Community Development Needs Survey sought to gain knowledge about what residents felt were areas with the greatest need. The survey presented seven categories: Community Facilities, Community Services, Infrastructure, Neighborhood Services, Special Needs Services, Businesses and Jobs, and Housing. Within each category, subcategories such as *Senior Centers* under the Community Facilities category or *Anti-Crime Programs* under the Community Services category were presented. Residents were asked to rate each using a range of 1 to 4, with 1 indicating the lowest need and 4 indicating the highest need. The survey provided residents the opportunity to identify community needs that could be addressed through the major funding programs, as well as to assign priority among these needs. A copy of the survey is included as Appendix A.

The survey was available in English, Spanish, and Vietnamese. The survey was distributed via the following methods:

- Sent to 440 representatives of social service providers and Community Planning Groups, who were asked to help distribute the survey
- Distributed at the four Community Planning Group meetings identified in Table 2-1
- Placed at the Housing Authority Section 8 office and Housing Commission office

This survey was not intended as a scientific survey¹, as the City did not attempt to control the characteristics of respondents. While such a survey lacks statistical validity, it offers a glimpse of the relative importance of issues to residents.

Survey Results

More than 293 residents responded to the survey, including 74 surveys collected from the general public (primarily from low and moderate income neighborhoods) at Community Planning Group meetings and at public locations, as well as 219 surveys collected by St. Vincent de Paul Village. Due to the characteristics of clients served by St. Vincent de Paul, who are typically extremely low income, homeless or may be at risk of becoming homeless, survey results are separated into two sets. Using an average scoring, with “4” as the highest need and “1” as the lowest need, the top ten specific needs for each group are presented in Table 2-2 and 2-3. Detailed survey results are provided in Appendix A.

¹ Conducting a scientific mail-out or telephone survey for the City of San Diego, given its size, can be cost-prohibitive and time-consuming.

Table 2-2: Top Ten Needs from the General Public

Specific Need	Category	Score
Fire Station and Equipment	Community Facilities	3.25
Affordable Rental Housing	Housing	3.24
Trash/Debris Removal	Neighborhood Services	3.22
Sidewalk Improvements	Infrastructure	3.21
Graffiti Removal	Neighborhood Services	3.17
Cleanup of Abandoned Lots and Buildings	Neighborhood Services	3.17
Homeownership Assistance	Housing	3.14
Libraries	Community Facilities	3.12
Code Enforcement	Neighborhood Services	3.09
Neglected/Abused Children Center and Services	Special Needs Services	3.04

Table 2-3: Top Ten Needs from Clients of St. Vincent de Paul

Specific Need	Category	Score
Affordable Rental Housing	Housing	3.50
Homeless Shelters/Services	Special Needs Services	3.48
Employment Training	Business and Jobs	3.42
Health Care Facilities	Community Facilities	3.39
Health Service	Community Services	3.37
Neglected/Abused Children Center and Services	Special Needs Services	3.34
Fair Housing Services	Housing	3.30
Job Creation/Retention	Business and Jobs	3.29
Mental Health Services	Community Services	3.29
Senior Housing	Housing	3.28

Outreach to Social Service Agencies and Other Public/ Quasi-Public Organizations

Invitation flyers and surveys were sent to a wide range of social service agencies and other public/quasi-public organizations such as the following:

- Community groups
- Community planning groups
- Homeless service providers
- Community development corporations
- AIDS service providers
- Service providers for persons with disabilities
- Service providers for families, women, and children
- Service providers for seniors
- Housing industry professionals and developers
- Chambers of Commerce
- Family health centers
- Employment service providers
- County and regional agencies

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Chapter 3

Housing and Community Development Needs

This chapter of the Consolidated Plan presents an overall assessment of the housing and community development needs in the City of San Diego. In addition to the community outreach results, the needs assessment provides the foundation for establishing priorities and allocating resources to address the identified needs.

3.1 Community Profile

Demographic Characteristics

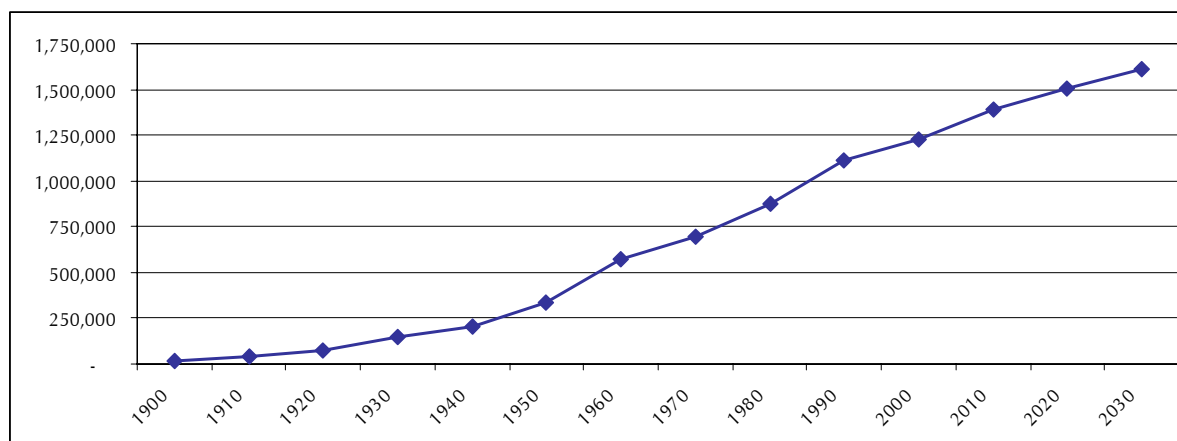
Examination of demographic characteristics provides some insight regarding the needs in a community. Factors such as population growth, age characteristics, and race/ethnicity all help identify and determine the need for housing, facilities, and services.

Population Growth and Trends

Population growth is one of the most important factors in determining the existing and future need for housing and other community services. According to the Census, the population of San Diego was 1,223,341 in 2000, compared to 1,110,549 in 1990, an increase of over 10 percent. The City comprised approximately 43 percent of the County population in 2000. Between 1990 and 2000, growth in the City occurred at a slower rate than at the County level (12 percent).

The San Diego Association of Governments (SANDAG) serves as a forum for regional decision-making for San Diego County's 18 cities and county government. SANDAG provides demographic and housing information for its member jurisdictions for planning purposes. According to SANDAG projections, the City is expected to grow by 13 percent over the next ten years and by 32 percent over the next 30 years. The City population is projected to be 1,370,658 in 2010 and 1,613,355 in 2030.

Figure 3-1: Population Trends



Sources: U.S. Census and projections from SANDAG.

Age Characteristics

The age structure of a population is an important factor in evaluating housing and community development needs. According to the 2000 Census, the median age in San Diego was 32.5 years, an increase of two years from 1990 (Table 3-1).

Table 3-1: Age Profile

Age	1990		2000		1990-2000
	Number	Percent of Total	Number	Percent of Total	Percent Change
Preschool (Ages 0-4)	80,944	7%	82,523	7%	2%
School Age (5-17)	175,118	16%	211,385	17%	21%
College Age (18-24)	163,875	15%	151,760	12%	-7%
Young Adults (25-44)	404,300	36%	415,506	34%	3%
Middle Age (45-64)	172,817	16%	234,218	19%	36%
Senior Adults (65+)	113,495	10%	128,008	10%	13%
Total	1,110,549	100%	1,223,400	100%	10%
Median Age (in years)	30.8		32.5		6%

Sources: 1990 & 2000 Census.

Young adults (age 25-44 years), the largest age group in the City, comprised 34 percent of the population. The most dramatic increases were among school-age children and middle-age adults, which increased by 21 percent and 36 percent, respectively. College-age adults declined by seven percent compared to 1990, while the number of persons over age 65 increased by 13 percent. One of the fastest growing segments of the population in the next twenty to thirty years is expected to be those aged 65 years and older. The aging of the “baby boomer” generation (currently at their middle ages) will increase the demand for a wider range of housing opportunities.

Race/Ethnicity

Over the past ten years, San Diego has become an increasingly diverse community. According to the 2000 Census, approximately 49 percent of the City residents were White, 25 percent Hispanic, 14 percent Asian or Pacific Islander, and 8 percent Black (Table 3-2). Native American and “Others” made up the remainder of the population. Between 1990 and 2000, significant changes in the racial and ethnic composition of residents had occurred. Specifically, Hispanic and Asian residents increased by 39 percent and 36 percent, respectively, while the number of White and Black residents declined by 8 percent over the same period (Figure 3-2).

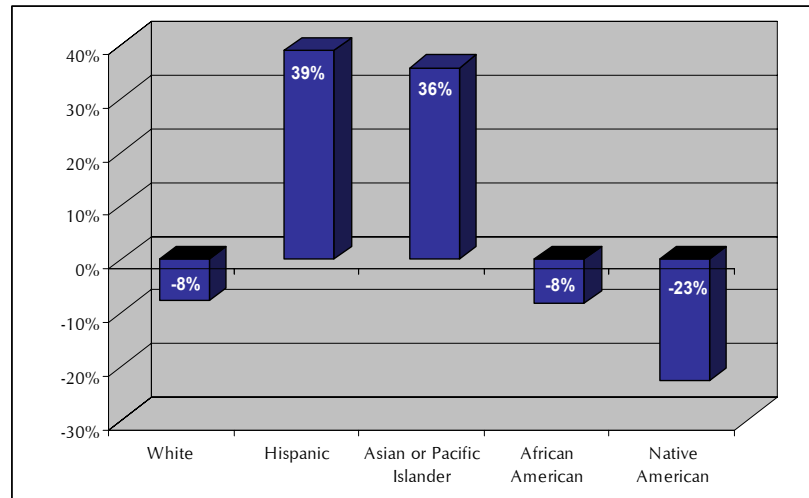
Table 3-2: Race and Ethnicity

Race	1990		2000		1990-2000
	Number	Percent of Total	Number	Percent of Total	% Change
White	653,368	59%	602,799	49%	-8%
Hispanic	223,616	20%	310,533	25%	39%
Asian or Pacific Islander	125,559	11%	170,358	14%	36%
Black	100,041	9%	91,815	8%	-8%
Native American	5,975	1%	4,620	>1%	-23%
Other ¹	1,990	>1%	43,216	4%	N/A
Total	1,110,549	100%	1,223,341	100%	10%

Note: “Other” category in 1990 and 2000 Census are not comparable. In 2000 Census, “Other” includes “Some other race” and “Two or more races” as identified in the 2000 Census.

Sources: 1990 & 2000 Census.

Figure 3-2: Changes in Race/Ethnicity 1990-2000



Sources: 1990 & 2000 Census.

Areas of Racial/Ethnic Concentration

Areas with concentrated minority residents may have different needs, particularly in areas where recent immigrants tend to reside. In this Consolidated Plan, a concentration is defined as a census tract with a proportion of a particular group greater than that of the countywide average for that group. A high concentration is defined as a census tract with at least twice the County average for that particular group.

Generally, minority populations are concentrated in the areas south of the I-8 (see Figure 3-3 through Figure 3-5). The main areas of Black concentration are in the Mid-City and southeastern areas, around the San Diego International Airport and in and around Miramar Naval Air Station.

Hispanic residents are primarily concentrated in portions of the City adjacent to the U.S.-Mexico border. The Mid-City, Barrio Logan, and Southeastern San Diego areas also contain high concentrations of Hispanic population.

Residents of Asian and Pacific Islander origin are more widely dispersed than the Black or Hispanic populations. Asian concentrations can be found in the north part of the City, north of the Naval Air Station up to the northernmost community of San Pasqual. The area south of SR-52 and north of the I-8 also showed a concentration of Asian residents. In the southern part of the City, Asians concentrations are apparent in the communities of Skyline-Paradise Hills and the Tijuana River Valley.

Immigration

Immigrants are an important part of San Diego's ethnic and cultural diversity. According to the 2000 Census, approximately 26 percent of the City population consisted of foreign-born residents. The immigrants come from different regions of the world and speak a wide variety of languages. Some of the recent immigrants in the City include persons of Mexican, Vietnamese, East Indian, and Philippine ancestry.

While immigration adds to the substantial diversity of the City, it also presents some challenges. Immigrants from countries across the world often have varied educational backgrounds and skill levels. As a result, the needs and issues that immigrants may confront are often different from one another. In addition, language can be a significant barrier to many immigrants to participate in the mainstream society or access information.

Figure 3-3:
Areas of Black Concentration

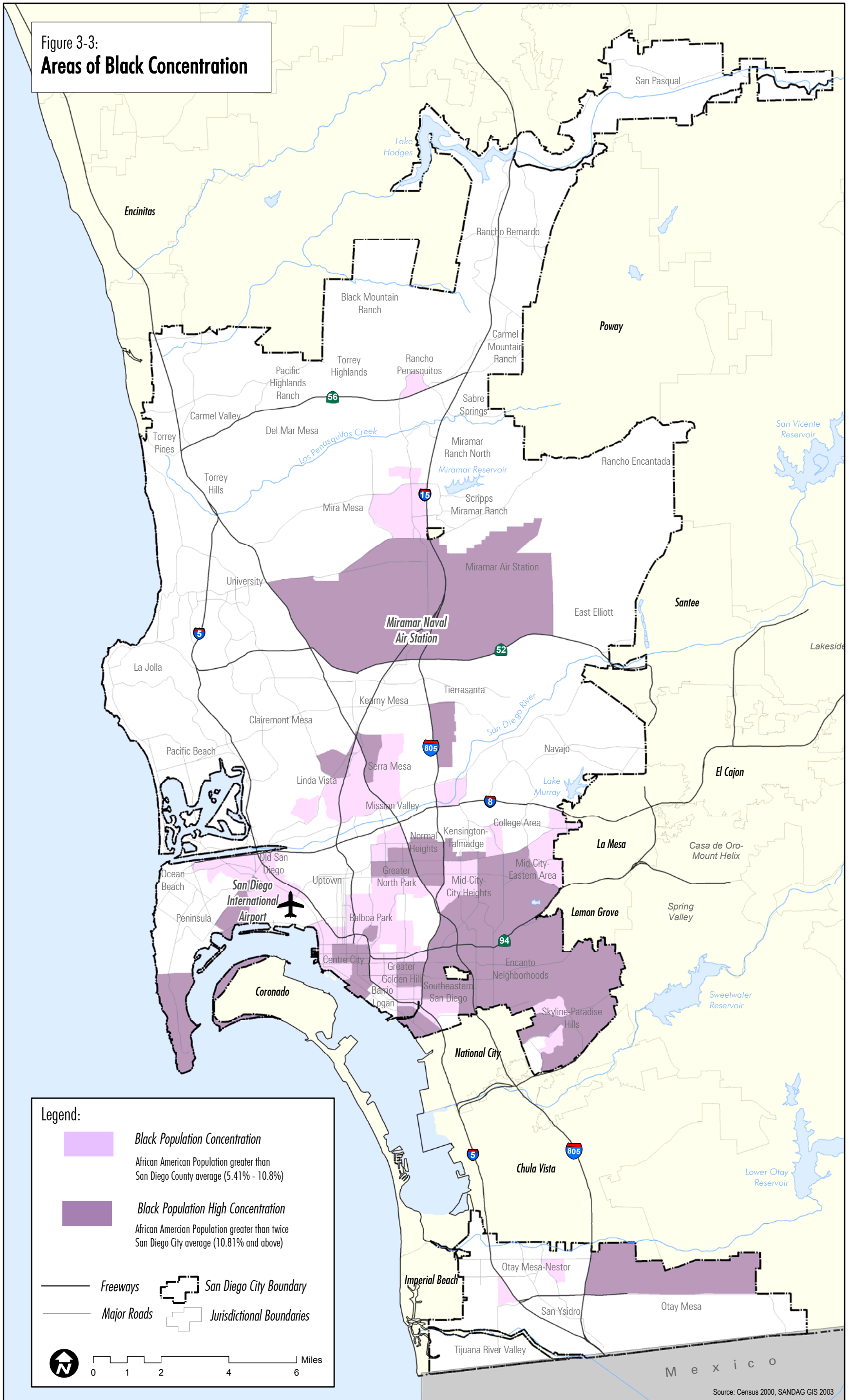


Figure 3-4:
Areas of Hispanic Concentration

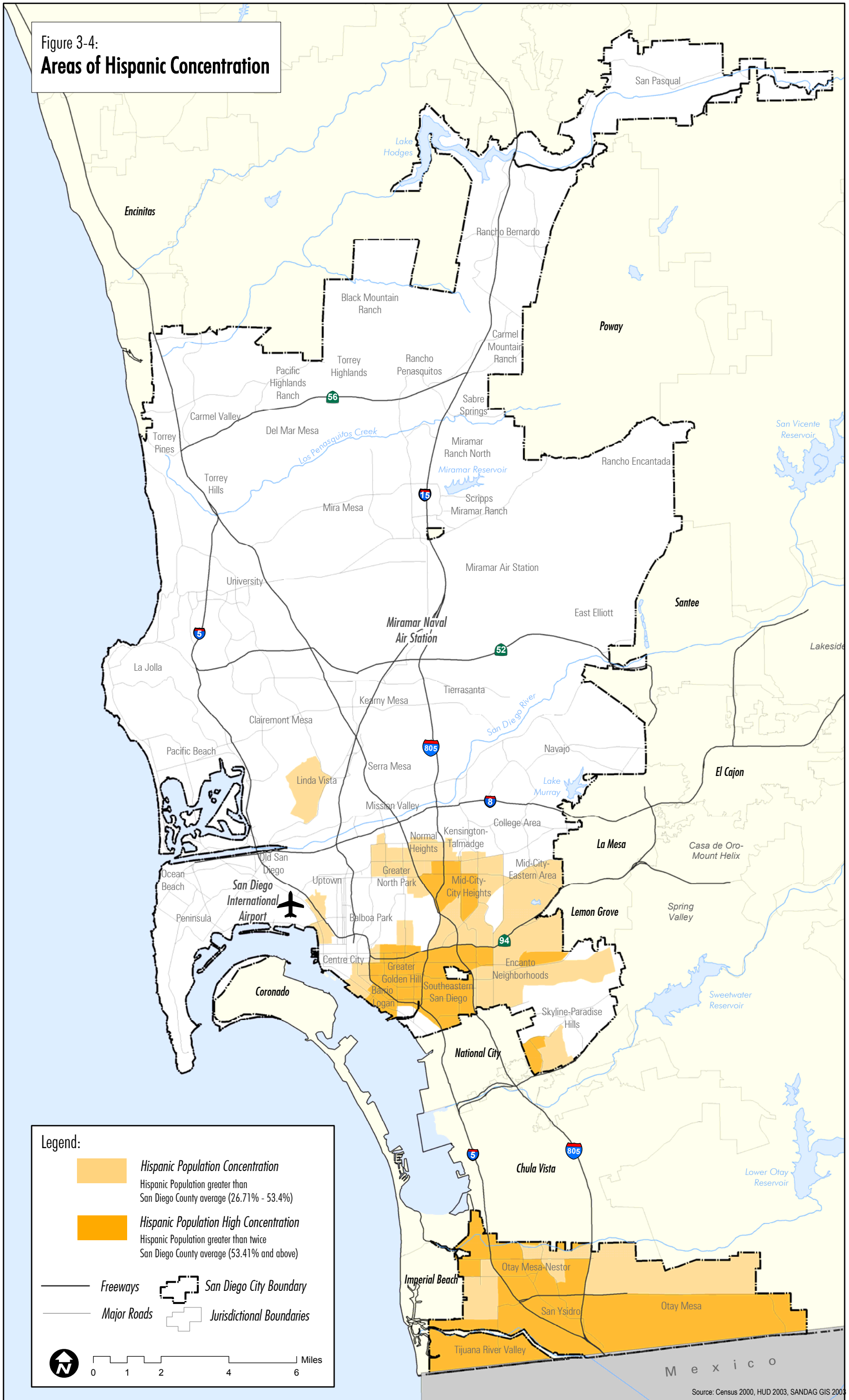
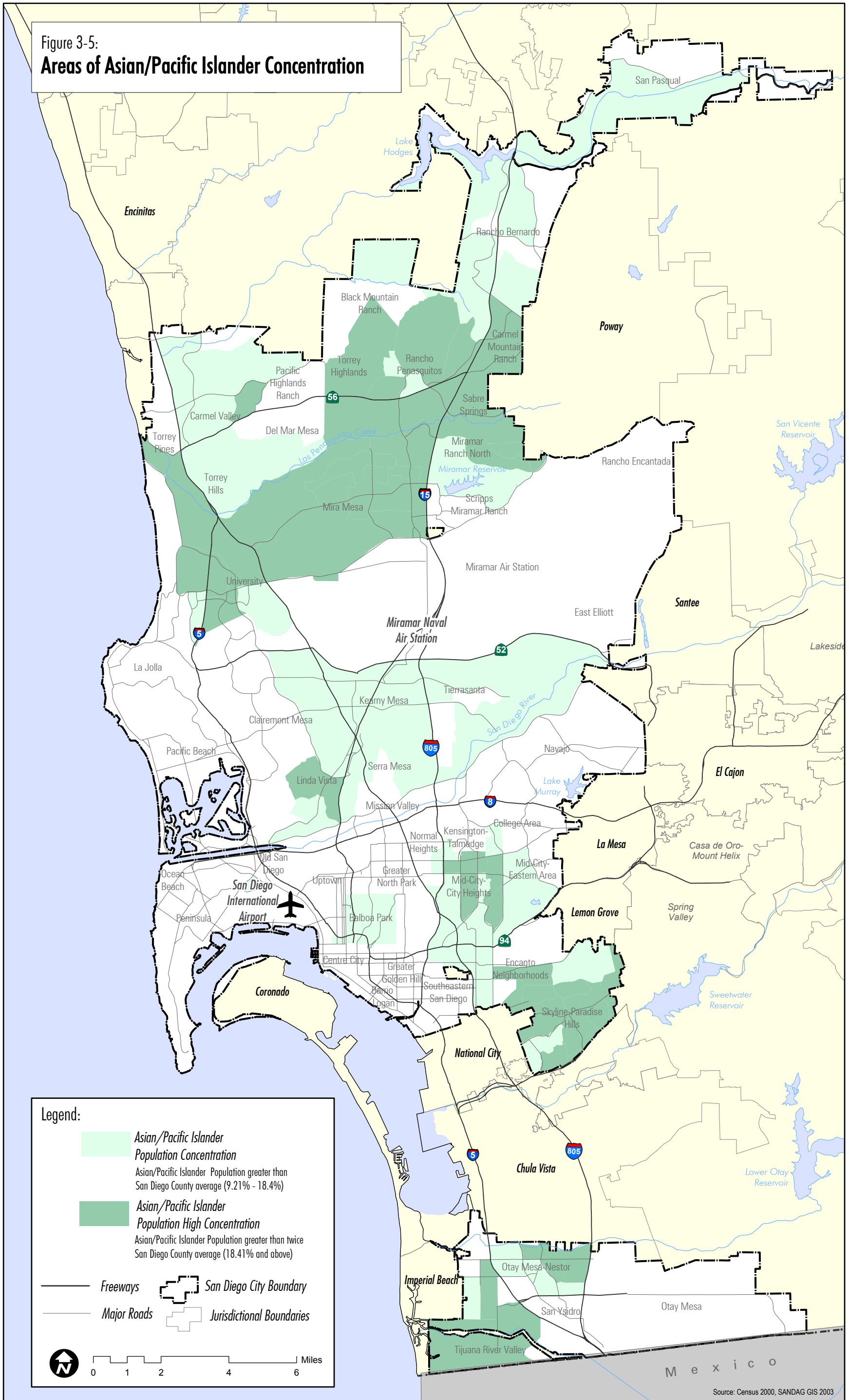


Figure 3-5:
Areas of Asian/Pacific Islander Concentration



Economic and Employment Characteristics

The County of San Diego has a large and diverse economy that has grown steadily over the past ten years. The County leads the State in recession recovery. According to the 2002 UCLA Anderson Forecast, more than half of the jobs created in the third quarter of 2003 came from San Diego County, with 6,700 jobs added. With a large portion of the region's jobs and major employers, the City of San Diego is the economic hub of the region. The City is home to high-tech manufacturers, software developers, biotechnology and medical research laboratories, and communications companies, among others. The City's growth has not been driven by the "dot.com" business model that imploded a few years ago in other parts of the nation. In 1994, the low point of the 1990s recession in California, the City of San Diego had an annual average unemployment rate of 7.1 percent,¹ compared to 8.6 percent for the State. At the peak of the subsequent economic boom, the City's unemployment rate dropped to 3.1 percent in 2000.² The recent recession has had only modest effect on employment in the City, as the annual average unemployment rate in 2002 was 4.4 percent,³ compared to 6.7 percent for the State. Economists typically consider an unemployment rate of 4.0 percent "full employment" of the labor force.

City residents are relatively well educated. Approximately 83 percent of all residents had a high school diploma or higher and 43 percent had a college or advanced degree. The relatively high level of education helps explain the large percentage of residents employed in managerial and professional occupations (42 percent), which typically command higher wages. The other top categories included those in sales and office occupations (26 percent) and those employed in service occupations (16 percent), which generally pay lower wages (Table 3-3). According wage surveys conducted by the State Employment Development Department (EDD), the "mean" (or average) annual salary of management occupations in the San Diego region was \$81,725 in 2002, compared to mean salaries of \$31,344 for sales persons and \$29,279 for office workers.

Table 3-3: Employment Profile

Occupation	Number	Percent
Managerial/Professional	233,054	42%
Sales and Office	147,136	26%
Service Occupations	88,462	16%
Production/Transportation	50,165	9%
Construction/ Maintenance	37,174	7%
Farming, Forestry, and Fishery	1,391	>1%
Total Jobs	557,382	100%

Source: 2000 Census.

¹ <http://www.calmis.ca.gov/file/lfhist/94aasub.txt>

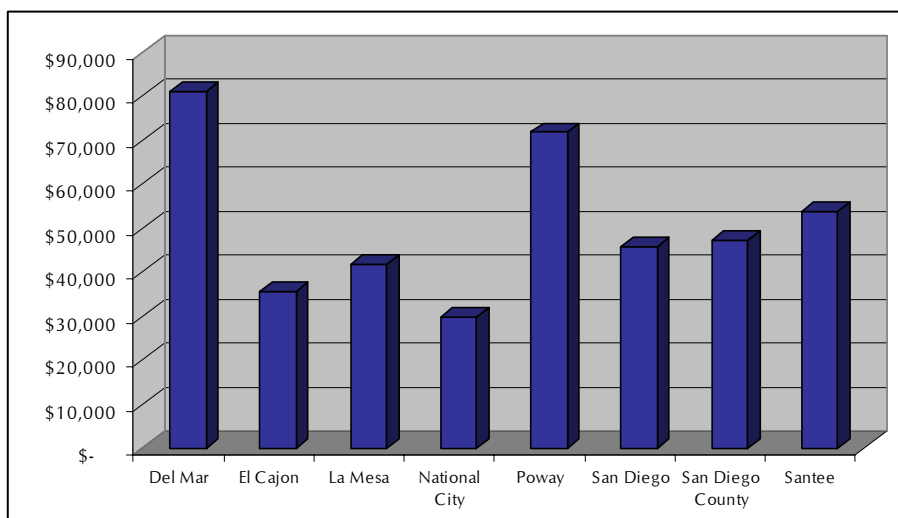
² <http://www.calmis.ca.gov/file/lfhist/00aasub.txt>

³ <http://www.calmis.ca.gov/file/lfhist/02aasub.txt>

Income Characteristics

Household income is an important consideration when evaluating housing and community development needs because low income typically constrains people's ability to obtain adequate housing or services. According to the 2000 Census, median household income in the City of San Diego is \$45,733, three percent less than the countywide median of \$47,067 (Figure 3-6).

Figure 3-6: Median Household Income



Source: Employment Census 2000

Income Distribution

For planning purposes, special income data based on 2000 Census in the Comprehensive Housing Affordability Strategy (CHAS) is used (see Table 3-4).⁴ According to CHAS, 12 percent of the City's total households in 2000 were Extremely Low Income (0-30 percent MFI), 11 percent Low Income (31-50 percent MFI), and 17 percent were Moderate Income (51-80 percent MFI). Overall, approximately 60 percent of households had incomes above 80 percent of the median in 2000.

Income by Race/Ethnicity: Low and moderate income households comprised 40 percent of all households in 2000. However, certain groups had higher proportions of low and moderate income households. Specifically, Hispanic (64 percent) and Black (54 percent) households had a considerably higher percentage of low and moderate income households than the rest of the City (Table 3-3). On the other hand, proportionally fewer White households (32 percent) fell in the low and moderate income category compared to the City average.

⁴ For planning purposes, HUD uses the Census data to develop special tabulations by HUD income group and special needs category. This dataset is collectively known as the Comprehensive Housing Affordability Strategy (CHAS).

Table 3-4: Household Income Profile

Households	Percent of Total Households	Extremely Low Income (0-30%)	Low Income (31-50%)	Moderate Income (51-80%)	Middle/Upper Income (81%+)
White	62%	9%	8%	15%	68%
Hispanic	17%	21%	20%	22%	36%
Black	7%	19%	15%	20%	46%
Other	13%	13%	10%	13%	61%
All Households	100%	12%	11%	17%	60%

Source: Comprehensive Housing Affordability Strategy (CHAS), 2003.

Income by Household Type: Large-family and elderly households had higher percentages (49 percent and 46 percent, respectively) of low and moderate income households than any other household type (Table 3-5).

Table 3-5: Income by Household Type

Household Type	Extremely Low (0-30%)	Low (31-50%)	Moderate (51-80%)	Total Low/Mod
Elderly	12%	15%	19%	46%
Small Families	9%	9%	14%	32%
Large Families	13%	16%	20%	49%
Others	14%	6%	18%	38%
All Households	12%	11%	17%	40%

Source: Comprehensive Housing Affordability Strategy (CHAS), 2003.

Concentration of Low and Moderate Income Population

Use of CDBG funds on public facilities and infrastructure improvements can only occur if those improvements serve primarily low and moderate income persons or populations with special needs. The CDBG program typically defines income eligibility as any block group with 51 percent or more of the population earning incomes less than 80 percent of the Area MFI.

As shown in Figure 3-7, most areas of low and moderate income concentration are located in the areas south of the I-8, in and around the Miramar Naval Air Station, and in the areas adjacent to the U.S.-Mexico border – Otay Mesa and San Ysidro.

Household Characteristics

Information on household characteristics is important to understanding growth and changing needs of a community. The Census defines a household as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, and unrelated individuals living together. Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

Over the past ten years, the number of households increased by 11 percent (Table 3-6). By 2010, the number of households in the City is anticipated to reach 493,665, an increase of approximately 9 percent. As of 2000, families comprised approximately 61 percent of all households in the City. However, “other families”, which include single-parent families, increased 16 percent. Non-family households, including singles and unrelated persons living together, increased 15 percent.

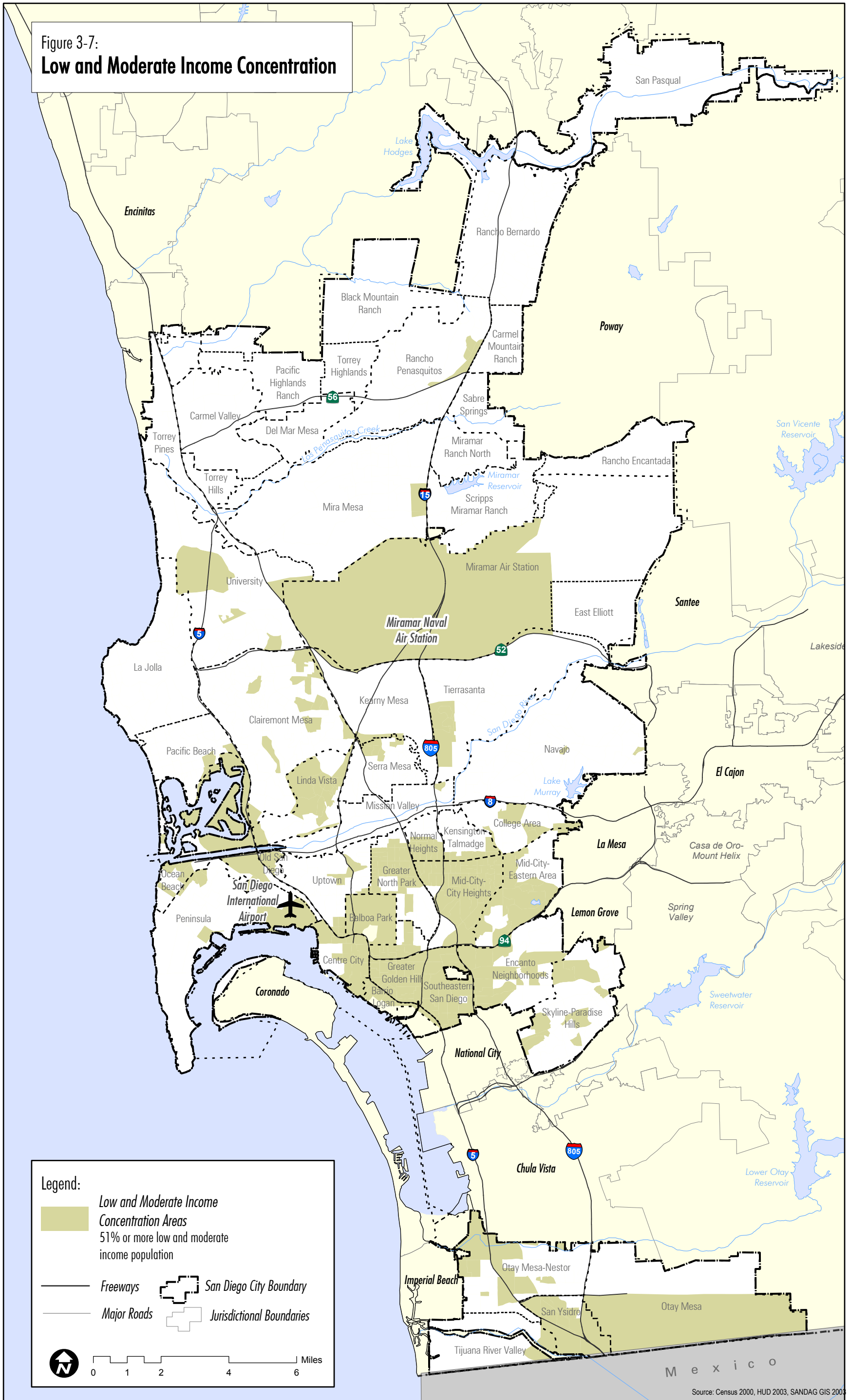
Average household size remained constant between 1990 and 2000. The average household size in San Diego (2.61) is slightly larger than the national average (2.59) and is expected to continue rising. Average household size is expected to rise to 2.71 persons by 2010 according to SANDAG. The trend towards larger households reflects the tendency to include extended family members or others in housing arrangements or postpone forming new households due to the housing costs in the region.

Table 3-6: Household Characteristics

Household Type	1990		2000		Percent Change
	Number	Percent	Number	Percent	
Households	406,316	100%	451,126	100%	11%
Families	252,260	62%	274,198	61%	9%
Married With Children	90,183	22%	100,894	22%	12%
Married No Children	102,256	25%	103,806	23%	2%
Other Families	59,821	15%	69,498	15%	16%
Non-Families	154,056	38%	176,928	39%	15%
Average Household Size	2.61		2.61		0%

Sources: 1990 & 2000 Census.

Figure 3-7:
Low and Moderate Income Concentration



Source: Census 2000, HUD 2003, SANDAG GIS 2003

Special Needs Populations

Certain segments of the population may have difficulty finding decent, affordable housing due to their special needs. They may also have additional needs for community facilities and services. These "special needs" populations include the elderly, persons with disabilities, female-headed households, large households, farm workers, persons with drug and/or alcohol addiction, and persons with AIDS and related diseases.

Results of the Housing and Community Development Needs Survey indicate that residents (primarily from low and moderate income neighborhoods) rated the importance of community and special service needs as follows:

<u>Community and Special Service Needs</u>	<u>Score</u>
Neglected/Abused Children Centers/Services	3.04
Youth Activities	2.93
Anti-Crime Programs	2.93
Domestic Violence Services	2.90
Substance Abuse Services	2.84
Homeless Shelters/Services	2.81
Transportation Services	2.81
Health Services	2.78
Mental Health Services	2.74
Child Care Services	2.69
Senior Activities	2.65
HIV/AIDS Centers/Services	2.48
Accessibility Improvements	2.44
Center/Services for Disabled Persons	2.42
Legal Services	2.30

Residential Facilities Serving Special Needs Populations

Licensed community care facilities offer housing and specialized services for children and adults with special needs. Approximately 428 facilities are licensed to operate in the City (Figure 3-8). Many of these facilities provide housing and services to persons with physical disabilities, while some provide residential care to those with mental or developmental disabilities (Table 3-7).

Table 3-7: Licensed Community Care Facilities – City of San Diego

Type of Facility	Facilities	Capacity	Capacity by Type of Disability	
			Mental	Developmental
Small Family Home	6	29	–	29
Group Home	33	634	368	18
Adult Day Care	14	636	–	352
Adult Residential	156	1,211	632	564
Elderly Residential	195	4,597	–	–
Social Rehabilitation Facility	4	56	56	–
Other	20	0	–	–
Total	428	7,163	1,056	963

Notes:

1. The specialized care columns for the type of disability are not mutually exclusive.
2. Small family homes provide care to children in licensee’s own homes.
3. Group homes provide care, supervision, and special programs for troubled youths.
4. Adult day care facilities provide programs for frail elderly and developmentally disabled and/or mentally disabled adults in a day care setting.
5. Adult residential facilities provide care for adults with various disabilities or disorders.
6. Elderly residential facilities provide care for persons age 60 and above.
7. Social rehabilitation facilities provide 24-hour-a-day care to adults recovering from mental illnesses.
8. Other facilities include adoption and foster family agencies.

Source: California Department of Social Services, Community Care Licensing Division, 2003.

Elderly and Frail Elderly

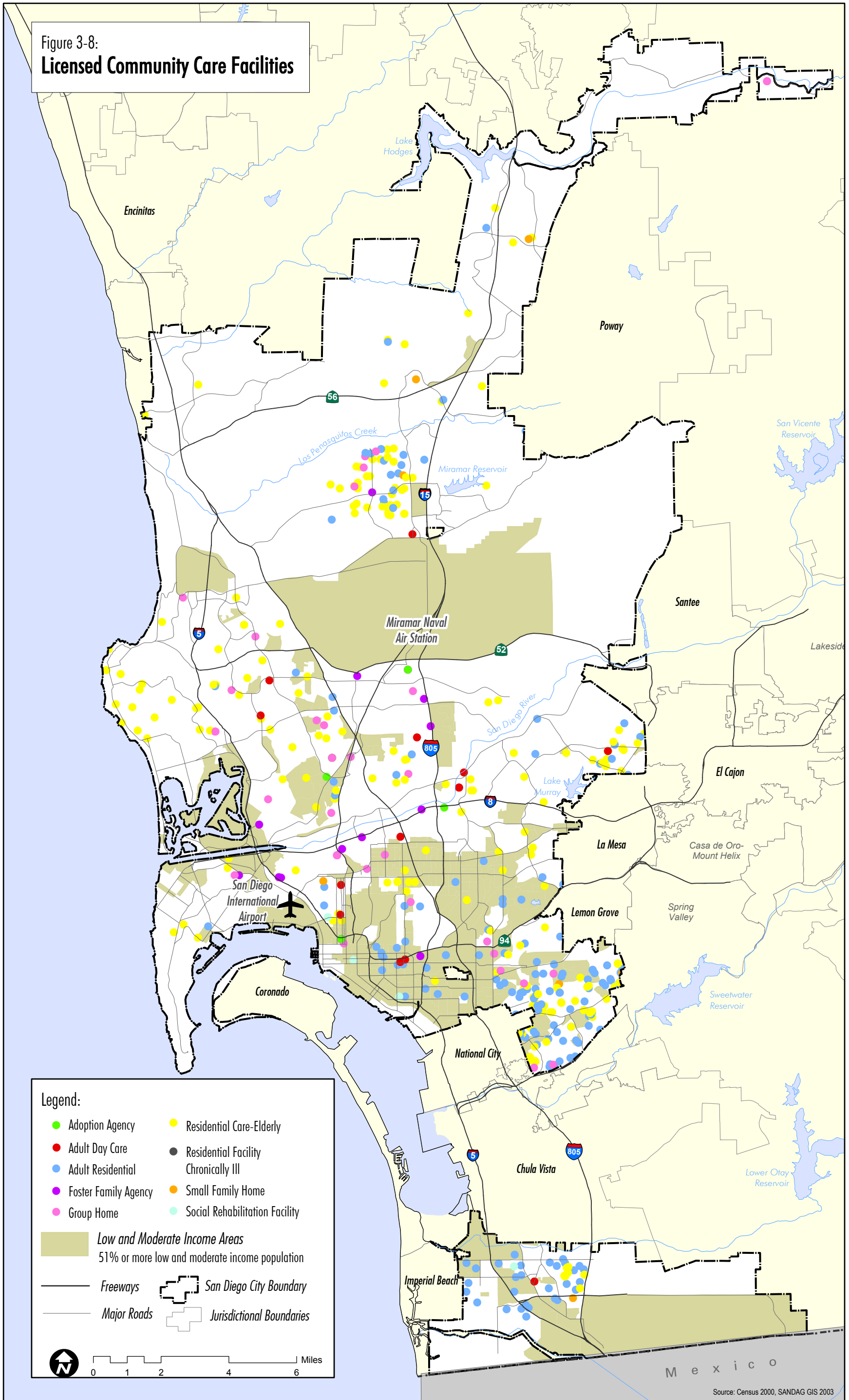
The population over 65 years of age is considered elderly and presents four main concerns:

- **Income:** People over 65 are usually retired and living on a fixed income
- **Health Care:** Due to the higher rate of illness, health care is important
- **Transportation:** Many seniors use public transit
- **Housing:** Many live alone and many rent

These characteristics indicate a need for smaller, lower cost housing units with easy access to transit and health care facilities.

According to the 2000 Census, the City had 127,281 persons over the age of 65, representing about 10 percent of all residents. Between 1990 and 2000, the elderly population increased by approximately 13 percent. Approximately 51,310 persons were considered frail elderly with a disability.

Figure 3-8:
Licensed Community Care Facilities



Citywide, approximately 17 percent of all households were headed by seniors. A disproportionate percentage (46 percent) of seniors had low and moderate incomes compared to all residents (40 percent). Approximately 34 percent of elderly residents experienced housing problems such as cost burden or substandard housing. While this is less than the citywide average, elderly residents are often less able to make improvements to their homes or to find affordable housing due to limited income and disabilities.

Table 3-8: Elderly Profile

Special Need Group	Percent of Population ¹	With a Disability ¹	Low and Moderate Income ²	Housing Problems ²
Elderly	10%	40%	46%	34%
All residents	100%	16%	40%	43%

Sources: 1) 2000 Census; and 2) HUD CHAS, 2003.

In addition to affordable housing located near transportation, the housing needs of the elderly also include supportive housing, such as intermediate care facilities, group homes, and other housing that includes a planned service component. Needed services include personal care, housekeeping, meals, personal emergency response, and transportation. As identified in Table 3-7, 195 state-licensed residential facilities for seniors and 14 adult day care facilities serve the elderly population throughout the City. The elderly residential facilities have a combined capacity of 4,597 beds. Additional facilities are available throughout the County.

ElderHelp of San Diego administers a Shared Housing Program which matches persons in need of low-cost housing with elderly residents who have space in their homes to share. Home providers supply a private bedroom, shared common space and utilities in exchange for the home seeker’s contribution of services or low rent. ElderHelp screens applicants, finds compatible matches and offers on-going support and mediations when necessary. This program is funded in part by the San Diego Housing Commission.

The City’s Section 8 rental assistance program (administered by the San Diego Housing Commission) recognizes the need for affordable senior housing. Elderly families are one of the special needs groups that have priority for obtaining housing choice vouchers. The City is also home to a number of housing complexes where some or all of the housing units reserved for seniors (Table 3-9). In addition, the County’s Elder Law & Advocacy program provides free legal services to senior citizens age 60 or older and to family caregivers of persons 60 and older.

Table 3-9: Affordable Housing Developments for Seniors, City of San Diego

Apartments	Address	Unit Size	Units	Clientele
Barrio Senior Villas	2320 Newton Ave.	2-bdrm	11	Seniors 62+
Casa Colina	5207 52nd Pl.	1-bdrm	74	Seniors; Disabled
Cathedral Arms	3911 Park Blvd.	1-bdrm	204	Very Low Income Seniors
Cathedral Plaza	1551 Third Ave.	1-bdrm	222	Seniors 62+; Disabled
Grace Tower	3955 Park Blvd.	1-bdrm	148	Seniors
Green Manor	4041 Ibis St.	1-bdrm	150	Seniors 62+
Guadalupe Plaza	4142 42nd St.	1-bdrm	124	Seniors; Disabled
Harmony Home Apts.	4251 44th St.	1-bdrm	11	Seniors 62+; Disabled
Horton House	333 G St.	1-bdrm	150	Seniors 62+; Disabled
Lakeshore Villa	6888 Golfcrest Dr.	1-bdrm	126	Seniors 62+
Lions Community Manor	310 Market St.	1-bdrm	129	Seniors 62+; Disabled
Luther Tower	1455 Second Ave.	1-bdrm	200	Seniors
Market Square Manor	525 14th St.	Studios	200	Seniors
Olivewood Gardens	2865 55th Street	1-bdrm	60	Seniors 55+
San Diego Apts.	4085 44th St.	1-bdrm	16	Very Low Income Seniors
San Diego Square	1055 Ninth Ave.	1-bdrm	156	Seniors
Silvercrest San Diego	727 "E" Street	1-bdrm	123	Seniors 62+
Sorrento Tower	2875 Cowley Way	Studio	195	Seniors; Fully disabled
St. Paul's Manor	2635 Second Ave.	1-bdrm	145	Seniors 62+
St. Stephen's Retirement Ctr.	5625 Imperial Ave.	1-bdrm	59	Seniors 62+
Trinity Manor	3940 Park Blvd.	1-bdrm	98	Seniors 62+
Villa Alta	4227 52nd St.	1-bdrm	69	Seniors
Villa Merced	1148 Beyer Way	1-bdrm	100	Very Low Income Seniors
Vista Serena Apts.	3155 "L" Street	1-bdrm	20	Seniors 62+
Wesley Terrace	5343 Monroe Ave.	1-bdrm	159	Seniors 62+
Westminster Manor	1730 Third Ave.	1-bdrm	152	Seniors 62+

Source: San Diego Housing Commission, 2003

Persons with Disabilities

Disability is a mental or physical condition that affects the functioning of a person. Physical disabilities can hinder access to conventional housing units. Mental and developmental activities can affect a person’s ability to keep his/her housing. Moreover, physical and mental disabilities can prevent persons from earning adequate income. Therefore, persons with disabilities are more vulnerable and are considered a group with special housing needs. Special housing needs for persons with disabilities fall into two general categories: physical design to address mobility impairments and social, educational, and medical support to address developmental and mental impairments.

The City of San Diego offers various programs for disabled residents:

- The City of San Diego’s Disability Services Program was established in 1991 to coordinate City compliance with the federal Americans with

Disabilities Act (ADA). The City has designed a compliance strategy to achieve the goal of being an “accessible” city.

- The Neighborhood Code Compliance Department responds to complaints regarding Title-24 state building code for access violations affecting persons with disabilities for non-City owned facilities within the City.
- The San Diego Housing Commission provides a rehabilitation loan program for repairs and improvements needed for disability access.
- The San Diego Housing Commission provides funding to the ACCESS Center to provide emergency shelter vouchers and security deposits to persons with disabilities and families.
- The San Diego Park and Recreation Department's Therapeutic Recreation Services offers programs that aim to integrate persons with disabilities into community-based programs and assist individuals to achieve a maximum level of independence in their recreational lifestyles. The program provides year-round recreational experiences for residents who face physical, mental, and emotional challenges.

Table 3-10 presents the housing complexes that are geared towards the disabled.

Table 3-10: Affordable Housing Developments for Persons with Disabilities

Apartments	Address	Unit Size	Units	Clientele
Casa Colina	5207 52nd Pl.	1-bdrm	74	Seniors; Disabled
Cathedral Plaza	1551 Third Ave.	1-bdrm	222	Seniors 62+; Disabled
Guadalupe Plaza	4142 42nd St.	1-bdrm	124	Seniors; Disabled
Harmony Home Apts.	4251 44th St.	1-bdrm	11	Seniors 62+; Disabled
Horton House	333 G St.	1-bdrm	150	Seniors 62+; Disabled
Lions Community Manor	310 Market St.	1-bdrm	129	Seniors 62+; Disabled
Reese Village	4809-4819 70 th St.	1-bdrm	19	Disabled
Sorrento Tower	2875 Cowley Way	Studio	195	Seniors; Fully Disabled

Source: San Diego Housing Commission, 2003

According to the 2000 Census, approximately 16 percent of the City population or 193,986 persons have one or more disabilities. Of those persons age 65 and over, approximately 40 percent have a disability. The following discussion provides more detail on housing needs by type of disability.

Physically Disabled: To be considered physically disabled, a person must have an illness or impairment that impedes his or her ability to function independently. The special needs required for housing physically disabled individuals include not only affordability, but also special construction features to provide for access and use according to the particular disability of the occupant. The location of housing for persons with disabilities is also important because many need access to a variety of social and specialized services.

The Americans with Disabilities Act (ADA) of 1990 and amendments to the Fair Housing Act, as well as State law, require ground floor units of new multifamily construction with more than four units to be accessible to persons with disabilities. However, units built prior to 1989 are rarely accessible to persons with disabilities. Furthermore, not all new construction may have the range of modifications needed by specific individuals. Older units, particularly older multifamily structures, are very expensive to retrofit for disabled occupants because space is rarely available for elevator shafts, ramps, widened doorways, etc. In addition to changes to the units, the site itself may need modification to widen walkways and gates and installation of ramps.

Developmentally Disabled: The definition of developmental disability relates to a person's score on standardized intelligence tests. Persons with an IQ below 70 are typically defined as developmentally disabled. According to ARC (the Association of Retarded Citizens), the nationally accepted percentage of the population that can be defined as developmentally disabled is one to three percent.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

Several facilities in the County provide services, independent living options as well as residential care for developmentally disabled persons. Examples are:

- San Diego Regional Center for the Developmentally Disabled
- The ARC of San Diego
- Able-Disabled Advocacy
- Access Center of San Diego - Employment Transitions Program
- Community Interface Services

According to the State Department of Social Services, 209 community care facilities with 963 beds in the City serve the supportive housing needs of developmentally disabled adults.

Severely Mentally Ill: Severe mental illness includes the diagnoses of psychoses (e.g. schizophrenia) and the major schizoaffective disorders (e.g. bipolar, major depression). To qualify as chronic, the illness must have existed for at least one year. According to national estimates, approximately one percent of the adult population meets a definition of severe mental illness based on diagnosis, duration, and disability.

Housing is an integral part of a system of care for the severely mentally ill because the prime support network is associated with the residence, which is the focus of daily living activities. The major barrier to stable, decent housing for the seriously

mentally ill is the availability of affordable housing. A substantial majority of persons in this population depend solely on Supplemental Security Income (SSI). With this limited income, few affordable options exist in the open market. Due to the lack of access to affordable housing, mentally ill persons are at greater risk of becoming homeless or living in unstable and/or substandard housing situations.

Few permanent affordable housing complexes with supportive services exist. There are 193 licensed community care facilities with about 1,056 beds serving persons with mental disabilities in the City.

Most social services in the San Diego area are provided by the County of San Diego and various nonprofit agencies. San Diego County Adult/Older Adult Mental Health offers a wide variety of treatment, rehabilitation and recovery services to help people who are experiencing persistent and severe mental illness or a mental health crisis. The County Children's Mental Health Services (CMHS) is responsible for oversight of the public mental health children's system of care and provides services for children and adolescents who are seriously emotionally disturbed.

Barriers to Service Providers: Service providers encountered several barriers to providing services in the San Diego region. Due to funding cuts in State and Federal budgets for mental health care, service providers must reduce staff supports and service capacity.

Female-Headed Households

Single-parent households are likely to have special needs for housing near day care and recreation facilities and to have access to public transportation. Households headed by females are especially likely to need assistance because women continue to earn less on average than men do in comparable jobs. Low income female-headed households with children experience additional burden when combined with limited transportation resources. Low-income workers, especially female heads of household with children, have unique travel patterns that may prevent them from obtaining work far from home. Women in general are disproportionately responsible for household-supporting activities such as trips to the grocery store or to accompany young children to and from schools.

In 2000, households headed by women comprised approximately 11 percent (51,248 households) of all households in San Diego. Of those, 58 percent included children under the age of 18. Female-headed households comprised a disproportionate number of families that are living in poverty. According to the 2000 Census, 25 percent of female-headed households lived in poverty and 89 percent of those households included children.

Large Households

Large households, those with five or more persons, have special housing needs due to their income and the lack of adequately sized, affordable housing. To save for necessities such as food, clothing, and medical care, low and moderate income large households may reside in smaller units, often resulting in overcrowding.

The 2000 Census reported 55,926 large households in the City, representing 13 percent of all households (Table 3-11). Large households were almost evenly split between renter- (49.7 percent) and owner-households (50.3 percent). This special needs group experienced a higher level of housing problems than other households. Low and moderate income large households, which made up 48 percent of large households, experienced a much higher rate (67 percent) of housing problems, which include overcrowding, cost burden, or substandard housing conditions.

Table 3-11: Profile of Large Households

Special Need Group	Percent of Households ¹	Low and Moderate Income ²	Housing Problems ²
Large Households	13%	48%	67%
All Households	100%	40%	43%

Sources: ¹ 2000 Census; ² HUD CHAS, 2003.

College Students

The college student population is another significant factor that affects housing demand. Although students represent a temporary housing need, the impact upon housing demand is critical in the immediate areas. Given the students’ income limitations, the same market forces that impact lower income housing also influence student housing.

Table 3-12: Major Colleges and Universities

Name	Enrollment
San Diego State University	32,803
San Diego City College	27,165
University of California, San Diego	23,548
San Diego Mesa College	21,233
San Diego Miramar College	8,439
University of San Diego	6,943

San Diego State University (SDSU) had an enrollment of 32,803 students in the fall of 2003. Approximately 74 percent of those students are enrolled full-time at the university. SDSU has five residence halls that house only about 3,000 students; most students live off-campus. The University of California, San Diego (UCSD) has a total enrollment of 23,548 students in 2002. UCSD residence halls and university apartments house approximately 6,300 students. Students entering UCSD as freshman are guaranteed only two years of on-campus housing.

In general, the number of City residents enrolled in college or graduate school amounted to about 11 percent of the population, according to the 2000 Census. More significantly, San Diego City residents comprised more than half (55 percent) of the number of all County residents enrolled in college or graduate school.

Persons with HIV Infection and AIDS

For persons living with HIV/AIDS, access to safe, affordable housing is as important to their general health and well-being as access to quality health care. For many, the persistent shortage of stable housing is the primary barrier to consistent medical care and treatment.

The State of California has the second highest number of AIDS cases in the United States and San Diego County has the third highest number of AIDS cases in California. City of San Diego is home to the majority of those residents who were diagnosed with AIDS (74.5 percent), trailing far behind were the unincorporated areas where 5.8 percent of County residents diagnosed with AIDS called home. While White males constitute the largest group of diagnosed cases, 52 percent of AIDS cases diagnosed in the last five years have been among minorities.

Table 3-13: Community of Residence at Time of AIDS Diagnosis¹

City	Cases	Percent
San Diego	8,590	74.5%
Unincorporated County	665	5.8%
Other Cities	2,274	19.7%
San Diego County	11,529	100.0%

1. Place of residence at time of diagnosis does not represent the place of HIV diagnosis/exposure, cases are cumulative
 Source: *HIV/AIDS Epidemiology Report 2003*. County of San Diego Health and Human Services Agency

Because HIV/AIDS are regional public health issues, services are overseen by San Diego County’s Health and Human Services Agency (HHSA). According to data from the San Diego County HHSA, as of 2003, 8,875 cumulative AIDS cases have been reported in the City. The racial/ethnic breakdown of the AIDS cases at the City level is not available. However, at the County level, the racial/ethnic breakdown over the last five years is: 66 percent White, 13 percent Black, 19 percent Hispanic, and 1 percent Native American. According to HHSA, 3,955 City residents are living with AIDS.

Certain racial/ethnic groups have a much higher incidence of AIDS. In 2002, the incidence rate at the County level for Blacks was 31 cases per 100,000 person compared to 16 for Hispanics and 8 for Whites. Men constitute 93 percent of cumulative AIDS cases in San Diego County.

HIV/AIDS Funding: Federal funding provided through the Ryan White CARE Act Titles I and II focuses on providing medical care to uninsured people living with HIV/AIDS. San Diego County receives approximately \$10.5 million in Ryan White CARE funding directly from the federal Health Resources and Services Administration (HRSA). The County’s Office of AIDS Coordination is the grantee for and has oversight of local Ryan White CARE Act Titles I and II care and treatment funds, as well as prevention funds from the Centers for Disease Control, the State Office of AIDS, and the County of San Diego. The San Diego

HIV Health Services Planning Council is a HRSA-mandated group responsible for allocating these local funds to services for people living with HIV/AIDS.

The Office of AIDS Coordination also collaborates with the County of San Diego Department of Housing and Community Development (HCD) administers the Housing Opportunities for Persons with AIDS (HOPWA) Program. HOPWA is a HUD-funded housing program to address the specific needs of persons living with HIV/AIDS and their families.

The following community-based organizations are HOPWA-funded providers:

- AIDS Intensive Case Management (Office of AIDS Coordination)
- Being Alive San Diego
- Community Housing Works
- Fraternity House
- County of San Diego, Housing Authority
- PACTO Latino AIDS Organization
- St. Vincent de Paul Village, Inc.
- Stepping Stone of San Diego
- Townspeople, Inc.
- Center for Social Support and Education
- Family Health Centers
- San Diego Housing Commission (Shelter Plus Care Program)
- South Bay Community Services

Barriers to AIDS/HIV Service Providers: According to the San Diego County HCD, 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 they provide due to funding cuts in State and Federal budgets. Reductions in federally funded Ryan White CARE Act and similar State of California budget cuts resulted in staff reductions and reduced service capacity of certain providers. Providers and community agencies also indicated that continuing difficulties in increasing the HIV/AIDS community's awareness of their fair housing rights and responsibilities. Many agencies receive information regarding discrimination based on disabilities but few HOPWA participants reported complaints to fair housing enforcement agencies. Finally, the impact of high housing costs in San Diego County affected the ability of HOPWA providers to move program participants from HOPWA-funded housing into the private rental market without some form of subsidy. Homelessness and threat of homelessness are issues confronted by many persons with HIV/AIDS.

Housing Needs: Persons with HIV/AIDS require a broad range of services, including counseling, medical care, in-home care, transportation, and food. New drugs, better treatment, and preventative education have reduced the number of fatalities. Stable housing is an integral part of HIV/AIDS treatment. Today, persons with HIV/AIDS live longer and require longer provision of services. Increased number of housing units must be provided for those who are healthier and living longer, not just those who are severely ill and dying. Studies have proven that stable housing for persons with HIV/AIDS reduces costly

hospitalizations, allows for successful compliance with medical and medication regimens, and allows residents to address other priority issues such as mental health needs and substance addictions.

Housing resources for persons with HIV/AIDS is an important component of consistent medical care and treatment. The *San Diego Countywide Strategic HIV/AIDS Housing Plan* was put into effect to provide a framework for assessing and planning for the housing and housing-related support service needs of persons with HIV/AIDS and their families. The Housing Plan has established housing priorities for 2003-2004; 40 percent of funding has been prioritized to provide short- and long-term rental assistance.⁵

The *Countywide Strategic HIV/AIDS Housing Plan* surveyed persons with HIV/AIDS. Despite the fact that most of the respondents were housed, many respondents felt that they were in a precarious housing situation. Over half of all respondents indicated they would move if their rent were raised by \$50, an indicator of being at serious risk of homelessness. Many people with HIV/AIDS rely on Supplemental Security Income (SSI) as their sole source of income yet they must compete for housing in a tight rental market that is out of reach for most households with very low incomes. The Housing Plan indicated that an acute need for affordable permanent housing units and emergency housing resources that are accessible to persons with HIV/AIDS.

Table 3-14 lists HOPWA-funded housing resources available to residents with HIV/AIDS. Residential facilities available regionally include emergency housing (15 beds), group homes (61 beds), and permanent housing (93 units).

According to the *Countywide Strategic HIV/AIDS Housing Plan*, only 81 to 121 transitional housing beds, 20 beds at residential care facilities for the chronically ill, and up to 99 permanent supportive housing opportunities are available countywide. In addition, permanent independent housing is provided by the HOPWA programs through the Tenant-based Rental Assistance (TBRA) program, which assists 80 persons, and the Partial Assistance Rental Subsidy (PARS) program, which assists 300 persons. The County's AIDS Waiver division is a combination of care management and purchase of service that helps clients remain safely in the community at their highest level of independence. The program serves people of any age who are HIV symptomatic or who have AIDS.

The following organizations also provide services for persons infected with HIV and AIDS in San Diego County:

- Office of AIDS Coordination, County Department of Health Services
- American Red Cross
- El Cajon Public Health Center
- Professional Community Services
- Stepping Stone
- Volunteers of America

⁵ San Diego Housing Commission. FY2004 Action Plan

Table 3-14: Countywide AIDS/HIV Housing Support Resources*

Type	Name	Capacity
Emergency Housing	Center for Social Support and Education	107 beds
Licensed Group Homes	Fraternity House Inc.	20 beds through 2 homes
Transitional Group Homes	Saint Vincent de Paul Village, Inc.	26 beds through 2 homes
	PACTO Latino AIDS Organization	17 beds through 2 homes
Permanent Housing	Community Works	16 units through 2 complexes
	Center for Social Support and Education	15 units
	Townspeople Inc.	8 units
	South Bay Community Services	12 units
	Sierra Vista Apartments	5 units
	Paseo Del Oro Apartments	4 units
	Shadow Hills	5 units
	Sonoma Court Apartments	2 units
	Mariposa Apartments	2 units
	Spring Valley Apartments	9 units
Recovery Housing	Mercy Gardens	21 units
	Stepping Stone of San Diego	10 beds
Rental Assistance	County AIDS Case Management	Assistance for 100 consumers
	County Housing and Community Development	80 rent subsidies through the Tenant Based Rental Assistance program (TBRA)
Information and Referral Services	Townspeople, Inc.	300 rent subsidies through the Partial Assistance Rental Subsidy (PARS) program
	Being Alive San Diego	Housing information and referrals on programs and landlords that are sensitive to HIV/AIDS issues
Moving Services	Being Alive San Diego	Published a yearly HIV Consumer Guidebook
		Provides consumers with moving services

*Housing Opportunities for People with AIDS (HOPWA) -funded programs, 2004

Source: County of San Diego Dept. of Housing and Community Development

Persons with Alcohol/Other Drug Abuse (AODA)

AODA is defined as excessive and impairing use of alcohol or other drugs, including addiction. The National Institute of Alcohol Abuse and Alcoholism estimates the number of men with drinking problems (moderate or severe abuse) at 14 to 16 percent of the adult male population, and the number of women with similar problems at 6 percent. Abusers of alcohol and other drugs have special housing needs during treatment and recovery. Group quarters typically provide appropriate settings for treatment and recovery. Affordable rental units provide housing during the transition to a responsible lifestyle.

The County's Alcohol and Drug Services provides an integrated system of community-based alcohol and other drug prevention, intervention, treatment, and recovery services throughout San Diego County via contracts with local service providers. The following is a list of sites that provide substance abuse adult residential services in the City of San Diego:

- CRASH-Golden Hill House I
- CRASH-Golden Hill House II
- CRASH-Short-Term
- CRASH-Short-Term Crossroads (women)
- Heartland House [men]
- House of Metamorphosis
- MAAC Project-Casa de Milagros (Latina women/children)
- Pathfinders (men)
- Stepping Stone (gay/lesbian emphasis)
- Tradition One (men)
- Tradition One (women)
- Turning Point (women)
- VOA - Amigos Sobrios (Latino)
- VOA-Sobriety House
- Vietnam Veterans of San Diego
- Way Back (men)

Most programs listed receive funding by contract with the County of San Diego Alcohol and Drug Services to provide prevention, treatment, and recovery services.

Estimates of Current Housing Needs

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households. Detailed CHAS data based on the 2000 Census is displayed in Tables 3-15 and 3-16.

Based on CHAS, housing problems include: 1) units with physical defects (lacking complete kitchen or bathroom); 2) overcrowded conditions (housing units with more than one person per room); 3) housing cost burden, including utilities, exceeding 30 percent of gross income; or 4) severe housing cost burden, including

utilities, exceeding 50 percent of gross income. The types of problems vary according to household income, type, and tenure. Some highlights include:

- In general, renter households had a higher level of housing problems (52 percent) compared to owner households (34 percent).
- Large family households had the highest level of housing problems regardless of income level. Almost of all (95 percent) of extremely low-income and 91 percent of the low income large family renters experienced housing problems. Cost burden was a major component of housing problems for large families.
- Among the other household types, a high percentage of elderly households also experienced housing problems. Approximately 68 percent of the extremely low income and 72 percent of low income elderly renters experienced a housing problem. Cost burden was a major component of housing problems for the elderly.

Table 3-15: Housing Needs of Low and Moderate Income Households

Household by Income and Housing Problem	Renters				Owners		Total Hhds
	Elderly	Small Families	Large Families	Total Renters	Elderly	Total Owners	
Ext. Low Income (0-30% MFI)	17%	31%	14%	19%	44%	5%	12%
% with any housing problem	68%	87%	95%	82%	69%	74%	80%
% with cost burden > 50% only	46%	44%	6%	48%	49%	54%	49%
% with cost burden >30% to 50% only	16%	6%	2%	6%	19%	12%	8%
Low Income (31-50% MFI)	15%	35%	18%	16%	48%	6%	11%
% with any housing problem	72%	81%	91%	85%	50%	68%	80%
% with cost burden > 50% only	35%	19%	5%	28%	30%	38%	30%
% with cost burden >30% to 50% only	32%	31%	8%	29%	20%	17%	26%
Moderate Income (51-80% MFI)	9%	34%	14%	21%	39%	12%	17%
% with any housing problem	60%	61%	80%	63%	31%	57%	61%
% with cost burden > 50% only	17%	5%	1%	8%	15%	23%	13%
% with cost burden >30% to 50% only	38%	30%	10%	33%	30%	23%	30%
Total Households	10%	35%	12%	50%	13%	50%	100%
% with any housing problem	55%	51%	80%	52%	26%	34%	43%

Abbreviation: Hhds = Households.

Source: Comprehensive Housing Affordability Strategy (CHAS), 2003.

Disproportionate Housing Need

Disproportionate need refers to any need that is more than 10 percentage points above the need demonstrated for the total households. For example, 80 percent of large renter families (a subset of renter households) experienced housing problems compared to 52 percent of all renter households. Thus, large families that are renting have a disproportionate need for housing assistance.

Extremely Low Income Households (0-30 Percent MFI): Compared to the percentage of the City population with a housing problem (43 percent), extremely low-income households experienced a disproportionate housing need. In this income group, 80 percent of all households had housing problems. Specifically:

- Approximately 48 percent of extremely low-income renter households and 54 percent of extremely low-income owner households paid more than 50 percent of their income for housing.
- Extremely low-income large renter families had a much higher incidence of problems (95 percent) than all other households did.

Low Income Households (31-50 Percent MFI): Approximately 80 percent of all low-income households experienced one or more housing problems. Thus, low income households had a disproportionate need compared to the general population. Again, renters experienced a greater need compared to owners, as 85 percent of renters experienced some type of housing problem, compared to 68 percent of owner households in this income group. Specifically:

- Low income large family renter households had the greatest level of need of all low income households, with 91 percent facing some type of housing problem.
- Approximately 72 percent of all low income elderly renter households had housing problems. Housing issues of elderly households relate more to cost burden issues rather than to overcrowding.

Moderate Income Households (51-80 Percent MFI): Comprising only 17 percent of the City population, 61 percent of all moderate-income households experienced housing problems. Again, renters experienced a greater need compared to owners, as 63 percent of renters experienced some type of housing problem, compared to 57 percent of owner households in this income group. Specifically, moderate elderly renter households experienced more housing problems (60 percent) compared to elderly renter households (31 percent) in general.

Overcrowding

Unit overcrowding typically results from the combined effect of low earnings and high housing costs in a community, and reflects the inability of households to buy or rent housing that provides a reasonable level of privacy and space. The prevalence of overcrowding varies significantly by the income, type, and size of the household. Generally, very low and low-income households and large families are disproportionately affected by overcrowding. Overcrowding is also generally more prevalent among renters than among owners.

An overcrowded housing unit is defined as a unit with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. As indicated by the 2000 Census, approximately 12 percent of all households were overcrowded in San

Diego. Severely overcrowded households are those with more than 1.5 persons per room. In 2000, seven percent of households were severely overcrowded.

Overcrowding in the City varies considerably by tenure. A higher proportion of renter households (18 percent) experienced overcrowded living conditions compared to owner-households (7 percent). Renter households also experienced the highest degree of severely overcrowded living conditions. Approximately 11 percent of renter households were severely crowded compared to 3 percent of owner-households.

Table 3-16: Overcrowding

Overcrowding	Renters	Owners	Total Households
1.01 to 1.50 occupants per room	7%	4%	5%
1.51 or more occupants per room	11%	3%	7%
Total Overcrowded Households	18%	7%	12%

Source: 2000 Census.

Housing and Community Development Needs Survey

As part of the 2005-2009 Consolidated Plan, the City conducted a simple survey to gauge the community’s perception on the nature and extent of housing and community development needs. The following presents the relative ranking of housing needs by the residents (primarily from low and moderate income neighborhoods):

<u>Housing Needs</u>	<u>Score</u>
Affordable Rental Housing	3.24
Homeownership Assistance	3.14
Senior Housing	2.83
Rental Housing Rehabilitation	2.83
Energy Efficiency Improvements	2.77
Fair Housing Services	2.71
Housing for the Disabled	2.67
Ownership Housing Rehabilitation	2.65
Housing for Large Families	2.63
ADA Improvements	2.30
Lead-Based Paint Test/Abatement	2.30

3.2 Homeless Needs

Since homelessness is a regional issue, data presented in this section is based on statistics provided by the Regional Taskforce on the Homeless (RTFH), who gathers data for the entire County. Much of the data is obtained from the Regional Homeless Management Information System (HMIS) In 1985, the RTFH, was formed as the result of the City of San Diego Mayor's Task Force on Homelessness. There was representation from local government, providers and consumers of homeless services, and the business, and faith communities. It was created to identify needs of homeless persons and to advise providers and local government in response to those needs. One of their earliest accomplishments was the development of the Neil Good Day Center, which the City continues to operate today. Funded by the City's Housing Commission and the County of San Diego, the United Way of San Diego and other jurisdictions in the area, the full Task Force meets monthly, with subcommittees meeting more frequently, and develops and maintains aggregate data that support the community's prioritization process. The HMIS data is considered a sample of homeless populations, not a complete count.

Nature and Extent of Homelessness

San Diego County suffers from a severe lack of affordable housing for both renters and buyers. According to statistics provided by the San Diego County, there are 2.1 low-income households for every low-cost rental unit. According to the California Budget Report, nearly 65 percent of San Diego residents spend more than half of their income on housing. Homeless residents and those in danger of becoming homeless face a prohibitive real estate market where high rents have combined with a low vacancy rate. Employment and entitlement options available to the homeless would be unlikely to cover the cost of housing in the region.

There are two basic types of homelessness within the population. First there are the transitionally homeless who, because of circumstances, usually in combination with other factors, such as loss of job, unexpected expenses, or health issues, find themselves without the ability to stay housed. They represent 80 percent of the population. When they enter shelter programs, they stay an average of 8 months. These programs range from 4 - 24 months in service-time allowed. The majority of this homeless population is extremely poor individuals, families and women with children. The second type of homelessness within the population is the chronically homeless, people who routinely live on the streets or other places not intended for human habitation. While substance abuse and mental illness are prevalent within the chronically homeless group, it is not necessarily as common in the population as a whole.

Economic circumstances play a critical part in the plight of homeless persons, including families. Issues such as lack of affordable housing, unemployment or underemployment, and lack of sufficient public assistance benefits contribute to homelessness. This has been particularly true with public assistance programs, where benefit levels have not kept pace with the cost of living. As an example,

welfare reform is expected to affect an estimated 64,000 families and 126,000 children in San Diego County. According to the RTFH, reductions in grants to the extremely poor, including individuals, seniors and families along with the potential reductions in Section 8 rental assistance are expected to increase the number of homelessness in general.

Homeless Population

Current estimates of the homeless population (which includes urban homeless and rural homeless) by the San Diego Regional Task force on the Homeless (RTFH) estimate there are 6,500 in the City of San Diego. Further, the RTFH estimates there are 1,100 farm workers within the City without housing; this identifies approximately 5,400 as urban homeless. Recent night counts over a 90-day period was completed by the San Diego Police Department and the City’s Homeless Outreach Teams and resulted in a report that there are 500 homeless people sleeping on downtown streets and other places not intended for human habitation. These same sources report counting another 150 in the Balboa Park area, 200 along the Mission Valley River, and 150 in the beach communities and are generally identified as chronically homeless by the City’s Homeless Outreach Teams.

SANDAG’s *Regional Housing Needs Statement* of 1999 estimated that 72 percent of the region’s urban homeless population was located in the City of San Diego. The SANDAG figures also show a critical lack of available beds. Over half the City’s homeless population was unsheltered, although the City provides 57 percent of the total sheltered homeless population. The figures are based on the most recent housing needs statement prepared by SANDAG (1999). New figures are expected in 2004.⁶

The homeless population in the City of San Diego is considered urban because the City and surrounding area is primarily developed with urban uses and does not contain substantial agricultural acreage or open space. The *Regional Homeless Profile* estimated that the homeless in San Diego County in 1999 is at least 15,000, with approximately 8,000 being the urban homeless and 7,000 being resident farm workers and day laborers.

Table 3-17: Homeless Population

Jurisdiction	Total Urban	Total Sheltered ¹	Total Unsheltered	% Unsheltered
San Diego	5,400	1,864	3,536	65%
San Diego County	8,000	3,684	4,316	54%

Source: SANDAG, *Draft Regional Housing Needs Statement - 1999*.

1. Based upon the number of year-round shelter beds available each night.

⁶ Once the new figures are available, the City will update the Consolidated Plan Needs Assessment to reflect the updated estimates of homeless population in the City and region. Such updates constitute only technical changes to the Consolidated Plan, not a substantial amendment to the Consolidated Plan.

Homeless Subpopulations

Homeless Individuals

Single adults are estimated to comprise 73 percent of the urban homeless population. Most of these individuals are between 27 and 40 years old. A fifth of the individuals have been homeless for more than four years. Based on intake forms from service agencies throughout the City, the majority of homeless are male adults and overwhelmingly White (60 percent), a fact that is in contrast to the national trend where Blacks make up approximately half of the homeless population.

Women, either alone or as single heads of households, represent eight percent of the urban homeless. Women regularly cite abandonment by spouses, male friends or families, and loss of housing and/or income as reasons for their homelessness. Many are inadequately prepared to earn the livable wage of \$17 per hour needed to maintain a small apartment in the City of San Diego.

Homeless Youth

About 800 chronically homeless youth are residing in San Diego County at any given time. An "invisible population", they tend to concentrate in urban areas where they easily blend with other youth. According to RTFH, homeless youth live with friends, in vacant buildings, on rooftops and in cars. They often hang out at the beach, in malls and major shopping areas as well as parking garages. Often they rely on public parks and restrooms. Occasionally, they pool money for one or two nights in a motel room.

A high proportion use and/or sell drugs and/or alcohol, and/or turn to "survival sex" to meet their basic needs. For homeless youth wanting to get a job, find it hard because they often do not have the necessary identification, are under age, or have a legal address. Employers are also often reluctant to hire youth aged 16 and under.

Homeless service providers were asked by the RTFH to rank the top unmet needs of homeless youth. The five top unmet needs are:

- Alcohol and drug abuse treatment
- Emergency shelter
- Employment assistance
- Mental health treatment
- Transitional housing

Their distrust of adults and services providers usually comes from a fear of being incarcerated or institutionalized. Social service agencies estimate that there are 400 homeless youth in downtown San Diego and along the beaches. Limited shelter space is available for this population, which almost never mixes with the older urban homeless population. Only 102 beds are set aside for homeless youth.

According to the RTFH, the following services are available to homeless youth in the City of San Diego:

- San Diego Youth and Community Services Storefront Day Center is a drop-in center for homeless youth. Services include meals, emergency food and clothing, life skills training, substance abuse treatment, job training/assistance, and case management.
- St. Vincent de Paul's Toussaint Teen Center, in downtown San Diego, has 30 beds for homeless youth.
- YMCA Oz San Diego provides residential services to 175-200 youth annually.

Homeless Families

Members in homeless families make up the approximately 19 percent of the total homeless population. Single mothers head the majority of homeless families. It is estimated that a third of the homeless mothers were abused as children. Compared to poor but housed women, these mothers are more likely to have problems with substance abuse and/or be involved with men who abuse drugs and alcohol. These families may seek assistance when a crisis occurs, but then break contact with the agencies when the crisis is resolved.

The City reports 665 beds are available to homeless parents and their children. According to the HMIS, 72 percent of homeless children are 12 years of age or younger. Children of homeless families may suffer long-term problems because of their homeless situation. Homeless children have a number of development, behavioral, and emotional problems. These children are more likely than other children to be below grade-level with a variety of health issues, including lice and skin conditions.

Veterans

Homeless veterans are more prevalent in San Diego than in many other counties because of the large military presence in this region. Many former enlisted personnel have either spent a portion of their service in the San Diego area, or have been separated from service in San Diego. Many remain in the area in search of jobs. An estimated 40 percent of the City's urban single homeless men are veterans. Many homeless Vietnam-era veterans suffer from post-traumatic stress disorder (PTSD).

Five priority needs identified by the RTFH for this population are:

- Recovery services to help overcome drug/alcohol abuse
- Assistance in mental health problems: PTSD, paranoia, depression and schizophrenia
- Job training, placement and retention strategies
- Increase in shelter beds specifically targeted towards homeless veterans
- Provision of permanent supportive housing to create stability

Access to Veterans Administration benefits is not available to twenty percent (20 percent) of homeless veterans who left the military with dishonorable discharges. The Vietnam Veterans of San Diego (VVSD) is the largest provider of services to homeless veterans and provides services to veterans from all eras. VVSD holds an annual collaborative, community-wide effort where a broad base of public and private organizations come together to meet the emergency and rehabilitative needs of homeless veterans. The event is named "Stand Down" and in 2003, the program registered over 630 veterans and placed 55 veterans in residential programs.

Although veterans can access services from any homeless providers, services specifically for homeless veterans are provided by the City of San Diego Winter Shelter program (150 beds) and Vietnam Veterans of San Diego (VVSD) with 87 State Licensed Alcohol and Drug Treatment Center beds near Downtown San Diego.

Homeless Persons with Severe Mental Illness

Mentally ill persons are defined as individuals who have a severe or persistent mental disorder. In San Diego, the target population of the San Diego County Health and Human Services Agency is defined as:

- Emotionally disturbed persons who have an Axis I or II diagnosis according to the Diagnostic and Statistical Manual (DSM IV); and/or
- Persons with a severity of psychosocial stressor moderate to catastrophic, and;
- Have a Global Assessment of Functioning (GAF) score below 60.

Mental illness often accompanies homelessness. Not only can homelessness be a consequence of mental illness, but a homeless life may also cause and exacerbate emotional problems.

An estimated 55 to 60 percent (over 1,000) of the County's severely mentally ill homeless persons are in the City of San Diego. More than half are White; 70 percent are male. According to local mental health officials, only two-thirds of the homeless suffering from schizophrenia or major depression is receiving treatment. The remaining mentally ill persons have no contact with medical professionals and do not receive prescribed medication. Up to half of the homeless mentally ill population is believed to be abusing drugs and or alcohol.

There are only an estimated 312 beds reserved for severely mentally ill persons throughout the County. Many severely mentally ill persons are able to gain entry to general shelters for short stays if they are not acting out or are between episodes of acute mental illness. On the other hand, mentally ill homeless persons, particularly those who exhibit chemical dependency, continue to constitute the largest group among the chronically homeless population.

The County's Mental Health Services is the lead agency of the City/County Collaborative's REACH program which has 250 in its program for dually-diagnosed emergency shelter beds and permanent supportive housing beds. In

addition, TACHS/Paseo Glenn is a permanent supportive housing program for adults who are severely mentally ill with a capacity for 18 persons, with unlimited maximum stay. Pathfinders Shelter Plus Care is a permanent supportive housing program for adult men who have SMI and substance abuse treatment needs. This facility has a capacity for 17 persons, with 24 months maximum stay. The Episcopal Community Services Friend to Friend Clubhouse is a day shelter for adults who have severe mental health needs. The facility has a capacity for 50 persons, with kitchen, showers, and lockers available. The Safe Haven housing program has a capacity for 25 beds.

Homeless Persons with Alcohol/Drug Abuse Problems

St. Vincent de Paul Village is the single largest homeless service provider in the City with 846-bed facility in the downtown area. According to their statistics, 60 percent of their short-term clients (single men and women) self-report substance dependency issues. Prior to moving to long-term transitional housing, all men, women and adults living in families received professional assessments that show 45 percent had substance dependencies.

In comparison, national statistics show that 35 to 40 percent of homeless people probably abuse alcohol. This includes about half the homeless men and one-sixth the homeless women. A smaller group abuses drugs. Up to half of the homeless mentally ill population is believed to be abusing drugs and/or alcohol.

The Rescue Mission has 180 treatment beds for substance dependency and all shelter programs offer recovery programs. Plus, in the City of San Diego, there are 260 permanent supportive housing units available to substance dependent and mentally ill homeless people.

Homeless Persons Suffering Domestic Violence

Approximately half of all homeless women in San Diego reported that they had, at sometime in their lives, experienced some form of domestic violence. Women fleeing abuse and other threats to life at home have difficulty finding refuge in public shelters that serve the general homeless population because homeless shelters cannot function as a "safe house" with a confidential location. Within in the City, 190 safe house beds are set aside for those fleeing domestic violence.

Homeless Persons Infected with HIV/AIDS

The National Commission on AIDS states that up to half of all Americans with AIDS are either homeless or in imminent danger of becoming homeless due to their illness, lack of income or other resources, and weak support networks. The Commission further estimates that 15 percent of all homeless people are infected with HIV. Federal law prohibits discrimination against people with AIDS, yet some individuals are evicted when their HIV status becomes known. Others lose their homes when the illness prevents them from working to pay rent or make mortgage payments.

Persons Threatened with Homelessness

In addition to those who are currently homeless, the RTFH believes that a significant number of individuals and families are at-risk of becoming homeless. For example, experts estimate that for every family in a shelter, there are two to three families who are on the verge of homelessness. The "at-risk" population is comprised of families and individuals living in poverty, who, upon loss of employment or other emergency requiring financial reserves, would lose their housing and become homeless. They experience housing cost burdens equaling more than 50 percent of their income for housing. The at-risk population also includes those being released from correctional, mental or substance abuse facilities, and foster care who require social service help to transition back into society and remain off the streets.

Another particularly vulnerable population, are those aging out of foster care. Many become homeless when they reach 18 years of age and are released with no place to live. The City of San Diego has approximately 300 youth in foster care and approximately 50 beds for those youth who are aging out of the program who are between 18 and 24 years old.

Inventory of Facilities and Services

It is often difficult for homeless persons to find have a very difficult time finding permanent housing once they are prepared to move from a transitional housing or other assistance program. Housing affordability for those who are or were formerly homeless is challenging. Most have poor rental histories which include evictions, notices, spotty payment record or damaged units upon move out.

The County of San Diego has primary responsibility for providing regional homeless services. The City of San Diego provides additional services to assist the homeless community within the City. The City plans, organizes, and coordinates initiatives and strategies to assist the City's homeless community in collaboration with other public and private organizations and programs. Specifically, the City oversees the Winter Shelter Program (405 beds), Homeless Outreach Teams (223 placements annually), Special Needs Housing Program (100 transitional and 100 affordable housing units), and the 150-bed Cortez Hill Family Center. The City also offers a listing of homeless programs and service providers within the City. In 2003, the City provided \$1.8 million in funding from its CDBG allocation to homeless serve providers. Table 3-18 at the end of this section summarizes services and facilities for the homeless by Council district.

Homeless Prevention

San Diego County housing costs are one of the highest in the nation. The increased demand and lack of affordable housing in the region places extreme challenges on residents and families on the brink of homelessness:

- **Workforce Partnership:** Created under a Joint Powers Agreement by the City and County of San Diego, the Workforce Partnership coordinated

job training and employment placement services including services for homeless veterans, youth and the disabled.

- **San Diego Housing Commission:** The City provides rental assistance, first-time buyer programs, and housing rehabilitation programs. The City also offers fair housing services and landlord/tenant counseling to help prevent evictions that could result in homelessness.
- **Federal Emergency Management Agency (FEMA):** The City's FEMA funds are used to prevent evictions, foreclosures, and utility shutoffs, all of which threaten to result in homelessness for families and individuals.
- **Housing Opportunities for Persons with AIDS (HOPWA):** Funds authorized under this program are used to prevent low-income individuals with HIV/AIDS from becoming homeless. Programs include independent housing, residential services coordination, and information and referral services.
- **Regional Task Force on the Homeless (RTFH):** The RTFH is funded in part by the San Diego Housing Commission and provides detailed reports about homeless services and facilities in the region.
- **San Diego City Council:** In April 2003, the San Diego City Council approved a revised Comprehensive Homeless Services Policy. The revised policy updates the City's strategy for addressing homelessness, emphasizing the importance of a continuum of affordable housing options for preventing and ending homelessness, and leading efforts to identify sites for homeless services facilities and to address regulatory barriers to such facilities. The San Diego City Council also adopted an inclusionary housing ordinance leading to production of affordable housing units and increased contributions to the Housing Trust Fund.

Outreach Services

The City of San Diego, funded in part by the County, has two award winning and innovative programs that address the chronically homeless, substance dependent and/or mentally ill needs predominately in the downtown area. They are the Homeless Outreach Team (HOT) and the Serial Inebriate Program (SIP). Outreach services are critical in terms of identifying those in need of assistance and directing them to the services that can help them. They focus outreach efforts on the identification and engagement of the chronically homeless.

The City's Homeless Outreach team (HOT) conducts street canvassing to reach out to chronically homeless persons. In the HOT program, four police officers team with two County social workers, and two Psychiatric Emergency Response Team clinicians to contact homeless people.

The Serial Inebriate Program (SIP) does outreach in the jails to people who have long histories of "drunk in public" charges. Once their case comes before the court, the person charged is given the choice between incarceration and a recovery

program. Of the 178 assessed by the SIP team, half choose to participate (89). Of the participants, 63 percent (56) become clean and sober and graduate into permanent housing.

Emergency Shelters

Emergency shelters offer temporary overnight sleeping accommodations for up to a month. Case management is available to clients. Motel/hotel vouchers and winter shelters help meet the demand for emergency housing during the coldest months of the year. A total of 155 beds are currently available at emergency shelters in the City. Several of these shelters serve homeless subpopulations that have specialized care needs, including those with mental illness or substance abuse problems. Most shelters are segregated according to sex and some serve only single individuals. Three facilities offer shelter to homeless families and one targets homeless youth.

Temporary Homeless Shelter Beds

Motel/Hotel Vouchers: The following programs offer emergency vouchers for motel/hotel accommodations in the City of San Diego for families with children and disabled adults. Vouchers are available for December through April.

City Winter Shelters: During the winter months, winter shelters accommodate the higher demand for shelter. The City began operation of its Winter Shelter Program in 2001. The Winter Homeless Shelter Program provides meals, shelter and social services, including medical and mental health attention. During the 2002-2003 winter (December through March), the program assisted approximately 400 homeless persons each night. The shelters are located at three sites, each with its own social service operator. The single adult program provides 200 beds nightly at 1535 Newton Avenue in Downtown's East Village. This site is operated by the Alpha Project. An estimated 150 veterans are served each night by the Vietnam Veterans of San Diego in the Midway/Sports Arena area. The San Diego Rescue Mission provides 55 beds for women and children at the seasonal family emergency overnight shelter at 501 Fir Street.

Interfaith Rotational Shelter Network: Rotational Shelter program. When the program, all seven branches is at capacity, it provides 84. However, Clairemont is only an eight week branch and shuts down mid-November. Overall, 13 beds per week are available over the 32-week period. This is how our capacity looks this season:

- September 21 - October 5 - 12 beds
- October 5 - November 2 - 24 beds
- November 2 - November 16 - 60 beds
- November 16 - December 28 - 48 beds
- December 28 - March 7 - 72 beds
- March 7 - April 4 - 60 beds
- April 4 - April 18 - 36 beds
- April 18 - May 2 - 24 beds
- May 2 - Rotational Shelter closes for season

Transitional Housing

Transitional shelters offer housing, case management, and support services to return people to independent living. The length of stay is often 6 months and usually not longer than 24 months.

The City’s Cortez Hill Family Center, is an excellent example of year-round transitional housing facility for homeless. It evolved from the Winter Homeless Shelter Program and provides shelter to 150 homeless parents and their children. Developed by the City of San Diego and operated by the YWCA, the Cortez Hill Family Center provides a full range of services, including case management, job training and placement assistance, counseling and healthcare, as well as offers homeless families an opportunity to reestablish greater self-sufficiency.

Permanent Supportive Housing

One of the primary objectives of the City’s homeless services and the region’s continuum of care is to enable homeless individuals and families to achieve stability through permanent housing with supportive services. To help accomplish this goal the City Council authorized developing a 10-year plan to end chronic homelessness. It anticipates a two-year planning timeline prior to implementation.

Table 3-18: Distribution of Year-Round Homeless Beds, Permanent Supportive Housing Units, and Services within the City of San Diego

Council District	Name of Agency or Program	Number of Locations	Number of Beds	Type of Service
Transitional Housing and Services for the Homeless				
1	No Homeless Services			
2	Catholic Charities	3 (East Village)	35	Day Center, Night Center, & Night Shelter for women
	City’s Neil Good Day Center	1 (East Village)	0	Single Adults
	City’s Family Shelter	1 (Cortez Hill)	150	Intact and Single-Parent Families with Children
	Episcopal Community Services	4 (Beach area, E. Village, Downtown, & Hillcrest)	80	1 DV, 1 Day Center, 2 Safe Havens
	Salvation Army	1 (East Village)	99	Families, Men’s, and meal programs
	San Diego Rescue Mission	1 (Banker’s Hill)	300	Women/Children & Men’s Programs
	San Diego Youth and Community Services	5 (Hillcrest & Midway)	50	Youth Day Center, Night Shelter, and 2-year housing
	Senior Community Center	3 (Downtown)	40	Day Center & Transitional Housing in 2 SROs
	St. Vincent de Paul Village	2 (East Village & Cortez Hill)	838	General Homeless, Teens & Services
	Stepping Stone Service Office	1 (Hillcrest)	0	Outreach to Homeless people w/ HIV/AIDS

Table 3-18: Distribution of Year-Round Homeless Beds, Permanent Supportive Housing Units, and Services within the City of San Diego

Council District	Name of Agency or Program	Number of Locations	Number of Beds	Type of Service
	Traveler's Aid Service Office	1 (Banker's Hill)	0	Relocation of homeless to family support systems in other areas
	VVSD	1 (Old Town)	87	Veteran shelter and recovery
	Volunteers of America (VOA)	1 (East Village)	20	Detox, recovery & dually diagnosed
	YWCA	3 (Downtown)	62	Homeless & DV
	Allocates District funds for City's Winter Shelter Program			
	City's Winter Shelter Program for veterans has been located in this Council District since 1998			
CD 2 Sub-Total			1,792	
3	Lutheran Social Services	1 (44 th / Euclid)	0	Case Mgmt, Referrals, Vouchers and Services
	Coalition for the Homeless	1 (41 st / University)	0	Referrals and Vouchers
	YMCA/Turning Point	1 (44 th Street)	24	Transitional Housing for Youth
	Uptown Faith Center	1 (2200 5 th)	0	Services and Referrals to people w/AIDS & General homeless
	Allocates District funds for City's Winter Shelter Program			
CD 3 Sub-Total			24	
4	Interfaith Shelter Network	El Nido (Undisclosed)	45	Homeless and Domestic Violence
	Allocates District funds for City's Winter Shelter Program			
5	No Homeless Service			
	Allocates District funds for City's Winter Shelter Program			
6	No Homeless Service			
	Allocates District funds for City's Winter Shelter Program			
7	St. Vincent de Paul Josue Homes	3 (College Area)	26	Homeless people living with HIV/AIDS
	Allocates District funds for City's Winter Shelter Program			
8	Presbyterian Crisis Center	1 (24 th / Market)	0	Case Mgmt & Referrals
	City's Winter Shelter Program for single adults has been located in this Council District since 1998			
Total			1,856	Transitional Homeless Shelter Beds

Table 3-18: Distribution of Year-Round Homeless Beds, Permanent Supportive Housing Units, and Services within the City of San Diego

Council District	Name of Agency or Program	Number of Locations	Number of Beds	Type of Service
Number of Beds Including Winter Shelter Programs				
Citywide Services	City's Winter Shelter Program	3 sites in CD 2 (East Village, Midway & Banker's Hill areas)	400 Single Adults, Veterans, and Families	City's 90-day Winter Shelter Program
	Interfaith Shelter Network	Rotational Shelter in Congregations (CD 2, 3, 4, 6, 7 & 8)	30	Emergency Shelter for the general homeless population
	Family Health Centers of San Diego	(CD 2, 3, 4, 6, & 8)	0	Health Care for the Homeless
			430	Temporary Homeless Shelter Beds
Grand Total			2,286	
Permanent Supportive Housing				
2	Senior Community Center	Market Square Manor	25	Homeless Seniors with Special Needs
	St. Vincent de Paul	Village Place	25	Shelter + Care
	St. Vincent de Paul	Villa Harvey Mandel	33	Shelter + Care & Special Needs
	The Assoc for Community Housing Solutions (TACHS)	Del Mar Apts.	22	Shelter + Care
	The Assoc for Community Housing Solutions (TACHS)	Paseo Glenn	14	Shelter + Care
	The Assoc for Community Housing Solutions (TACHS)	The Mason	22	Dually Diagnosed Permanent Supportive Housing
3	Center for Social Support and Education	Scattered Sites	18	Shelter + Care
	Pathfinders of SD	Grim Avenue	15	Shelter + Care
	Stepping Stone	Our House	12	Shelter + Care
	Stepping Stone	Central Avenue	22	Shelter + Care
	Volunteers of America	Hawley	8	Permanent Supportive Housing / Adults
4	The Assoc for Community Housing Solutions (TACHS)	Reese Village Apts.	18	Dually Diagnosed Permanent Supportive Housing
7	Pathfinders	Streamview	14	Shelter + Care
8	South Bay Community Services	La Posada	12	Shelter + Care
Grand Total			260	Permanent Supportive Housing

Continuum of Care Gap Analysis

Based on the homeless profile developed by the City of San Diego and the capacity of facilities/services offered, the unmet need can be determined (Tables 3-19).

Table 3-19: 1999-2004 Homeless Population Estimates for the City of San Diego

Population	Estimated Population	Total Beds Available	Unmet Need	% Unmet Need
Total Homeless	5,500	2,331	3,169	58%
Single Adult Men	3,500	892	2,608	75%
Single Adult Women	500	286	214	43%
Total Individuals (not in families)	4,450	1,801	2,649	60%
Youth (who are alone)	450	102	348	77%
Two-Parent Households	500			
Single-Mother Households	550			
Families w/Children (total members)	1,050	530	520	50%
Special Need Subgroups within the Above Population				
Severely Mentally Ill Persons	1,400	104	1,296	93%
Substance- Dependent Adults	2,200	465	1,735	79%
Victims of Domestic Violence	300	135	165	55%
Persons with HIV/AIDS*	240	84	156	65%

* Receiving less than \$600 per month and presenting medical conditions making it unlikely they will be admitted to general shelters.

3.3 Market Conditions

This section addresses characteristics of the housing supply in the City of San Diego, including type, age, condition, cost, and availability. The implications of these housing characteristics with respect to housing programs are also examined.

Housing Growth

The 2000 Census reported 469,689 housing units in the City of San Diego, representing an increase of approximately 9 percent since 1990 (Table 3-20). This level of growth was higher than the growth experienced by neighboring jurisdictions with the exception of Poway. Countywide, the increase was almost 10 percent.

Providing housing for the growing population in the City will become increasingly difficult as housing growth continues to lag behind population growth. Census data reveal that housing stock in the City increased by two percentage points lower than the growth in the number of households during the same period (11 percent). Based on SANDAG projections, the City housing stock is expected to grow by 10 percent between 2000 and 2010 (Table 3-20), less than the projected growth of 12 percent in the County.

Table 3-20 : San Diego Regional Housing Stock and Projections

Jurisdiction	1990	2000	2010	Percent Change	
				1990-2000	2000-2010
Del Mar	2,514	2,557	2,573	1.7%	0.6%
El Cajon	34,453	35,190	35,458	2.1%	0.8%
La Mesa	24,154	24,943	25,142	3.3%	0.8%
National City	15,243	15,422	15,749	1.2%	2.1%
Poway	14,386	15,714	16,758	9.2%	6.6%
San Diego	431,722	469,689	517,775	8.8%	10.2%
Santee	18,275	18,833	20,191	3.1%	7.2%
County	946,240	1,040,149	1,161,259	9.9%	11.6%

Source: U.S. Census, 1990 and 2000; SANDAG Population and Housing Forecasts

Housing Characteristics

Housing Type

Single-family homes are the predominant housing type in San Diego. According to the California Department of Finance, as of 2003 single-family housing accounted for 56 percent of the housing stock in the City (Table 3-21). Higher proportions of single-family units are found in neighboring jurisdictions such as Poway (80 percent) and Del Mar (65 percent). Multi-family housing represented approximately 43 percent of the housing stock in San Diego.

Table 3-21: Housing Type

Jurisdiction	Total Units	Housing Type		
		Single-Family	Multi-Family	Mobile Home/Other
Del Mar	4,503	66%	34%	0%
El Cajon	96,664	43%	52%	6%
La Mesa	55,688	52%	46%	1%
National City	59,774	51%	46%	3%
Poway	49,833	80%	15%	4%
San Diego	1,275,112	56%	43%	1%
Santee	53,609	65%	22%	13%
Countywide	2,961,579	61%	35%	4%

Source: California Department of Finance, 2003

Housing Tenure and Vacancy

The tenure distribution (owner versus renter) of a community's housing stock influences several aspects of the local housing market. Residential stability is influenced by tenure, with ownership housing much less likely to turn over than rental units. Housing cost burden, while faced by many households regardless of tenure, is typically more prevalent among renters. The ability or choice to own or rent a home is primarily related to household income, composition, and age of the householder.

Table 3-22: Housing Tenure

Jurisdiction	Tenure Distribution	
	Owners	Renters
San Diego	49.5%	50.5%
San Diego County	55.4%	44.6%

The tenure distribution in the City was split almost evenly with a homeownership rate of 49.5 percent in 2000. Renters in the City comprised a slightly higher proportion of households (50.5 percent) than the countywide average. Overall, the region's homeownership rate is lower than the national (66 percent) and state (57 percent) averages. The high proportion of transient military personnel and students and the high costs of housing may be the primary reasons for the lower homeownership rate in the City and region. The 2000 Census recorded a tight housing market with a 0.8 percent homeowner vacancy rate and a 3.2 percent rental vacancy rate.

The San Diego County Apartment Association (SDCAA) reported that rental vacancy rates were up slightly across the County for Fall 2003 (3.1 percent) compared with 2.8 percent a year ago. Vacancy rates began sliding during the late 1990s, reaching the lowest point of 1.6 percent in Fall 2000. The rental housing market began to soften, with vacancy rates peaking 4.5 percent in Spring 2003.

The SDCAA reported a slightly higher vacancy rate for the City (3.38 percent) in 2003 than for the County as a whole (3.12 percent).

Housing Costs and Affordability

Ownership Housing Costs

Every year, the National Association of Home Builders (NAHB) tracks the ability of households to afford a home in almost 2000 metropolitan areas across the country. NAHB develops an Housing Opportunity Index (HOI) for a given area that is defined as the share of homes sold in that area that would be affordable to a family earning the median income. The San Diego metropolitan area was the ninth least affordable area in the nation. In 2003, only 21 percent of the homes sold in the San Diego metropolitan area were affordable to the median family. According to the California Association of Realtors (CAR) in October 2003, only 16 percent of County households could afford to buy a median-priced, resale, single-family home. As affordability drops, lower income families are most acutely affected. The current prices may be attributable to a housing shortage caused by a continuing decline in housing production during the 1990s, consistent strong demand, tight supply, and reasonable mortgage rates. In November 1993, according to the *San Diego Union Tribune*, the area's affordability index stood at a record high of 44 percent and the median-priced house cost \$174,040. However, this affordability level was achieved during the middle of San Diego's worst recession in 60 years, an era of defense-industry layoffs, bankrupt savings and loans, relatively high interest rates and a glut of new houses that could not be sold. Since then housing construction has not kept pace with the booming population.

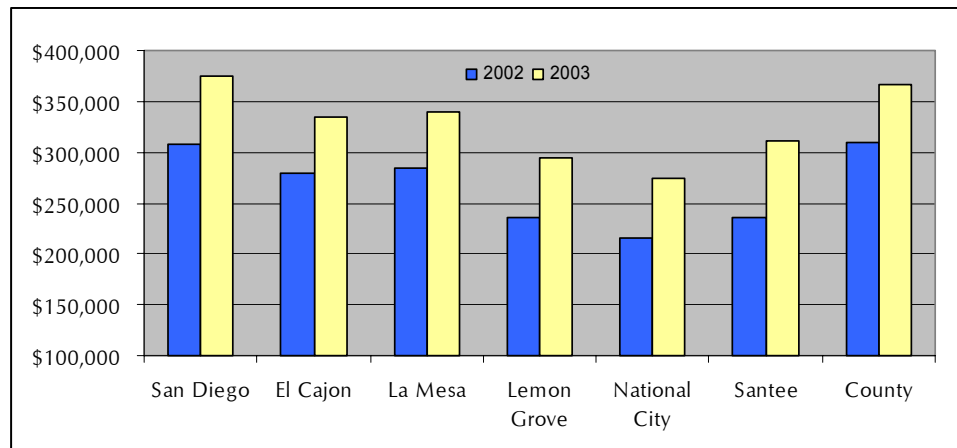
CAR confirmed the rapidly rising home prices indicated in the NAHB study. According to CAR, the median price for a home in San Diego rose almost 22 percent between 2002 and 2003 (Table 3-23). The median home price was \$308,000 in 2002 and increased to \$375,000 in 2003. Home prices in surrounding jurisdictions increased at rates higher than those seen at the County level. National City, for example, had a median home price increase of almost 28 percent between 2002 and 2003. Figures 3-9 shows the increase in median home prices in and around San Diego.

Table 3-23 :Median Home Prices

Jurisdiction	Second Quarter 2003	Second Quarter 2002	% Change 2002-2003
Del Mar	\$810,000	\$675,000	20.0%
El Cajon	\$334,500	\$279,000	19.9%
La Mesa	\$339,000	\$285,000	18.9%
Lemon Grove	\$294,000	\$235,000	25.1%
National City	\$275,000	\$215,000	27.9%
San Diego	\$375,000	\$308,000	21.8%
Santee	\$310,500	\$235,000	32.1%
San Diego County	\$366,000	\$310,000	18.1%

Source: California Association of Realtors.

Figure 3-9: Median Home Prices 2002 – 2003



Source: California Association of Realtors, 2003.

Rental Housing Cost

The number of people priced out of the homeownership market is steadily increasing. Consequently, there has been a noticeable shift in tenure trends, with increasing people remaining in the rental market, exacerbating the competition for scarce affordable housing units. Renter-households accounted for slightly over half of all occupied housing units in San Diego. According to the 2000 Census, the median monthly rent in San Diego was \$763. Almost 24 percent of all residents in renter-occupied units paid between \$750 and \$999 in rent and 26 percent of residents had rents above \$1,000.

SDCAA publishes average rental rate information (Table 3-24). The City and County saw similar rent increases between 2002 and 2003 (between 7 and 9 percent). The estimated average rental rates in San Diego in 2003 were \$663 for a studio, \$790 for a one-bedroom, \$1,031 for a two-bedroom, and \$1,452 for a three-bedroom unit.

Table 3-24: Rental Rates in San Diego and Surrounding Jurisdictions

Jurisdiction	Unit Size	Spring 2002 Average rents	Fall 2002 Average Rents	Spring 2003 Average Rents	Percent Change 2002 - 2003
San Diego	Studio	\$608	\$628	\$663	9%
	1 BR	\$728	\$753	\$790	9%
	2 Br	\$968	\$996	\$1,031	7%
	3BR	\$1,346	\$1,385	\$1,452	8%
El Cajon	Studio	\$551	\$605	\$599	9%
	1 BR	\$643	\$666	\$677	5%
	2 Br	\$764	\$791	\$838	10%
	3BR	\$1,010	\$1,150	\$1,187	18%

Table 3-24: Rental Rates in San Diego and Surrounding Jurisdictions

Jurisdiction	Unit Size	Spring 2002 Average rents	Fall 2002 Average Rents	Spring 2003 Average Rents	Percent Change 2002 - 2003
Lemon Grove	Studio	\$400	\$435	\$435	9%
	1 BR	\$667	\$606	\$647	-3%
	2 Br	\$844	\$755	\$801	-5%
	3BR	\$1,175	\$1,100	\$1,033	-12%
La Mesa	Studio	\$572	\$692	\$670	17%
	1 BR	\$731	\$798	\$732	0%
	2 Br	\$856	\$903	\$922	8%
	3BR	\$1,099	\$1,403	\$1,319	20%
National City	Studio	\$557	\$529	\$515	-8%
	1 BR	\$555	\$579	\$521	-6%
	2 Br	\$713	\$643	\$639	-10%
	3BR	\$966	\$1,000	\$1,081	12%
Santee	Studio	\$350	\$370	\$540	54%
	1 BR	\$748	\$713	\$803	7%
	2 Br	\$826	\$783	\$954	15%
	3BR	\$1,209	\$1,096	\$1,165	-4%
San Diego Region	Studio	\$602	\$608	\$653	8%
	1 BR	\$715	\$744	\$775	8%
	2 Br	\$925	\$953	\$987	7%
	3BR	\$1,250	\$1,316	\$1,361	9%

Source: San Diego County Apartment Association, 2003.

Housing Affordability

Housing affordability is dependent upon income and housing costs. Using updated income guidelines, current housing affordability in terms of home ownership can be estimated for the various income groups. According to the HUD income guidelines for 2003, the Median Family Income (MFI) in San Diego County was \$60,100. Median income for an extremely low income household (0-30 percent MFI) earned up to \$19,150, a low income household (31-50 percent MFI) earned up to \$31,900, and a moderate income households (51-80 Percent MFI) earned up to \$51,500. Note that these income levels assume a household of four persons; income limits are adjusted according to household size.

Assuming that the potential homebuyer within each income group has sufficient credit, downpayment (10 percent), and maintains affordable housing expenses (i.e. spends no greater than 30 percent of their income on the mortgage, taxes and insurance), the maximum affordable home prices are presented in Table 3-25. Given the median home prices presented, home ownership is beyond the reach of extremely low, low, and moderate-income households. Similarly, extremely low-income households cannot afford the median rents in virtually the entire City and low-income households are confined to studio and one-bedroom apartments.

Table 3-25: Affordable Housing Costs by Income

Income Group	Median Income	Monthly Affordable Payment	Property Taxes, Insurance	Maximum Affordable Home Price
Extremely Low (0-30% MFI)	\$19,150	\$479	\$200	\$47,000
Low (31-50% MFI)	\$31,900	\$798	\$200	\$100,000
Moderate (51-80% MFI)	\$51,050	\$1,276	\$250	\$171,000

Note: Calculation of affordable mortgage and home price based on a 7% interest rate, 10% downpayment, and Area Median Family Income of \$60,100 for 2003.

Housing Condition

Age of Housing Stock

The age of housing is commonly used by state and federal housing programs as a factor to estimate rehabilitation needs. Typically, most homes begin to require major repairs or have significant rehabilitation needs at 30 or 40 years of age. Approximately 44 percent of homes in the City of San Diego were 30 years or older, including 29 percent that were 40 years or older in 2000. The housing stock in the City is older than in the County. Countywide, 38 percent of homes were 30 years or older, including 23 percent that were 40 years or older in 2000.

Table 3-26: Age of the Housing Stock - 2000

Jurisdiction	Units 30+ years	% 30+ years	Units 40+ years	% 40+ years
San Diego	207,366	44%	134,856	29%
San Diego County	395,021	38%	238,888	23%

Source: 2000 Census.

To improve the overall housing conditions in San Diego, the City offers assistance for lower-income homeowners, first-time buyers, and property owners renting to lower-income tenants. Programs include:

- Loans and grants for owner-occupied homes, including mobile homes
- Rental property rehabilitation assistance
- Purchase and rehabilitation assistance for first-time homebuyers
- Programs to help with lead paint removal
- Grants to make rental properties accessible for persons with disabilities

Lead-Based Paint Hazards

Lead poisoning is the number one environmental hazard to children in America today. Approximately 434,000 children across the U.S. aged 1-5 years have lead blood lead levels greater than the Center for Disease Control (CDC) recommendations. Lead’s health effects are devastating and irreversible. Lead poisoning causes IQ reductions, reading and learning disabilities, decreased attention span, and hyperactivity and aggressive behavior. The National Institute of Environmental Health Science has found that delinquent kids - both White and

Black - have higher blood lead levels than kids from similar backgrounds without a criminal history.

Several factors contribute to higher incidences of lead poisoning:

- Children under two years of age are especially vulnerable
- Low income children are at a risk eight times higher than children from wealth families
- Black children have a risk five times higher than White children
- Mexican-American children are twice as likely as White children to have lead poisoning
- Children in older housing are at higher risk
- Up to 50 percent of children in some distressed neighborhoods have some level of lead poisoning

CDC has determined that a child with a blood lead level of 15 to 19 ug/dL is at high risk for lead poisoning and a child with a blood lead level above 19 ug/dL requires full medical evaluation and public health follow-up.

San Diego County’s Childhood Lead Poisoning Prevention Program (CLPPP) provides services and information to City and County residents regarding childhood lead poisoning and prevention. Specifically, program staff offers case management and home investigations for children with elevated blood lead levels. The program also provides outreach services and information regarding lead poisoning, childhood testing and treatment, prevention practices etc. In addition, CLPPP staff distributes literature to tenants and landlords during inspections to help educate the public about lead-safe practices. The CLPPP collects data to monitor and evaluate the extent of the lead poisoning problem in San Diego. Table 3-27 lists the childhood lead poisoning prevention resources available to City residents.

Table 3-27: Resources to Prevent Childhood Lead Poisoning

Resource	Description
County Resources	
Childhood Lead Poisoning Prevention Program	Professional education and material
	Elevated lead test reporting
	Lead poisoning case management
Department of Environmental Health	Lead inspections
	Abatement information
Childhood Health and Disability Prevention Program	No-cost child blood lead testing for low-income families
Community Clinics (countywide)	Child blood lead testing
<i>Community Clinics in the City of San Diego:</i>	
<i>Comprehensive Health Center (4 locations)</i>	
<i>La Maestra Family Clinic</i>	
<i>Operation Samahan</i>	
<i>San Diego American Indian Health Centers</i>	
<i>San Diego Family Care (2 locations)</i>	

Table 3-27: Resources to Prevent Childhood Lead Poisoning

Resource	Description
<i>San Ysidro Health Center</i>	
University of California Cooperative Extension	Nutrition education
Legal Aid Society of San Diego Inc.	Legal information
State Resources	
California Childhood Lead Poisoning Prevention Branch	Information and advocacy
Lead Safe School	Information and prevention
California Lead Poisoning Hotline (EPA branch)	Information and lead inspections
Occupational Lead Poisoning Prevention Program	Information and prevention
State Food and Drug Branch Hotline	To report foods with lead sold in the U.S.
State Lead Related Construction Information Line	Information and prevention
Federal Resources	
National Lead Information Center (NLIC)	Information and prevention
Alliance for Healthy Homes	Information and prevention
EPA Safe Drinking Water Hotline	Test drinking water
The National Center for Healthy Housing	Information and prevention
U.S. Center for Disease Control/Prevention (CDC)	Information and prevention
Environmental Defense Fund (EDF)	Information about lead in tableware

Source: San Diego County Childhood Lead Poisoning Prevention Program (CLPPP), 2003

The cases of children with elevated blood lead levels are tracked by zip code. This data assists staff in focusing efforts on areas with the greatest potential for problems. In the second half of 2003, 13 lead poisoning cases were reported in the City, almost 30 percent of the County total. Chelation therapy is used to treat lead poisoning by removing toxins and heavy metal from the bloodstream through intravenous drips of EDTA, a synthetic amino acid. Of the five cases requiring Chelation therapy, three were from the City. Overall 42 percent of all lead poisoning cases in the County from 2001 through 2003 were reported in the City of San Diego.

Table 3-28: San Diego Lead Poisoning Cases: January 1, 2001 to December 22, 2003

	City of San Diego	% of County Cases	Other County Areas	Total County
Total reported lead cases (confirmed blood level greater than or equal to 15 ug/dL)	81	42%	112	193
New cases from July 1, 2003 - Dec 22, 2003	13	29%	32	45
Total cases requiring Chelation therapy	3	60%	2	5
Gender distribution (cases with gender info.)				
<i>Male</i>	45	42%	61	106
<i>Female</i>	35	41%	51	86

Source: San Diego County Childhood Lead Prevention Program; Community Epidemiology, County of San Diego

Estimating Number of Housing Units with Lead-Based Paint

The age of the housing stock is the key variable for estimating the number of housing units with lead-based paint. Starting in 1978, the use of all lead-based paint on residential property was prohibited. National studies estimated that 75 percent of all residential structures built prior to 1978 contain lead-based paint (LBP) and that older structures have the highest percentage of LBP. In assessing the potential LBP hazard of these older structures, several factors must be considered. First, not all units with lead-based paint have lead-based paint hazards. Only testing for lead in dust, soil, deteriorated paint, chewable paint surfaces, friction paint surfaces, or impact paint surfaces provides information about hazards. Properties more at risk than others include:

- Deteriorated units, particularly those with leaky roofs and plumbing
- Rehabilitated units where there was not a thorough cleanup with high-phosphate wash after the improvements were completed

CHAS data provides the number of housing units constructed before 1970 that were occupied by lower income households. This data can be used to approximate the extent of LBP hazards among lower income households. While information on units constructed before 1978 is not available from CHAS, estimates based on the pre-1970 stock provide a conservative depiction of the extent of LBP hazards. Citywide, an estimated 63,942 units occupied by lower income households (0-80 percent MFI) may contain LBP. Approximately 5,977 units occupied by extremely low income households, 15,177 units occupied by low income households and 42,788 units occupied by moderate income households may contain LBP (Table 3-29).

Table 3-29: Number of Housing Units with Lead-based Paint Occupied by Low and Moderate Income Households

Year Units Built	No. of Units Occupied by Low and Moderate Income Households			Percent Units with LBP	Estimated No. of Units with LBP and Occupied by Low and Moderate Income Households		
	Ext. Low (0-30% MFI)*	Low (31-50% MFI)	Moderate (51-80% MFI)		Ext. Low (0-30% MFI)	Low (0-50% MFI)	Moderate (51-80% MFI)
Before 1970	8,539	21,681	61,126	70%	5,977	15,177	42,788

*Owner occupied units for extremely low income group not available. Figure includes only rental units
 Source: HUD CHAS Data, 2003.

3.4 Public and Assisted Housing

Development of affordable housing in a market such as San Diego typically requires multi-layering of financial assistance from local, state, and federal levels. This section describes the key players and major funding programs for affordable housing development. As exhibited in Figure 3-12, public and assisted housing projects are primarily located in low and moderate income areas and most concentrated in the Mid-City areas of San Diego, south of the I-8. Single-family assisted units are predominantly located in the Otay Mesa-Nestor community close to the I-805. A small cluster of assisted housing developments is also present in the communities of Linda Vista and San Ysidro.

San Diego Housing Commission

The San Diego Housing Commission (SDHC) is the major public agency involved in the production of affordable housing in the San Diego area. SDHC administers the Public Housing and Section 8 Rental Assistance Voucher programs. The need for public housing and rental assistance is high. According to SDHC, the limited supply of affordable housing in the City has severely impacted low income families, families with children, families with disabilities, and elderly-headed households.

Public Housing

As of November 2003, SDHC owns and manages 1,782 public housing units throughout the County, including 36 units of single-family public housing. Public housing projects owned by SDHC are committed as long-term affordable housing.⁷

The need for subsidized housing far exceeds the resources currently available. As of November 2003, 11,540 families were on the waiting list for public housing, including 1,569 elderly families, 3,607 families with members with disabilities, and 7,098 families with children. Most of the public housing tenants and families on the waiting list had extremely low incomes. Table 3-30 summarizes the household characteristics of public housing tenants and applicants on the public housing waiting list.

504 Needs Assessment: SDHC conducted a Section 504 assessment on its public housing stock and continues to pursue improvements to the units in compliance with ADA requirements. The FY 2004 Public Housing Agency Plan includes a five-year Action Plan for the use of Capital Funds. The Plan establishes the list of work activities for agency-wide management improvement, capital improvements, and housing repairs and rehabilitation.

⁷ SDHC plans to apply for the disposition of 93 public housing units in the City to be completed by mid-2004 and plans to apply for the demolition of 35 public housing units (loss through eminent domain) by mid-2005.

Table 3-30: Characteristics of Households in Public Housing and on the Waiting List in the City of San Diego (2003)

Household Characteristics	Assisted		Waiting List	
	# of Families	% of Total Families	# of Families	% of Total Families
Extremely Low Income (<=30% MFI)	784	58%	8,456	73%
Low Income (31% and 50% MFI)	379	28%	2,249	19%
Low Income (51% and 80% MFI)	154	11%	232	2%
Families with Children	840	62%	7,098	62%
Elderly Families	243	18%	1,569	14%
Families with Disabilities	477	35%	3,607	31%
White	223	16%	2,395	21%
Black or African American	421	31%	3,070	27%
Asian	102	8%	970	8%
Hispanic or Latino	577	42%	3,910	34%
Total	Approx. 1,400	100%	11,540	100%

Source: San Diego Housing Commission, 2003.

Note: Not all households provided information on race/ethnicity or other household characteristics.

Supportive Services for Public Housing Residents

As part of the Consolidated Plan, the City must address the non-housing needs of public housing residents. Such needs may include revitalization of neighborhoods surrounding the public housing projects, drug elimination and anti-crime strategies at public housing projects, and other supportive services. SDHC partners with community organizations to implement a variety of programs designed to enhance and improve the lives of public housing residents.

Learning Opportunity Centers: Currently, six different learning opportunity centers are located within public housing sites. Each Center has a lead provider, which SDHC contracts with to provide after school programs, youth leadership, clubs, academic tutoring, adult basic education, GED preparation, and ESL courses. Partner organizations include: Boys & Girls Club, UCSD, Community College District, Occupational Training Center, Copley YMCA, among others.

Family Self-Sufficiency Program: The Family Self-Sufficiency Program is a voluntary program offered to anyone in public housing or receives Section 8 vouchers. After enrollment, a participant signs a five-year contract that is based on career goals set by participants. SDHC’s role is to connect program participants with resources in the community to improve their skills. These resources include, but are not limited to, child care, transportation, case management, and referral assistance to overcome common employment barriers. The City partners with a number of organizations to provide these services.

Tenant-Based Rental Housing Assistance

SDHC offers a rental assistance voucher programs for lower-income residents. As of November 2003, 12,108 households in the City of San Diego were receiving Section 8 assistance through SDHC. The household characteristics of voucher recipients and applicants on waiting lists for the Section 8 Voucher are summarized in Table 3-31. As shown, more than half of all recipients (53.6 percent) were families with children, 29 percent were households with members with disabilities, and 21 percent were elderly-headed households. Given the long waiting list (33,408 households), the extensive need for rental assistance in the City is evident.

Table 3-31: Characteristics of Households Receiving Section 8 Vouchers and on the Waiting List in the City of San Diego (2003)

Household Characteristics	Assisted		Waiting List	
	# of Households	% of Total Households	# of Households	% of Total Households
Extremely Low Income (<30% MFI)	6,705	55.4%	25,608	76.7%
Low Income (31% and 50% MFI)	4,127	34.1%	5,932	17.8%
Moderate Income (50% and 80% MFI)	1,276	10.5%	517	1.5%
Families with Children	6,494	53.6%	19,247	57.6%
Elderly Households	2,477	20.5%	5,244	15.7%
Households with Disabilities	3,533	29.2%	10,233	30.6%
White	6,054	50.0%	9,332	27.9%
Black or African American	3,754	31.0%	8,089	24.2%
Indian/Alaskan	484	4.0%	322	1.0%
Asian/Pacific Islander	2,179	18.0%	3,436	10.3%
Hispanic or Latino	4,480	37.0%	12,229	36.6%
Total	12,108	100%	33,408	100%

Source: San Diego Housing Commission, 2003.

Federally Assisted Housing and At-Risk Status

In addition to affordable housing facilitated by SDHC, affordable housing opportunities for low and moderate income households are also available through a variety of federal funding programs. Many projects subsidized in the past with federal funding are at risk of converting to market rate housing. The City of San Diego Housing Element contains a detailed discussion of the full inventory of federally assisted housing and units at risk of converting to market rate (Figure 3-10).

Section 236/221 Loans

The HUD Section 236 loan program provides preferential financing to private developers to facilitate the development of multi-family housing. In exchange, the owners are required to deed-restrict the units for low-income uses for an extended period, usually as long as the mortgages are outstanding. However, at the end of the first 20 years, the owners may prepay the remaining mortgage and opt out of any affordability control.

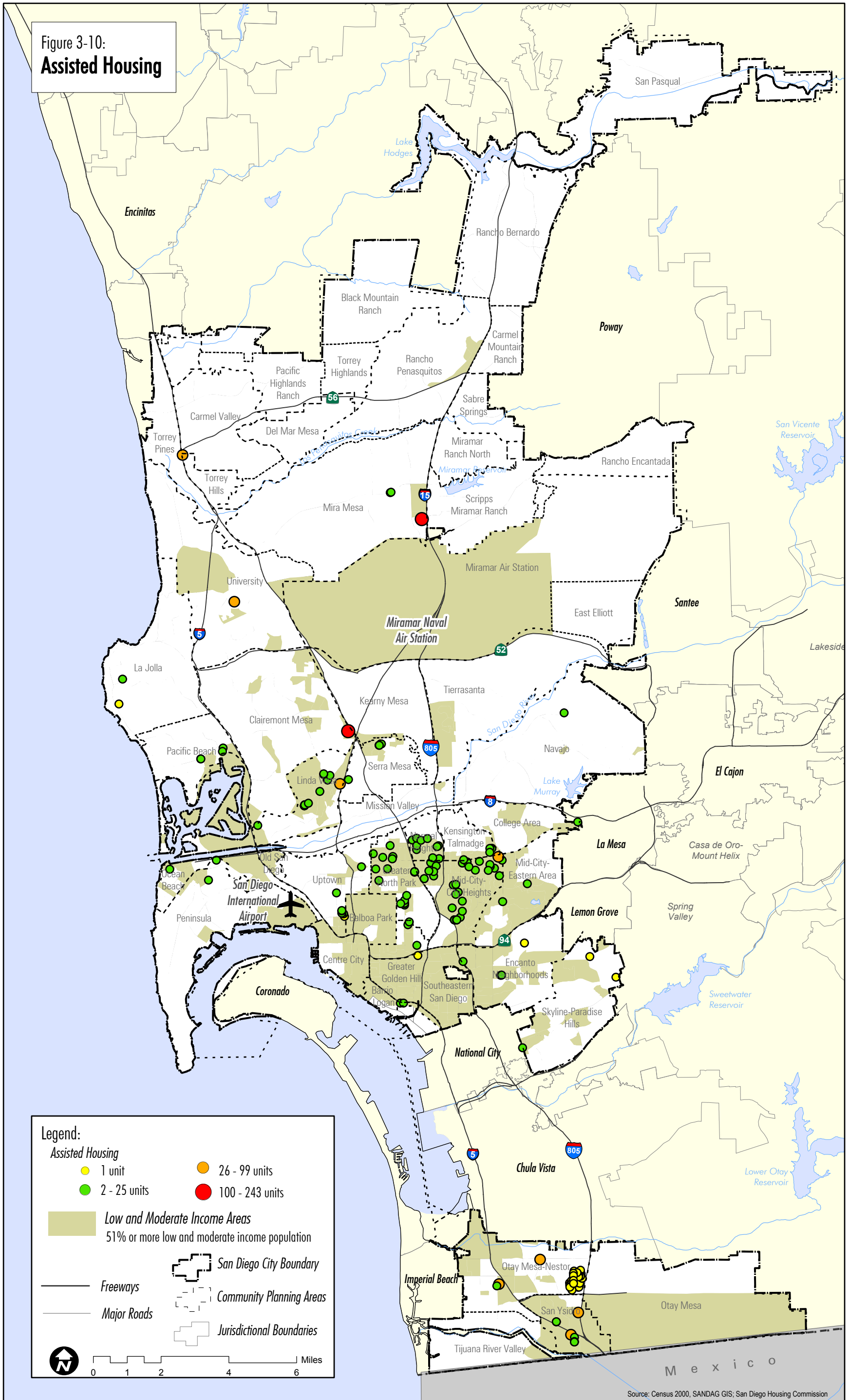
Another financial program was Section 221. There are two types of Section 221 loans: loans with below-market rate interest (221(d)(3)) and loans with market-rate interest (221(d)(4)). Projects financed under Section 221(d)(3) have a 40-year low income use restriction with a 20-year prepayment option.

According to the California Housing Partnership Corporation (CHPC), the City has 26 projects (4,546 units) funded under the Section 236/221(d)(3) programs.

Project-Based Section 8 Contracts

Project-based Section 8 contracts provide rental assistance that is tied to a rental development (unlike vouchers that are tied to the tenants). As mentioned above, many projects financed with HUD Section 236/221 funds also maintain Section 8 contracts with HUD. Within the City, 2,265 units are subsidized solely with Section 8 while 4,128 units are subsidized with Section 8 in addition to a Section 236/221(d)(3) mortgage. Section 8 contracts are offered initially for 15- to 20-year terms and require renewal every five years thereafter. Due to uncertainty at the federal funding level, HUD considers all units with expiring Section 8 contracts as at risk of converting to market-rate housing.

Figure 3-10:
Assisted Housing



3.5 Barriers to Affordable Housing

Market and governmental factors may pose constraints on the provision of adequate and affordable housing. The City of San Diego Housing Element provides a detailed assessment of constraints and to develop strategies to mitigate constraints identified. This section discusses the market and governmental factors that generally impact the City.

Market Constraints

Market constraints include land costs, construction costs, and access to financing. The City has little influence over market constraints, but can provide incentives or assistance to overcome the impacts of market constraints.

Land Costs

Due to a variety of factors, land suitable for residential development construction is becoming increasingly scarce. High land costs are probably the most important single factor in making San Diego one of the least affordable cities for housing in the nation. There is little the City can directly do to influence the market price of land. However, the City does affect the housing supply through the administration of land use policies.

The City has offered density bonuses as a means of mitigating the impact of high land cost on low- and moderate-income housing production. Few developers have taken advantage of these bonuses because even with the density incentives, provision of high-cost housing at lower densities has been more profitable and less risky than building for the low- and moderate-income market.

Availability of Financing

Financing the planning and construction of a development is a major component of the cost of housing, making interest rates an important factor in determining the affordability of housing. Additionally, the availability of home purchase financing to low income and minority groups may also affect the supply of and demand for housing.

The robust housing market in San Diego has driven up home prices, placing them out of reach for most low-income families. Attached housing often provides both rental and entry level ownership opportunities for low-income households. Widespread construction defect litigation and difficulty in obtaining insurance has dampened builders' interest in condominium construction.

The City-County Reinvestment Task Force (RTF) was created in 1977 to monitor lending practices and to develop strategies for reinvestment in the San Diego region. The mission of RTF is to spur private and public financing of affordable housing and economic development activities in those communities experiencing disinvestment. Through a regular review of lending data, RTF systematically determines areas and populations experiencing disinvestment. This data and

ongoing dialogue with community organizations assist in formulating vital programs and strategies for cooperation. Among its many accomplishments, RTF has developed ten agreements with the largest lenders in the San Diego region for specialized implementation of the federal Community Reinvestment Act. These lenders had a combined market share of 76 percent in San Diego County in 1999.

Governmental Constraints

Major governmental constraints to affordable housing development include land use policies governed by the Land Use Element of the General Plan and the zoning and development codes, development and planning fees imposed by the City, and growth management policies. Pursuant to State housing element law, each jurisdiction must demonstrate adequate residential sites with appropriate densities to meet its share of regional housing needs. The Housing Element must address the extent to which government policies serving as constraints to housing development and the City's commitment to eliminating or mitigating the constraints. The following discussions on governmental constraints are summarized from the City of San Diego Housing Element.

Growth Management

In 1979, San Diego's growth management program was put into place to help reverse the rapid growth at the City's periphery and the declining growth in the central part of the City. Uneven growth across the City contributed to scattered and inefficient development patterns. By the 1980s, the program's success contributed to a 500 percent increase in the amount of urbanized residential development. A drawback of the program's success was the lack of infrastructure to support developments that were of a much higher magnitude than anticipated. As a result, impact fees were imposed in all of the urbanized areas in 1987. The lack of adequate infrastructure continues to be a major barrier to accommodation of additional housing developments, particularly where higher densities are involved. In future General Plans, the City will include a Strategic Framework Element that will address future growth and development in the City. As part of this process, the reliance on impact fees as the primary funding mechanism in urbanized areas will be re-evaluated. In addition to the infrastructure issue, the quality of urban infill development was perceived to be detrimental from a design standpoint. The bulk and scale of many new developments were not proportionate to the prevailing character of the existing neighborhoods. In response, the City adopted 20 Planned District Ordinances to replace the underlying zoning code. This "tailored zoning" approach addressed specific design and land use issues in each community.

Land Use Controls

Land use controls can take numerous forms; the most common is zoning, subdivision regulations and environmental restrictions. In the past, the City's development costs and processing time had been aggravated by the length and complexity of the City's zoning code. Prior to the 1999 update of the zoning code, there were 200 zones, over 20 planning areas and 10 overlay zones. The 1999 Land Development Code, the City's new zoning code, reduced review process

procedure requirements for single unit and multiple unit residential development and made certain development processes less time-consuming and more predictable. The revised regulations also codified adopted polices and clarified regulations that provide mechanisms for encouraging higher density mixed use developments.

Several provisions of the Land Development code, if modified, could further enhance affordability:

- A threshold requirement for multiple unit projects that involves lot consolidation was kept in place to control the pattern of development relative to the existing development. By incorporating design standards into the base development regulations, this purpose can be achieved through a ministerial review.
- Currently parking standards which allow on street parking spaces to count toward meeting the standards through a discretionary review. By incorporating appropriate performance standards in to parking regulations, the discretionary permit would be eliminated.
- The continued reliance on Planned District Ordinances to regulate zoning in many parts of the City creates a confusing array of design standards and regulations that make administration difficult. As the Planned Districts are updated, the City intends to consolidate areas or use citywide zones.
- The required discretionary review for developments in Planned Districts can be confusing and lengthy. As Planning Areas are reviewed, City staff will work with the affected community planning groups to reduce the degree of difficulty and level of discretionary reviews by using citywide zones or by incorporating stronger standards into the existing zones.
- Currently, some Planned District Ordinances do not allow a Planned Development Permit as a means of providing flexibility in meeting development standards. As Planning Areas are reviewed, City staff will work with the affected community planning groups to introduce this tool to promote flexibility.
- The increased use of Master Environmental Impact Reports (MEIR) for major planning projects can streamline subsequent environmental reviews of projects included within the Scope of the MEIR. City departments and private developers will be strongly encouraged to make use of the MEIR as an alternative to a project specific-CEQA document when that document can be supported by appropriate analysis and findings.
- Currently, the decision process levels in the Land Development Code may be unnecessarily high for some types of residential projects. In order to further facilitate the permit process, process levels can be lowered for minor and major deviations.

Building Codes

The City of San Diego has adopted nationally recognized model codes as its basic building laws. These codes are adopted by most cities and counties in the western United States as well as by the State of California. Individual building code requirements can sometimes act to impede the development of affordable housing by requiring specific materials or construction techniques that may not necessarily be the latest, most cost effective technology. San Diego has adopted several “code equivalent substitutes” to reduce per-unit development costs. The City will also continue to coordinate building code enforcements with housing rehabilitation programs.

Permit Processing

Permits involved in the development process fall into three categories: discretionary permits, ministerial engineering permits and ministerial building permits. To encourage development during the recession in the early 1990s, the City Council and Mayor directed that a 50-percent reduction in the City’s permit processing time be achieved by 1993. As a result, between 1991 and 1998, the average discretionary permit processing time dropped 11.2 weeks and ministerial engineering permit processing time dropped by 25.8 weeks. To sustain these improvements over the long term, the City began a comprehensive redesign of the development process called “Process 2000.” Key changes completed include department restructuring, consolidated check-in and project submittal. The hiring and assignment of new project managers to each project and the establishment of a Citywide Development and Permit Information function.

Planning Fees

The City requires applicants for various types of permits to pay either a flat fee or deposit, based on the number of hours required to process the permit application and the department’s overhead rate. To provide more certainty and predictability, the Development Services Department has converted some planning fee deposits to flat fees.

Building Fees

Building (construction permit) fees vary with the estimated value of the building. These fees have been steadily increasing; overall total for building fees can vary from \$1,500 to over \$3,000.

Development Impact Fees

Impact fees are the most significant type of fees associated with new residential construction. Facilities Benefit Assessments (FBAs) are used in planned urbanizing areas and may include all infrastructures required for a particular community. Development Impact Fees (DIF) are utilized in urbanized areas and are usually for more limited improvements where much of the infrastructure is already in place but not up to General Plan standards. FBAs and DIFs range from less than \$1,000 for a single or multi-family development in Linda Vista to almost

\$30,000 for a single-family unit in Del Mar Mesa. Fees are higher for single-family units in planned urbanizing areas since research has shown that single-family units have higher trip generating rates than multi-family units. In addition to the FBAs and DIFs fees, the City assesses water and sewer capacity charges.

With the increased need for affordable housing and steadily increasing fees, the City's Strategic Framework Element in its future General Plan and updated Housing Element will re-examine the infrastructure deficit and propose alternative methods for financing infrastructure in urbanized communities

3.6 Fair Housing

The City of San Diego is committed to furthering fair housing choice for all residents regardless race, color, national origin, ancestry, religion, sex, disability, familial status, marital status, source of income, sexual orientation, or any other arbitrary factor. The City recognizes that fair housing is a regional issue and collaborates with jurisdictions in identifying impediments to fair housing choice and in finding solutions for mitigating such barriers.

2000 San Diego Area AI

In 2000, the City collaborated with the cities of Carlsbad, Chula Vista, El Cajon, Encinitas, Escondido, La Mesa, National City, Oceanside, Santee, and Vista in the preparation of the Regional Analysis of Impediments (AI) to Fair Housing Choice. Several regional impediments were identified:

- In the San Diego region, litigation as a response to unlawful housing discrimination has been an action of last resort.
- Although some jurisdictions are projected to grow faster than others, growing populations and housing shortages may present issues of housing discrimination or become barriers to fair housing choice.
- Jurisdictions lack public education. Tenants, and some owners, are unaware of legal differences between landlord/tenant issues and fair housing rights.
- Discrimination in mortgage lending and property insurance on the basis of race and national origin (Hispanic) is documented through regional audits.
- Most discrimination in the region is allegedly on the basis of race, disability, national origin, familial status.
- The number of hate crimes in the region is increasing; hate crimes involving housing civil rights and fair housing are underreported.

- A growing number of reported complaints alleging housing discrimination are based upon sexual orientation, sexual harassment, and source of income.

Issues specific to the City of San Diego include:

- NIMBY attitudes regarding location of affordable housing projects.
- Limited supply of affordable housing for families with children, students, and military personnel
- Concentrations of minority populations present a need for deconcentration over time

2004 San Diego Regional AI

The City is currently participating in a regional effort involving all 19 jurisdictions in the County to update the AI. The 2004 AI is expected to be completed in the summer of 2004. The preliminary draft AI identifies a number of potential constraints, including:

- The availability of outreach and educational materials is limited
- Many small property owners lack knowledge of fair housing laws and landlord rights and responsibilities
- Discrimination against persons with disabilities has become an increasing fair housing concern and the availability of accessible housing for persons with disabilities is limited
- Discrepancies in access to financing by different groups persist
- Lead-based paint hazards often disproportionately affect minorities and families with children
- Collaboration among jurisdictions and fair housing service providers needs improvement, particularly in addressing service gaps
- Inconsistent tracking of fair housing data makes comparison and trend analysis difficult

3.7 Community Development Needs

HUD Community Planning and Development funds (CDBG, HOME, ESG, and HOPWA) can be used for a variety of supportive services and community development activities. These include: community services; supportive services for persons with special needs; community facilities; public and infrastructure improvements; and economic development.

Infrastructure, Facility, and Neighborhood Improvements

Results of the Housing and Community Development Needs Survey indicate that residents (primarily from low and moderate income neighborhoods) rated the importance of improvements as follows:

Infrastructure Needs	Score
Sidewalk Improvements	3.21
Street Lighting	3.03
Street/Alley Improvements	2.97
Water/Sewer Improvements	2.95
Drainage Improvements	2.75
Community Facilities	Score
Fire Stations and Equipment	3.25
Libraries	3.12
Youth Centers	3.02
Park and Recreational Facilities	3.02
Community Centers	2.82
Child Care Centers	2.74
Senior Centers	2.72
Health Care Centers	2.70
Neighborhood Improvements	Score
Trash and Debris Removal	3.22
Graffiti Removal	3.17
Cleanup of Abandoned Lots and Buildings	3.17
Code Enforcement	3.09
Parking Facilities	2.93
Tree Planting	2.55

Localized Public Facility Financing Plans

The Housing and Community Development Needs Survey results reaffirmed the gaps and deficiencies identified of the City's Facilities Financing Program. The Facilities Financing Program identifies an existing public facility deficiency within its 26 "Urbanized Communities" that would require approximately \$2.5 billion to rectify. Within redeveloping portions of the City, or within the "Planned Urbanizing" communities, funding mechanisms are in place to ensure adequate facilities are provided concurrent with the new or redevelopment; however, this is not a sufficient strategy to correct the existing shortfall in many of the older, urbanized communities. Localized Public Facilities Financing Plans are prepared for each community within the City of San Diego. These plans indicate the primary unmet needs in the urbanized communities are in the categories of park and recreation facilities; local streets, traffic flow and pedestrian improvements; libraries; and fire stations.

The City of San Diego covers approximately 320 square miles and pockets of low and moderate income residents live throughout the City. CDBG funds can be expended on public facility improvements in all parts of the City with concentrations of lower and moderate income residents. Interviews with City Community Planners who oversee long-range planning for many of the predominantly lower and moderate income neighborhoods reveal that the greatest community development needs in these areas are for parkland and roadway or streetscape improvements.

A significant portion of the City's nearly \$2.5 billion shortfall in public facilities is concentrated within a handful of communities which also happen to have the highest concentration of low and moderate income households. These communities include: Southeastern San Diego, Encanto Neighborhoods, Greater North Park, Greater Golden Hill, City Heights, Eastern Area, Normal Heights, Linda Vista, Barrio Logan, and San Ysidro.

Although Public Facilities Financing Plans have been prepared for all of these communities, some of the plans are out of date. Financing plans that cover the communities of Southeastern San Diego, Encanto Neighborhoods, Greater North Park, City Heights, Eastern Area, and Normal Heights were updated in 2002 or 2003 and needs are prioritized by the respective Community Planning Groups.⁸ A careful look at these communities yields insight into the types of improvements needed in low and moderate income neighborhoods. Within these communities, the total unfunded need is approximately \$1 billion, with roughly \$500 million in parks and recreation deficiencies, \$150 million in transportation improvement needs, and \$45 million in library, fire, police, and other community facility needs.

⁸ The identification of public facilities and infrastructure needs within some San Diego communities is not to be construed as implying that only these deficiencies or needs are eligible for, or should receive CDBG funding. Deficiencies within these communities are highlighted here because these are the neighborhoods with the most current and accurate data concerning unfunded public facilities and infrastructure deficiencies.

The Public Facilities Financing Plans for Greater North Park, Southeastern San Diego, and Encanto Neighborhoods included lists of unfunded improvements that the respective Community Planning Groups have indicated a desire to receive priority when funding becomes available (see Table 3-35). The types of projects needed in each of the communities varies, but a common thread runs through most low and moderate income communities; there is a substantial need for roadway and streetscape improvements, additional parkland, and upgrades to existing parks. Although the Mid-City Community Planning Group did not prioritize specific needs in its Public Facilities Financing Plan, the Planning Group offered suggestions for future expenditure within the City Heights, Eastern Area, Normal Heights, and Kensington-Talmadge neighborhoods. The Planning Group suggested the following priorities for future expenditures:

1. Joint-use of school parks and improvements;
2. Acquisition and development of active parkland, rather than passive open space; and
3. Acquisition of land and land banking for major projects.⁹

ADA Compliant Public Facilities (Section 504 Assessment)

The Americans with Disabilities Act (ADA) of 1990 is federal civil rights legislation which makes it illegal to discriminate against persons with disabilities. Title II of the ADA requires elimination of discrimination in all public services and the elimination of architectural barriers in all publicly owned buildings and facilities. It is important that public facilities are ADA compliant to facilitate participation among disabled residents in the community planning and decision-making processes. In the early 1990s, the City of San Diego evaluated all public facilities for compliance with the ADA and produced a Section 504 ADA Transition Plan that identifies necessary improvements and estimates the time frame and cost involved with completion of these improvements.

The Section 504 ADA Transition Plan for San Diego identifies millions of dollars in improvements needed to ensure all public facilities are ADA compliant. Although the City has committed 20 percent of its citywide portion of the annual CDBG allocation, or \$1.5 million annually, toward ADA compliance, the City estimates it will take significant, long-term funding commitment for all facilities to be upgraded.

⁹ Mid-City Public Facilities and Financing Plan, Fiscal Year 1998.

Table 3-35: Unfunded Improvements Prioritized by Planning Groups

Unfunded Projects	Estimated Cost	Project Description
Greater North Park		
<i>Transportation</i>		
1. Georgia Street Bridge Retrofit	\$4,141,302	Replace the existing bridges, the adjacent retaining wall and corresponding guardrails along the bridge wall.
2. Pershing Drive/Redwood Street Intersection	\$210,000	Reconfigure the intersection of Pershing Drive and Redwood Street. Install 15 linear feet of curb, gutter and sidewalk.
3. Streets, Curbs, Gutters, Storm Drains	\$5,000,000	Install, reconstruct, and upgrade street pavement, curbs, gutters, and storm drains at various locations in Greater North Park.
<i>Parks and Recreation</i>		
1. Open Space Acquisition and Development	\$4,000,000	Provide for the acquisition and development of open space lands throughout the community.
2. Neighborhood Mini-Parks, 5 acres	\$5,750,000	Acquisition, design, and construction of approximately 10 one-half acre sites throughout the community to provide for mini-parks, plazas, or greenways.
3. North Park Community Park Phase IA/IB	\$1,595,000	Improve the North Park Community Park with paving, fencing, a new tot lot, comfort station, ADA improvements, security lighting, landscaping, artistic impressions, and other typical park amenities.
Southeastern San Diego		
1. Sherman Heights Street and Sidewalk Improvements	\$30,000	Provide for the improvement of streets and sidewalks throughout the community as needed.
2. Architectural Barrier Removal (ADA)	\$1,425,000	Install 950 curb (pedestrian) ramps at various locations throughout the community.
3. Park Site Acquisition	\$70,400,000	Acquisition, design, and construction of approximately 88 useable acres located throughout the communities of Southeastern San Diego and Encanto. Parks would range in size from 5-10 acres.
4. Mini-Park Design and Construction	\$2,000,000	Design and construction of 8 acres of undeveloped mini-parks in the community.
5. Swimming Pool Upgrades	\$1,500,000	Design and construction of upgrades to the two existing pools in the community.
6. ADA Requirements	\$1,800,000	Expand use of existing parks in the community by upgrading to ADA standards.
Encanto Neighborhoods		
1. 60 th Street-Imperial Avenue to Federal Boulevard	\$1,800,000	Widen 60 th Street to a two-lane collector.
2. Park Site Acquisition	\$70,400,000	Acquisition, design, and construction of approximately 88 useable acres located throughout the communities of Southeastern San Diego and Encanto. Parks would range in size from 5-10 acres.
3. Improvements around Horton & Gompers Schools	\$498,000	Provide for enhanced crosswalks, wider sidewalks, and curb (pedestrian) ramps to comply with ADA

Table 3-35: Unfunded Improvements Prioritized by Planning Groups

Unfunded Projects	Estimated Cost	Project Description
		standards.
4. Community Swimming Pool	\$3,000,000	Design and construction of a community swimming pool within an existing community park.
5. 47 th Street-Market Street to Imperial Avenue	\$5,100,000	Widen 4 th Street to a 4-lane major arterial.
6. Martin Luther King Jr. Community Park Senior Center	\$5,016,164	Design and construction of a 11,200 square foot senior resource center to disseminate information on nutrition and AARP services, provide recreational, educational, and intergenerational activities.

Sources: Southeastern San Diego Public Facilities Financing Plan, Fiscal Year 2003; and Greater North Park Public Facilities Financing Plan, Fiscal Year 2002.

Neighborhood Safety

Neighborhood safety is a concern of San Diego residents. The Housing and Community Development Needs Survey identified anti-crime programs as the highest priority community services. The City of San Diego Police Department tracks crime statistics reports crime rates based on the number of crimes per 1,000 residents. In 2002, the rate of violent crime was 5.73 incidents per 1,000 residents, while the rate for property crimes was 34.19 per 1,000 residents in the City.¹⁰ City neighborhoods with the highest rates of violent and property crimes include Core Columbia, East Village, Gaslamp, Kearney Mesa, Mission Bay Park, and Otay Mesa. The Gaslamp neighborhood had the highest rate of violent crime (131.46 per 1,000), while Otay Mesa had the highest rate of property crime (1,101.20 per 1,000).¹¹

The San Diego Police Department and the City of San Diego have several programs designed to reduce crime throughout the City of San Diego. These programs include, but are not limited to:

- **Neighborhood Watch:** Enlists the active participation of citizens in cooperation with law enforcement to reduce crime in their communities.
- **Landlord Training Program:** This program is designed to promote positive and responsible partnerships between landlords, tenants and San Diego Police. These partnerships are vital to effectively preventing drug dealing and other illegal activities at rental properties located within San Diego neighborhoods.
- **Regional Community Policing Institute:** The Institute offers Community Oriented Policing and Problem Solving (COPPS) training to all levels of law enforcement personnel including sworn, civilian and

¹⁰ <http://www.sandiego.gov/police/pdf/sdhcr02.pdf>

¹¹ <http://www.sandiego.gov/police/pdf/jansept2003rates.pdf>

volunteer, management, supervisory and line employees. Also, the Institute provides training to appropriate government entities with responsibility of providing public safety enhancement services to the public, and business, service, community and other groups and individuals throughout the service region.

CDBG funds can be used to sponsor crime prevention programs within low and moderate income neighborhoods and communities. In addition, the City can use the funds to pay a portion of salary and benefits for officers whose patrol beats include these areas.

Economic Development

Results of the Housing and Community Development Needs Survey indicate that residents (primarily from low and moderate income neighborhoods) rated the importance of economic development activities as follows:

Economic Development Needs	Score
Job Creation/Retention	2.97
Employment Training	2.73
Façade Improvements	2.69
Commercial/Industrial Rehabilitation	2.52
Small Business Loans	2.51
Start-up Business Assistance	2.47
Business Monitoring	2.35

San Diego has managed to avoid the worst of the past two recessions as its economy is more broadly based than economies of other areas. Despite better than “full employment” within the City of San Diego in 2000, more than 14 percent of San Diego City residents lived below the poverty threshold at the time of the 2000 Census. In certain neighborhoods, the unemployment rate is in the double-digits.¹² In areas where there has been job growth, this growth has been concentrated among both high and low paying jobs; with middle income jobs actually declining. An economy characterized by this type of job growth is referred to as an “hourglass economy.”¹³

Community and Economic Development Strategy

The City of San Diego’s *Community and Economic Development Strategy for 2002-2004* concluded that the City covers five issue areas with the following recommended changes:

- Regional Economic Prosperity - continuing business development incentives, but more narrowly focused on key middle income-producing industries;

¹² City of San Diego, *Community and Economic Development Strategy, 2000-2004*.

¹³ The term “hourglass economy” is borrowed from the Center for Policy Initiatives.

- Increasing Economic Opportunity - expanding job training and skills development for the “new economy,” and connecting jobs to the training;
- Implementing “Smart Growth” - coordinating redevelopment and business development activities to achieve smart growth goals;
- Energy Independence - collaborating with the Energy Conservation and Management Division to implement and promote conservation and related measures to businesses; and
- Revenue Enhancement - continuing revenue enhancement activities.

The *Community and Economic Development Strategy* also concluded that the City should: 1) research and adopt a City Council Policy that ensures that decisions regarding CDBG funds expenditures are made consistent with federal regulations and other applicable laws or regulations; and 2) reflect adopted City Council priorities such as the list of actions prioritized in its *Community and Economic Development Strategy for 2002-2004*. Among these actions include working with or expanding opportunities provided by various jobs training programs or other business and economic development activities sponsored by the City, State, and other non-profit agencies.

Redevelopment

The Redevelopment Agency of the City of San Diego was created by the City Council in 1958 to alleviate conditions of blight in older, urban areas. The Agency is able to use special legal and financial mechanisms to eliminate blight and improve economic and physical conditions in designated areas of the City. Redevelopment activities in the Agency's 16 project areas are carried out by the City's Redevelopment Division, and two public, nonprofit City corporations: Centre City Development Corp. and Southeastern Economic Development Corp. The 16 project areas, located in various parts of the City, encompass more than 8,000 acres.

The Redevelopment Division of the City's Community and Economic Development Department administers 9 of the Agency's 16 project areas encompassing approximately 5,700 acres and one survey area:

- Barrio Logan
- City Heights
- College Community
- College Grove
- Crossroads Project Area
- Linda Vista
- Naval Training Center
- North Bay
- North Park
- San Ysidro

The Centre City Development Corp. (CCDC) was established in 1975 by the City Council to carry out redevelopment activities in downtown San Diego. CCDC implements programs in its project areas comprising approximately 1,490 acres. CCDC administers two redevelopment project areas:

- Centre City (Core/Columbia, Cortez, East Village, Gaslamp Quarter, Little Italy, Marina)
- Horton Plaza

The Southeastern Economic Development Corp. (SEDC) was established by the City Council in 1981 to carry out redevelopment in southeastern San Diego. SEDC implements programs in its project areas that comprise of approximately 1,055 acres. SEDC administers four redevelopment project areas and one study area:

- Central Imperial
- Gateway Center West
- Mount Hope
- Southcrest
- Dells Imperial Study Area

Neighborhood Revitalization

The City's Neighborhood Revitalization team collaborates with neighborhoods to do streetscape projects that improve and enhance the street landscape and public spaces. These projects benefit the businesses and residents in the neighborhoods and the City as a whole through improved quality of life and economic benefits.

San Diego's older urban communities, as in most large cities, have faced growing competition from newer communities and large shopping centers. Landscaping, new lighting and improved pedestrian access can dramatically assist older commercial areas in competing with more established business communities and shopping centers. Overall, 101 neighborhoods make up the City of San Diego. These neighborhoods have populations of 10,000 to 50,000, most with commercial business centers. Each of the City's neighborhoods is unique in what they have to offer. Improving the economic viability of all communities improves the overall economy of the City of San Diego. Such improvements also instill community pride, and become a catalyst for property owners to paint and renovate their buildings, improve their properties, and expand their operations. Neighborhood Revitalization improvements include: sidewalks, storm drains, retaining walls, landscaped medians, ornamental and safety lighting, public artwork, bus stop improvements, landmark community signage, electrical facilities for street fairs and events, and many other projects.

Economic Development Programs and Resources

The following programs and resources foster economic growth and expand employment opportunities in the City.

San Diego Workforce Partnership: The San Diego Workforce Partnership has been coordinating job training and employment programs for over 25 years. Created under a Joint Powers Agreement by the City and County of San Diego, the Workforce Partnership brings qualified employees and area businesses together.

San Diego Regional Economic Development Corporation (EDC): EDC works to create and sustain a region that is globally competitive - fueled by a diversified, technology-driven economy - and positioned to achieve sustained economic prosperity and opportunity for residents. EDC's core mission is to assist companies in locating or expanding - and with solving problems - while also focusing on issues of regional competitiveness.

Enterprise Zone Program: Under this program, existing companies within the zone or new companies that move into the zone can take advantage of five business-related incentives including tax credits for hiring qualified employees, credits for sales or use tax paid on certain equipment, business expense deductions for personal property, net operating loss carryover and preference on state contracts. Additional incentives are available to banks that lend to companies located in the zone and to qualified employees who work within the zone.

Office of Small Business: The Office of Small Business is dedicated solely to helping small businesses succeed. Small businesses represent more than 60,000 businesses (approximately 92 percent of all businesses in the City) and about half of San Diego's job growth since 1991.

Business Finance Program: The program provides technical support to Community and Economic Development staff and community groups engaged in public/private transactions. The program also offers a variety of direct financing programs that promote investment and address access-to-capital gaps.

CDC Small Business Finance Corporation: CDC Small Business Finance is a not-for-profit organization committed to serving the capital needs of small businesses in San Diego, Orange, Riverside, and Imperial counties.

San Diego World Trade Center: The SDWTC is an international business service organization licensed by the World Trade Center Association in New York. Members and clients of the SDWTC are primarily small, medium sized businesses or organizations committed to world trade. The SDWTC is a private-public partnership, with both the City of San Diego and the San Diego Unified Port District co-holding the license to operate.

Regional Technology Alliance: The San Diego Regional Technology Alliance is a private non-profit corporation that promotes sustainable technology growth in the region by providing direct business assistance and networking opportunities to entrepreneurs and high tech and biotech companies, programs to bridge the digital divide, and research and education to help shape public policy and forge effective collaborations.

Chapter 4

Five-Year Strategic Plan

The 2005-2009 San Diego Consolidated Plan outlines the City's community development strategy for creating livable, vibrant, and safe communities. The five-year Housing and Community Development Strategic Plan is the centerpiece of the Consolidated Plan that sets forth the City's specific plan of action to address the goals, objectives, and measurement benchmarks necessary to address the needs identified in the needs assessment.

The plan encourages collaboration and community empowerment in four primary areas:

1. Development of decent and affordable housing;
2. Community and supportive services;
3. Public improvements; and
4. Expansion of economic opportunities and anti-poverty activities.

In addition, this section will discuss the institutional structure that exists and areas for improvement in delivering housing and community development services to the community.

4.1 Strategic Framework

The overall strategic framework for the Consolidated Plan is consistent with a number of important City documents, including, but not limited to the following:

- Strategic Framework Element of the General Plan
- Housing Element of the General Plan
- Affordable Housing Task Force Recommendations
- Community and Economic Development Strategy

Strategic Framework Element of the General Plan

The Strategic Framework Element represents the City's new approach for shaping how the City will grow, while attempting to preserve the character of its communities and its most-treasured natural resources and amenities.

City of Villages

The essence of the Strategic Framework Element is the City of Villages strategy, a wide-ranging approach to improving the quality of life for all San Diego residents.

The strategy addresses the urban development trends of the past and the challenges of the near future, while outlining implementation strategies for the continued growth of the City beyond the year 2020. The focus of the strategy is determining where and how new growth and redevelopment occur to ensure the long-term environmental, social, and economic health of the City and its many communities.

The strategy seeks to target growth in village areas. Conceptually, the City of Villages reinforces and enhances the existing patterns of development found in the City's communities. It draws upon the strengths of San Diego's natural environment, neighborhoods, commercial hubs and employment centers and utilizes existing and new village centers for further intensification. The City's single-family neighborhoods are preserved as higher-density redevelopment is directed into five distinct land use districts or village types.

The strategy defines a village as the heart of the community, where residential, commercial, employment and civic uses are integrated. Villages are to be pedestrian-friendly and have inviting public spaces for community events. Villages will offer a variety of housing types and densities and be supported by excellent transit service and public facilities such as schools and parks.

Programs, activities, and improvements that serve to support the City of Villages approach to neighborhood revitalization and development will be evaluated for eligibility for funding under the CDBG, HOME, and ESG programs, as well as for redevelopment funds.

Policy Direction

The policy direction of the Strategic Framework Element is based on the community's vision and core values, which include:

- Create diverse village centers to accept intense commercial and residential development
- Maintain the distinctive character of communities and preserve single-family neighborhoods
- Increase walkability in City neighborhoods
- Facilitate development patterns that can be served by adequate infrastructure
- Focus infrastructure investments in communities that demonstrate a need for such resources
- Conserve, protect and restore natural resources
- Encourage efficient land use and development
- Integrate land use and transportation planning to improve mobility

- Support plans that make transit a viable option for peak and non-peak trips
- Ensure that the housing supply accommodates future population growth
- Balance the distribution of affordable housing among communities
- Retain and attract businesses that diversify the economic base and offer high-quality employment opportunities
- Lead regional collaboration and strengthen border relations
- Create and maintain stable, economically and socially diverse communities through means that distribute equitably the costs and benefits of development
- Ensure that residents can afford to remain in their community when it is improved

Housing Element of the General Plan

The City of San Diego Housing Element establishes housing goals and policies for guiding housing development throughout the City. The City has established the following housing goals:

- Ensure the provision of sufficient housing for all income groups to accommodate San Diego's anticipated share of regional growth
- Maintain at a high level and update, when necessary, the quality, safety, and livability of San Diego's housing stock, with an emphasis on preservation of San Diego's affordable housing stock
- Minimize governmental constraints in the development, improvement, and maintenance of housing without compromising the quality of governmental review or the adequacy of consumer protection
- Significantly increase the number of affordable housing opportunities, both for lower income renters and first-time homebuyers
- Facilitate compliance of all applicable federal, state, and local laws and regulations; promote achievement of fair share housing goals; promote conservation of non-renewable energy resources; and promote consistency with the remainder of the General Plan and other major Citywide planning efforts

The Consolidated Plan seeks to implement goals of the Housing Element. Specifically, the Consolidated Plan offers programs using CPD funds to facilitate construction of affordable housing, addressing the critical unmet needs of lower income households. Rehabilitation assistance is provided to preserve and upgrade the housing stock. Revitalization activities are also pursued to improve neighborhood quality. Homeownership assistance is provided to expand

affordable housing opportunities for first-time homebuyers. Fair housing services are provided to affirmatively further fair housing choice.

Affordable Housing Task Force Recommendations

In recognition of the housing crisis in San Diego, where housing demand significantly exceeds supply, the City established the Affordable Housing Task Force (AHTF) was established in 2002 by the City Manager to provide recommendations to the City Council on broad-based strategy to address the crisis. AHTF was comprised of 20 members, representing a variety of interests, including community organizations and planning boards, housing and environmental advocates, charitable organizations, academics, affordable housing developers, realtors, apartment owners, business and labor.

Key Recommendations

The final AHTF report, distributed in June 2003, included over 60 recommendations covering a broad spectrum of topics. The recommendations fell into four distinct categories; housing production goals, finance and revenue, development regulations and incentives, and renters and housing preservation issues. Many of the recommendations have already been acted upon; many more are in process. Key recommendations include:

- Adoption of regulations for condominium conversion to provide tenant relocation assistance and promote the inclusion of affordable housing;
- Increase the level of the Commercial/Industrial Housing Impact Fee (linkage fee); and
- Amendments to the City's Single-Room Occupancy Ordinance.

Housing for Persons with Disabilities

Of special interest to AHTF was the topic of housing opportunities for persons with disabilities. AHTF made four specific recommendations to increase the level of accessible housing:

- 25 percent of any and all public land, subsidies, redevelopment, collaborative funding mechanisms, bond proceeds, NOFA, etc. dedicated to affordable housing initiatives shall incorporate defined principles of universal design, accessibility for all, adaptability and visitability in all new housing, including townhomes. *(This recommendation is being implemented with proposed universal design standards to be presented to the Land Use and Housing Committee in Spring 2004.)*
- SDHC, Planning Department, and Development Services Department to provide information to developers regarding and encouraging construction of units incorporating universal design. *(This recommendation has been implemented, with information being updated periodically.)*
- Staff to track the creation of adaptable housing projects in the City and report to the City Council annually. *(This recommendation is being implemented on an ongoing basis, with information being updated periodically.)*

- Expand the current Technical Advisory Committee responsibilities to devise and effectively increase accessibility and adaptability in townhomes and residential developments of three units or less. *(This recommendation has been implemented.)*

Community and Economic Development Strategy

The City's economy is increasingly being threatened by issues such as traffic congestion, air and water pollution, cost of energy, and neighborhood quality. The Community and Economic Development Strategy examines issues and proposes actions in the following five issue areas:

- **Regional Economic Prosperity** - continuing business development incentives, with an emphasis on key middle income-producing industries
- **Increasing Economic Opportunity** - expanding job training and skills development and connecting jobs to the training
- **Implementing Smart Growth** - coordinating redevelopment and business development activities to smart growth goals
- **Energy Independence** - implementing and promoting conservation and related measures to businesses
- **Revenue Enhancement** - continuing revenue enhancement activities

4.2 Consolidated Plan Goals and Resources

Consolidated Plan Goals

In helping to achieve the vision of the City and address concerns of residents, the City has developed the following Consolidated Plan goals to provide guidance for projects and activities to be undertaken during the 2005-2009 Consolidated Plan period:

- Expand and preserve a continuum of affordable housing opportunities
- Revitalize low and moderate income neighborhoods to create healthy and sustainable communities
- Provide community and supportive services for low and moderate income persons and those with special needs
- Support efforts to develop/complete the Continuum of Care System for the homeless through the provision of emergency shelters, transitional housing, permanent supportive housing ,and supportive housing services
- Promote economic development opportunities
- Promote self-sufficiency
- Increase financial literacy and wealth building assets

Resources Available

The Strategic Plan of this Consolidated Plan focuses on activities to be funded with the five entitlement grants (CDBG, HOME, ESG, ADDI¹, and HOPWA) from HUD. HUD allocates CDBG, HOME, ESG, ADDI, HOPWA funding to eligible jurisdictions on a formula base, using factors such as population, income distribution, and poverty rate. For the period covering July 1, 2004 through June 30, 2005, the City's Consolidated Plan funding allocations are:

- CDBG: \$18,260,00
- HOME: \$9,534,450
- ESG: \$682,097
- ADDI: \$515,181
(in addition, \$436,583 is available from 2003 that was not allocated to the City due to lack of authorizing legislation at the time)
- HOPWA: \$2,683,000
(funding is allocated to the City to provide housing assistance and services for all jurisdictions within San Diego County)

¹ ADDI (American Dream Downpayment Initiative) is a new program authorized in 2004.

4.3 Summary of Five-Year Priorities and Objectives

Priority Ranking

A priority ranking has been assigned to each category of housing and community development need according to HUD criteria. The ranking is assigned based on community input, needs analysis by various public and service agencies, housing and community development needs assessment conducted as part of this Consolidated Plan, and the availability of non-CPD (HUD Community Planning and Development) funds to address the needs.

- **High Priority:** Activities to address this need are expected to be funded with CPD funds during the five-year period.
- **Medium Priority:** If CPD funds are available, activities to address this need may be funded during the five-year period.
- **Low Priority:** The City will not directly fund activities using CPD funds to address this need during the five-year period. However, the City may support applications for public assistance by other entities if such assistance is found to be consistent with this Plan.
- **No Such Need:** The City finds there is no need for such activities or the need is already substantially addressed. The City will not support applications for public assistance by other entities for activities where no such need has been identified.

Affordable Housing

Based on results of the Housing and Community Development Needs Survey, the City of San Diego Housing Element, and recommendations of the Affordable Housing Task Force, expanding the supply and improving the quality of affordable housing for low and moderate income households are high priority goals for the City over the next five years.

Major acquisition/ rehabilitation and new construction of housing will be funded primarily with HOME funds. CDBG funds will be used to help deliver housing programs and services to residents. Table 4-1 presents the priority level for various income groups and household types, and summarizes the proposed “quantifiable” objectives for the next five years. Specific implementing programs are described later.

Community Development

CDBG, ESG, and HOPWA funds will be used to support a range of community development needs, including community and supportive services, public improvements, and economic development. The community development priorities established by the City for the next five years based on input from the community, city departments, and service agencies are presented in Table 4-2. Where possible and appropriate, information on estimated CPD funding allocation is included. Specific objectives benefitting persons with special needs are summarized in Table 4-3.

Table 4-1: Five-Year Housing Needs and Priorities

Priority Housing Needs		Income	Priority Need Level	Unmet Need	Goals
Renter	Small Related	0-30%	H	11,675	718
		31-50%	H	10,329	810
		51-80%	M	9,639	355
	Large Related	0-30%	H	5,715	714
		31-50%	H	6,018	740
		51-80%	M	5,300	270
	Elderly	0-30%	H	4,913	805
		31-50%	H	3,880	807
		51-80%	M	2,565	360
	All Other	0-30%	H	13,348	484
		31-50%	H	10,644	515
		51-80%	M	11,829	355
Owner	Small Related	0-30%	H	2,042	263
		31-50%	H	2,631	480
		51-80%	M	6,070	255
	Large Related	0-30%	H	850	355
		31-50%	H	1,754	480
		51-80%	M	3,278	255
	Elderly	0-30%	H	3,380	305
		31-50%	H	3,206	355
		51-80%	M	3,315	255
	All Other	0-30%	H	1,883	230
		31-50%	H	1,428	230
		51-80%	M	2,795	230
Special Populations		0-80%	H		300
Total Goals					10,626
Section 215 Renter Goals					6,263
Section 215 Owner Goals					3,196

Note:

1. Unmet needs are based on 2003 HUD CHAS data for households with housing problems by household income and type.
2. A small related household is defined by HUD as a household of 2 to 4 persons, which includes at least one person related to the householder by birth, marriage, or adoption. A large related household is a household of 5 or more persons, which includes at least one person, related to the householder by blood, marriage or adoption.
3. Housing goals include anticipated accomplishments under the following programs: homeownership assistance programs; owner-occupied rehabilitation programs; renter-occupied rehabilitation programs; Neighborhood Code Compliance; Shared Housing; and CHDO housing development.
4. Section 215 Goals are affordable housing that fulfill the criteria of Section 215 of the National Affordable Housing Act. For rental housing, a Section 215 unit occupied by a low income household and bears a rent that is less than the Fair Market Rent or 30% of the adjusted gross income of a household whose income does not exceed 65% of the MFI. For an owner unit assisted with homebuyer assistance, the purchase value cannot exceed HUD limit. For an ownership unit assisted with rehabilitation, the mortgage amount cannot exceed HUD limit. This table assumes 50% of the City's assistance to households with incomes between 51 and 80% is targeted toward households with incomes not exceeding 65% of the MFI.

Table 4-2: Five-Year Community Development Needs and Priorities

Priority Community Development Needs	Priority Needs Level	Goals	Estimated CPD Dollars to Address
Public Facility Needs			
ADA/Architectural Barrier Removal	H	An estimated 90 public facility and infrastructure improvement projects will be pursued	\$55,000,000 (including approximately \$23,000,000 for repayment of Section 108 loans used to finance major public improvement projects)
Senior Centers	H		
Handicapped Centers	H		
Homeless Facilities	H		
Youth Centers	H		
Child Care Centers	M		
Health Facilities	M		
Neighborhood Facilities/Libraries	H		
Parks and/or Recreation Facilities	H		
Parking Facilities	M		
Non-Residential Historic Preservation	L		
Other Public Facility Needs	M		
Infrastructure Needs			
Water/Sewer Improvements	M	An estimated 90 public facility and infrastructure improvement projects will be pursued	
Street Improvements	H		
Sidewalks	H		
Solid Waste Disposals Improvements	M		
Flood Drain Improvements	M		
Other Infrastructure Needs	M		
Public Service Needs			
Senior Services	H	An estimated 10,000 persons will be served by various service agencies	\$15,000,000
Handicapped Services	H		
Youth Services	H		
Child Care Services	H		
Transportation Services	M		
Substance Abuse Services	M		
Employment Training	H		
Health Services	M		
Lead-Hazard Screening	M	1,000 units	
Crime Awareness	M	N/A	
Other Public Service Needs	M	N/A	
Economic Development			
ED Assistance to For Profit	M	Assist 10 businesses and create 75 jobs (infrastructure improvements are included in objectives above)	\$3,500,000
ED Technical Assistance	M		
Micro-Enterprise Assistance	H		
Rehab; Public/Private/Owned Com'l/Industrial	H		
CI Infrastructure Development	H		
Other Commercial/Industrial Improvements	M		
Planning and Administration			
	H	N/A	\$8,000,000

Table 4-3: Summary of Five-Year Quantified Objectives for Special Needs Populations

Special Needs Category	Priority	Unmet Need ¹	Primary Programs	Estimated Dollars	Five-Year Quantified Objectives
Elderly/Frail Elderly	H	11,358 ⁴	Shared Housing		300 seniors
			Housing Rehabilitation	\$5,250,000 (@ \$5,000 per rehab assistance)	1,050 senior households
Physically Disabled	H	194,000 ⁵	ADA Improvements	\$7,000,000	A range of ADA improvements throughout the City
Severe Mental Illness ²	H		Supportive Services	\$600,000	N.A.
Developmentally Disabled ²	M				
Persons w/ Alcohol/Other Drug Addictions ³	L	N.A.	The County provides a range of services for this group; no specific CPD funding is targeted for this group. However, some residents with drug and alcohol problems will receive services through transitional housing services supported with ESG grants		
Homeless	H	6,500	Emergency Shelter and Transitional Housing	\$3,400,000	1,500 persons
			Winter Shelters		20,000 persons (duplicated counts)
Persons w/HIV/AIDS ⁶ (Countywide)	H	3,955	Housing Assistance	\$6,000,000	320 persons
			Supportive Services	\$2,400,000	3,500 persons (duplicated counts)
			Transitional Housing Development	\$2,000,000	N.A.

Notes:

1. Unmet needs based on Census and other estimates of the special needs populations.
2. While unmet needs exist, non-CPD funding sources are used to address these needs.
3. National estimates that approximately 30 to 40% of the urban homeless have drug and alcohol problems. This table assumes an urban homeless population of approximately 6,500. Dollars to address needs and objectives are included in homeless programs.
4. Number of seniors with housing problems according to CHAS Data by HUD.
5. A person can have multiple disabilities. The Census indicated approximately 194,000 persons with disabilities in the City of San Diego.
6. HOPWA funds are allocated to the largest jurisdiction in each metropolitan area for administration purposes, i.e. City of San Diego. However, the funding is intended for services and programs serving all residents in the region.

4.4 Housing

Consolidated Plan Goals

The housing programs included in this five-year strategy seek to implement the following Consolidated Plan goals:

- Expand and preserve a continuum of affordable housing opportunities
- Revitalize low and moderate income neighborhoods to create healthy and sustainable communities

Statement of Need

Low and moderate income households continue to pay a large proportion of their income for housing. Specifically, compared to other income groups, a larger proportion of low and moderate income renter-households tend to experience housing cost burden (paying more than 30 percent of income) and other housing problems such as overcrowding and inadequate housing conditions. As presented in Chapter 2 of this Consolidated Plan, Housing and Community Needs Assessment, 80 percent of all extremely low and low income households in the City experienced housing problems. Additionally, the Housing and Community Development Needs Survey showed that affordable rental housing and homeownership assistance were considered the highest housing needs.

Overall Housing Strategy

Community Planning and Development (CPD) funding sources dedicated to housing (and related services) will include a portion of CDBG funds (approximately 10 percent) and HOME funds (100 percent) received by the City from HUD. These funds will continue to support core programs currently administered by the City and SDHC, as well as any additional programs deemed necessary to meet the housing needs identified in this Plan. At least 15 percent of the annual HOME allocation will be set aside for affordable housing development activities provided by Community Housing Development Organizations (CHDO's) per HUD regulations. ADDI funds will be dedicated to provide downpayment assistance for low and moderate income first-time homebuyers.

In addition, HOPWA (100 percent) funds will be used to provide supportive and transitional housing for persons with HIV/AIDS. ESG (100 percent) funds will be used to provide transitional housing, emergency shelter, and related services for the homeless. Use of HOPWA funds is described later under Community and Supportive Services, while ESG is described under the Homeless needs and Continuum of Care sections.

Consolidated Plan Programs

The City of San Diego provides a number of housing programs through the San Diego Housing Commission (SDHC) that are administered with CDBG and HOME funds. These include, but are not limited to, the following:

Tools for Homeownership

The SDHC provides the homeownership assistance through the following housing programs using CDBG, HOME, and ADDI funds:

Shared Equity (Silent Second Trust Deed) Loans: This program is available to homebuyers earning 80 percent or less of the MFI. The Shared Equity loans are zero percent interest and require no monthly payments of principal. The loan term is 30 years. The maximum loan amount is 25 percent of the maximum purchase price as established by HUD. Currently (February 2004) the maximum HUD purchase price is \$290,319 resulting in a maximum shared equity loan of \$72,580. If the buyer sells the property within the first 15 years, the equity in the property is shared with SDHC.

HOME WORKS! (Acquisition and Rehabilitation Loans): This program is available to prospective homebuyers earning 80 percent or less of the MFI to purchase and rehabilitate their first home. The "Home Works!" program provides a purchase rehabilitation loan for first-time homebuyers. Home Works! will make a conventional first mortgage as low as 75 percent of after-rehabilitation value combined with a deferred "silent second" mortgage up to a maximum of 25 percent of the after-rehabilitation value up to \$72,580 (as of February 2004). Owner occupancy is required.

Employer Assisted Housing Program: SDHC is working with local employers to develop this new program. SDHC's shared equity loan and/or down payment grant programs will supplement the employer's funding if the homebuyer's income is 80 percent or below the MFI.

American Dream Downpayment Initiative (ADDI) Program: This new HUD program will provide funding through the HOME program for downpayment assistance to low-income first-time homebuyers to help in the purchase of a home. While the regulations governing this new program have not yet been published by HUD, it is anticipated that this program will complement SDHC's Tools for Homeownership collection of affordable housing programs. The Initiative indicates the amount of assistance offered under this program shall not exceed the greatest of either 6 percent of the purchase price or \$10,000.

Five-Year Quantified Objectives: Through the various homeownership assistance programs, assist 403 low and moderate income renter-households with homeownership opportunities over the next five years, or an average of 80 renter-households annually. Targeted groups are first-time homebuyers.

Tools for Rehabilitation

Owner-Occupied Rehabilitation Programs: SDHC offers two owner-occupied rehabilitation programs:

- **Zero-Percent Deferred Loans:** This program is for single-unit properties - for example, a house, condominium, or town home - occupied by owners earning up to 60 percent of the MFI. The zero interest loans, up to \$10,000, may be used to repair roof leaks, plumbing, electrical or heating systems, broken windows, for fumigation, and other repairs. No monthly payments are required. In fact, the loan does not have to be paid back until the property is sold or an additional loan is taken out against the property.
- **Three-Percent Interest Loans:** This program can be for an owner-occupied, single-unit property or for complexes up to four units, as long as the owner lives in one of the units. These three-percent interest loans can be for up to \$35,000 for a single-unit or up to \$50,000 for two or more units. The loans – available for owners earning up to 80 percent of the MFI – are either fully amortized for 15 years, requiring fixed monthly payments, or partially deferred, resulting in lower monthly payments of a minimum of \$50. These loans are reviewed after 15 years to determine a repayment plan for any remaining balance.

Exterior Enhancement Grants: These grants, up to \$5,000, are available to first-time homebuyers earning up to 80 percent of the MFI who desire to purchase and rehabilitate a single-family home or condominium in conjunction with the HOME WORKS! Program.

Lead Paint Reduction Zero percent Deferred Loans: These loans are available up to \$5,000 per unit or up to \$15,000 per housing complex when participating in any of the owner-occupied or rental rehabilitation programs.

Renter-Occupied Rehabilitation Programs: Rental property owners may qualify for assistance to rehabilitate their properties:

- **Zero Interest Loans:** For-profit owners of rental property may be eligible for zero interest loans of up to \$15,000 per unit with payments deferred for ten years. To be eligible, 90 percent of the tenants must be earning no more than 50 percent of the MFI and the owner must agree to charge reduced rents for a ten-year period. Only properties located in targeted neighborhoods are eligible for this program.
- **Three-Percent Simple Interest Loans:** Eligible nonprofit owners of rental properties can receive 30-year loans at three-percent "simple interest" rates to rehabilitate properties located anywhere in the City.

Accessibility Grants for Tenants with Disabilities: Grants up to \$1,000 are available to tenants with disabilities earning less than 50 percent of the MFI for making accessibility modifications, such as making the unit wheelchair accessible.

Mobile Home Repair Grants: Mobile home owners earning up to 60 percent of the MFI may be eligible for one-time-only grants of up to \$3,500 for the repair of health and safety hazards such as roofing, plumbing, electrical, heating, broken windows and porch repair.

Five-Year Quantified Objectives: Through the various rehabilitation assistance programs, assist 1,033 low and moderate income owner-households directly over the next five years or an average of 206 households annually, and rehabilitate 750 housing units for low income tenants annually or 3,750 housing units over the next five years.

Neighborhood Improvement

Neighborhood Code Compliance Program: The program provides for code enforcement activities located within the City's low to moderate income and blight designated census tract/target areas. This program works in connection with the City's various rehabilitation programs to provide a comprehensive revitalization strategy that has a dramatic impact on the City's neighborhoods, and ensures the health and safety of residents.

Five-Year Quantified Objectives: Inspect at least 1,000 housing units for potential health and safety code violations annually or 5,000 housing units over five years.

New Construction and Acquisition/Rehabilitation

Community Housing Development Organizations (CHDOs): At least 15 percent of the annual HOME allocation will be reserved to provide affordable housing development and acquisition/rehabilitation activities by CHDOs. The City currently has 17 certified CHDOs that compete for funding.

Housing Production Program: This program involves the development of affordable rental housing through acquisition with rehabilitation or new construction. It includes provision of financing and/or technical assistance to nonprofit and for-profit developers; development of rental housing by SDHC and Housing Development Partners (a nonprofit development corporation affiliated with and staffed by SDHC); and implementation of programs that result in private-sector development of affordable rental housing.

Five-Year Quantified Objectives: Assist 2 CHDOs annually with funds to expand and preserve affordable housing. A further goal is for the CHDOs to provide at least 140 affordable housing units over the next five years (28 units annually). Units are to be deed-restricted for the longest extent feasible.

Supportive Housing Programs and Services

Fair Housing: Fair housing services are provided by the San Diego Fair Housing Council (FHCSO). FHCSO provides comprehensive fair housing services. Services offered include: advocacy; outreach and education; technical training for housing providers, lenders, and insurance industries; maintenance of a fair housing discrimination investigative, intake, and enforcement process; and collaborations with other entities that further strengthen fair housing activities in the City.

Five-Year Quantified Objectives: Provide fair housing services to at least 500 households annually or 2,500 over five years.

Other Programs (Non-CPD Funds)

In addition to programs funded with CPD funds (CDBG, HOME, and ADDI), the City offers a variety of housing programs using other local, State, and federal programs. The following is only a list of other major programs offered by the City and SDHC. By no means does this list represent an exhaustive inventory of programs.

Tools for Homeownership

Down Payment/Closing Cost Assistance Grants: This program is available to First-Time Homebuyers earning 100 percent or less of the MFI. The grant amount is equal to 4 percent (2 percent for down payment costs and the balance for closing costs) of the purchase price not to exceed \$7,500. The grant must be repaid if the applicant sells or rents the home within the first six years of ownership.

Mortgage Credit Certificates (MCC) Program: The Mortgage Credit Certificates (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. The MCC reduces the borrower's federal income tax liability, through a direct credit, thus increasing the income available to qualify for a mortgage loan. An MCC can have the effect of raising the loan amount, by up to 20 percent, for which a buyer can qualify.

CalHome Mortgage Assistance Program: This program is designed to make funds available to low and very low-income households to help with the purchase of a home within the City of San Diego. This is a State funded program, which is administered by the Housing Commission. The loans have a 30 year term at zero percent interest with no monthly payments. When the buyer sells the property or the CalHome loan is paid in full, in addition to payment of the principal balance, the buyer must pay an amount equal to the CalHome net share of appreciation in value of the property.

First-Time Homebuyer Assistance in Downtown San Diego: In an effort to make home ownership more accessible and affordable, Centre City Development Corporation (CCDC), on behalf of the Redevelopment Agency of the City of San Diego, created a program that assists first-time homebuyers

earning 120 percent or less of the MFI to a purchase a home in downtown San Diego. This program provides financing, in the form of a second trust deed loan, not to exceed \$75,000. The loan is for 30 years at zero percent interest and has no monthly payments for the first five years. Beginning the sixth year, the buyer will be required to make level monthly principal payments. If the buyer sells within 30 years, they must pay an amount equal to CCDC's share of appreciation in value of the property. From year 30 to year 45, CCDC's share of appreciation is reduced by 50 percent. This is a CCDC-funded program, administered by SDHC.

Tools for Rehabilitation

HUD Lead Hazard Control Grants: These non-repayable grants to reduce lead hazards in residences occupied or frequently visited by children under six years of age are available for owner-occupied or rental properties with occupants under 80 percent of the MFI and located in eight contiguous communities of Council District 8 in Southeast San Diego. Grants are offered up to \$12,500 for single family residences and up to \$7,500 per multi-family unit plus \$10,000 for common areas.

CalHome Exterior Accessibility Grants for Renters (EAGR): These grants are available citywide to tenants with disabilities and private rental owners with vacancies to be offered to tenants with disabilities earning less than 80 percent of the MFI. Grants up to \$3,000 per unit and \$7,000 for common areas to a maximum of \$25,000 per multi-family complex are offered for exterior accessibility improvements, such as curb cuts, ramps, and exterior door widening.

Tools for Housing Development

Multi-family Bond Rental Development Program: Under the Multi-family Rental Development Assistance Program, direct 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 a low-interest-rate loan, the developer agrees to restrict rents on a certain number of units for a set period of time.

Density Bonus Program: This State-authorized program is designed to provide a density bonus and one regulatory concession to developers in exchange for reserving a percentage of housing units for low and moderate income or senior households for specified periods of time. Specifically, a development is qualified for density bonus of at least 25 percent if one of the following conditions is met:

- 10 percent of the units are reserved at affordable cost to households earning up to 50 percent of the County MFI;
- 20 percent of the units are reserved at affordable cost to households earning up to 80 percent of the County MFI;
- 20 percent of the condominium units are reserved at affordable cost to households earning up to 120 percent of the County MFI; or
- 50 percent of the units are served for senior households.

Additional incentives may also be authorized by the City for developers who maintain the affordability of housing units for longer periods of time.

Affordable Housing Trust Fund: The Trust Fund is a permanently dedicated and annually renewable financial commitment by the City to assist in the development of housing for low to moderate income households. It is used to attract funds from private investors to help produce affordable housing units. Housing Trust Fund includes funding collected from the Inclusionary Housing In-Lieu Fee and Commercial/Industrial Linkage Fee, among others. In addition, SDHC recently received a one-time \$2,000,000 award as matching funds from the State.

Inclusionary Housing: The City adopted an Inclusionary Housing Ordinance in July 2003. Pursuant to the ordinance, within the City's urbanizing areas and urban core, 10 percent of new units must be made affordable to households earning up to 100 percent for for-sale units or 65 percent for rental units of the County MFI. A fee determined by the square footage of the proposed units may be applied in-lieu of dedication (Inclusionary Housing In-Lieu Fee). Within the future urbanizing area, 20 percent of all newly constructed units must be set aside for households earning at or below 65 percent of the MFI.

Commercial/Industrial Linkage Fee: The City has established a Linkage Fee Program to address the impact of commercial and industrial development on the need for affordable housing. The fee is established on a per-square-foot basis and varies by type of development, with office and hotel development generating the largest impact on housing and warehousing the least. The fee was established in 1992 based on a 1989 nexus study. In response to the Affordable Housing Task Force's recommendation, the City is currently updating the nexus study in anticipation of considering an adjustment to the fee amount.

Supportive Housing Programs and Services

Home Security Screen Door and Lighting Program: This program funds the free installation of security screen doors and exterior lighting for owner-occupied households. Preference is given to seniors (62 year of age or older) or disabled persons.

SDHC also supports the Access Center of San Diego to provide emergency shelter vouchers and security deposits for persons with physical disabilities. As part of this program the Access Center also provides housing information and referral services to persons with disabilities.

Shared Housing: This program is provided through ElderHelp of San Diego that matches two or more unrelated adults in an existing home to provide affordable housing at a lower cost.

Public Housing and Section 8 Assistance

As of November 2003, SDHC owns and manages 1,782 public housing units throughout the County, including 36 units of single-family public housing. Public housing projects owned by SDHC are committed as long-term affordable housing.

Public Housing Improvement and Resident Initiatives

SDHC is committed to increasing the involvement of its public housing residents in the management and operation of its public housing through:

- Establishment of the Resident Advisory Board; and
- Employment of residents in the management and maintenance of its public housing sites.

SDHC is further committed to promoting economic self-sufficiency through the Family Self-Sufficiency (FSS) program, which links housing assistance to career planning, training and educational programs, and support services, allowing participants to become independent from welfare payments. Each FSS participant signs a five-year contract with individualized and specific training, educational and job advancement goals. An escrow account is maintained for each participant with increases in earned income. SDHC works in collaboration with a variety of organizations to provide participants outreach, orientation, vocational assessment, career planning, case management, access to support services, support funds, and job development assistance. In addition, employment training in family day care, nontraditional occupation training, and apprenticeships are also provided.

SDHC has also created a de-concentration policy to mix higher and lower income families at public housing sites (with 20 or more units) so that low-income residents are not concentrated in any given community.

Rental Housing Assistance Program (Section 8)

The Section 8 program administered by SDHC provides rent subsidies to low income families and special needs households. Assistance is provided in the form of a voucher and seeks to eliminate barriers to mobility and enhance de-concentration efforts. SDHC also offers a variety of self-sufficiency programs to Section 8 voucher recipients. Currently, SDHC provides rental assistance to over 12,000 households.

4.5 Community and Supportive Services

Consolidated Plan Goals

The community and supportive service programs included in this five-year strategy seek to implement the following Consolidated Plan goals:

- Provide community and supportive services for low and moderate income persons and those with special needs
- Support efforts to develop/complete the Continuum of Care System for the homeless through the provision of emergency shelters, transitional housing, permanent supportive housing, and supportive housing services

Statement of Need

The City of San Diego has made addressing community and supportive services a high priority. Results of the Housing and Community Development Needs survey indicated that most community and supportive services needs are considered high priority needs (with an average score above 2.0). Specifically, services for neglected and abused children, youth, and victims of domestic violence, as well as anti-crime programs are ranked highest by residents.

The lack of affordable and medically appropriate housing for persons living with HIV/AIDS and their families is an ongoing concern for AIDS housing providers, policy makers, and advocates across the country. Stable housing and supportive services promote improved health status, sobriety or decreased use of nonprescription drugs, and a return for some persons with AIDS to productive work and social activities.

Overall Community and Supportive Services Strategy

Three funding sources are used to provide community services for low income persons and persons with special needs in the City. These include: ESG funds, HOPWA funds, and public service dollars from CDBG funds (up to 15 percent of the annual allocation).

Each year, the CDBG application process begins in early December and with applications due to the City in late January. Applications are reviewed by Community Services staff for eligibility and forwarded to the City Council for funding considerations. The type and range of social issues addressed through programs are flexible in order to meet the needs of San Diego residents. However, all major need categories are addressed each year, including the needs of youth, seniors, people with disabilities, people with HIV/AIDS, homeless; and low to moderate income people in general.

Continuum of Care for the Homeless

The San Diego Regional Task Force on the Homeless (RTFH) reports 6,500 homeless in the City of San Diego, 1,100 of whom are farm workers and day laborers. Within the County RTFH estimates there are an additional 15,000 homeless persons, of which, 7,000 are farm workers and day laborers. This means there are 5,400 urban homeless in the City and 8,000 in the County. This translates into 67 percent of the urban homeless lives in the City of San Diego. Addressing the needs of the homeless population is a high priority for the use of CPD funds, as transitional and permanent supportive housing for families, individuals, and special needs populations represents the largest gaps in the continuum of care system.

The City's Continuum of Care policy is based on the following four components:

- **Outreach and assessment** to determine the needs and conditions of an individual or family who is homeless
- **Emergency shelters** with appropriate support services to help ensure that homeless individuals and families receive adequate emergency shelter and referral to necessary service providers or housing finders
- **Transitional housing** with appropriate supportive services to help homeless individuals and families make the transition to permanent housing and independent living
- **Permanent supportive housing and independent supportive housing**, to help meet the long-term needs of homeless individuals and families with special needs.

The City will continue to align its Consolidated Plan programs and objectives with the goals and strategies identified in the Regional Continuum of Care Strategy, including the Council authorized 10-Year Plan to End Chronic Homelessness.

Persons with HIV/AIDS

San Diego County has the third highest number of AIDS cases in California, and the City of San Diego is home to the majority of those residents who were diagnosed with AIDS (74.5 percent). Persons with HIV infection and AIDS require a broad range of services, including counseling, medical care, in-home care, transportation, and food. The HOPWA Housing Plan indicates an acute need for affordable permanent housing units and emergency housing resources that are accessible to persons with HIV/AIDS.

To assist persons living with HIV/AIDS, the City has traditionally used HOPWA funds through the County of San Diego for long-term housing and supportive services. In addition, agencies receiving HOPWA funds typically receive additional funding such as HOME funds. These funds are supplemented by "in-kind" contributions of service hours and food or durable goods from outside

contributors. All of these sources work together to provide a full blanket of funding for persons with HIV/AIDS.

The City will continue to align its Consolidated Plan programs and objectives with the goals and strategies identified in the Regional Continuum of Care Strategy.

Community and Supportive Services for Low and Moderate Income Persons and Persons with Special Needs

Given the City population and diversity, the need for community and supportive services is also extensive and diverse. CDBG public service dollars will also be used to provide community and supportive services for low and moderate income persons and persons with special needs. As CDBG public service funding is limited to 15 percent, such funding is used to address areas with unmet needs. While all activities are identified as high priority needs in the Housing and Community Development Needs Survey by residents, certain needs are addressed by other funding sources. When making funding allocations, the City takes into consideration the areas with the most critical unmet needs.

Consolidated Plan Programs

Supportive Services for the Homeless

Emergency Shelters and Transitional Housing: Using CDBG and ESG funds, the City supports non-profit agencies that operate shelters for the homeless and provide supportive services.

Five-Year Quantified Objectives: Continue to support nonprofit agencies to operate emergency shelters and transitional housing to benefit approximately 300 homeless persons annually or 1,500 over five years.

Winter Shelter Program: This program provides emergency overnight shelter during the cold weather months for homeless men, women, and children in San Diego and a year-round program for families. The goal of the program is to help persons address both their immediate and longer-term housing needs.

Five-Year Quantified Objectives: Continue to sponsor the Winter Shelter Program to assist an average of 4,000 homeless persons (duplicated counts) over the months when the shelter is in operation.

Homeless Outreach Team (HOT) and Serial Inebriate Program (SIP): This program assesses homeless people's problems and identifies solutions to help them. Whether their homelessness has been caused by loss of income, psychological problems, substance abuse, lack of job training, or other problems, multiple options are available to assist each person. The HOT Team focuses on the homeless population in downtown and the beach area. The SIP (Serial Inebriate Program) focuses on bringing together law enforcement with chronic, homeless alcoholics which affords them treatment options instead of jail.

Senior Transitional Housing Program: In a partnership with the County and Senior Community Centers, the City has leased 35 rooms in two downtown single room occupancy hotels to provide case-managed beds to seniors who have become homeless.

Supportive Services for Persons with HIV/AIDS

Housing Assistance: HOPWA funds will continue to be used to help low income persons with HIV/AIDS pay utilities and rent.

Five-Year Quantified Objectives: Continue to provide housing assistance to benefit approximately 80 households with HIV/AIDS with tenant-based rental assistance in the City and County annually or 320 over five years and 107 households with emergency housing annually or 535 over five years.

Transitional Housing Development: Through nonprofit agencies, the City supports the development of transitional housing with supportive services for persons with HIV/AIDS using HOPWA funds.

Five-Year Quantified Objectives: Continue to assist in the development of transitional housing for persons with HIV/AIDS in the City and County, with the goal of achieving new housing opportunities for persons with HIV/AIDS over the next five years. Based on funding opportunities to be determined during the program year, transitional housing development may range from transitional housing shelters to residential care facilities.

Supportive Services: The City collaborates with community based organizations and government agencies to provide supportive services which include relocation assistance, intensive case management, substance abuse counseling, residential services, and employment services.

Five-Year Quantified Objectives: Continue to collaborate with community based organizations and government agencies to provide supportive services to 700 households annually or 3,500 over five years.

Information Referral: The City provides individuals with housing and information referral services.

Five-Year Quantified Objectives: Provide housing and information referral services to 11,000 duplicated individuals and approximately 2,750 unduplicated annually or 55,000 duplicated individuals and approximately one-fourth unduplicated.

Supportive Services for Other Special Needs Groups

CDBG public service dollars will be used to provide supportive services for low and moderate income persons and persons with special needs, including, but are not limited to:

- Senior services
- Youth services
- Disabled services
- Services for transitional residents
- Job training and placement services
- Fair housing services

Five-Year Quantified Objectives: Provide supportive services to at least 2,000 people per year through allocations to public service agencies or 10,000 over five years.

Other Community Support Services

Capacity Building: This consists of activities designed to build and support capacity in neighborhoods for community development, provision and management of affordable housing, community revitalization, and business attraction and promotion. Specifically, funds are used to support community-based agencies in a variety of activities including capacity building of community development corporations, youth entrepreneurship, and community mobilization and organizing efforts.

Other Programs (Non-CPD Funds)

Single Room Occupancy (SRO) Program

The City is in the process of updating its Single-Room Occupancy Hotel regulations. Although not the sole answer to the homeless problem, SROs have become an essential part of the solution in San Diego. The City plans to continue the dispersal and support for SROs by incorporating SROs into plans of transit-oriented developments.

4.6 Public Improvements and Community Facilities

Consolidated Plan Goals

The improvements to public and community facilities included in this five-year strategy seek to implement the following Consolidated Plan goal:

- Revitalize low and moderate income neighborhoods to create healthy and sustainable communities

Statement of Need

The City's Facilities Financing Program identifies an existing public facility deficiency within its 26 "Urbanized Communities" that would require approximately \$2.5 billion to rectify. A significant portion of the City's nearly \$2.5 billion shortfall in public facilities is concentrated within a handful of communities with highest concentrations of low and moderate income households. These communities include: Southeastern San Diego, Encanto Neighborhoods, Greater North Park, Greater Golden Hill, City Heights, Eastern Area, Normal Heights, Linda Vista, Barrio Logan, and San Ysidro.

Localized Public Facility Financing Plans are prepared for each community. These plans indicate the primary unmet needs in the urbanized communities are in the categories of park and recreation facilities, streets, traffic flow, and pedestrian improvements, libraries, and fire stations. Within these communities, the total unfunded need is approximately \$1 billion, with roughly \$500 million in parks and recreation deficiencies, \$150 million in transportation improvement needs, and \$45 million in library, fire, police, and other community facility needs. Confirming these needs, the Housing and Community Development Needs survey showed that residents ranked street improvements and fire stations and equipment among the highest needs.

Public improvements and community facilities are necessary to support livable environment and economic development. The City will allocate funding for improvements based on the extent of critical needs and availability of other funding sources to leverage CPD funds.

Overall Strategy for Public Improvements and Community Facilities

The City aligns the CDBG funding allocation with investments that are consistent with the City's strategic plans and public infrastructure goals. The two-fold approach entails:

- Focus on the unmet funding needs of the low to moderate income areas identified in each of the community planning areas
- Fund program initiatives to address categorical needs on an annual basis

Consolidated Plan Programs

Public Facilities Program

CDBG funds can be used for the following types of facilities and improvements. Specific allocation will be determined on an annual basis pertaining to need:

- Street improvements
- Parks and recreation improvements
- Special needs group facilities
- Neighborhood facilities
- Infrastructure improvements to meet health and safety needs

<p>Five-Year Quantified Objectives: Provide for a minimum of 18 public facility improvements in the above six categories listed above annually or 90 public facilities over the next five years.</p>

ADA Transition

A comprehensive survey of City facilities has been completed and necessary improvements have been prioritized. The City has implemented a barrier removal program in City-owned facilities where programmatic changes cannot be made to effectively meet ADA requirements. The top priority of the Plan is to make the City-wide facilities accessible. Specifically, thousands of ramps still need to be installed. Ramp installation has been prioritized accordingly: 1) Public Buildings; 2) Transportation Routes; 3) Places of Accommodation; 4) Schools; 5) Shopping Centers; 5) Employers; and 6) Residential Areas.

Section 108 Loan Guarantee

The HUD Section 108 Program provides loan guarantee to CDBG entitlement jurisdictions to pursue economic development and large capital improvement projects. The jurisdiction must pledge its future CDBG allocations for repayment of the loan. The City used Section 108 loans to pursue major improvement projects, including police stations, libraries, and community centers. A portion of the City's CDBG allocation will be used to repay these loans. The City may also pursue additional Section 108 loans in the future to finance other public improvement projects.

Other Programs (Non-CPD Funds)

Redevelopment

The City, through its Redevelopment Agency, carries out redevelopment activities in blighted neighborhoods. Redevelopment activities in the Agency's project areas are carried out by the City's Redevelopment Division, and two public, nonprofit City corporations: Centre City Development Corp. and Southeastern Economic Development Corp.

Graffiti Control Program

This program uses individual volunteers to conduct paint outs/removal efforts in areas containing graffiti. The program also operates a Paint and Materials Exchange Bank in the Chollas View area where residents can obtain free recycled paint in limited colors for graffiti removal.

Infrastructure Impact Program

This program seeks to minimize the negative impact on small businesses due to large-scale public improvement projects, such as San Diego Trolley lines, water and sewer upgrades, major road and freeway construction and significant streetscape projects. Program staff advocates for the concerns of the small business community; initiates coordination among public works agencies and businesses to mitigate impact; and provides direct technical and marketing assistance.

4.7 Economic Development and Anti-Poverty

Consolidated Plan Goals

The economic development and anti-poverty activities included in this five-year strategy seek to implement the following Consolidated Plan goals:

- Promote economic development opportunities
- Promote self-sufficiency
- Increase financial literacy and wealth-building assets

Statement of Need

While San Diego has managed to avoid the worst of the past two recessions due to its more broadly based economy, more than 14 percent of San Diego City residents lived below the poverty threshold at the time of the 2000 Census. In certain neighborhoods, the unemployment rate is in the double-digits. Economic development and job creation represent an exit from poverty. Only through improved economic opportunities – more higher-paying jobs – can low income persons gain economic self-sufficiency and live above the poverty level. Respondents of the Housing and Community Development Needs Survey identified job creation/retention as the most important economic development activity. Proposed economic development activities included job development, as well as job training and placement services that fall under the Community Services category and are discussed earlier. Economic development activities can also aid in the cleanup of abandoned lots and buildings, which were identified in the survey as an important activity that foster economic revitalization of neighborhoods.

Overall Economic Development and Anti-Poverty Strategy

The City's economic development program has a clear focus on actions and strategies that support and nurture the City's economic infrastructure and promote its viability to compete as a city of the 21st century. The approach is comprehensive and seeks to ensure the inclusion of all residents, including the low skilled, the unemployed and the economically disadvantaged person. The approach also encompasses the revitalization of San Diego's inner city neighborhoods, in keeping with the overall mission of creating and maintaining livable and healthy communities. The City's Consolidated Plan economic development component will align with the City's Community and Economic Development Strategy in order to foster the following elements:

- Regional Economic Prosperity
- Increasing Economic Opportunity
- Implementing Smart Growth
- Energy Independence
- Revenue Enhancement

Consolidated Plan Programs

Office of Small Business

Through the Office of Small Business, a section within the City of San Diego Community and Economic Development Department, Economic Development Division, the City coordinates economic development activities using CDBG funds and other funding sources. The Office of Small Business focuses on assistance to small businesses, commercial revitalization, and support for community agencies that provide support for entrepreneurship.

The Office of Small Business contracts with a number of small business service providers and nonprofit agencies to administer these various programs. Specifically, CDBG funds are used to support several of the above components:

- **Business Retention, Attraction, and Creation:** Through its contractors, the City offers business assistance and retention efforts in older neighborhood commercial districts, one-on-one business counseling and mentoring, capacity building, specialized assistance regarding governmental regulations, loan counseling, and packaging assistance.
- **Revitalization of Older and/or Low and Moderate Income Neighborhoods:** Commercial revitalization is an important strategy to fulfilling the City's economic development goals. Neighborhood revitalization involves the following components:
 - *Neighborhood Commercial Revitalization:* Revitalization efforts consist of activities designed to improve the aesthetic and functional values of commercial areas in older and low and moderate income neighborhoods in targeted areas of the City. Specifically, two types of activities are pursued:
 - *Streetscape Improvement Projects:* The Commercial Revitalization Team manages streetscape improvements in 13 commercial districts located in low and moderate income areas. The purpose is to promote revitalization through enhancement of the streetscape.
 - *Storefront Improvements Program:* This program provides matching grants to small businesses for storefront improvements, renovations, and architectural assistance.

Five-Year Quantified Objectives: Provide assistance to 10 businesses per year for a total of 50 businesses to be assisted directly. Create 15 jobs per year or 75 jobs over five years to be available to low to moderate income residents. (Certain CDBG-funded activities will not directly result in creating jobs but foster an environment where job creation/retention can be achieved.)

Section 108 Loan Guarantee

The HUD Section 108 Program provides loan guarantee to CDBG entitlement jurisdictions to pursue economic development and large capital improvement projects. The jurisdiction must pledge its future CBDG allocations for repayment of the loan. The City has used the 108 program to provide assistance to several economic development projects in the past. A portion of the City's CBDG allocation will be used to repay these loans. The City may also pursue additional Section 108 loans in the future to finance other economic development projects.

Section 3 Economic and Employment Opportunities

Pursuant to Federal Housing and Urban Development Act, all jurisdictions receiving more than \$200,000 in HUD grants must demonstrate good faith efforts in: 1) hiring local low and moderate income (up to 80 percent MFI) persons for programs funded with HUD grants; and 2) awarding construction and supplies contracts to qualified businesses owned by low and moderate income persons or employ primarily low and moderate income persons. All contractors involved in federally funded projects (such as public improvements, housing construction, and commercial rehabilitation) over \$200,000 in value must also make good faith efforts to hire local low and moderate income persons. The City adheres to the Section 3 requirements as a means of providing economic and employment opportunities to low income persons.

Other Programs (Non-CPD Funds)

In addition to those few programs funded with CDBG funds, a myriad of programs is available to businesses and residents in San Diego to pursue enhanced economic activities.

Business Expansion and Retention (BEAR) Program

This program provides assistance to San Diego's targeted industries and revenue-generating commercial projects so that they will stay and expand in San Diego, resulting in increased local investment, increased jobs for residents, and increased revenue to City government. In addition, assistance is provided to businesses in the State designated Enterprise Zones, Federal Renewal Community, and City-designated redevelopment areas to encourage business development.

Business Finance Program

This program provides direct working capital loans to smaller early stage growth businesses particularly targeting women and minority owned businesses and businesses located in low and moderate income census tracts, Economic Development Revenue Bonds (including Enterprise Zone Facility Bonds in the Enterprise Community) for capital expansion projects to qualified manufacturers, 501(c)(3) non profits, Enterprise Community businesses, etc., the CRA/Bank Liaison to encourage affirmative reinvestment efforts in San Diego's under served communities utilizing collaboration with banks and other capital providers.

San Diego Enterprise Zones (EZs)

Enterprise Zones are areas in which a variety of State income tax savings and other advantages are available to businesses as well as to lenders that make loans in the area. Tax savings are also available to low wage earning employees in the zones. EZs provide the largest array of business development incentives available within San Diego and are specifically focused on extending the benefits of economic growth to unemployed or low-income residents.

Family Self-Sufficiency Program (FSS)

In collaboration with community businesses and City entities, FSS provides supportive services to assist families in achieving upward mobility and self-sufficiency. The program includes career counseling, vocational training, and micro-small business development. Resource information for childcare and transportation is also provided

Redevelopment

The City has 16 project areas and the goal of redevelopment in these areas is to eliminate blighting conditions to foster a viable living and economic environment (see also Section 3.7, Community Development Needs).

4.8 Lead-Based Paint Reduction Strategy

Citywide, an estimated 63,942 units occupied by low and moderate income households (0-80 percent MFI) may contain lead-based paint (LBP). (Approximately 5,977 units occupied by extremely low-income households, 15,177 units occupied by low-income households and 42,788 units occupied by moderate income households may contain LBP). The hazard of lead-poisoning is real; 81 cases of lead poisoning were reported in the City of San Diego (representing 42 percent of all lead poisoning cases in the County) from 2002 through 2003.

LBP awareness and abatement have been fully integrated by the City into its assisted housing programs. Each tenant, landlord, and homeowner is informed of the dangers, symptoms, testing, treatment, and prevention of LBP poisoning. Adherence to Federal, State and Environmental Protection Agency guidelines for reduction activities of LBP hazards is provided for in every rehabilitation loan/grant. Lead testing and clearance are provided to housing program participants, and favorable financing is offered for the cost of lead remediation. Public housing units, and units acquired by nonprofits through SDHC programs, are abated of LBP hazard at acquisition. Additionally, SDHC is ensuring compliance with the Pre-Renovation Lead Information Rule (TSCA 406B), required of people performing renovation for compensation.

In 2002, the City developed and began implementation of a new program entitled "Lead Safe Neighborhoods Program." In the first phase, this new program identifies various elements that the City can implement to perform primary prevention of lead poisoning. The major components are:

- Create a citizen's advisory taskforce to assist the City in its outreach effort and help identify additional components of an effective lead poisoning prevention program.
- Create a City Agency Lead Working Group that will bring together all public, non-profit, and community-based agencies in the San Diego region that have some capacity for lead poison prevention, to integrate their efforts to maximize resources and improve effectiveness.
- Adopt a municipal ordinance specific to lead hazards qualifying as substandard housing that can be used by City code enforcement personnel to help eliminate lead poisoning before it can occur.
- Provide City staff with lead hazards awareness training and provide specific methods of lead hazard education for its citizens that staff can perform during the course of their job.
- Implement a lead hazard education and outreach pilot program in a high risk community to identify effective communication methods that can be used city-wide.
- Implement a lead hazard control pilot in another high risk community to determine cost effective methods of reducing lead hazards in the home.
- Identify various grants and other means of leveraging funds to develop the capacity to perform lead hazard control work and ensure it can be sustainable with the goal of improving the quality of life of its citizens through the elimination of all lead paint hazards.

The City successfully pursued a HUD Lead Hazard Control Grant and a HUD Lead Outreach Grant. Both grants commenced in 2003 in partnership with community-based non-profit organizations.

Five-Year Quantified Objectives: Provide LBP information to all applicants seeking assistance from the City and SDHC (200 households per year or 1,000 over five years) and provide testing in all buildings that were built prior to 1978 assisted through CDBG and HOME funds (20 housing units per year or 100 over five).

4.9 Barriers to Affordable Housing

The Housing and Community Development Needs Assessment discusses the market and governmental constraints that generally impact the provision and preservation of affordable housing in the City. The City has limited influence over market factors. This section discusses some of the City actions to lessen the impacts of governmental and infrastructure constraints.

Land Availability and Cost

Density Bonus

The State-authorized program is designed to provide a density bonus and one regulatory concession to developers in exchange for reserving a percentage of housing units for low and moderate income or senior households for specified periods of time. Pursuant to State law, a development is qualified for density bonus of at least 25 percent if one of the following conditions is met:

- 10 percent of the units are reserved at affordable cost to households earning up to 50 percent of the County MFI;
- 20 percent of the units are reserved at affordable cost to households earning up to 80 percent of the County MFI;
- 20 percent of the condominium units are reserved at affordable cost to households earning up to 120 percent of the County MFI; or
- 50 percent of the units are served for senior households.

Additional incentives may also be authorized by the City for developers who maintain the affordability of housing units for longer periods of time. Policies in the City's Housing Element affirm proactive implementation of the City's density bonus program to facilitate the development of housing for lower and moderate income and senior households.

Inclusionary Housing

Within the City's urbanizing areas and urban core, 10 percent of new units must be made affordable to lower and moderate income residents. A fee determined by the square footage of the proposed units may be applied in-lieu of dedication and varies for projects above or below 10 units. Within the future urbanizing area, 20 percent of all newly constructed units must be set aside for households earning at or below 65 percent of the County MFI.

Commercial/Industrial Linkage Fee

The City has adopted an ordinance to impose an impact fee on commercial and industrial development based potential employment-induced impact on affordable housing demand. The collected fee is deposited into the City Affordable Housing Trust Fund for affordable housing development.

Availability of Financing

City-County Reinvestment Task Force

The City-County Reinvestment Task Force monitors lending practices and develops strategies for reinvestment in the San Diego Region. The task force has developed agreements with the largest lenders in the San Diego region for specialized implementation of the federal Community Reinvestment Act.

Gap Financing and Fee Reductions

SDHC uses HOME funds, redevelopment set-aside funds, and Housing Trust Funds to gap-finance affordable housing projects in order to mitigate the impacts of market factors (such as land costs and construction costs), planning and development fees, on- and off-site improvements, infrastructure and utility connection, and other costs associated with residential development. Certain Fee reductions may also be granted for projects that provide affordable housing.

In January 2003, the City released the first Notice of Funding Availability (NOFA) from the “collaborative affordable housing finance strategy.” The strategy will leverage redevelopment tax increment monies to create \$55,000,000 to finance affordable housing projects. The effort is a collaboration of the Redevelopment Agency (the City Redevelopment Division housed in the Community and Economic Development Department, Centre City Development Corporation, and Southeastern Economic Development Corporation) and SDHC.

Governmental Constraints

Permit Processing

Process 2000 is a City program to streamline permit processing to provide for predictability and accountability. The Expedite Program provides expedited permit processing for all eligible affordable/in-fill housing and sustainable building projects as established by Council Policy 600-27. This program establishes an aggressive processing timeline to cut the cost and time constraints associated with building affordable housing by:

- Providing mandatory preliminary review meetings for early staff feedback;
- Significantly reducing project re-view cycles;
- Funding the environmental initial study at preliminary review; and
- At the applicant’s request, scheduling a public hearing after the third review cycle and upon completion of the environmental document.

Infrastructure Constraints

To implement transit-oriented development principles, the Street Design Manual provides flexibility to local street and sidewalk standards. The City is also re-examining other public facility standards and policies, including the impact fee policy, to promote affordable housing development.

4.10 Institutional Structure and Coordination

Implementation of the Consolidated Plan will rely on the concerted efforts of a consortium of agencies, service providers, and the community at large. Key organizations include the City of San Diego, San Diego Housing Commission (SDHC), Redevelopment Agency, and the County of San Diego.

City of San Diego

Within the City of San Diego, the lead agency responsible for community development is the Community and Economic Development Department. The Department was developed by combining three major functions involved in community development: economic development/redevelopment and community services.

Community Services Division

The Community Services Division of the Department administers two of the four HUD formula grant programs: the Community Development Block Grant Program (CDBG) and the Emergency Shelter Grants Program (ESG). This division also has primary responsibility to HUD regarding the funds received through the Consolidated Plan process.

Community Service Centers

The City established a number of community service centers in partnership with neighborhoods to promote collaboration and community empowerment and enhanced City services.

Each Center has a published schedule of core services including: water bill and parking citation payment; minor building permit processing; complaint intake; employment application; Council dockets, and access to computer workstations, community meeting rooms.

Most Centers have full-time professional managers to outreach to the community to help identify and resolve issues. In addition, the Centers have key site-partners, oriented to the specific needs of the community. These may involve Police, Neighborhood Code Compliance, SDHC, and other governmental agencies, schools, nonprofit organizations, and social service agencies.

The City of San Diego currently has nine Community Service Centers, with additional Centers planned for the future. New services are continually added, such as passport application, to the array of available services.

Community Planning Groups

The City's community planning effort has established multiple levels of communication between the community and the City, ensuring that residents have a strong voice in how their neighborhoods develop. The City has nearly 50 defined community planning areas with recognized planning committees, which

act as the community voice on planning issues. These committees meet on a regular basis, governed under bylaws approved by the City and provide recommendations on land use, development and other issues.

Boards and Commissions

The Community and Economic Development Department provides staff support and assists in coordinating activities for the following City Boards and Commissions:

- International Affairs Board
- Science & Technology Commission
- Senior Affairs Advisory Board
- Small Business Advisory Board
- Youth Commission

In addition, the Community Services Division provides direct social services and funding to community organizations, and oversees the following program divisions:

- Child Care
- Clean Syringe Exchange
- Community Development Block Grants
- Disability Services
- Grants Administration
- Homeless Services
- Medical Marijuana Task Force
- Operation Weed & Seed
- 6 to 6 Extended School Day Program
- Social Services
- Youth Services

San Diego Housing Commission

The San Diego Housing Commission (SDHC) was established by the San Diego City Council in 1979 to address housing needs in the City. SDHC helps house more than 75,000 low and moderate income residents each year through a variety of programs and collaborates with nearly 11,000 businesses and investors to provide affordable housing in return for tax credits and other incentives. SDHC reports to the San Diego Housing Authority and the Board of Commissioners, and supports the Fair Housing Council of San Diego, the City-County Reinvestment Task Force, the Regional Task Force on the Homeless, and other groups addressing the region's need for affordable housing. SDHC is responsible for administering the CDBG (affordable housing related programs) and HOME grants for the City of San Diego. In addition, SDHC has assumed primary responsibility, by agreement with the City, for the Consolidate Plan process.

Redevelopment Agency

The Redevelopment Agency was created by the City Council in 1958 to alleviate conditions of blight in older, urban areas per State authority defined in California's Health and Safety Code (Section 33000-et.seq.), also known as the California Community Redevelopment Law. The Redevelopment Division of the Community and Economic Development Department serves as staff to the Agency. The Redevelopment Agency oversees 16 redevelopment project areas, encompassing more than 8,000 acres. In addition, the Agency administers seven Project Area Committees that advise the Agency regarding plan adoption and project implementation activities.

County of San Diego

The San Diego County Department of Housing and Community Development (HCD) seeks to provide decent and affordable housing, increase the supply and availability of affordable housing, and create more livable neighborhoods for residents. The Department also serves as the Housing Authority for the County and collaborates with various local levels of government, including SDHC. The County administers the HOPWA Grant on behalf of the City of San Diego.

Gaps in the Service Delivery System

Gaps in the institutional structure are filled by fostering relationships with nonprofits and other public and private organizations.

4.11 Monitoring

To be effective, housing and other community development policies and programs must be consistently monitored and modified when necessary. The City conducts monitoring reviews of housing and community development activities to determine whether programs are being carried out in accordance with the Consolidated Plan, and in a timely fashion. The monitoring is carried out on a regular basis to ensure that statutory and regulatory requirements were being met.

The City uses various tools to evaluate the success of its programs in meet local housing and community development needs. HUD requires that the City submit annual reports on its performance in carrying out the program goals in the Consolidated Annual Performance and Evaluation (CAPER). The City's monitoring strategy combines regularly submitted written progress reports, periodic file reviews/desk audits, and annual site visits.

City of San Diego non-housing programs supported with federal entitlement funds and subject to the Consolidated Plan will be monitored to ensure compliance with the respective program requirements of the specific funding source. The City approach to monitoring is an ongoing process involving continuous communication and evaluation with grant recipients (non-profit organization, other governmental agencies, City departments).

The City performs the following monitoring functions:

- Make available to grant recipients (i.e., non-profit organizations) general information on specific federal funds program requirements (i.e., OMB Circulars, Program Regulations)
- Review all grant recipients reimbursement requests through desk audits to ensure specific program requirements are being met
- Review and determine eligibility of all applications with specific federal funds criteria
- Provide technical assistance to grant recipients in various program areas

The monitoring process involves frequent telephone contacts, written communications, analysis of reports and audits, desk audits, onsite monitoring, and meetings. The City's goal is to ensure compliance with specific program requirements for the applicable funding source. The primary goal of monitoring is to identify deficiencies and promote corrections in order to improve, reinforce or augment grant recipients' performance. As part of this process, City staff attempt to be alert for the potential of fraud, waste, mismanagement, and/or other opportunities for potential abuse. On an individual basis, identified deficiencies will be corrected through discussion, technical assistance, or in the case of serious infractions the City may seek to impose sanctions.

Housing programs supported with federal funds and subject to the Consolidated Plan will be monitored on a regular basis to ensure compliance with occupancy and affordability requirements. SDHC monitors all of the City's affordable housing supported with federal funds awarded to the jurisdiction or the Housing Authority. In addition, SDHC monitors affordable housing projects that utilize favorable financing provided through the Housing Authority and in many cases the Redevelopment Agency.

SDHC performs the following monitoring functions:

- Prepares and makes available to housing program participants (i.e., project owners and participating households) any general information regarding income limitations and restrictions which are applicable to the affordable units
- Reviews and determines eligibility of participating households prior to initial occupancy of affordable units
- On an annual basis, reviews documentation submitted by project owners in connection with the annual certification process for eligible tenants and owners' compliance with affordable housing restrictions
- Inspects project books and records pertaining to the incomes and rents of participating households, as SDHC may deem necessary.

- Notifies project owners of any circumstances of non-compliance of which SDHC becomes aware and takes necessary actions to bring project into compliance
- Performs Housing Quality Standards inspections on all HOME funded rental properties as outlined in the HOME regulations

4.12 Performance Measurement

Historically, the City of San Diego and SDHC have measured performance using HUD's Consolidated Plan Guidelines, which require quantifiable goals and objectives to be clearly stated in the Consolidated Plan, as well as in the Annual Action Plan. Proposed accomplishments/goals stated in the Annual Action Plan are evaluated in the Annual CAPER report. Programs and activities that consistently meet or exceed the proposed accomplishment goals are considered effective and successful, and generally continue to receive funding, while programs and activities that do not are either discontinued or revised.

During the 2005-2009 Consolidated Plan period, the City and SDHC will take additional steps to analyze comprehensive funding impacts per recent federal directives. For example, the following program performance will be measured:

- Housing rehabilitation programs will be evaluated by impact on property values
- Homeownership programs will be evaluated by impact on tenure
- Economic development programs will be evaluated by the number of jobs created/retained, as well as sales tax revenue generated and new products or services provided to residents
- Public service activities will be evaluated by the number special needs groups assisted versus the total number of special needs groups within the City

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Chapter 5

Annual Action Plan

for FY 2005

The Annual Action Plan provides the one year strategy to accomplish the City's five-year Consolidated Plan goals and is the foundation of the City's performance measurement system and federally regulated reporting efforts. The Action Plan is based on the strategies and objectives described in the Five-Year Strategic Plan of the Consolidated Plan, which seek to meet the three goals of HUD (targeted at people earning up to 80 percent of the Median Family Income [MFI]):

1. Decent Housing
2. Suitable Living Environment
3. Expand Economic Opportunities

5.1 Resources Available

The City has access to federal, state, and local resources to achieve its housing and community development goals. Funding will be used based on the opportunities and constraints of the project and or program and funding source.

Community Planning and Development (CPD) Funds

Federal funds received from the Department of Housing and Urban Development (HUD) represent a significant funding source for the City's housing and community development related programs and activities. Specifically, the City receives four entitlement grants under HUD's Community Planning and Development (CPD) programs:

- Community Development Block Grant (CDBG) - \$18,260,000
- HOME Investment Partnership (HOME) - \$9,534,450
- Emergency Shelter Grant (ESG) - \$682,097
- American Dream Downpayment Initiative - \$515,181 (plus \$436,583 available from 2003 prior to the authorizing legislation was signed by President Bush)
- Housing Opportunities for Persons with AIDS (HOPWA) - \$2,683,000 (funding is provided to the City for services throughout the entire County)

The City's goal is to leverage federal, state, and local funds to maximize the number of households that can be assisted.

Leveraging of CPD Funds

In addition to the CPD grants identified above, the City of San Diego also receives Federal Rental Assistance Vouchers (Section 8) and applies for available grant funds as they become available. The City also works with the area's homeless services providers to apply for funding under the Super NOFA (Notice of Funding Availability) to provide shelter and supportive services for the area's homeless populations.

Other federal resources available to the City of San Diego in its pursuit of affordable housing are the Section 202 and 811 programs for the construction of affordable housing for seniors and disabled by nonprofit developers.

San Diego is now in the second implementation year of the HUD- designated Renewal Community, which complements both the State Enterprise Zones (see local resources below) and CDBG-funded economic development activities. The Renewal Community targets San Diego's lowest income communities and provides federal tax incentives as well as other business assistance that is expected to generate private investment as well as increased economic opportunity and vitality in these neighborhoods.

Local dollars are used to capitalize and operate two additional small business loan programs, the Em Tek Seed Capital Fund and the Metro Enterprise Zone Revolving Loan Fund, both of which target low and moderate-income neighborhoods. The City will continue to market business incentives through its two state designated Enterprise Zones both of which are comprised entirely of CDBG eligible census tracts.

Tax increment financing, which is available via the redevelopment process, will remain the major financing source for critical economic development and neighborhood revitalization efforts that are planned in the City's low and moderate income communities that have been designated as Redevelopment Areas.

The San Diego Housing Commission (SDHC) administers other programs, such as the Affordable Housing Trust Fund, Multifamily Bonds, Inclusionary Housing, and Density Bonus, which are designed to be catalysts to private sector development of affordable housing, through the provision of financial assistance and incentives. Descriptions of these various programs are contained in the Five-Year Strategic Plan of the Consolidated Plan.

In collaboration with nonprofit organizations, private developers, other public agencies, the City also pursues a number of affordable housing resources available through other federal, state, and local programs, including but limited to the following:

Federal Programs

- HOPE I, HOPE II, HOPE III, and HOPE for Youth (Youthbuild)
- Section 202; Supportive Housing for the Elderly
- Section 811; Persons with Disabilities
- Supportive Housing Programs
- Section 203k Insured Loans
- Shelter Plus Care
- Safe Havens for Homeless
- Lead Based Hazard Control Grants

State Programs

- California Housing Rehabilitation Program
- Emergency Shelter Program
- Energy Conservation Programs
- Multifamily Housing program
- CalHOME Program
- California Housing Finance Agency (CHFA) Loans
- California Housing Trust Fund
- California Housing Trust Fund

Private Support

- California Community Reinvestment Corporation Loans
- Local Initiatives Support Corporation

Activities to be Undertaken and Relationship to Five-Year Priorities

The 2005-2009 Consolidated Plan identifies priority housing and community development activities to be pursued in order to provide decent, affordable, and safe housing, as well as needed community services and facilities for its residents. The City will focus its resources and efforts during FY 2005 as described in the following sections. In order to show the relationship of these activities to the priority needs identified in the Five-Year Strategic Plan (contained in the Consolidated Plan), the following sections summarize the Strategic Plan priorities and identify the CDBG, HOME, ADDI, ESG, and HOPWA activities to be pursued over the next fiscal year.

5.2 Housing

Consolidated Plan Goals

The housing programs included in this five-year strategy seek to implement the following Consolidated Plan goals:

- Expand and preserve a continuum of affordable housing opportunities
- Revitalize low and moderate income neighborhoods to create healthy and sustainable communities

Appendix E provides a summary of quantified affordable housing goals for FY 2005.

Consolidated Plan Programs

Tools for Homeownership

SDHC provides the homeownership assistance through the following housing programs using CDBG, HOME, and ADDI funds:

Down Payment/Closing Cost Assistance Grants: This program is available to First-Time Homebuyers earning 100 percent or less of the MFI. The grant amount is equal to 4 percent (2 percent for down payment costs and the balance for closing costs) of the purchase price not to exceed \$7,500. The grant must be repaid if the applicant sells or rents the home within the first six years of ownership.

Shared Equity (Silent Second Trust Deed) Loans: This program is available to homebuyers earning 80 percent or less of the MFI. The Shared Equity loans are zero percent interest and require no monthly payments of principal. The loan term is 30 years. The maximum loan amount is 25 percent of the maximum purchase price as established by HUD. Currently (February 2004) the maximum HUD purchase price is \$290,319 resulting in a maximum shared equity loan of \$72,580. If the buyer sells the property within the first 15 years, the equity in the property is shared with SDHC.

HOME WORKS! (Acquisition and Rehabilitation Loans): This program is available to prospective homebuyers earning 80 percent or less of the MFI to purchase and rehabilitate their first home. The "Home Works!" program provides a purchase rehabilitation loan for first-time homebuyers. Home Works! will make a conventional first mortgage as low as 75 percent of after-rehabilitation value combined with a deferred "silent second" mortgage up to a maximum of 25 percent of the after-rehabilitation value up to \$72,580 (as of February 2004). Owner occupancy is required.

Employer Assisted Housing Program: SDHC is working with local employers to develop this new program. SDHC's shared equity loan and/or down payment grant programs will supplement the employer's funding if the homebuyer's income is 80 percent or below the MFI.

American Dream Downpayment Initiative (ADDI) Program: This new HUD program will provide funding through the HOME program for downpayment assistance to low-income first-time homebuyers to help in the purchase of a home. While the regulations governing this new program have not yet been published by HUD, it is anticipated that this program will complement SDHC's Tools for Homeownership collection of affordable housing programs. The Initiative indicates the amount of assistance offered under this program shall not exceed the greatest of either 6 percent of the purchase price or \$10,000.

Five-Year Objectives:	403 households
One-Year Objectives:	80 households
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	HOME - \$550,000 (estimated)

Tools for Rehabilitation

Owner-Occupied Rehabilitation Programs: SDHC offers two owner-occupied rehabilitation programs:

- **Zero-Percent Deferred Loans:** This program is for single-unit properties - for example, a house, condominium, or town home - occupied by owners earning up to 60 percent of the County MFI. The zero interest loans, up to \$10,000, may be used to repair roof leaks, plumbing, electrical or heating systems, broken windows, for fumigation, and other repairs. No monthly payments are required. In fact, the loan does not have to be paid back until the property is sold or an additional loan is taken out against the property.
- **Three-Percent Interest Loans:** This program can be for an owner-occupied, single-unit property or for complexes up to four units, as long as the owner lives in one of the units. These three-percent interest loans can be for up to \$35,000 for a single-unit or up to \$50,000 for two or more units. The loans - available for owners earning up to 80 percent of the MFI - are either fully amortized for 15 years, requiring fixed monthly payments, or partially deferred, resulting in lower monthly payments of a minimum of \$50. These loans are reviewed after 15 years to determine a repayment plan for any remaining balance.

Exterior Enhancement Grants: These grants, up to \$5,000, are available to first-time homebuyers earning up to 80 percent of the MFI who desire to purchase and rehabilitate a single-family home or condominium in conjunction with the HOME WORKS! Program.

Lead Paint Reduction Zero percent Deferred Loans: These loans are available up to \$5,000 per unit or up to \$15,000 per housing complex when participating in any of the owner-occupied or rental rehabilitation programs.

Renter-Occupied Rehabilitation Programs: Rental property owners may qualify for assistance to rehabilitate their properties:

- **Zero Interest Loans:** For-profit owners of rental property may be eligible for zero interest loans of up to \$15,000 per unit with payments deferred for ten years. To be eligible, 90 percent of the tenants must be earning no more than 50 percent of the MFI and the owner must agree to charge reduced rents for a ten-year period. Only properties located in targeted neighborhoods are eligible for this program.
- **Three-Percent Simple Interest Loans:** Eligible nonprofit owners of rental properties can receive 30-year loans at three-percent "simple interest" rates to rehabilitate properties located anywhere in the City.

Accessibility Grants for Tenants with Disabilities: Grants up to \$1,000 are available to tenants with disabilities earning less than 50 percent of the MFI for making accessibility modifications, such as making the unit wheelchair accessible.

Mobile Home Repair Grants: Mobile home owners earning up to 60 percent of the MFI may be eligible for one-time-only grants of up to \$3,500 for the repair of health and safety hazards such as roofing, plumbing, electrical, heating, broken windows and porch repair.

Five-Year Objectives:	1,033 low and moderate income owner-households and 3,750 low income renter-households
One-Year Objectives:	206 low and moderate owner-households and 750 low income renter-households
Geographic Location:	Communitywide (Low and Moderate Income Housing Benefit)
Funding Source:	CDBG and HOME - \$950,000 (estimated)

Neighborhood Improvement

Neighborhood Code Compliance Program: The program provides for code enforcement activities located within the City’s low to moderate income and blight designated census tract/target areas. This program works in connection with the City’s various rehabilitation programs to provide a comprehensive revitalization strategy that has a dramatic impact on the City’s neighborhoods, and ensures the health and safety of residents.

Five-Year Objectives:	5,000 housing units
One-Year Objectives:	1,000 housing units
Geographic Location:	Targeted low to moderate income areas (Low and Moderate Income Area Benefit)
Funding Source:	CDBG (amount to be determined by City Council)

New Construction and Acquisition/Rehabilitation

Community Housing Development Organizations (CHDOs): At least 15 percent of the annual HOME allocation will be reserved to provide affordable housing development and acquisition/rehabilitation activities by CHDOs. The City currently has 17 certified CHDOs that compete for funding.

Five-Year Objectives:	10 CHDOs/140 housing units
One-Year Objectives:	2 CHDOs/28 housing units
Geographic Location:	Communitywide (Low and Moderate Income Housing Benefit)
Funding Source:	HOME - \$1,430,168 (estimated) - CHDO HOME - \$5,650,837 (estimated) - General

Housing Production Program: This program involves the development of affordable rental housing through acquisition with rehabilitation or new construction. It includes provision of financing and/or technical assistance to nonprofit and for-profit developers; development of rental housing by SDHC and Housing Development Partners (a nonprofit development corporation affiliated with and staffed by SDHC); and implementation of programs that result in private-sector development of affordable rental housing.

Supportive Housing Programs and Services

Fair Housing: Fair housing services are provided by the San Diego Fair Housing Council (FHCS). FHCS provides comprehensive fair housing services. Services offered include: advocacy; outreach and education; technical training for housing providers, lenders, and insurance industries; maintenance of a fair housing discrimination investigative, intake, and enforcement process; and collaborations with other entities that further strengthen fair housing activities in the City.

Five-Year Objectives:	2500 households
One-Year Objectives:	500 households
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	CDBG (amount to be determined by City Council)

5.3 Community and Supportive Services

Consolidated Plan Goals

The community and supportive service programs included in this five-year strategy seek to implement the following Consolidated Plan goals:

- Provide community and supportive services for low and moderate income persons and those with special needs
- Support efforts to develop/complete the Continuum of Care System for the homeless through the provision of emergency shelters, transitional housing, permanent supportive housing, and supportive housing services

Consolidated Plan Programs

Supportive Services for the Homeless

Emergency Shelters and Transitional Housing: Using CDBG and ESG funds, the City supports non-profit agencies that operate shelters for the homeless and provide supportive services.

Winter Shelter Program: This program provides emergency overnight shelter during the cold weather months for homeless men, women, and children in San Diego and a year-round program for families. The goal of the program is to help persons address both their immediate and longer-term housing needs.

Five-Year Objectives:	1,500 homeless persons
One-Year Objectives:	300 homeless persons
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	ESG - \$250,000

Homeless Outreach Team (HOT) and Serial Inebriate Program (SIP): The HOT program assesses homeless people’s problems and identifies solutions to help them. Whether their homelessness has been caused by loss of income, psychological problems, substance abuse, lack of job training, or other problems, multiple options are available to assist each person. The HOT Team focuses on the homeless population in downtown and the beach area. The SIP (Serial Inebriate Program) focuses on bringing together law enforcement with chronic, homeless alcoholics which affords them treatment options instead of jail.

Five-Year Objectives:	20,000 homeless persons (duplicated counts)
One-Year Objectives:	4,000 homeless persons (duplicated counts)
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	ESG - \$400,000

Senior Transitional Housing Program: In a partnership with the County and Senior Community Centers, the City has leased 35 rooms in two downtown single room occupancy hotels to provide case-managed beds to seniors who have become homeless.

Supportive Services for Persons with HIV/AIDS

Housing Assistance: HOPWA funds will continue to be used to help low income persons with HIV/AIDS pay utilities and rent.

Five-Year Objectives:	320 households with HIV/AIDS with TBRA; 535 households with emergency housing
One-Year Objectives:	80 households with HIV/AIDS with TBRA; 107 households with emergency housing
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	HOPWA - \$1,173,829

Transitional Housing Development: Through nonprofit agencies, the City supports the development of transitional housing with supportive services or persons with HIV/AIDS using HOPWA funds.

Five-Year Objectives:	Continue to assist in the development of transitional housing for persons with HIV/AIDS in the City and County, with the goal of achieving new housing opportunities for persons with HIV/AIDS over the next five years.
One-Year Objectives:	Based on funding opportunities to be determined during the program year, transitional housing development may range from transitional housing shelters to residential care facilities.
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	HOPWA - \$409,224

Supportive Services: The City collaborates with community based organizations and government agencies to provide supportive services which include relocation assistance, intensive case management, substance abuse counseling, residential services, and employment services.

Five-Year Objectives:	3,655 households
One-Year Objectives:	731 households
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	HOPWA - \$482,259

Information Referral: The City provides individuals with housing and information referral services.

Five-Year Objectives:	55,000 duplicated individuals and approximately one-fourth unduplicated
One-Year Objectives:	11,000 duplicated individuals and approximately 2750 unduplicated
Geographic Location:	Communitywide
Funding Source:	HOPWA - \$75,913

Supportive Services for Other Special Needs Groups

CDBG public service dollars will be used to provide supportive services for low and moderate income persons and persons with special needs, including, but are not limited to:

- Senior services
- Youth services
- Disabled services
- Services for transitional residents
- Job training and placement services
- Fair housing services

A list of supportive and community activities has been proposed by various City departments and nonprofit agencies. The projects to be funded will be determined by the City Council.

Five-Year Objectives:	10,000 people with special needs
One-Year Objectives:	To be determined by City Council
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	CDBG (amount to be determined by City Council)

5.4 Public Improvements and Community Facilities

Consolidated Plan Goals

The improvements to public and community facilities included in this five-year strategy seek to implement the following Consolidated Plan goal:

- Revitalize low and moderate income neighborhoods to create healthy and sustainable communities

Consolidated Plan Programs

A list of public facility improvement projects has been proposed (Appendix D). The projects to be funded will be determined by the City Council.

Public Facilities Program

CDBG funds can be used for the following types of facilities and improvements. Specific allocation will be determined on an annual basis pertaining to need:

- Street improvements
- Parks and recreation improvements
- Special needs group facilities
- Neighborhood facilities
- Infrastructure improvements to meet health and safety needs

Five-Year Objectives:	90 public facilities
One-Year Objectives:	To be determined by City Council
Geographic Location:	Targeted low to moderate income areas (Low and Moderate Income Area Benefit)
Funding Source:	CDBG (amount to be determined by City Council)

ADA Transition

A comprehensive survey of City facilities has been completed and necessary improvements have been prioritized. The City has implemented a barrier removal program in City-owned facilities where programmatic changes cannot be made to effectively meet ADA requirements. The top priority of the Plan is to make the City-wide facilities accessible. Specifically, thousands of ramps still need to be installed. Ramp installation has been prioritized accordingly: 1) Public Buildings; 2) Transportation Routes; 3) Places of Accommodation; 4) Schools; 5) Shopping Centers; 5) Employers; and 6) Residential Areas.

Five-Year Objectives:	A range of public improvements throughout City
One-Year Objectives:	To be determined by City Council
Geographic Location:	Communitywide (Low and Moderate Income Clientele Benefit)
Funding Source:	CDBG (amount to be determined by City Council)

Section 108 Loan Guarantee

The HUD Section 108 Program provides loan guarantee to CDBG entitlement jurisdictions to pursue economic development and large capital improvement projects. The jurisdiction must pledge its future CDBG allocations for repayment of the loan. The City used Section 108 loans to pursue major improvement projects, including police stations, libraries, and community centers. A portion of the City's CDBG allocation will be used to repay these loans. The City may also pursue additional Section 108 loans in the future to finance other public improvement projects.

5.5 Economic Development and Anti-Poverty

Consolidated Plan Goals

The economic development and anti-poverty activities included in this five-year strategy seek to implement the following Consolidated Plan goals:

- Promote economic development opportunities
- Promote self-sufficiency
- Increase financial literacy and wealth-building assets

Consolidated Plan Programs

A list of economic development activities has been proposed (Appendix D). The projects to be funded will be determined by the City Council.

Office of Small Business

Through the Office of Small Business, a section within the City of San Diego Community and Economic Development Department, Economic Development Division, the City coordinates economic development activities using CDBG funds and other funding sources. The Office of Small Business focuses on assistance to small businesses, commercial revitalization, and support for community agencies that provide support for entrepreneurship.

The Office of Small Business contracts with a number of small business service providers and nonprofit agencies to administer these various programs. Specifically, CDBG funds are used to support several of the above components:

- **Business Retention, Attraction, and Creation:** Through its contractors, the City offers business assistance and retention efforts in older neighborhood commercial districts, one-on-one business counseling and mentoring, capacity building, specialized assistance regarding governmental regulations, loan counseling, and packaging assistance.

- **Revitalization of Older and/or Low and Moderate Income Neighborhoods:** Commercial revitalization is an important strategy to fulfilling the City’s economic development goals. Neighborhood revitalization involves the following components:
 - *Neighborhood Commercial Revitalization:* Revitalization efforts consist of activities designed to improve the aesthetic and functional values of commercial areas in older and low and moderate income neighborhoods in targeted areas of the City. Specifically, two types of activities are pursued:
 - *Streetscape Improvement Projects:* The Commercial Revitalization Team manages streetscape improvements in 13 commercial districts located in low and moderate income areas. The purpose is to promote revitalization through enhancement of the streetscape.
 - *Storefront Improvements Program:* This program provides matching grants to small businesses for storefront improvements, renovations, and architectural assistance.

Five-Year Objectives:	50 businesses to be assisted directly and 75 jobs to be created
One-Year Objectives:	To be determined by City Council
Geographic Location:	Communitywide (Low and Moderate Income Job Benefit)
Funding Source:	CDBG (amount to be determined by City Council)

5.6 Planning and Administration

The City complies with all HUD planning and reporting requirements. A portion of the FY 2005 CDBG and HOME allocations will be used to provide planning and reporting services, as well as program delivery.

One-Year Objectives:	Comply with all HUD planning and reporting requirements and delivery a range of housing and community development programs to City residents and businesses
Geographic Location:	Communitywide
Funding Source:	CDBG - \$3,652,000 (estimated) HOME - \$954,445 (estimated)

5.7 Public Housing

As of November 2003, SDHC owns and manages 1,782 public housing units throughout the County, including 36 units of single-family public housing. Public housing projects owned by SDHC are committed as long-term affordable housing.

Public Housing Improvement and Resident Initiatives

SDHC is committed to increasing the involvement of its public housing residents in the management and operation of its public housing through:

- Establishment of the Resident Advisory Board; and
- Employment of residents in the management and maintenance of its public housing sites.

SDHC is further committed to promoting economic self-sufficiency through the Family Self-Sufficiency (FSS) program, which links housing assistance to career planning, training and educational programs, and support services, allowing participants to become independent from welfare payments.

SDHC works in collaboration with a variety of organizations to provide participants outreach, orientation, vocational assessment, career planning, case management, access to support services, support funds, and job development assistance. In addition, employment training in family day care, nontraditional occupation training, and apprenticeships are also provided.

SDHC has also created a de-concentration policy to mix higher and lower income families at public housing sites (with 20 or more units) so that low-income residents are not concentrated in any given community.

Rental Housing Assistance Program (Section 8)

The Section 8 program administered by SDHC provides rent subsidies to low income families and special needs households. Assistance is provided in the form of a voucher and seeks to eliminate barriers to mobility and enhance de-concentration efforts. SDHC also offers a variety of self-sufficiency programs to Section 8 voucher recipients. Currently, SDHC provides rental assistance to over 12,000 households.

5.8 Lead-Based Paint Hazards

LBP awareness and abatement have been fully integrated by the City into its assisted housing programs. Each tenant, landlord, and homeowner is informed of the dangers, symptoms, testing, treatment, and prevention of LBP poisoning. Adherence to Federal, State and Environmental Protection Agency guidelines for reduction activities of LBP hazards is provided for in every rehabilitation loan/grant. Lead testing and clearance are provided to housing program participants, and favorable financing is offered for the cost of lead remediation. Public housing units, and units acquired by nonprofits through SDHC programs, are abated of LBP hazard at acquisition. Additionally, SDHC is ensuring compliance with the Pre-Renovation Lead Information Rule (TSCA 406B), required of people performing renovation for compensation.

In 2002, the City developed and began implementation of a new program entitled "Lead Safe Neighborhoods Program." In the first phase, this new program identifies various elements that the City can implement to perform primary prevention of lead poisoning. The major components are:

- Create a citizen's advisory taskforce to assist the City in its outreach effort and help identify additional components of an effective lead poisoning prevention program.
- Create a City Agency Lead Working Group that will bring together all public, non-profit, and community-based agencies in the San Diego region that have some capacity for lead poison prevention, to integrate their efforts to maximize resources and improve effectiveness.
- Adopt a municipal ordinance specific to lead hazards qualifying as substandard housing that can be used by City code enforcement personnel to help eliminate lead poisoning before it can occur.
- Provide City staff with lead hazards awareness training and provide specific methods of lead hazard education for its citizens that staff can perform during the course of their job.
- Implement a lead hazard education and outreach pilot program in a high risk community to identify effective communication methods that can be used city-wide.
- Implement a lead hazard control pilot in another high risk community to determine cost effective methods of reducing lead hazards in the home.
- Identify various grants and other means of leveraging funds to develop the capacity to perform lead hazard control work and ensure it can be sustainable with the goal of improving the quality of life of its citizens through the elimination of all lead paint hazards.

The City successfully pursued a HUD Lead Hazard Control Grant and a HUD Lead Outreach Grant. Both grants commenced in 2003 in partnership with community-based non-profit organizations.

Currently, the following two programs address lead-based paint:

- **HUD Lead Hazard Control Grants:** These non-repayable grants to reduce lead hazards in residences occupied or frequently visited by children under six years of age are available for owner-occupied or rental properties with occupants under 80 percent of the MFI and located in eight contiguous communities of Council District 8 in Southeast San Diego. Grants are offered up to \$12,500 for single family residences and up to \$7,500 per multi-family unit plus \$10,000 for common areas. *(This program is not funded with CPD funds.)*
- **Lead Paint Reduction Zero percent Deferred Loans:** These loans are available up to \$5,000 per unit or up to \$15,000 per housing complex when participating in any of the owner-occupied or rental rehabilitation programs. *(Funding allocation and objectives have been accounted for under the overall Housing Strategy)*

5.9 Other Actions

Addressing the Obstacles to Meeting Underserved Needs

As identified in nearly every planning document in the City, the lack of affordable housing in San Diego is a major obstacle facing the City. The need of lower income households, especially renters, is a great concern to the City. The primary obstacle in serving the special needs populations is funding availability and lack of coordination among agencies.

The goals of SDHC include: assisting those earning 50 percent or less of the MFI as the highest priority; forging partnerships among public, nonprofit, and private entities to provide housing opportunities; and providing an integrated range of social services for segments of the community not adequately served.

The Community Services Program of the City of San Diego is responsible for assisting City residents in need of human care services. Staff that conducts periodic assessments of community needs provides those services. The staff then plans, administers, and monitors community projects.

Foster and Maintain Affordable Housing

The City will continue and expand its efforts to upgrade and preserve existing affordable housing stock through its various rehabilitation and CHDO program activities. The primary source of funds will be CDBG, HOME, ADDI, redevelopment housing set-aside, and Housing Trust Funds. The City will also continue the low-interest loans and rebates program to rental property owners

where at least 51 percent of the tenants are households at or below 80 percent of the MFI. Additional incentives will be offered to owners to set-aside units for families at or below 50 percent of the MFI.

Removing Barriers to Affordable Housing

Governmental and market barriers both have the potential to affect the City's ability to provide and maintain affordable housing. The City's land use controls, site improvement requirements, building codes and application fees, although developed to ensure quality and sound development, may play a role in limiting the production of affordable housing for all income levels. In addition, requirements mandated by state and federal agencies may initially impede the production of affordable housing.

The City offers a range of programs and incentives to help mitigate market and governmental constraints to the development of affordable housing. These include:

- Density bonus
- Inclusionary housing
- Commercial/industrial linkage fee
- City-County Reinvestment Task Force
- Gap financing and fee reductions
- Streamlined permit processing
- Flexible development standards

Reduce the Number of People Living in Poverty

The City seeks to reduce the number of people living in poverty (extremely low income people making less than 30 percent of the MFI) by providing a number of programs that include housing assistance, economic development assistance, job training opportunities, and supportive services. SDHC also operates a variety of resident empowerment programs, which promote upward mobility and self-sufficiency through educational programs, neighborhood programs, cultural and recreational programs, and job training and skills development programs. The Family Self-Sufficiency Program (FSS), in collaboration with community businesses and City entities, provides supportive services to assist families in achieving upward mobility and self-sufficiency. The program includes career counseling, vocational training, and micro-small business development. In addition, resource information for childcare and transportation is provided, along with an escrow account for a portion of income earned during program participation.

Develop Institutional Structure

The institutional structure through which the Annual Action Plan will be implemented includes various agencies of local government, private for-profit and non-profit entities, and various regional task forces, which are identified in the 2005-2009 Consolidated Plan. The City of San Diego Housing Element identifies in its implementation charts the responsible agency for the wide-range of housing

programs operating in the City. SDHC has lead oversight responsibility for the Consolidated Plan/Annual Action Plan process.

Enhance Coordination

The City expects to carry out its strategy through public, nonprofit and private partnerships, which it seeks to encourage. These partnerships have been instrumental in the effort to meet the wide range of homeless and affordable housing needs in the City. In the future, to the extent that is feasible, the public sector will continue to match or augment private sources of funding from nonprofits seeking to create affordable housing opportunities.

Further Fair Housing Choice

The City of San Diego is committed to furthering fair housing choice for all residents regardless race, color, national origin, ancestry, religion, sex, disability, familial status, marital status, source of income, sexual orientation, or any other arbitrary factor. The City recognizes that fair housing is a regional issue and collaborates with jurisdictions the County to identify impediments to fair housing choice and solutions for mitigating such barriers.

2000 San Diego Area AI

In 2000, the City collaborated with the cities of Carlsbad, Chula Vista, El Cajon, Encinitas, Escondido, La Mesa, National City, Oceanside, Santee, and Vista in the preparation of the Regional Analysis of Impediments (AI) to Fair Housing Choice. Several regional impediments were identified:

- In the San Diego region, litigation as a response to unlawful housing discrimination has been an action of last resort.
- Although some jurisdictions are projected to grow faster than others, growing populations and housing shortages may present issues of housing discrimination or become barriers to fair housing choice.
- Jurisdictions lack public education. Tenants, and some owners, are unaware of legal differences between landlord/tenant issues and fair housing rights.
- Discrimination in mortgage lending and property insurance on the basis of race and national origin (Hispanic) is documented through regional audits.
- Most discrimination in the region is allegedly on the basis of race, disability, national origin, familial status.
- The number of hate crimes in the region is increasing; hate crimes involving housing civil rights and fair housing are underreported.

- A growing number of reported complaints alleging housing discrimination are based upon sexual orientation, sexual harassment, and source of income.

Issues specific to the City of San Diego include:

- NIMBY attitudes regarding location of affordable housing projects.
- Limited supply of affordable housing for families with children, students, and military personnel
- Concentrations of minority populations present a need for de-concentration over time

2004 San Diego Regional AI

The City is currently participating in a regional effort involving all 19 jurisdictions in the County to update the AI. The 2004 AI is expected to be completed in the summer of 2004. The preliminary draft AI identifies a number of potential constraints, including:

- Limited availability of outreach and educational materials
- Many small property owners lack knowledge of fair housing laws and landlord rights and responsibilities
- Discrimination against persons with disabilities has become an increasing fair housing concern and the availability of accessible housing for persons with disabilities is limited
- Discrepancies in access to financing by different groups persist
- Lead-based paint hazards often disproportionately affect minorities and families with children
- Collaboration among jurisdictions and fair housing service providers needs improvement, particularly in addressing service gaps
- Inconsistent tracking of fair housing data makes comparison and trend analysis difficult

Affirmatively Furthering Fair Housing

The Fair Housing Council of San Diego (FHCSO) will continue to provide comprehensive fair housing services under a contract with SDHC, which acts on behalf of the City. The programs and services provided will assist the City in meeting its obligation to affirmatively further fair housing. All activities will support the City's ongoing fair housing planning process and the implementation of recommendations as outlined in the 2000 and 2004 AIs.

Services will be offered in the component areas of advocacy, outreach and education, technical training opportunities for members of the housing provider,

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

FHCSO will also maintain and operate a housing mobility counseling program designed to assist families who are receiving federal housing subsidies to reach personal goals and career objectives, emphasizing housing moves to neighborhoods of choice and greater opportunity. Another objective of the housing mobility program is to encourage owners in neighborhoods of greater opportunity to rent to participant families.

5.10 Monitoring

Non-Housing Activities

City of San Diego non-housing programs supported with CPD funds will be monitored to ensure compliance with the respective program requirements of the specific funding source. The City approach to monitoring is an ongoing process involving continuous communication and evaluation with grant recipients (non-profit organizations, other governmental agencies, City departments).

The City performs the following monitoring functions:

- Make available to grant recipients (i.e., non-profit organizations) general information on specific federal funds program requirements (i.e., OMB Circulars, Program Regulations);
- Review all grant recipients reimbursement requests through desk audits to ensure specific program requirements are being met;
- Review and determine eligibility of all applications with specific federal funds criteria; and
- Provide technical assistance to grant recipients in various program areas.

The monitoring process involves frequent telephone contacts, written communications, analysis of reports and audits, desk audits, onsite monitoring, and meetings. The City's goal is to ensure compliance with specific program requirements for the applicable funding source. The primary goal of monitoring is to identify deficiencies and promote corrections in order to improve, reinforce or augment grant recipients' performance. As part of this process, City staff attempt to be alert for the potential of fraud, waste, mismanagement, and/or other opportunities for potential abuse. On an individual basis, identified deficiencies will be corrected through discussion, technical assistance, or in the case of serious infractions the City may seek to impose sanctions.

The City's CDBG Administration will utilize the current program year to provide guidance and technical assistance to City staff to assist individual project managers in their monitoring efforts. Due to the complexity and voluminous regulatory requirements of federal funds; City staff will attempt to educate, train, and work in partnership with grant recipients' and other stakeholders.

Overall purpose of monitoring is to maximize grant performance through identifying efficiencies, developing partnerships with stakeholders, collaboration with various service providers (institutional structures), and providing the greatest amount of services to the citizens of San Diego.

Housing Activities

Housing programs supported with federal funds and subject to the Consolidated Plan will be monitored on a regular basis to ensure compliance with occupancy and affordability requirements. SDHC monitors all of the City's affordable housing supported with federal funds awarded to the City or the Public Housing Authority. In addition, SDHC monitors affordable housing projects that utilize favorable financing provided through the Housing Authority and in many cases the Redevelopment Agency: density bonuses, coastal housing provisions, public land, or senior conditional use permits.

SDHC performs the following monitoring functions:

- Prepares and makes available to housing program participants (i.e. project owners and participating households) any general information regarding income limitations and restrictions which are applicable to the affordable units;
- Reviews and determines eligibility of participating households prior to initial occupancy of affordable units;
- On an annual basis, reviews documentation submitted by project owners in connection with the annual certification process for eligible tenants and owner's compliance with affordable housing restrictions;
- Inspects project books and records pertaining to the incomes and rents of participating households, as the Commission may deem necessary; and
- Notifies project owners of any circumstances of non-compliance of which the Commission becomes aware and takes necessary actions to bring projects into compliance.

SDHC monitors privately owned housing units, public housing, and affordable units provided through the Section 8 program. Affordable housing projects receiving direct funding from the State or Federal government are often monitored solely by those entities.

Section 3 Economic Opportunities

Section 3 of the Housing and Urban Development Act of 1968 states: "To ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very-low income persons."

The City of San Diego makes Section 3 a part of all contracts the City enters into, in which a contractor receives CDBG funds from the City. The contractor is required to document good faith efforts to comply with the terms of Section 3.

5.11 Program Specific Requirements

CDBG Program

The City proposes to fund the projects listed in the “Listing of Proposed Projects” of the Action Plan. They consist of infrastructure improvements, public services, and public facilities improvements as well as economic development activities. These will be funded by CDBG funds designated for FY 2005 as well as reallocated funds from prior years, and program income.

Source of Funds

The City plans to allocate resources as follows:

Program Income

Program Income will be used to support activities similar to the source of activity generating the income.

Surplus from Urban Renewal Settlements

None/Not Applicable

Section 108 Loan Guarantees

The City is currently repaying on the following Section 108 loan guarantees:

- Section 108 - Central Police
- Section 108 - Fire Station 11
- Section 108 - Mercado
- Section 108 - Mid-City Police
- Section 108 - SEDC
- Section 108 - Urban Village
- Section 108 - Vietnam Vets

Grant Funds Returned to the Line of Credit

None/Not Applicable

Income from Float-Funded Activities

None/Not Applicable

Rollover Funds

None/Not Applicable

Geographic Locations

In accordance with San Diego's Balanced Communities Policy, housing assistance will generally be provided throughout the City. Homeownership activities, preservation of at-risk affordable housing, rehabilitation of owner-occupied and rental housing, and mixed-income rental housing acquisition and development will occur in all areas exhibiting need (subject to program guidelines).

The City will pursue development or acquisition of multifamily housing, where most units are restricted by occupant income, in areas with a concentration of 0 - 20.9 percent of low-income households as a first priority; areas with a concentration of 21 - 40.9 percent of low-income households as a second priority; areas with a concentration of 41 - 60.9 percent of low-income as a third priority; and areas with a concentration of 61 percent or more, only as the lowest priority. The City will sanction development and acquisition of such housing under limited circumstances, such as in cases having strong community support or where there is an overriding need that cannot be satisfied in other areas.

The City also has a de-concentration policy, which is aimed at mixing higher and lower income families at public housing sites (with 20 or more units) so that low-income residents do not end up concentrated in any given community. Implementation began in October 2001. The policy applies to both new and current residents. Current residents will be given incentives to move in order to meet the goals of de-concentration, in accordance with HUD final rules.

Contingency Activities (NTE 10%)

None/Not Applicable

Urgent Needs

None/Not Applicable

HOME Program

The HOME program was created under the National Housing Affordability Act of 1990. Under HOME, HUD will award funds to localities on the basis of a formula, which takes into account tightness of the local housing market, inadequate housing, poverty, and housing production costs. Localities must qualify for at least \$500,000 based on HUD's distribution formula, to receive direct allocation of funds, or can apply to the state or combine with adjacent jurisdictions.

HOME Match

The Housing and Community Development Act of 1992 amending the National Affordable Housing Act (NAHA) requires participating jurisdictions (PJ's) to provide matching contributions of 30 percent for HOME funds spend for new construction, 25 percent for the HOME funds spend for other HOME projects. The 1992 Act also reduces a local PJ's matching requirements by 50 percent of a jurisdiction that certifies that it is in severe fiscal distress.

Resale/Recapture Provisions

The participating jurisdiction has elected to continue the previously HUD-approved (March 17 and October 22,1993) first-time homebuyer resale guidelines by following 24 CFR §92.254(a)(5)(ii), commonly called by HUD "Option #2", namely the recapture of the full HOME Investment subsidy amount out of the net sale proceeds. Such recaptured amounts will be recycled through the participating jurisdiction's HOME Investment Trust Fund in order to assist HOME eligible activities, as determined by the San Diego Housing Commission's annual budget process.

Tenant-Based Rental Assistance (TBRA)

The Tenant Based Rental Assistance (TBRA) Program is not presently an active program; however, it may become active at some time during the year. Program guidelines will be as follows:

- The TBRA Program, if activated, will provide rental assistance to low-income households with special needs. "Special needs" is defined as those individuals with HIV/AIDS and/or other terminal illnesses; the frail elderly; persons with disabilities (e.g. a physical, mental or emotional impairment of long-continued duration); victims of domestic violence; homeless youth; and other groups that are either homeless or at high risk of being homeless if rental assistance is not obtained.
- Rental assistance will be provided to participating households who earn less than 60 percent of the MFI at the time of eligibility. Households will be screened for income eligibility as well as verification of "special needs" provided by participating social service providers.
- Households participating in the TBRA Program can be referred by government or nonprofit social service agencies assisting the "special needs" population.
- Participating households whose names are on the San Diego Housing Commission's Waiting List and receive TBRA will not lose assigned federal preferences or "Waiting List" status. As required by HOME regulations, at least 50 percent of the households receiving TBRA must qualify for a federal preference.

- Households whose income increases to more than 80 percent of the MFI prior to the expiration of the lease, will be notified that rental assistance will be terminated ninety (90) days from notice of income increase or expiration of the current lease, whichever comes first. In the event an eligible family becomes ineligible (e.g. the qualifying “special needs” participant dies), the family may receive continued assistance for up to one hundred and twenty (120) days or the expiration of the lease, whichever comes first.
- TBRA for eligible participants will be provided on a yearly basis and may be extended for additional yearly terms. Participants will enter into a one year lease with the property owner and that lease may be ended upon mutual consent of the participant and the owner. Additionally, SDHC will execute a housing assistance payment contract with the owner that matches the term of the participant’s lease.
- The TBRA Program may only be used within the legal boundaries of the City of San Diego.
- The rent levels of TBRA will be calculated in the same manner as the HUD Voucher Program. The subsidy cannot exceed the difference between 30 percent of a families’ adjusted monthly income and the rent level. At no time will a family’s portion of the rent be less than \$100 per month.
- Units occupied by TBRA tenants must pass HUD Housing Quality Standards and rent reasonableness.
- TBRA participants may pay market rate security deposits. Additionally, there will be no provisions for rental property owners to make claims for vacancy loss, unpaid rent or damages.

Other Forms of Investment

None/Not Applicable

Affirmative Marketing

Owners of all HOME-assisted properties must comply with the City's Affirmative Marketing Policy as follows:

1. When advertising a unit, the owner will solicit applications in accordance with fair housing law.
2. When advertising assistance for first-time home buyers, the lender will solicit applications in accordance with fair housing law.

3. The owner/lender will utilize various community contacts in order to solicit applications from a wide range of potentially eligible persons. These contacts may include, but not be limited to:
 - A list of community based organizations, provided by the Equal Opportunity Office of SDHC;
 - Social service providers;
 - City-wide newspapers;
 - Community and minority newspapers;
 - Minority radio stations;
 - San Diego employers; and
 - HUD-approved homebuying counseling agencies.
4. The owner/lender will use the fair housing logo or slogan in all advertisements.
5. The owner/lender will post the fair housing logo in the applicable rental office or lending institution that is receiving HOME assistance.
6. The owner/lender will provide fair housing information to potential tenants and homebuyers at pre-application briefings.
7. The owner/lender will document all efforts to meet the requirements of this policy and will submit documentation to SDHC's Equal Opportunity Office during its annual review of the project or when requested. If during that review, SDHC finds that the owner has not complied, then it will recommend corrective actions to be monitored by SDHC's Equal Opportunity Office Enterprise Community Programs.

Minority/Women's Business Outreach

Staff conducts a variety of outreach efforts to ensure the participation of minority and women's businesses. Examples of some of these efforts include:

1. Utilizing the CalTrans electronic bulletin board system to locate prospective DVBE/DBE bidders for all major solicitations;
2. Advertising all major bids in targeted minority and women- focused newspapers;
3. Placing a major portion of formal RFP/RFQ/IFBs in the bid room at the Contracting
4. Opportunity Center for increased access by small businesses;
5. Contacting minority organizations such as the Latino Builders Association, Black
6. Contractors Association and Women in Construction Association to make them aware of contracting opportunities; and
7. Contracting with a Temporary Employment Agency to assist with employment and training opportunities for Section 3 area residents.

Additional efforts are made throughout the year depending on available opportunities.

Refinancing

This Consolidated Plan includes the HOME Investment Partnerships Program (HOME). Under certain circumstances HOME allows the use of HOME funds for refinancing. However, the HUD regulations, at 24 CFR 92.206(b), require that "Refinancing Guidelines" be included in the local participating jurisdiction's Consolidated Plan. Subject to certain HUD requirements, the local participating jurisdiction designs its own "Refinancing Guidelines", and includes these guidelines in the Consolidated Plan for public input and HUD review/approval.

The HOME regulations, at 24 CFR 92.206(b), allow HOME funds to pay "the cost to refinance existing debt secured by housing that is being rehabilitated with HOME funds:

1. *For single family (1 to 4 family) owner-occupied housing when lending HOME funds to rehabilitate the housing, if the refinancing is necessary to reduce the overall housing costs to the borrower and make the housing more affordable;*
2. *For multifamily projects, when lending HOME funds to rehabilitate the units if refinancing is necessary to permit or continue affordability under 24 CFR 92.252. The Participating Jurisdiction must establish refinancing guidelines and state them in its consolidated plan."*

The HUD Los Angeles Area Office staff has orally confirmed that HUD's intent in the above-stated 24 CFR 92.206(b) reference to "the cost to refinance existing debt" is not simply to use HOME funds to pay for the lender's costs and fees associated with a refinancing, but also to pay for the refunding in replacing the existing debt with new debt.

The proposed "Refinancing Guidelines" below describe the conditions under which the City of San Diego, through SDHC, will use HOME funds in any project proposing to refinance existing debt on a multifamily housing property.

1. **NOT FOR SINGLE-FAMILY HOUSING:** Although HUD HOME regulations allow HOME funds for refinancing in connection with "single family (one to four family) housing", SDHC staff is proposing that HOME funds to refinance may only be allowed in connection with multifamily housing projects; refinancing may not be allowed with single family housing; HUD defines "single family housing" as one to four units.
2. **"HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG".** (This is a HOME regulations requirement, at 24 CFR 92.206(b)(2)(vi)).
3. **HOME funds may not be used to refinance properties that previously received HOME funding.** This is a HOME regulations requirement. It is stated, at 24 CFR 92.214(a)(7), that HOME funds may not be used to provide HOME assistance (beyond one year after project completion) to a project previously assisted with HOME funds during the period of affordability established in the original written agreement.

4. **Use of HOME funds for refinancing will only be allowed in multifamily projects, which are proposed to be rehabilitated with HOME funds.** This is a HOME regulations requirement. It is stated, at 24 CFR 92.206(b), that HOME funds may be used to pay "the cost to refinance existing debt secured by housing that is being rehabilitated with HOME funds" (emphasis added).
5. **The refinancing must be necessary to permit or continue affordability** under HOME regulations at 24 CFR 92.252 ("Qualification As Affordable Housing: Rental Housing"). The purpose of the refinancing must be to maintain current affordability and/or create additional affordable units. This is a HOME regulations requirement at 24 CFR 92.206(b)(2).
6. **The new investment of HOME funds for refinancing can be made either to maintain current affordable units, or to create additional affordable units.** Levels of affordability will be, at a minimum, those required by the HOME Program regulations. This guideline is a HOME regulations requirement, at 24 CFR 92.206(b)(2)(iii), the Guidelines must "state whether the new investment is being made to maintain current affordable units, create additional affordable units, or both."

For those projects which currently have affordable (non HOME-funded) Housing Commission-restricted units and which may seek to use HOME Program "Refinancing With Rehabilitation" the requirement to "maintain current affordable units or create additional affordable units" may also be met by increasing the project's current affordability level. For example an increased affordability level may be achieved:

1. by lowering the existing rent restrictions;
2. by increasing the number of affordable/restricted units;
3. by extending the term of existing affordability restrictions; or
4. by a combination thereof.

The level of additional affordability (if any) will be determined in the context of overall financial feasibility of each financing.

7. **Regardless of the amount of HOME funds invested, the minimum affordability period shall be at least 15 years.** This is a HOME regulations requirement at 24 CFR 92.206(b)(2) and by 24 CFR 92.206(b)(2)(iv), (HOME normally requires minimum affordability periods: under \$15,000/unit = 5 years; \$15,000-\$40,000/unit = 10 years; over \$40,000/unit = 15 years; new construction = 20 years).
8. **The investment of HOME funds, for refinancing will be allowed jurisdiction-wide.** Eligible properties must be **located in the City of San Diego.** This is a HOME regulations requirement at 24 CFR 92.206(b)(2)(v), which requires the guidelines to specify whether the investment of HOME funds, for refinancing, will be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy.

Emergency Shelter Grant (ESG) Program

The ESG Program provides for the following types of activities within the City of San Diego:

Administrative Costs (up to 5 percent of the grant) may be spent for administering the grant. Eligible administrative costs include staff to operate the ESG program, preparation of progress reports, audits, and monitoring of sub-recipients.

Essential Services (not more than 30 percent of the annual grant allocation) addresses the needs of homeless persons living on the street, in emergency shelter, and/or in transitional housing. Essential services can address the immediate needs of the homeless, and can enable homeless persons become more independent and to secure permanent housing.

Homeless Prevention Activities (not more than 30 percent of the annual grant allocation) allow for a broad array of financial assistance and supportive services that can be provided to help prevent persons from becoming homeless. Homeless prevention means activities or programs designed to prevent the incidence of homelessness.

Operational Costs (not more than 10 percent of the annual grant allocation, with the exception of staff salaries for security and maintenance) may be used for costs to cover a broad array of emergency shelter and transitional housing operating costs. Costs include but are not limited to shelter maintenance, operation, rent, repairs, security, equipment, insurance, utilities, and other expenses.

Renovation, Rehabilitation or Conversion of buildings to be used as emergency shelters. Conversion is a change in the use of a building to an emergency shelter for the homeless, where the cost of conversion and any rehabilitation costs exceed 75 percent of the value of the building after conversion (must be used as a shelter for at least 10 years). Major Rehabilitation involves in excess of 75 percent of the value of the building before rehabilitation (must be used as a shelter for at least 10 years). Renovation involves rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation (must be used as a shelter for at least 3 years).

Process and Criteria for Awarding Grant Funds

The City solicits proposals from non-profit care providers to participate in the ESG Program. Submitted proposals adhered to HUD Federal Register 24 CFR Part 576, which pertain to the ESG Program. Additionally, the proposals contained the following information: program description, general need statement for emergency shelter grant assistance program objectives identifying use of funds tied to program, desired program outcomes and a quarterly basis, proposed budget which includes essential supportive service costs, operation and maintenance costs, capital costs, and evidence of supplement funding.

The City currently distributes ESG funds directly to the following homeless service providers:

- Alpha Project for the Homeless - Neil Good Day Center
- Catholic Charities - Rachel's Night Center
- City of San Diego - Winter Homeless Shelter
- Ecumenical Council of San Diego - El Nido Transitional Living
- Ecumenical Council of San Diego - Rotational Shelter
- Sanctuary - Domestic Violence Transitional Housing
- San Diego Youth and Community Services - Take Wing Transitional Living
- St. Vincent De Paul Village, Inc. - Short Term Shelter Program
- Source and Amount of Matching Funds

The service provider's submit evidence of matching funds from governmental, private, or non-profit entities in order to qualify for funding under the ESG Program.

The City is also committed to matching resources for the ESG Program in the areas of staff time, volunteer services, and donated material and equipment.

HOPWA Program

Relation of Proposed Activities to Urgent Needs

The *San Diego Countywide Strategic HIV/AIDS Housing Plan* provides a framework for assessing and planning for the housing and housing related support service needs of persons living with HIV/AIDS and their families. Given the dynamic nature of the HIV disease and the uncertainty of government funding in the future, the needs of persons living with HIV/AIDS and the most appropriate strategies to meet those needs must be reassessed regularly. This plan is to be built upon, revised, and expanded as the current objectives are met and new gaps and needs emerge.

Program staff has had to work diligently with community based organizations, government agencies and developers to establish adequate housing and support services for people living with HIV/AIDS. HOPWA staff has also established a subcommittee of the Joint City/County HIV Housing Committee to review the priorities set forth in the 1999 *San Diego Countywide HIV Strategic Housing Plan* to develop funding priorities for FY 2005.

The funding available for HOPWA eligible projects in FY 2005 is as follows:

- Contract Savings (rolled over) From FY 2002-2003 \$75,574
 - Rolled over from 2003-2004 \$409,224
 - Program funds from HUD 2003 Allocation of \$2,671,000 \$2,403,900
- TOTAL \$2,888,698**

The available funds for FY 2005 are estimated to be \$2,888,698. The subcommittee included members of other HIV planning groups, affordable housing developers, service providers, and consumer services. The funding priorities established and adopted by the County of San Diego, Department of Housing and Community Development are:

It should be noted that the long-term rental assistance is a set aside for the HOPWA tenant-based rental assistance program operated by the San Diego Housing Authority and the technical assistance funds are targeted to updating of the *San Diego Countywide Strategic HIV/AIDS Housing Plan*.

Service Category/Activity	Proposed Allocation	Percentage	Service Level
Rental Assistance - (Long Term)	\$1,173,829	41%	80 households with TBRA; 107 households with emergency housing plus self sufficiency classes
Supportive Service	\$482,259	17%	360 households moved into other housing; 100 individuals intensive case management and substance abuse counseling with at least 65% being ex-offenders; 25 households receiving residential services coordination assistance at two affordable housing projects; 246 people assisted in the return to work program
Operating Costs	\$747,410	26%	53 group home beds; 20 RCFCI beds: 10 clean and sober beds; operating costs for one permanent housing project of 8 units all serving HIV/AIDS households
Information & Referral	\$75,913	3%	Provides housing and information referral to over 11,000 duplicated individuals with approximately one fourth unduplicated
Acquisition, Rehabilitation & Development	\$409,224	14%	To fund one or more affordable housing projects with set aside units for households with HIV/AIDS or creation of additional group home beds or SRO's
Total	\$2,888,698	100%	

Strategies

Within the continuum of housing and services for residents in the San Diego Region, two urgent gaps have been identified:

- **Affordable Permanent Housing Units:** with a 1 percent vacancy rate in the County and market rents on the rise there is a critical need for affordable housing.
- **Emergency Housing:** There is a need for both facility-based and hotel/motel vouchers to aid those who are homeless and in urgent need of shelter.

There is a need for improving coordination and collaboration at every level in the systems of funding and delivery of medical, social, housing, job training, mental health and chemical dependency services. The best quality and most cost-effective care and can be obtained by close coordination and collaboration with other HIV/AIDS funding sources. To that end, discussions have begun with the Office of AIDS Coordination in the County of San Diego Health and Human Services Agency to manage the HOPWA entitlement grant along with the Ryan White CARE Act grant. The County Department of Housing and Community Development staff already serves on many joint committees for priority setting and service delivery.

Method of Selecting Sponsors

Given the dynamic nature of the HIV/AIDS diseases and the uncertainty of future federal funding, the needs of persons living with HIV/AIDS and the most appropriate strategies to meet those needs must be revisited regularly. The County Department of Housing and Community Development (HCD) utilize Housing Opportunities for Persons with AIDS (HOPWA) funds to implement the *San Diego Countywide Strategic HIV/AIDS Housing Plan*. The Action Plan for the use of HOPWA funds in FY 2005 is incorporated into the Annual Funding Plan for the Urban County as well as in that of the City of San Diego.

Using the priorities identified above, the HOPWA formula grant program will provide funding for the following activities for low-income persons living with HIV/AIDS (PLWAs) and their families in San Diego County:

Activities and Programs

- Transitional group housing (51 beds)
- Intensive case management (serves approximately 100 individuals per year with up to six months inpatient drug rehabilitation, up to six months of transitional housing with support services, and one-time security deposit on a permanent housing unit with up to six months of additional support services).
- Long-term scattered site housing (tenant-based rental assistance for up to 80 households)
- Acquisition/rehabilitation project-based and independent housing

- Information and referral services (serves approximately 11,000 consumers per year)
- Moving services (serves approximately 360 households per year)
- Residential services coordination (provides supportive services at one 21-unit permanent housing project).
- Employment support project (provides approximately 36 seminars and 170 clients per year)
- Residential care facility for the chronically ill (RCFCI 20 beds)
- Transitional group home for recovering addicts (10 beds)
- Continued development of permanent housing units
- Updating of the *San Diego Countywide Strategic HIV/AIDS Housing Plan* originally approved in October 1999

Public and Private Sector Resources

The following community-based and county agencies provide housing and supportive services for HOPWA eligible individuals and their families:

- AIDS Case Management, County of San Diego Health & Human Services Agency
- Being Alive San Diego, Inc.
- Community HousingWorks, Inc. (formerly Community Housing of North County)
- Fraternity House, Inc.
- San Diego County Department of Housing and Community Development
- PACTO Latino AIDS Organization, Inc.
- St. Vincent de Paul Village, Inc.
- Southern California Housing Development Corporation, Inc.
- Stepping Stone of San Diego, Inc.
- Townspeople, Inc.
- Center for Support and Education, Inc.
- Family Health Centers. Inc.

The ability to fund these programs is based upon projections of prior years' applications for funds. Final funding recommendations will be adopted in late May 2004.

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*Appendix A:
Housing and Community Development
Needs Survey and Results*

RESIDENTS SURVEY – HOW WOULD YOU INVEST \$30 MILLION?

The City of San Diego receives approximately \$30 million in federal funds each year for housing and community development projects. The San Diego Housing Commission wants you to have a voice in how the City invests this money. Please assist us by filling out this survey.

As you fill-out this survey, please consider the following: 1) Consider the needs in your community and how they can be improved; 2) Rate the need level for each of the following items and circle the one that best applies.

Please provide your ZIP CODE _____

Using the range from 1 - 4, 1 indicates the lowest need, 4 indicates the highest need.

Community Facilities	Lowest				Highest	Community Services	Lowest				Highest
Senior Centers	1	2	3	4		Senior Activities	1	2	3	4	
Youth Centers	1	2	3	4		Youth Activities	1	2	3	4	
Child Care Centers	1	2	3	4		Child Care Services	1	2	3	4	
Park & Recreational Facilities	1	2	3	4		Transportation Services	1	2	3	4	
Health Care Facilities	1	2	3	4		Anti-Crime Programs	1	2	3	4	
Community Centers	1	2	3	4		Health Services	1	2	3	4	
Fire Stations & Equipment	1	2	3	4		Mental Health Services	1	2	3	4	
Libraries	1	2	3	4		Legal Services	1	2	3	4	
Infrastructure	Lowest				Highest	Neighborhood Services	Lowest				Highest
Drainage Improvement	1	2	3	4		Tree Planting	1	2	3	4	
Water/Sewer Improvement	1	2	3	4		Trash & Debris Removal	1	2	3	4	
Street/Alley Improvement	1	2	3	4		Graffiti Removal	1	2	3	4	
Street Lighting	1	2	3	4		Code Enforcement	1	2	3	4	
Sidewalk Improvements	1	2	3	4		Parking Facilities	1	2	3	4	
						Cleanup of Abandoned Lots and Buildings	1	2	3	4	
Special Needs Services	Lowest				Highest	Businesses & Jobs	Lowest				Highest
Centers/Services for Disabled	1	2	3	4		Start-up Business Assistance	1	2	3	4	
Accessibility Improvements	1	2	3	4		Small Business Loans	1	2	3	4	
Domestic Violence Services	1	2	3	4		Job Creation/Retention	1	2	3	4	
Substance Abuse Services	1	2	3	4		Employment Training	1	2	3	4	
Homeless Shelters/ Services	1	2	3	4		Commercial/Industrial Rehabilitation	1	2	3	4	
HIV/AIDS Centers & Services	1	2	3	4		Façade Improvements	1	2	3	4	
Neglected/Abuse Children Center and Services	1	2	3	4		Business Mentoring	1	2	3	4	

Please see back →

Housing	Lowest			Highest
ADA Improvements	1	2	3	4
Ownership Housing Rehabilitation	1	2	3	4
Rental Housing Rehabilitation	1	2	3	4
Homeownership Assistance	1	2	3	4
Affordable Rental Housing	1	2	3	4
Housing for Disabled	1	2	3	4
Senior Housing	1	2	3	4
Housing for Large Families	1	2	3	4
Fair Housing Services	1	2	3	4
Lead-Based Paint Test/Abatement	1	2	3	4
Energy Efficient Improvements	1	2	3	4

Please write in any needs not listed above:

Please return surveys to:

**Rob Albrecht
San Diego Housing Commission
1625 Newton Avenue
San Diego, CA 92113**

Encuesta Residencial - Como Invertiría Usted \$30 Millón?

La Ciudad de San Diego recibe aproximadamente \$30 millón en fondos federales cada año para proyectos en desarrollo de viviendas y comunidades. La comisión de San Diego quiere que usted nos diga como mejor invertir este dinero. Por favor asistanos llenando esta encuesta.

Cuando comience a llenar esta encuesta por favor considere lo siguiente: 1) Considere las necesidades de su comunidad y como pueden ser mejoradas; 2) Valore en nivel de necesidad de cada uno de los siguientes puntos y circule el que mejor aplique.

Pro favor facilite su Código Postal _____.

Usando el rango de 1-4, 1 indica lo menos necesitado, 4 indica lo mas necesitado.

Lugares Comunitarios	Bajo				Alto	Servicios Comunitarios	Bajo				Alto
Centros para Personas Mayores	1	2	3	4		Actividades para Personas Mayores	1	2	3	4	
Centros para Jóvenes	1	2	3	4		Actividades para Jóvenes	1	2	3	4	
Centros para el cuidado de niños	1	2	3	4		Servicios de cuidado para niños	1	2	3	4	
Locales de Recreación y Parques	1	2	3	4		Servicios de Transportación	1	2	3	4	
Locales para el cuidado de salud	1	2	3	4		Programas de Anti-Crimen	1	2	3	4	
Centros para la Comunidad	1	2	3	4		Servicios de Salude	1	2	3	4	
Estaciones de Bomberos y Equipo	1	2	3	4		Servicios de Salude Mental	1	2	3	4	
Biblioteca	1	2	3	4		Servicios Legales	1	2	3	4	
Infraestructura	Bajo				Alto	Servicios de Vecindario	Bajo				Alto
Mejoría de desagüe	1	2	3	4		Sembrar Arboles	1	2	3	4	
Mejoría de agua/cloaca	1	2	3	4		Remover basura y detrito	1	2	3	4	
Mejoría de calle/callejon	1	2	3	4		Remover Graffiti	1	2	3	4	
Iluminación de calle	1	2	3	4		Enforzar Códigos	1	2	3	4	
Mejoría de acera	1	2	3	4		Locales de Parqueo	1	2	3	4	
						Limpiar Lotes y Edificios Abandonados.	1	2	3	4	

Servicios Para Necesidades Especiales	Bajo				Alto	Negocios y Trabajos	Bajo				Alto
	1	2	3	4	1		2	3	4		
Centros/Servicios par personas inválidas	1	2	3	4		Asistencia en Comenzar un Negocio	1	2	3	4	
Mejoría de Accesibilidad	1	2	3	4		Prestamos para PequeZos Negocios	1	2	3	4	
Servicios de Violencia Domestica	1	2	3	4		Retención/Creación de Trabajos	1	2	3	4	
Servicios para Abuso de Substancia	1	2	3	4		Entrenamiento de empleado	1	2	3	4	
Servicios de Amparo para Personas sin Hogar	1	2	3	4		Rehabilitación de Comercio/Industrial	1	2	3	4	
Servicios y Centros de HIV/SIDA	1	2	3	4		Mejoría Frontón	1	2	3	4	
Servicios y Centros para NiZos de Negligencia /Abuso	1	2	3	4		Mentor de Negocio	1	2	3	4	

Viviendas	Bajo				Alto
Mejoría de ADA	1	2	3	4	
Rehabilitación para viviendas de propietario	1	2	3	4	
Rehabilitación para viviendas de alquiler	1	2	3	4	
Asistencia para personas interesadas en ser propietarios	1	2	3	4	
Viviendas Económicas de Alquiler	1	2	3	4	
Viviendas para inválidos	1	2	3	4	
Viviendas para Personas Mayores	1	2	3	4	
Albergues para familias grandes	1	2	3	4	
Servicios de Albergues Justos	1	2	3	4	
Examen de pintura basada en plomo/disminución	1	2	3	4	
Mejoría de Energía Eficiente	1	2	3	4	

Por Favor escriba cualquier necesidad que no se encuentre en la lista de arriba.

Rob Albrecht
San Diego Housing Commission
1625 Newton Avenue
San Diego, CA 92113

Survey Results

Housing and Community Development Needs Survey Set A: General Public

Community Facilities	Average Score	Community Services	Average Score
Senior Centers	2.72	Senior Activities	2.65
Youth Centers	3.02	Youth Activities	2.93
Child Care Centers	2.74	Child Care Services	2.69
Park & Recreational Facilities	3.02	Transportation Services	2.81
Health Care Facilities	2.70	Anti-Crime Programs	2.93
Community Centers	2.82	Health Services	2.78
Fire Stations & Equipment	3.25	Mental Health Services	2.74
Libraries	3.12	Legal Services	2.30
Infrastructure	Average Score	Neighborhood Services	Average Score
Drainage Improvement	2.75	Tree Planting	2.55
Water/Sewer Improvement	2.95	Trash & Debris Removal	3.22
Street/Alley Improvement	2.97	Graffiti Removal	3.17
Street Lighting	3.03	Code Enforcement	3.09
Sidewalk Improvements	3.21	Parking Facilities	2.93
		Cleanup of Abandoned Lots and Buildings	3.17
Special Needs Services	Average Score	Businesses & Jobs	Average Score
Centers/Services for Disabled	2.42	Start-up Business Assistance	2.47
Accessibility Improvements	2.44	Small Business Loans	2.51
Domestic Violence Services	2.90	Job Creation/Retention	2.97
Substance Abuse Services	2.84	Employment Training	2.73
Homeless Shelters/ Services	2.81	Commercial/Industrial Rehabilitation	2.52
HIV/AIDS Centers & Services	2.48	Facade Improvements	2.69
Neglected/Abuse Children Center and Services	3.04	Business Mentoring	2.35
Housing	Average Score		Average Score
ADA Improvements	2.30	Senior Housing	2.83
Ownership Housing Rehabilitation	2.65	Housing for Large Families	2.62
Rental Housing Rehabilitation	2.83	Fair Housing Services	2.71
Homeownership Assistance	3.14	Lead-Based Paint Test/Abatement	2.30
Affordable Rental Housing	3.24	Energy Efficient Improvements	2.77
Housing for Disabled	2.67		

*Appendix B:
SF424 Forms
(To be provided with Final Document)*

*Appendix C:
Certifications
(To be provided with Final Document)*

Appendix D:
Listing of Proposed Projects

Applicant/Organization Name

Project Name

1. ACCESS, Inc.	Microenterprise Services
2. The Access Center of San Diego, Inc.	Facility Safety
3. ACCION San Diego	Microlending Program
4. Adams Avenue Business Assoc.	Adams Ave. Revitalization
5. Alliance for African Assistance	Alliance Building Rehab
6. Alliance for African Assistance	Community Economic Dev. Project
7. Alpha Project for the homeless	Take Back the Streets
8. A Way Out	Pending - seek building
9. Azalea Park Neighborhood Assoc.	Azalea Park Neighborhood Project
10. Barrio Station	Barrio Logan Revitalization Project
11. Bayside Community Center	Bayside Expansion Project
12. Bayside Community Center	Linda Vista Housing Counselor Project
13. Bayview Com. Dev. Corp.	Community Revitalization
14. Bayview Com. Dev. Corp.	40th Street Apartments
15. Beach Area Family Health Center	BAFHC Building Drainage System
16. Big Sister League of San Diego	Cottage Rehabilitation
17. Boys & Girls Clubs of Greater San Diego	Clairemont Branch Renovation Project
18. Boys & Girls Clubs of Greater San Diego	Encanto Branch Renovation Project
19. Boys & Girls Clubs of Greater San Diego	Linda Vista Branch Renovation Project
20. Boys & Girls Clubs of Greater San Diego	WJ Oakes Branch Renovation Project
21. Burn Institute	Senior Fire & Burn Prevention Program
22. Business Improvement District Council	Unreinforced Masonry
23. Business Improvement District Council	Property Development Initiative
24. Central Commercial District Revitalization Corp.	Street Amenities Project
25. Center for Community Solutions	Project C.A.L.M.
26. Center for Parent Involvement in Education	Community Technology Link
27. Cepheus Corp.	Multi-Cultural Com. Center
28. Cherokee Point Neighborhood Assoc.	Cherokee Point Skatepark
29. Chinese Consolidated Benevolent Assoc.	Replace Deteriorated Wood Floor
30. Christie's Place	Support Center for Families Living w/ HIV/AIDS
31. City-County Reinvestment Task Force	Small Business Venture Capital Fund
32. City Heights BID/City of San Diego - Storefront Program	Adopt A Block ("La Colonia)
33. City Heights CDC	City Heights Community Tech. Network (CTN)
34. City Heights CDC	Community Energy Efficiency Enterprise
35. City Heights CDC	Rebuild City Heights 2005 - D3
36. City Heights CDC	Rebuild City Heights 2005 - D4
37. City Heights CDC	Rebuild City Heights 2005 - D7
38. City Heights Town Council	A Safe City Heights
39. City Heights Town Council	Landlords & Tenants Working Together
40. City of SD - Com & Econ Dev./Com. Svcs.	Mentor Protégé Program
41. City of SD - Com & Econ Dev./OSB	SIP - Huffman Corridor

Applicant/Organization Name

Project Name

42.	City of SD - Env Svcs/Lead Safe Neighborhoods Program	Lead Safe Neighborhoods Program
43.	City of SD - Park & Rec	Nate's Point Dog Park Accessibility Improvements
44.	City of SD - NCCD	Removal of Barriers to Mobility
45.	City of SD - NCCD	Mitigation of Vacant and/or Dilapidated Bldgs.
46.	City of SD - NCCD	Pro-Active Code Enforcement
47.	City of SD - NCCD	Pro-Active Code Enforcement
48.	City of SD - NCCD	Pro-Active Code Enforcement
49.	City of SD - NCCD	Pro-Active Code Enforcement
50.	City of SD - NCCD	Pro-Active Code Enforcement
51.	City of SD - NCCD - Graffiti Control Prog.	Pro-Active Code Enforcement for Graffiti
52.	City of SD - NCCD - Graffiti Control Prog.	Pro-Active Code Enforcement for Graffiti
53.	Community Housing Works	HomeOwnership Center
54.	Comprehensive Training Systems	Pathways to Business
55.	Diamond Business Improvement District	Diamond Business Enhancement
56.	Diamond Business Improvement District	Huffman Plaza Area Beautification
57.	El Cajon Boulevard Business Improvement Assoc.	Economic Development Program
58.	Elementary Institute of Science	Science and Technology Center - Phase II
59.	Environmental Health Coalition	Lead Hazard Control Program
60.	Euclid Ave. Revitalization Committee and City of SD	Euclid Ave. Capital Improvements
61.	The Fair Housing Council of SD	Fair Housing
62.	The Fair Housing Council of SD	Tenant-Landlord Services Coalition
63.	FOCUS Project, Inc.	Community Beautification
64.	FOCUS Project, Inc.	Tubman Chavez
65.	Gaslamp Quarter Historical Foundation	WH Davis House ADA Renovations
66.	The George G. Glenner Alzheimer Family Centers, Inc.	Alzheimer's Family Centers
67.	Girl Scouts, San Diego Imperial Council, Inc.	ADA Access Connecting Walks/Ramps
68.	Girl Scouts, San Diego Imperial Council, Inc.	Amphitheatre
69.	Greater Golden Hill CDC	GH Housing Opportunities Program
70.	Greater Golden Hill CDC	GH Business Improvement Program
71.	Greater Golden Hill CDC	Golden Hill Revitalization
72.	Gridiron Girls, Inc.	Pigskin Pixies
73.	Housing Our People Economically (HOPE) CDC	Operation Blight Elimination
74.	Indian Human Resource Center	American Indian Culture Center & Museum
75.	Inner City Youth of SD (ICY)	ICY Community Empowerment Center
76.	International Rescue Committee	Microlending Development Project
77.	JAMAA Health Consultants, Inc.	Choices: Achieving Rehabilitation

Applicant/Organization Name**Project Name**

78.	Jewish Family Service of SD	Community Case Management
79.	(Karibu) Center for Social Support & Education (CSSE)	CSSE Expansion
80.	Latino Bldrs Dev. Corp.	Community Dev. Projects
81.	Linda Vista Civic Assoc.	Linda Vista Revitalization
82.	Little Italy Assoc. of SD	Little Italy Streetscape Plan
83.	Live and Let Live Alano Club	Capital Fund Campaign
84.	Local Initiatives Support Corp.	Revitalization Initiative II
85.	Lutheran Social Svcs. of So. Cal.	Home Safety and Security Program
86.	Metropolitan Area Advisory Com. On Anti-Poverty (MAAC)	Homeownership Opportunity Creation
87.	Normal Heights Com. Planning Committee and the City of SD Planning Dept.	Normal Heights Mobility Study
88.	North Park Com. Assoc.	NP Community Park Ballfield Lights
89.	North Park Family Health Center	NPFHC Family Medicine and HIV Expansion Project
90.	North Park Main St.	University Ave. Pedestrian and Signage Improvements
91.	NU View Ministries	NU View of Women Resource Center
92.	The Ocean Beach MainStreet Assoc.	Ocean Beach Commercial Revitalization
93.	Ocean Beach CDC	Neighborhood Revitalization Entry
94.	People for Trees	Community Tree Planting
95.	People for Trees	Urban Forestry Resource Center
96.	Pro Kids	Golf Course Renovation
97.	Rebuilding Together San Diego	Renovation of homes
98.	SD American Indian Health Center	Acquisition of lease for larger facility
99.	SD Center for Children	SDCC Expansion Project
100.	SD Community Housing Corp.	D2 Housing Impact Project
101.	SD Community Housing Corp.	D8 Housing Impact Project
102.	SD Community Housing Corp.	City Heights Housing Impact Proj.
103.	SD Community Housing Corp.	Imperial Ave. Revitalization
104.	SD Contracting Opportunities Center	
105.	SD Family Care (dba Linda Vista Health Care Center)	Community Clinic Expansion
106.	SD Family Care (dba Mid-City Community Clinic)	Community Clinic Expansion
107.	SD County Hispanic Chamber of Commerce	
108.	SD Housing Commission	Affordable Housing Program
109.	SD Housing Commission	Otay Villas
110.	SD Housing Commission	MultiFamily Housing Dev. Program
111.	SD Imperial Counties Labor Council	Accessible Sidewalks Project
112.	SD Imperial Counties Labor Council	Safe Homes Project
113.	The SD LGBT Community Center, Inc.	Renovation of Existing Building
114.	SD Model School Dev. Agency	Model School Project
115.	SD Youth & Com. Svcs.	Storefront - Heating & Air Systems
116.	SD Youth & Com. Svcs.	Take Wing Solar Hot Water System
117.	SD Youth & Com. Svcs.	Y.E.T. - ADA Paving and HVAC

Applicant/Organization Name**Project Name**

118. San Ysidro Business Assoc.	San Ysidro Public Improvements
119. Second Chance	Second Chance Expansion
120. Senior Community Centers	City Heights Project
121. Senior Community Centers	Kitchen Improvement
122. Senior Community Centers	Technology Upgrade
123. Sherman Hts. Community Center Corporation	Capital Improvements Project
124. Sherman Hts. Family Health Center	Sherman Hts. Family Health Center Improvement Project
125. Small Business Development & Intn'l Trade Center at Southwestern College	Sm. Bus. Training and Assistance
126. Sunshine Baseball Organizations Citizen Oversight Committee	Sunshine Bernadini Park Development
127. Supreme Council of the Somali Com. In America	African American Refugee Culture Center
128. SVDP Management (dba Father Joe's Villages)	Village Rehab. Project
129. Townspeople Inc.	Wilson Ave. Apts. - ADA Improvements
130. UnderSea Camp, Inc.	Dormitory Renovation
131. Union of Pan Asian Communities	Seismic Upgrades
132. Union of Pan Asian Communities	Multi-Cultural Economic Dev.
133. University Hts. CDC	CBDO - Core Fund
134. Urban Corps of San Diego	Environ. & Educ. Youth Training Ctr. Development
135. Winning Opportunities for Responsible Contractors	W.O.R.C. Program - Develop a pool of contractors that will be available to bid on city construction projects.
136. World Beat Center	Restoration Phase II
137. YMCA of SD County - Copley Family YMCA Branch	Swimming Pool Renovations
138. YMCA of SD County - Yourth & Family Svcs. Dept.	YMCA Turning Point, Phase II
139. Young Women's Christian Assoc. (YWCA) of SD County	Becky's House II - Construction Project
140. Linda Vista Town Council	Linda Vista Revitalization Project 1B
141. City of SD - Redev. Agency	Barriol Logan Redev. Area - Planning for Expansion

Appendix E:
Affordable Housing Matrix

Assistance Provided by Income Group MFI: Median Family Income	Renters					Owners***				FY2005 Estimates Totals Renters and Homeowners (J)		Consolidated Plan Goals Totals Renters and Homeowners (K)	
	Elderly 1&2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	Others With Special Needs (D)	Total Renters (E)	Existing Home Owners (F)	1st-Time Homebuyers		Total Home Owners (I)	#	%	#	%
							with Children (G)	All Others (H)					
1. Extremely Low-Income (0 to 30% of MFI)	121	102	102	56	381	51	1	2	54	435	39%	2,175	39%
Priority:	H	H	H	H		H	M	M					
2. Low-Income (31 to 50% of MFI)	121	102	102	56	381	129	13	20	162	543	48%	2,715	48%
Priority:	H	H	H	H		H	H	H					
3. Moderate-Income (51 to 80% of MFI)	31	11	11	11	64	39	20	24	83	147	13%	735	13%
Priority:	M	M	M	M		M	H	H					
4. Total Low/Mod Income (lines 1+2+3)	273	215	215	123	826	219	34	46	299	1,125	100%	5,625	100%

Assistance Provided to: **High Priority: 1,019 Households** **Medium Priority: 106 Households**

Assistance by Activity							
Rental Assistance							
Managed Housing**					16		12
Housing Rehab					750	207	
Homebuyers Assistance					80		
Shared Housing	60						

FY2005 Estimates	
#	%
	0%
28	2%
957	85%
80	7%
60	5%
1,125	100%

Consolidated Plan Goals	
#	%
0	0%
140	2%
4,785	85%
400	7%
300	5%
5,625	100%

The Housing Matrix shows the income level and housing categories of those households estimated to be assisted with housing during FY05, as well as the priority associated with that income and housing category.

* Homeless services such as transitional housing not included.
 ** Managed Housing are rental units acquired/rehabed, or constructed, and managed by San Diego Housing Commission and/or CHDOs using HOME funds only. This figure does not include affordable housing units provided using redevelopment funds, Affordable Housing Trust funds, or other funding sources.
 *** First-Time Homebuyer Assistance is typically considered assistance provided to renters.

Housing goals in this table do not include Neighborhood Code Compliance Activities.

*Appendix F:
Proof of Publication
(To be provided with Final Document)*

*Appendix G:
Summary of Public Comments
(To be provided with Final Document)*
