



# Third Program Year CAPER

The CPMP Third Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

## GENERAL

### Executive Summary

Program Year 3 CAPER Executive Summary response:

The City of Oceanside used its allocation of Community Development Block Grant, HOME Investment Partnership and Emergency Shelter Grants Program funds to address issues affecting low- and moderate-income individuals, families and neighborhoods in the City with programs and activities that reflect the National Objectives for Community Planning and Development. Either directly or through partner nonprofit social service agencies the City provided services to youth and seniors, neglected and abused children, battered spouses, homeless families and persons with special needs. Some of the more significant accomplishments during the year were:

- Completion of *La Mision Village* (HOME funds) with 80 two- and three-bedroom units for very low-income families; a community clinic and child development center will open in this mixed-use development in late 2008
- Acquisition of the Cape Cod Village (local funds) to preserve 36 units of age- and rent-restricted apartments for low- and very low-income seniors
- Acquisition of a Section 108 Loan Guarantee of \$3.5 million to aid in construction of Fire Station 7, which serves a predominantly low- and moderate-income area of the City
- Successful completion of the ten-year Calle Montecito Neighborhood Revitalization Strategy Area (NRSA) plan that resulted in improved public safety, increased services for residents through the new Libby Lake Community Center, a community clinic, and a new child development center, and a strong neighborhood association
- Completion of a draft NRSA plan for the very low-income Crown Heights neighborhood
- Participation by the City in the North San Diego County Alliance for Regional Solutions for winter shelter programs; all cities and agencies serving homeless persons and families cooperated in the funding and management of three emergency winter shelter.
- Approval of five single-family rehabilitation loans and twenty-one mobilehome improvement program grants to improve the City's housing stock.

At the same time the City faces continuing issues, especially local foreclosures and declining home prices as a result of the national housing crisis, a growing number of unemployed persons, and the continuing presence of youth gangs in low-income neighborhoods. The City will use its available CPD and local funds to address these

issues and will particularly support projects and activities that address the national goals with specific local goals:

- For Decent Housing, the City looks for projects and activities that address the regional plan for affordable housing, the recommendations in the Affordable Housing Strategy developed by the City in 2004, and the regional plan to eliminate chronic homelessness by 2012.
- For a Suitable Living Environment, the City will look for projects and activities that strengthen family life for low- and moderate-income families and households, and that support positive youth development.
- For Expanded Economic Opportunity, the City will look for projects and activities that improve conditions and offer opportunity for the “working poor.”

## General Questions

### 1. Assessment of the one-year goals and objectives:

- a. Describe the accomplishments in attaining the goals and objectives for the reporting period.

RESPONSE: Detail on accomplishments, outcomes and performance measurements during Program Year (PY) 2007 for Consolidated Plan/Action Plan objectives are provided in Part 2 of the CAPER report and in the IDIS reports, in particular the PR02 Activity Summary Report and PR06 Summary of Consolidated Plan Projects.

- b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.

RESPONSE: Detail on the allocation of funds to Consolidated Plan/Action Plan Objectives during PY 2007 and reports on specific activities funded through the CDBG, HOME/ADDI and ESG programs are shown in Part 2 of the CAPER and in IDIS reports.

- c. If applicable, explain why progress was not made towards meeting the goals and objectives.

RESPONSE: The City of Oceanside, California, continues to make steady progress toward its community development goals and objectives, particularly toward enhancing a suitable living environment for low- and moderate-income residents through improved accessibility and sustainability. Progress toward decent housing, especially with regard to accessibility and affordability, has been severely impacted by the problems in the sub-prime mortgage market and the consequent rapid increase in the number of foreclosures. The tightening of credit standards, while necessary, has resulted in yet one more barrier for moderate-income families to move toward homeownership. Any increases in wages that have come to families have been offset by the rapid increase in the cost of fuel and energy, particularly because Oceanside has a high percentage of persons who work outside the City. The City completed construction in PY 2006 of the mixed-use *La Mision Village*, 80 apartment units for very low-income families, and will explore options for similar projects during PY 2008 and 2009. The City worked with a nonprofit housing developer for the acquisition and rehabilitation of the Cape Cod Senior Village to preserve this 36-unit development as age- and rent-restricted. The City worked with the nonprofit Wakeland Housing Corporation in PY 2007 for the acquisition of the 90-

unit Country Club Apartments, which had long presented problems to the community; rehabilitation of the units will be completed in PY 2008 with new management in place and drug-free / crime-free standards made clear to residents.

Economic opportunity in the City has slowed with the general economic downturn in the nation and throughout southern California, especially with regard to construction and financial services. The increase in energy costs has been another factor limiting consumer spending with a consequent downturn in retail employment. There is an increase in some jobs being created in the City as commercial enterprises, especially distribution centers, take advantage of remaining open space for large facilities. Accessibility to economic opportunity remains hampered for many residents due to limited education and/or limited vocational skills. The City anticipates a steady increase in tourism-related employment, although many of these jobs will be lower-income service sector jobs. Recent reports show that the majority of new jobs being created in the State of California are either for the very low end of the wage scale or the very high end; moderate-income families are facing increased economic demands without consequent increases in income.

Military and defense-related spending is a significant portion of the San Diego region economy, which offers significant opportunities for employment but which also demands education, technical skills and language skills that many new residents lack. Some local industries such as the operators of the San Onofre Nuclear Generating Station have recognized the challenge of an aging workforce; the City will support efforts of these industries to reach out to youth and younger workers to train them as the next generation of workers.

While crime rates continue to drop, the presence and criminal activity of youth gangs in low- and moderate-income neighborhoods remains a concern. One example is continuing activity by youth gangs in the Libby Lake neighborhood to vandalize street lighting in the neighborhood to hide their criminal activity. The City recognizes that dealing with gang-related violence and drug activity are long-term regional issues, and the City is committed to addressing these issues in partnership with law enforcement, social service and educational agencies. The shooting death of an Oceanside police officer in December 2006 galvanized City officials and community organizations to develop more programs of positive youth development and to address gang-related violence with both suppression and prevention programs. In PY 2008 and 2009 the City will emphasize ways to bring various community and neighborhood organizations together for comprehensive approaches to neighborhood crime problems. The City formed the Oceanside Community Safety Partnership (OCSP) to take the lead in coordination of gang-prevention programs and activities. All CDBG-funded youth-serving programs are encouraged to make "positive youth development" a central emphasis of their programs; this will be an evaluation factor for future allocations of funding.

Although Oceanside has a relatively high rate of sales tax return in comparison with neighboring cities, the amount per capita is less than those same cities due to a lack of major commercial enterprises. The City has been able to add a number of significant employers in the past five years, and there is a positive outlook for expanding tourism-related income. As with all local governments in California the City is dependent for funds on a State Legislature that is perennially late in adopting a budget and sometimes capricious in distribution of funds between the state budget and local governments. Priority in the City General Fund budget is given to public safety and infrastructure improvements. The City is often dependent upon state bond funds and outside sources for development of park and recreational facilities.

CDBG funds have proven valuable for renovation of community facilities in low- and moderate-income neighborhoods.

2. Describe the manner in which the recipient would change its program as a result of its experiences.

RESPONSE: The City does not plan any major changes for the next two program years, but staff will more closely monitor activities in two areas. Homeless services and transitional housing programs will be monitored for effectiveness in meeting the goal of returning families to independent, self-sufficient living. Given the continuing decline in CDBG funding, all funding for homeless and homeless prevention services will come from ESG funds, while CDBG funds will be used for emergency services for non-homeless individuals and families. The City will seek further opportunities to develop regional responses to homelessness; North San Diego County jurisdictions and homeless-serving agencies worked together through the Alliance for Regional Solutions during the 2007-2008 winter season for a cooperative approach to emergency shelters. The Alliance planned and adopted a regional winter homeless shelter program that emphasized personal responsibility to overcome homelessness rather than warehousing homeless persons during inclement weather. This successful approach will be duplicated and expanded in PY 2008.

Senior services will be particularly reviewed throughout the PY 2008 and PY 2009 for signs of overlap and duplication, especially with regard to senior nutrition programs and the minor home repair program. Oceanside will consult with other North San Diego County jurisdictions in reviewing services for seniors. Youth-serving programs will be required during the next two program years to show their effectiveness in reducing gang activity and promoting positive youth development, especially in targeted low-income areas of the City.

City staff will spend additional monitoring time during 2008 with subrecipients to explain the HUD performance measurement requirements and ensure that all subrecipient reporting satisfies HUD requirements. Subrecipient report forms have been revised for more efficient entry into the IDIS system. City staff will also work with subrecipients during PY 2008 and PY 2009 to more closely link activities and strategies with performance measurement, such as the monitoring of transitional and emergency housing programs for effectiveness in helping individuals and families become independent and self-sufficient. The City will work with local transitional housing programs to identify ways to track their residents / clients once they have left the programs. City staff will pay close attention to submission of required reporting of Section 3, Fair Housing and Labor Relations activities.

CDBG funding in the next two program years other than for public services or administration will focus on projects that increase access to services for low- and moderate-income residents, and economic development activities that provide job-training opportunities in vocations that lead to living-wage jobs. The City plans to provide funding to community clinics to increase accessibility to services and to programs that provide residents with entry-level training in health care and hospitality industries. Capital funds will also be designated for projects identified in the Crown Heights NRSA plan.

The City adopted one administrative change for the remaining two years of the 2005-2010 Consolidated Plan, and that is to connect the annual CDBG and ESG budgets with the City's two-year budget cycle. Subrecipients that were awarded CDBG or ESG public services funds for PY 2008 will have these grants renewed for PY 2009, conditional upon satisfactory completion of objectives and contract requirements. A citizen advisory body

will review the six-month reports (July 1 through December 31) from PY 2008 subrecipients to determine whether or not to recommend renewal of the grant for a second year. Other CDBG allocations for capital projects and neighborhood revitalization programs will be reviewed separately.

3. Affirmatively Furthering Fair Housing:
  - a. Provide a summary of impediments to fair housing choice.

RESPONSE: The City collaborated with the County of San Diego and other cities on a regional *Analysis of Impediments to Fair Housing (AI)*, which was completed and distributed to cities in February 2005. The AI document has been placed on the City's website for referral by residents. Demographic information suggests that minority populations do not have equal access to housing opportunities throughout the City. The latest estimates (2008) show that Oceanside is now a "no majority population" city, with non-Hispanic whites comprising 48 percent of the total population. Minority populations comprise more than 51% of the population in 6 census tracts in Oceanside; in three of the six census tracts, 51% or more of the households are considered low-income. Recommendations in the 2004 AI for the City of Oceanside are as follows:

*Impediments: Various land use policies, zoning provisions, and development regulations may affect the range of housing choice available. These include:*

- *The Oceanside Zoning Ordinance includes a definition of "family" that could impede fair housing choice.*
- *The Oceanside Zoning Ordinance does not include a density bonus ordinance consistent with state law.*
- *Oceanside has not established procedures for obtaining reasonable accommodation pursuant to ADA.*

*Recommendation: The City should consider amending its policies and regulations to address the various potential impediments identified. As part of the upcoming Housing Element update, the City will be required to evaluate the above potential impediments, and mitigate if necessary and feasible, in order to comply with the State Housing Element law regard mitigating constraints to housing development, addressing housing needs of special needs population and providing for a variety of housing for all income groups.*

The impediments and recommendations were taken into consideration during the development of the 2005-2010 Housing Element, which has been reviewed by the State Housing and Community Development Department. Difficulties in completing the Housing Element and processing the document through the state and then local commissions have caused delays in final adoption but the document will be presented to the City Council for adoption during PY 2008.

- b. Identify actions taken to overcome effects of impediments identified.

RESPONSE: The City contracted with the Fair Housing Council of San Diego (FHCSO) to provide fair housing services in PY 2007. The Council investigated 91 complaints from Oceanside residents. FHCSO made appropriate fair housing referrals in 12 of the complaints and provided in-house counseling in 40 cases; six complaints went to conciliation and four remain open. Twenty-five cases had to do with tenant/landlord issues; these were screened for in-place tenant discrimination and then referred to

other resources. A summary of the Fair Housing Council's activity in Oceanside during the year is included in the appendices. Staff from the Fair Housing Council have regular office hours at the Libby Lake Community Center and are available through the Neighborhood Services Department. A Housing Program Manager in the Neighborhood Services Department – Housing Division is assigned to fair housing issues in the City.

FHCS staff conducted training during the year for the City's "Crime-Free Multi-Family Program" as part of their contract with the City. The Fair Housing component of this program informs landlords of their responsibilities under federal and state fair housing laws. The program stresses that actions that impede fair housing choice may result in large damage claims; such actions are also bad business practices in that they limit the market of available tenants.

The City recognizes the limited amount of fully-accessible housing that is available to persons with disabilities, whether the person is dealing with physical, mental or emotional disabilities. The City also recognizes this as a regional issue, and cooperates with local agencies located in other cities that provide services for Oceanside residents, and supporting Oceanside agencies that provide services for persons from throughout the County. The City has used CDBG and local funds to eliminate barriers by installing ramps at intersections, providing ADA-compliant signage at City facilities and offering programs at recreation centers that serve persons with disabilities. The latest example is the San Luis Rey River Recreational Trail designed to go from the Oceanside Harbor east to the City limits and beyond. This trail is fully accessible and provides outdoor recreational opportunities for all residents of the City. The City will continue to identify ways by which it can offer reasonable accommodation for all persons with disabilities. City staff monitor for Section 504 compliance at all facilities offering programs or services funded in whole or in part with CDBG funds. When monitoring indicates necessary changes to the facility the City has worked with the agency to complete modifications, as with the installation of automatic door switches at the Oceanside Boys and Girls Club.

The City conducted or supported homebuyer classes for applicants for the City's First-time Homebuyer's Program. This class stressed that potential purchasers should be aware of discriminatory practices and contact the City of Oceanside's Fair Housing Officer should they have suspicions of any Fair Housing Choice violations that would deny them the ability to purchase a home in the neighborhood of their choice.

The City of Oceanside requires all developers to sign a Voluntary Affirmative Marketing Agreement (VAMA) with the Building Industry Association of San Diego County. The VAMA program requires developers to conduct business in a nondiscriminatory manner in the sale or rental of housing units.

The City of Oceanside is a member of the San Diego County Fair Housing Resource Board. Neighborhood Services Department staff attend monthly meeting of this organization, which includes fair housing non-profits, member cities, and interested citizens seeking to further the cause and objectives of fair housing opportunity. In May 2007 this Board began planning for a new five-year Analysis of Impediments; an RFP for development of the 2010-2015 AI will be issued in PY 2008. The City will actively participate in development of the 2010-2015 Analysis of Impediments.

The City of Oceanside administers four neighborhood resource centers in low- and moderate-income neighborhoods. All centers provide fair housing literature and act as referral stations for fair housing problems. Information in English and Spanish on fair housing laws is available in the lobby of the Neighborhood Services Department

offices. The City Council adopts a resolution in April each year recognizing Fair Housing Month that calls on all citizens to support fair housing for all residents.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

RESPONSE: The City promotes collaboration and partnerships among the nonprofit service providers through biannual meetings under three headings: youth programs, senior services, and homeless/emergency services. These meetings have been instrumental in sharing resources and developing common outreach activities. The City has encouraged nonprofit service providers to develop marketing and public information programs as a means to garner support in the community, including volunteers, in-kind donations, and financial contributions. The Neighborhood Services Department works to link individuals and organizations that want to volunteer for projects with volunteer coordinators at various social service agencies. This linkage of projects and volunteer resources has been at minor cost in staff time to the City but has produced major savings to agencies. The City promotes development of long-term relationships between agencies and groups providing volunteers.

The City recognizes that education is primary for persons to become positive members of society and to succeed in life; limited academic achievement and early drop-out from school is a common factor in teen pregnancy, involvement in youth gangs and limited job opportunities. The City thus actively supports programs of the Oceanside and Vista Unified School Districts, which together serve the majority of Oceanside students, in programs to ensure that all students graduate from high school. To this end the City supports tutoring, literacy and mentoring programs, provides homework assistance through the Oceanside Public Library, and offers current computer technology for all residents at the Library and the Community Computer Center. Staff at the City community resource centers and from the City Parks and Recreation Division work with an initiative of the Oceanside School District aimed at helping students who have dropped out of high school return to an Academic Recovery Center to complete requirements for graduation. The program will also assist students identify vocational goals and establish a plan to meet those goals.

5. Leveraging Resources
  - a. Identify progress in obtaining "other" public and private resources to address needs.

RESPONSE: The City encourages local social service, health and other nonprofit agencies to explore ways to collaborate and partner in their programs and in grant applications, both to avoid unnecessary duplication of services and to increase the chances of winning grant awards. The City supports efforts by local agencies to obtain outside funding – public and private – for their programs by providing letters of support and Certificates of Consistency when appropriate. The City actively seeks funding from public and private grantmakers, especially in the area of park development, youth services, law enforcement and violence prevention. The City often provides in-kind support for non-City programs by offering space in resource or recreation centers and other City-owned facilities. The City participates in local and regional collaboratives aimed at sharing resources toward common objectives.

The City Council has provided funds from the City General Fund to some youth-serving organizations to supplement funds the organizations have been able to raise for successful programs directed at youth at risk for delinquency or gang activity. At the same time, the City encourages the recipient organizations to increase their local

fund-raising activity and to develop long-range plans for facilities, programs and staffing.

City staff in various departments have been active in seeking grants for special projects that are outside the General Fund budget, especially for recreation, law enforcement and neighborhood programs. The 2008-2010 General Fund budget includes an appropriation to expand the City's search for federal, state and foundation grants by contracting with a grantwriting firm and that has provided additional income for specific projects. Neighborhood Services Department staff regularly search for potential grants for referral to other departments, and provide assistance and technical support for City staff who write grant applications.

City staff at community resource centers in low-income neighborhoods work with resident associations to develop activities to benefit the neighborhoods, including clean-ups, community gardens, community fairs and other activities. The City has been able by working with neighborhood associations find ways to address local needs without significant expense to either the City or the residents.

- b. How Federal resources from HUD leveraged other public and private resources.

RESPONSE: The City uses HOME funds as part of the funding for housing projects and never as the sole source. Homeownership activities use a combination of HOME funds and CalHOME funds from the State of California Housing and Community Development together with personal funds from purchaser and a primary mortgage from a commercial lending institution. Development of rental housing that will be affordable for very low-income families, whether new construction or acquisition and rehabilitation, uses funds from various sources including HOME, inclusionary housing fees, state bond funds, redevelopment housing "setaside" funds, tax credit financing and local bank investments.

CDBG subrecipients use allocations as matching funds for state or private grants, and to demonstrate to potential donors or grantmakers the City's support of their program. CDBG funds are never the single source of funding for a particular program or agency, although the CDBG grant may be the only public grant received by a subrecipient. Subrecipients must be able to demonstrate to the City that they are able to provide outside funds for the CDBG-funded program; the City monitors subrecipients to ensure that CDBG funds are not used to supplant other funds. At the same time, the City encourages subrecipients to use CDBG funds as matching funds for non-federal grants when appropriate.

When providing funds for capital improvement projects, the City will allocate no more than fifty percent of the total project cost, thus requiring the subrecipient agency to make a significant effort to raise funds for the project. The ability of the agency to raise the additional funds for the project plus demonstrating resources for operation of the program related to the capital improvement project will support the allocation of federal funds to the project.

- c. How matching requirements were satisfied.

RESPONSE: The City has provided matching funds for HOME programs by allocation of local funds from the Redevelopment "housing setaside" funds and the Inclusionary Housing in-lieu fees paid by developers of new housing projects. The City uses CalHome funds in the City's homeownership program, thus using both local and state funds to match federal housing dollars.

Matching funds for the Emergency Shelter Grants (ESG) Program are provided by ESG subrecipients, and detail on this is shown in the IDIS reports. In most cases the ESG matching funds are shown by local contributions – cash, in-kind donations, and volunteer hours – or by space and administrative support provided for the particular ESG activity. No ESG subrecipient has had difficulty in demonstrating the 1-to-1 matching funds requirement. In the case of the Women’s Resource Center (WRC) Transitional Housing Program, the City matches the ESG grant with the rental value of the building, which the City leases to the WRC at no cost in return for the services that WRC provides to the community.

The City provides matching funds when required by other state or federal grants either through General Fund appropriations when a cash match is required, or through in-kind contribution of staff time and administrative support for the specific program. The City evaluates proposals to make sure that the potential benefits of a grant-funded program outweigh the matching fund requirements. The City can also provide match requirements by leasing City-owned facilities to nonprofit agencies at no cost in return for services provided to the community. Examples of such leases are the YMCA Oz North Coast Shelter for runaway and homeless youth, and space in community resource centers for afterschool programs managed by North County Lifeline and the Oceanside Boys and Girls Club.

## Managing the Process

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

RESPONSE: The City Council approved the 2005-2010 Consolidated Plan for Housing and Community Development in May 2005 for submission to the HUD – Los Angeles Field Office. The Consolidated Plan and accompanying 2006-07 Action Plan were approved after corrections and additional material were submitted to HUD, and have guided the City during subsequent program years. The City utilized the Consolidated Plan Management Process (CPMP) e-tool for the 2005-2010 ConPlan, PY 2005, 2006 and 2007 Action Plans, and the CAPER for PY 2005 and 2006 to ensure that all submission requirements for the plans and reports were met. The City utilizes presentations to City citizen advisory commissions for suggestions and comments on annual Action Plans and CAPERs, including the Senior, Youth, Parks and Recreation, Community Relations, and Housing Commissions.

City CDBG staff participate actively in quarterly meetings of CDBG coordinators from jurisdictions in San Diego and Imperial Counties; these meetings provide opportunity for sharing of information, updates on new requirements, and suggestions on ways to improve local performance. Senior CPD staff from the HUD – Los Angeles Field Office attend these meetings at least twice a year, and this provides opportunity for mini-training sessions and updates on proposed changes to CPD programs.

City CDBG staff attend training workshops whenever possible, including “Davis Bacon Compliance Training” in May 2005; “HUD Section 108 Loan Guarantee Program” training course in May, 2006; and “CPD Performance Measurement Training” in August 2006. City staff are familiar with the HUD web site and LAFO web site, and use the IDIS web pages and Technical Assistance Unit to remain current on changes and updates to IDIS version 10.0. City staff regularly review IDIS reports and other HUD reports (HOME *Snapshots, Dashboard, etc.*) to remain compliant, especially with regard to timeliness and IDIS data entry. Reports are shared with Department managers and, when appropriate, with elected officials. The City is a member of the National Association of

Housing and Rehabilitation Officials (NAHRO), and Housing Division staff receive the NAHRO e-newsletter and print magazine.

CDBG staff work with City Planning Division staff for HUD environmental requirements, and follow an environmental review process for all CDBG and ESG activities that was established in PY 2005. Planning Division staff now sign off on all CDBG-funded activities to ensure that all environmental requirements are satisfied. City staff reviewed all standard forms (SF 424, Labor Relations forms, etc.) used in the CDBG and ESG programs to ensure that the latest editions are used. Local reporting forms were updated in program year 2007 to include information required for entry into IDIS 10.0 and for performance measurement outcome reporting.

CDBG staff do an annual review with the City Attorney's office of the model public services and capital improvement contracts used with CDBG and ESG subrecipients. This review ensures that contracts are in compliance with City codes and State of California law, and at the same time provides opportunity to update contract language with any changes in HUD regulations.

HUD – Los Angeles field representatives have monitored the City's program and compliance performance, including a monitoring of the City's housing rehabilitation loan and grant program in PY 2006. Plans for monitoring of the City's Supportive Housing Program grant in PY 2007 were delayed until July 2008. No findings have been issued as a result of recent monitoring visits; any concerns that have been raised have been addressed promptly and to the satisfaction of the HUD monitor.

In late PY 2007 the City participated in the ESG Cleanup Project led by Cloudburst Consulting Group. The City was able to correct all improper objective or outcome codes and improper matrix codes by the end of July 2008. With the final drawdown of PY 2007 ESG funds in August 2008 the City will have completed all ESG cleanup actions.

## **Citizen Participation**

1. Provide a summary of citizen comments.

RESPONSE: The draft 2007 CAPER was made available for public review and comment from September 2, 2008, through September 23, 2008, both in print at four different City facilities and on the City's website. A public notice in the *North County Times* on Sunday, August 31, 2008, requested public review and comment on the 2006 CAPER. Members of the Housing, Community Relations, and Parks and Recreation Commissions were invited and encouraged to review and comment upon the document, either directly or at commission meetings in September. City Councilmembers received summary copies of the CAPER for their review and comment. No comments were received on the draft document.

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

RESPONSE: The draft CAPER that was provided for public review included a summary budget showing all federal, state and local funds available for CPD use during program year 2006, amounts committed, expended and drawn down for projects and activities including amounts for planning and program management, and descriptions of all funded activities including sites and target audience. The report on activities, especially those classified as public services, capital improvements and neighborhood revitalization, include target areas by Census tract / block group with accompanying maps to assist reviewers. Demographic information identifying primary areas of minority concentration and primary neighborhoods for low- and moderate-income families and households is also included with the maps. This information is provided in detail in Part II of the CAPER and in IDIS reports, especially the PR03 CDBG Activity Summary Report (GPR).

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

## Institutional Structure

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

RESPONSE: Identified gaps limiting access to housing for low- and moderate-income families include:

- The near-collapse of the for-sale housing industry in the past eighteen months, which has led to a significant number of foreclosures in the City and a severe tightening of credit requirements for would-be first-time homebuyers
- A limited number of private, for-profit developers willing and able to produce affordable housing, and nonprofit developers are facing increased credit restrictions and requirements
- Limited access to equity investment in affordable housing (e.g. tax credits) and State of California financing for affordable housing (e.g. State bonds)
- Limited funding for nonprofit developers willing and able to develop permanent supportive housing for persons with disabilities of any kind
- The increasing cost and declining availability of land for any kind of housing as the region becomes built-out and builders move to more in-fill development

Identified gaps hampering the positive development of suitable living environments and economic opportunity include:

- The general economic decline in the region and the state, with rising unemployment in construction trades and financial services
- Affordable childcare spaces, especially for infants and toddlers
- Continuing criminal and drug-related activity by youth gangs, especially in low-income neighborhoods
- The number of new immigrants who come in with limited education and very limited English language skills
- Limited public transportation for persons who work outside of the City, often requiring 60 to 90 minutes each way for commuting
- The low ratio between the number of jobs in Oceanside and the population of the City, a jobs-housing balance well toward the bottom of cities in San Diego County

- Limited commercial and manufacturing operations in the City, resulting in lower sales tax income to the City in comparison with neighboring cities and thus a more restrictive General Fund budget

The City addresses the identified housing-related gaps by:

- Collaborating with other public and private agencies on regional and state-wide solutions
- Accessing whenever possible state and federal funds for low-income housing and/or housing for specific underserved populations such as disabled veterans, youth again out of the foster care system, etc.
- Supporting nonprofit agencies to access state and/or federal funds for housing for specific populations: Casa de Amparo secured funding from the County of San Diego for transitional housing and supportive services for 24 youth who have aged out of the foster care system; Interfaith Community Services secured Veterans' Administration funds for the acquisition and rehabilitation of rental units for 72 homeless veterans, including veterans with disabilities.
- Providing technical assistance to developers and community-based organizations willing and able to develop affordable housing and public services facilities
- Using available HOME, redevelopment set-aside, and in-lieu fees to acquire land and develop new for-sale and rental housing, including the *La Mision Village* mixed-use rental apartments that opened in PY 2007 and the Libby Lake Village for-sale family homes by Habitat for Humanity with 55-year affordability requirements
- Exploring the option of purchasing multi-family rental buildings for rehabilitation and subsequent rental to low- and very low-income families, with operation and management provided by a nonprofit housing agency, as in the case of Cape Cod Senior Villas, which has been preserved as 36 age- and rent-restricted units, and the Country Club Apartments, which will become drug- and crime-free units.
- Ensuring that all low-income tenants forced to relocate due to condominium conversion activity receive relocation assistance and payment of up to two months rent to enable them to move into another unit. The collapse of the housing market has substantially if not totally stopped such conversion activity.

An affordable housing task force to explore options for increased housing and the best use of accumulated in-lieu fees completed a Comprehensive Affordable Housing Strategy during program year 2004. One primary recommendation is that the City purchase land and work with developers to increase the affordable housing stock in the City, since the cost of land is one of the primary obstacles to development of both rental and for-sale affordable housing. Specific results of the Strategy recommendations in program year 2006 were the beginning of construction of the *La Mision* 80-unit mixed-use development, which opened in PY 2007, and acquisition of another 14-acre property for new mixed-income rental housing (the Mission Avenue property). The City will issue a request for proposals in PY 2008 for development of the Mission Avenue property.

The City addresses community development and economic enhancement gaps by

- Targeting public services funds to organizations and activities that will have the greatest impact on reducing youth gang activity and juvenile delinquency, and promoting positive youth development; effectiveness in these targeted objectives will be a primary factor in the allocation of CDBG funds to youth programs.

- Working with the Oceanside and Vista Unified School Districts to reduce truancy, which is a primary early indicator of delinquent behavior and primary factor in low academic achievement.
- Supporting the expansion of job-training programs for at-risk youth through regional WorkForce Partnership programs, the Transitional Youth Academy and the Trade Tech High School, which will open in PY 2008.
- Supporting development of job-training programs in vocations that will lead to “living-wage” jobs and opportunity for advancement, including health care training programs in local community clinics and a proposed food service and hospitality career program at a transitional living facility.
- Expanding childcare for low- and very-low income families by the development and/or expansion of neighborhood childcare facilities, especially in the Crown Heights Neighborhood. A child development center located at Oceanside High School that served many families in Crown Heights was forced to close due to expansion of facilities at the high school; no replacement center has yet been able to open in the neighborhood.
- Development of the Crown Heights Neighborhood Revitalization program. The draft NRSA plan was submitted to the City in late PY 2007 and will be reviewed by City staff, citizen advisory commissions and other stakeholders before being presented to the City Council in PY 2008.
- Expanding community-based policing activities of the Oceanside Police Department (OPD) through a commitment of officers and a lieutenant to lead such activities in four sectors of the City, based on the number of calls for service rather than population or geography. All OPD officers are expected to implement community-oriented policing techniques.
- Supporting and working with cross-jurisdiction law enforcement teams – local, state and federal - when dealing with youth gangs, drug sales and activity, and human trafficking

The City promotes coordination between assisted housing providers and agencies providing health care, mental health services, and social services through its participation in various local collaboratives and planning councils.

- The City works with and promotes resident associations in the low- and moderate-income neighborhoods throughout the City, including Crown Heights, the Eastside and Libby Lake / Calle Montecito. These associations regularly meet in City community resource centers and advise the City on development of neighborhood revitalization plans and activities such as the S.U.N. one-day neighborhood improvement events. Neighborhood Services Department staff and Oceanside Police Department community-based officers actively participate in the resident associations.
- The SANDAG (San Diego Association of Governments) Affordable Housing Task Force was initiated out of a housing summit organized by the City in Feb. 1999. This task force is educating the general public, business leaders, and government officials about the need for workforce housing. SANDAG completed in 2004 a Regional Comprehensive Plan; this Plan was used as a resource in preparing the City’s 2005-2010 Consolidated Plan and 2005-2010 Housing Element.
- The Regional Task Force on the Homeless, the Regional Continuum of Care Committee, and the FEMA Board meet regularly to address the problem of homelessness and to coordinate the establishment, delivery, and evaluation of

services. These groups review and prepare a regional application for HUD Continuum of Care Program grants including the Supportive Housing Program. A Housing Program Manager from the Neighborhood Services Department attends these meetings. The City Housing Commission has the issue of homelessness as one of its annual workplan concerns and does an annual review of homeless shelters and programs in the City and North County region.

- The City participates in the Regional Shelter Solutions project in North San Diego County, which in PY 2007 brought together all jurisdictions in the region together with nonprofit organizations serving homeless individuals and families to support a comprehensive and jointly-funded winter emergency shelter program. The Department has developed a biannual meeting of all agencies and organizations that provide housing or services for homeless persons and families in Oceanside; this discussion has also set the direction for the City's use of ESG funds and CDBG funds allocated to prevention of homelessness.

Neighborhood Services Department staff participate in various meetings that promote coordination and collaboration, including the regional substance abuse prevention coalition, advisory bodies for the County Health and Human Services Agency, quarterly meetings of CDBG managers from throughout San Diego and Imperial Counties, and similar meetings for FSS and Section 8 program and finance managers. CDBG staff can respond to requests from other City departments and City elected officials who need information about local nonprofit agencies and organizations.

The City encourages all applicants for CDBG funding and all subrecipients to collaborate with other organizations to maximize the utilization of services and to avoid duplication of effort. City agreements with CDBG and ESG subrecipients require that the agencies participate in at least one meeting during the year with other service providers. These meetings are designed to promote collaboration under the general categories of 1) homeless and emergency services for persons in need, 2) senior citizens and persons with disabilities, 3) children and youth, and 4) community development. The informal meetings also provide opportunity for sharing information sharing resources among the different agencies. The 2005-2010 Consolidated Plan makes collaboration an essential part of all CDBG-funded public services, whether by nonprofit agencies or the City.

## Monitoring

1. Describe how and the frequency with which you monitored your activities.

RESPONSE: The City monitors CDBG and ESG subrecipients to evaluate performance with regard to contract objectives, financial reporting and regulatory compliance. Primary objectives are to make sure that subrecipients comply with all regulations governing their administrative, financial, and programmatic operations, including Davis Bacon requirements for capital projects; to make sure that subrecipients achieve their performance objectives within schedule and budget; and to provide technical assistance to subrecipients that are new to the CDBG program or demonstrate difficulty meeting program goals.

- The City does orientation training for all new subrecipients at the beginning of each program year to review obligations under CDBG regulations, including reporting and financial requirements and federal regulations governing the program. City staff work with new subrecipient staff who manage CDBG or ESG programs to ensure that they become familiar with reporting requirements, eligibility of expenditures, and regulations.

- Subrecipients are required to submit reports at six and nine months that are evaluated by CDBG staff for compliance with HUD program and financial requirements. The reports are used to identify potential problem areas that staff may want to explore in greater detail. Submission and approval of reports is required prior to disbursement of funds; a year-end report must be submitted to and approved by the City before a new contract will be issued.
- CDBG staff review reports to ensure that subrecipients are using funds according to the budget and scope of work in the Agreement, and that funds are not used for ineligible activities or purchases. CDBG staff will follow up with subrecipients on any significant variance in expenditures as compared to approved budget, and program reports as compared to goal and objectives.
- CDBG staff provide technical assistance as requested, especially with subrecipients identified as inexperienced with CDBG or other government grant programs, or that have limited management staff.
- The City has distributed copies of OMB Circulars A-110, A-122, and A-133 (all of which are referenced in the City's standard CDBG agreement), and the 2004 edition of *Playing by the Rules* to all subrecipients. A binder with these documents is given to all new subrecipients when their agreement with the City is approved.
- CDBG staff visit new subrecipients within the first six months of a program year and again prior to submission of final or annual reports. Monitoring of most recipients is done during April and May of each program year. During the 2007 program year CDBG staff made site visits to twenty out of twenty-four public service programs and reviewed all capital projects with project managers for progress. When agencies receive CDBG funds from other jurisdictions in addition to the City of Oceanside, joint monitoring visits are made with CDBG staff from those jurisdictions. This joint monitoring has proven valuable both to the agencies that have to prepare for only one visit, and for CDBG staff to exchange or compare information.
- CDBG staff work with capital project subrecipients prior to and during any acquisition, construction or rehabilitation projects. Subrecipients sign additional attachments to the CDBG contract that set forth Davis Bacon and Related Acts labor requirements, City planning and building permit requirements, and guidelines for reporting progress. Subrecipients receiving capital project funding must provide quarterly reports on progress, and CDBG staff make regular monitoring visits during any construction or rehabilitation work.
- City staff participate in the meetings of the San Diego Region CDBG and HOME Program coordinators, which gives opportunity to share information on common subrecipients. This sharing of information also prevents duplication when reporting the activities and benefits of subrecipients that are funded by more than one jurisdiction.
- The CDBG program manager in the Neighborhood Services Department reviews HUD monitoring guidelines to ensure that local monitoring activity meets the same criteria for review of financial and regulatory compliance.

2. Describe the results of your monitoring including any improvements.

RESPONSE: Monitoring visits and other activities during program year 2007 resulted in improved reporting by subrecipients, especially by newer ones that were still learning

CDBG/ESG requirements. Monitoring visits have led to increased cooperation and collaboration among subrecipients, and CDBG staff have been able to pass on names and contact information to subrecipient staff when there appears to be opportunity for partnerships. Monitoring visits in PY 2006 and 2007 demonstrated the inability of one smaller agency to meet financial requirements and will not be recommended for any future funding. The City will continue to work with agencies that are occasionally late in submitting reports or that file incomplete reports.

Staff used the monitoring visits in 2007 to answer questions from subrecipients on the performance measurement expectations from HUD that began in PY 2006. The City wants to ensure that subrecipients understand the impact of the GPRA and OMB expectations on HUD programs, and how these expectations ultimately impact and must be satisfied by local performance measurement and reporting requirements.

Reporting forms and payment request forms for 2007 subrecipients included information needed for IDIS 10.0 and to show how well the subrecipient is meeting performance measurement expectations. Monitoring visits in PY 2008 and PY 2009 will emphasize performance measurement outcomes – availability/accessibility, affordability, and sustainability – for the three National Objectives. Subrecipients that apply for renewal of funding for PY 2009 will be required to include information on outcomes for prior program years as part of their application. This information will assist the review committee and the City Council as they make allocation recommendations and decisions.

Attachments to CDBG contracts for capital projects were revised and expanded during PY 2007 to clarify labor and City building permit requirements, and monitoring of capital projects will be increased in subsequent years for all capital projects. The first monitoring visit for projects involving construction or rehabilitation work will always be prior to any preparation of bids and/or signing of contracts to ensure that federal and City regulations are in place, and the subrecipients fully understand such requirements.

The City took part in the ESG Data Cleanup Program in 2008 and realized that yet additional revisions to report forms for ESG-funded programs will be necessary in PY 2008 to meet IDIS reporting requirements for homeless services. Once revised, City staff will review the forms with ESG subrecipients to ensure that they understand the reporting requirements and how to provide data that can be entered directly into IDIS.

### 3. Self Evaluation

- a. Describe the effect programs have in solving neighborhood and community problems.

RESPONSE: The 2005-2010 Consolidated Plan and annual Action Plans are based on needs and problems of low- and moderate-income individuals, families and neighborhoods. Activities supported with CPD funds must address one or more the identified needs, and must show positive effect on the identified problems. Primary positive effects are seen in the growing number of youth involved in afterschool and summer programs, increased availability of social and health services in low-income neighborhoods, and participation by residents in programs to improve their neighborhoods. Collaboration and partnerships between agencies continues to increase. While the problems of domestic violence, child abuse and homelessness remain as critical issues, CPD-funded activities provide services and shelter to victims and opportunities for homeless families to become independent and self-sufficient. CDBG-funded capital improvement projects improve streets, sidewalks, alleyways and other infrastructure in low-income neighborhoods, while also improving facilities of nonprofit organizations providing childcare, youth programs and other services.

At the same time, the economic downturn and high number of housing foreclosures in the past eighteen months pose major negative impacts to the region and throughout Southern California. This has led to increased demand on social service agencies, especially those providing emergency services. The City Council adopted a very tight General Fund budget with the potential for additional restrictions in the next two fiscal years, which could severely impact community development programs.

- b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

RESPONSE: Affordable housing is a priority need in the community, especially for the very low-income population. The City awarded \$114,682 in grants averaging \$5,700 through the Mobile Home Improvement Program (MHIP) to 21 very low- and extremely low-income owners of mobilehomes to repair their coaches, thus providing improved housing for them. HOME funds were used for construction for the 80-unit *La Mision* mixed- use development, which opened in PY 2007 and will provide affordable rental housing for very low-income families. Local funds are allocated for development of Libby Lake Village by Habitat for Humanity, which will provide 20 for-sale single-family homes that are affordable to for low-income families and which will remain affordable for 55 years. The City will issue a request for proposals for development of a mixed-use project on the 14-acre Mission Avenue property, which will include rental units affordable to very low-income families.

At the same time, the impact of foreclosures and tightening of the credit market has limited access to homeownership opportunities for almost all low-income and most moderate-income families who want to become first-time homebuyers. The number of foreclosures in particular low-income neighborhoods has had a deleterious effect on those neighborhoods, especially when financial institutions are not forthcoming about responsibility for maintenance of the property. The City's Code Enforcement Division works to abate problems at abandoned or foreclosed homes to prevent them from becoming blight in the neighborhood.

Allocations for youth programs and activities are targeted to reduce the impact of youth gangs and deter youth from becoming members of gangs. Cooperative efforts of youth-serving organizations, law enforcement and social service agencies are steadily reducing the effect of gangs in neighborhoods. The City and local school districts will increase activity to reduce truancy, especially among ten- to fifteen-year old students.

Facilities and infrastructure in older low-income neighborhoods are improved each year, although the recent economic downturn in the State of California will restrict funding for improvements in the next two years. The annual Supporting Urban Neighborhoods (S.U.N.) volunteer-based neighborhood improvement project has improved over 150 specific properties and eliminated tons of debris and hazardous waste from CDBG-eligible neighborhoods in the City. CDBG funds were allocated in PY 2007 for development of a master plan for the Joe Balderrama Recreation Center and Park. This plan will be presented to the City Council for review and approval in PY 2008; funding for the project may be very difficult to find in years of tight General Fund budgets. CDBG funds are allocated to agencies to make improvements that ensure compliance with Section 504 requirements and allow easy access for persons with disabilities to programs funded in whole or in part with CDBG funds.

The City allocated capital project funds to the Women's Resource Center for improvements to an emergency shelter for victims of domestic violence, to the TERI

organization for an outdoor recreation area for developmentally-disabled youth and adults, and to Camp Fire USA for improvements to their 50-year-old facility in the very low-income Crown Heights neighborhood.

The City received a HUD \$3.5 million Section 108 Loan Guarantee, which provided approximately one-third of the cost of a new Oceanside Fire Department Station 7; this station serves an area that is over sixty percent low- and moderate-income. The station was completed in late PY 2007 and all loan funds drawn down in June, 2008, following the public sale of notes. The City will repay the loan with future CDBG allocations over the next twenty years. The relocated station has already reduced response time in its area of service by one to three minutes, a significant reduction when seventy percent of calls are for medical emergencies.

- c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.

RESPONSE: See item "b." above and the PR03 CDBG Activity Summary Report on specific activities. All CPD-funded activities and programs are targeted to serve low- and moderate-income individuals, families and neighborhoods. Of the total number of persons and households served by CPD-funded programs and through activities that addressed National Objectives, 90 percent were low- and moderate-income.

- d. Indicate any activities falling behind schedule.

RESPONSE: All PY 2007 funded public services activities were completed on schedule; no public services or general administration activities are carried forward into subsequent program years. Some capital improvement projects funded in PY 2007 were designed as multi-year projects and will be continued into program year 2008, including improvements at the Camp Fire USA Crown Heights facility and at the Ivey Ranch Park Association. Two activities - new sidewalks in the Eastside neighborhood and improvements to the Brooks Street Swim Center – have not yet begun and will be carried forward into PY 2008. CDBG funds allocated for capital improvement projects in the Crown Heights neighborhood are being held until completion of the Crown Heights NRSA Plan, so that projects will address plan objectives. The City will pay closer attention to all future projects funded in whole or in part with CDBG funds to ensure that the project can be completed within a reasonable period of time and not "tie up" CDBG funds that could be used in a more timely manner. Crown Heights Neighborhood Revitalization Strategy Area planning is four months behind schedule; the City intends to complete the plan for submission to HUD during PY 2008 and to fund activities and projects in PY 2009.

- e. Describe how activities and strategies made an impact on identified needs.

RESPONSE: All applications for CPD funding are reviewed to ensure that the activity will make an impact on needs and priorities in the annual Action Plan and are in accord with HUD objectives. Funded activities are monitored to ensure that activities are carried out in accordance with the approved scope of work and performance measurements, especially with regard to balancing demonstrated outcomes (results) against the level of funding – a cost / benefit analysis. The City reviews strategies each year prior to funding new programs, and adapts strategies to meet changing needs and priorities. The City uses benchmarks to demonstrate progress toward goals and objectives, such as reduction in gang activity as demonstrated by crime

statistics, or improvements to low-income neighborhoods as demonstrated by resident satisfaction. In particular the City can see impacts such as

- a consistent increase in the number of children and youth in after school and summer programs (positive youth development);
- an increase in accessibility to health services by low-income families and families without health insurance;
- increased partnerships and collaboration among local nonprofit organizations, and between the City and service providers.

f. Identify indicators that would best describe the results.

RESPONSE: Each CPD-funded activity is reviewed before funding to ensure that it addresses one the three National Objectives, serves an eligible clientele, and meets one of the performance measurement objectives and outcomes. In addition, each activity is evaluated by a specific indicator relevant to the activity, most often being the number of persons or households served. This number is defined based on the activity, so that the indicator relates specifically to the funded program. Thus the indicator for a program serving persons with AIDS is the number of persons with AIDS who are served, and a senior nutrition program is the number of seniors who participate.

The City of Oceanside requires subrecipients to report both the total number of persons served and the number of Oceanside residents. This becomes important when an agency receives CDBG or ESG funds from other jurisdictions in order to prevent duplicate reporting. The City reports Oceanside residents in IDIS statistical reports and the total number of persons served in the narrative sections of IDIS.

The City also asks subrecipients for the results of any pre- and post-testing of persons served to demonstrate program results (impacts). With the steady reduction in CDBG funding over the past five years and a state budget that also reduces funding for social service and health programs, the City will increasingly look at a cost/benefit analysis of programs as part of monitoring and evaluation. Subrecipients will be asked to demonstrate the value of their program as a significant response to community needs and as providing a particular value that is not otherwise available or accessible to residents. The City's objective is to use CDBG funds in the most effective manner and always toward measureable outcomes.

g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

RESPONSE: The primary barrier to fulfilling strategies and achieving the overall vision is the impact of a collapsing housing market and consequent economic downturn. Abandoned and foreclosed homes threaten to become neighborhood blight, and families who hoped to become homeowners are finding this goal becoming yet more difficult to achieve. Rising energy costs and related increases in food costs are further negative impacts on low- and very low-income families, especially since wage earnings are not keeping keep pace with inflation. This has resulted in greater demand for social and health services, especially by very low-income families, without any balancing increase in funding from the state.

The City has been able to increase collaboration among organizations, although the competition for scarce fund is still a barrier to partnerships. The City will continue efforts in PY 2008 and 2009 to achieve greater collaboration in gang prevention and

positive youth development programs, and to reduce any overlap in senior-serving programs. One issue that needs greater attention in PY 2008 and 2009 is the lack of long-term planning for primary issues such as gang prevention, which can require a commitment of program funds for ten to fifteen years for full impact.

- h. Identify whether major goals are on target and discuss reasons for those that are not on target.

RESPONSE: Most community development goals are on target and being addressed by the City and CDBG subrecipients. The City has seen very positive developments through the Calle Montecito and Crown Heights Neighborhood Revitalization Plans, expanded transitional housing and homeless prevention services, and increased services for at-risk youth. The major barrier to further success is the reduced CDBG funding available to the City, combined with budget problems for the State of California which affects the flow of funds to local jurisdictions. This limited funding affects all objectives in the 2005-2010 Consolidated Plan; some have yet to be addressed and will be reviewed during future rounds of CDBG allocation. Particular ones for concern are:

- Supportive housing for homeless persons with mental illness or other disabilities
- Economic opportunities including job-training for very low-income individuals, especially for those with limited education and/or English language skills

Slow progress in addressing low- and moderate-income housing, chronic homelessness, and the continuing presence of youth gangs involved with drug-dealing are regional issues and cannot be addressed by one jurisdiction acting alone. The City does support and participate in regional activities to address these and other issues.

The City's weakest area with regard to community development goals and objectives is that of economic development, especially with regard to job-training programs for persons that will lead to living wage jobs. The City will seek ways to address this particular objective in PY 2008 and 2009, particularly in connection with programs for at-risk youth and individuals and families in transitional living facilities.

- i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

RESPONSE: The City promotes collaboration and partnerships among local social service, community-based and faith-based organizations as a primary way to address local needs and issues more effectively. A demonstrated willingness to collaborate and partner with other agencies is one of the criteria for continued CDBG funding. A second initiative that the City will undertake in future program years is the use of HUD performance measurement tools for monitoring of subrecipients. Youth-serving agencies will be asked to demonstrate how their programs support positive youth development; senior-serving agencies will be asked to show how their program complements other programs in the City.

The City will explore using a cost / benefit analysis as part of monitoring in PY 2008 and 2009, and will ask subrecipients to demonstrate the positive impact of their programs on the community. One related discussion will be whether to target a few programs/subrecipients for significant public services funding or to continue the City's pattern of distributing funds to many organizations. The average CDBG

allocation in PY 2007 was \$12,390 with grants ranging from \$7,500 to \$30,400; prior years show a similar distribution. The City changed its CDBG allocation process to match the City's two-year budget cycle; subrecipients have been told that, conditional upon the availability of funds and satisfactory performance, their PY 2008 grant will be renewed for PY 2009.

## Lead-based Paint

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

RESPONSE: The City places a high priority on addressing lead-based paint hazards. Code enforcement officers identify lead-based paint hazards as part of their on-going code enforcement activities. City Building Division inspectors are alert to units being rehabilitated or remodeled that may contain lead-based paint, and inform owners, tenants and landlords of the dangers of lead-based paint. Homeowners applying for a City-funded rehabilitation loan must have the house inspected for lead hazards prior to approval of the loan, and any hazard detected must be mitigated as part of the rehabilitation project. The City distributes the brochures Protecting Your Family from Lead in Your Home (English and Spanish versions) to all families applying for rehabilitation loans or grants; this is available to interested parties upon request. Other material available on the HUD website can also be distributed to homeowners and landlords. The City has not adopted the HUD "Healthy Homes Initiative," but the requirements for rehabilitation and homeownership programs mirror this HUD program.

In order to address the health risks to young children posed by lead-based paint in residential dwellings, the Neighborhood Services Department – Housing Division has adopted and implemented strict guidelines for its housing and community development programs including Affordable Housing, Rehabilitation, Homeownership, Rental Rehabilitation, and Section 8 Housing Assistance Programs. All Section 8 rental units must be inspected for lead hazards prior to approval of leases. Lead hazards must be mitigated as part of any rental or homeowner rehabilitation work.

The Housing Division conducted inspections for lead hazards in three housing units as part of applications for homeowner rehabilitation loans during PY 2007; no lead hazards were found. Section 8 staff persons distributed information on the dangers of lead-based paint when inspecting units newly-available for Section 8 rental, and what can be done to eliminate the hazard. Public health officials distribute information in Spanish to neighborhoods with a high percentage of immigrants from Mexico and Central America about the danger to children from candies wrapped in materials made with lead, and from the use of cooking utensils and serving dishes made with lead. This appears to be a greater threat to children in Oceanside than lead-based paint.

The City has an electronic waste (e-waste) disposal program in cooperation with the City's waste hauler to reduce the amount of lead and other hazardous material placed in landfills. All electronic equipment (televisions, computer monitors, etc.) must now be brought to the City household hazardous waste collection center or to a regional e-waste round-up. The quarterly City magazine includes information on all recycling programs, including e-waste and green waste, and proper disposal of all household hazardous material. Information is available in English and Spanish. Owners of rental properties are informed that e-waste and other household hazardous waste must not be mixed with ordinary waste in trash bins serving multiple units. Neighborhood clean-up events and the annual S.U.N. one-day neighborhood improvement program provide opportunity to educate residents on proper disposal of household hazardous wastes and to eliminate the threat of these wastes to residents.

## HOUSING

### Housing Needs

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

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

RESPONSE: The City of Oceanside – along with most of Southern California – continues to deal with the challenge of maintaining affordable housing when the housing market has collapsed under the weight of subprime loans. A positive side is that the latest estimates for the San Diego region show the number of families who can afford to buy a median-priced home in the region has substantially increased; the negative side of this is that stricter credit requirements and disclosure are skill keeping many families out of the housing market. While the high-end housing market remains robust, the opportunity for low- and moderate-income families to become homeowners remains elusive.

The City has sought to maintain decent, affordable rental housing in a number of ways:

- rental rehabilitation funds are available to apartment owners with restrictions to maintain the units as affordable housing for 15 years
- sites for affordable housing have been identified in the 2005-2010 Housing Element; a 14-acre site has been acquired and the City will issue an RFP for a visioning process for a mixed-income, mixed-use rental housing project on that site
- a restriction on space rental fees covers most of the City's 3,600 mobilehome spaces, providing affordable space rent for seniors and other very low-income families for whom mobilehomes are a positive and affordable housing option
- The City will continue to explore the acquisition and rehabilitation of older apartment buildings in partnership with nonprofit housing organizations. The City issued \$11.7 million in bond funds to Wakeland Corporation for the acquisition and rehabilitation of the 90-unit County Club Apartments. This will maintain the units as affordable to low- and very low-income families while also improving the units as crime- and drug-free housing.
- The Housing Division concentrates use of housing funds to serve very low-income (less than 50 percent AMI) families and households, as with the *La Mision* project completed in PY 2007, which provides 80 units that are affordable to very low-income families
- The City loaned \$2,112,000 to Southern California Housing Development Corporation (SoCal Housing) for the acquisition and rehabilitation of the Cape Cod apartments during 2006. The units had been age- and rent-restricted for nineteen years and were at risk of losing the restricted status after twenty years. The acquisition and rehabilitation will maintain the 36 units as age-restricted (55 and above) and rent-restricted. Residency is limited to low-income (60 percent AMI or less). This project was completed in PY 2007
- The City has partnered with Southern California Presbyterian Homes for development of the Lil Jackson 80-unit senior housing project, which will provide units to very low senior households.

The City has fewer options to maintain affordable for-sale housing in the face of a constantly rising median home price. The City does provide some options for potential homeowners:

- The City has an inclusionary housing policy, which requires developers to build affordable units as part of new developments. Most developers, however, prefer the alternative of paying an Inclusionary Housing fee; these funds are held for the development of affordable housing either by the City directly or in partnership with a nonprofit housing developer. Some developers will build inclusionary housing units as part of their development; two such homes became available in 2006. In these cases the deed shows that the homes must remain “affordable” for fifty years. Potential buyers for the homes apply and a list is chosen by lot for screening and approval. Buyers must be at the 100 percent of median family income (adjusted for size) or less to qualify for the list.
- The City is working with Habitat for Humanity on the Libby Lake Village project, 20 for-sale single-family homes that will remain affordable to low-income families for 55 years. The first four homes were completed in PY 2007 and will be occupied before the end of 2008.
- The City uses HOME and CalHome funds in a homeownership program, by which the City provides up to \$94,800 as a “silent second” mortgage for downpayment, thus keeping the mortgage costs affordable to low-income families. The loan is repaid (funds recaptured) when the home is sold or the mortgage refinanced. Limited funds and the high cost of housing restricts this program to six to eight families per year.
- The City has developed a homeownership program for Section 8 families through the Family Self-sufficiency program; three families became eligible for the program and purchased condominium units in program year 2007.
- The City provides housing rehabilitation loans for low-income homeowners and rehabilitation grants for low- and very low-income mobilehome owners as a means by which they can upgrade and/or repair their homes. Rehabilitation loans are repaid and funds recaptured either by amortized loan repayments or, for deferred loans, when the home is sold or title transferred to a new owner.

## Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.

RESPONSE:

### Rental Assistance

The City operates as a Housing Authority (HA) for the Section 8 Rental Assistance Program with 1,525 Housing Assistance Program vouchers as of June 30, 2008, and maintained an average 98 percent lease-up rate for the program in the past year. HUD designated the City as a High Performer under the Section Eight Management Assistance Program (SEMAP). Due to the limited amount of funding made available and the rising cost of all housing in the region, the City is severely limited in the number of vouchers it can provide to eligible residents. The greatest challenge now is the Section 8 waiting list, which has over 4,100 applicants with a four- to five-year wait. The City established

project-based voucher projects in FY 2007 to serve persons with AIDS at the Old Grove Apartments and Marisol Apartments. The City provides some CDBG funding to Interfaith Community Services for emergency services, including emergency assistance to prevent homelessness. The HA is proactive in identifying any misuse of Section 8 rental assistance while also being sensitive to reasonable accommodation.

The Family Self-Sufficiency (FSS) Program for Section 8 participants has been successful in terms of moving families off dependency on outside support and into independent and self-sufficient living. The equity/savings account that builds up during participation in the FSS program is a major incentive for the families; the City distributed \$15,186 to nine families that successfully completed the program in PY 2007. The addition of a first-time homebuyer program for Section 8/FSS participants has proven successful; one FSS family was able to purchase a home during PY 2007.

The addition of the Mobilehome Rental Assistance Program (M-RAP) meets a critical need for seniors who own their mobilehomes but have difficulty paying space rent due to very limited and often fixed incomes. The program serves up to 40 senior and/or disabled households and has already proven to add greatly to their quality of life. As of June 30, there were 34 families enrolled in the M-RAP with an average monthly subsidy of \$254. Funding for the M-RAP comes from Section 8 administrative fee reserves and is directed toward very low-income seniors who own and occupy their coach, and who are on the Section 8 waiting list. The program was closed to further participants in PY 2007.

### **Single-Family Residential Rehabilitation**

The City has reduced the number of rehabilitation loans it can provide to low-income homeowners due to the rising cost of rehabilitation work. The City approved five loans in PY 2007; four projects were completed during the year and three projects remain open into PY 2008, including one from PY 2006. Funding for projects completed during the year ranged from \$15,199 to \$85,423. The City maintains a waiting list of families who are eligible for CDBG-funded rehabilitation loans. Loans are made only for owner-occupied homes and may be made for up to 90 percent owner equity (loan-to-value). The City receives significant CDBG program income from repayment of these loans; one consideration under discussion is to add a portion of this program income to the rehabilitation loan budget for the following year. The City rehabilitation loan program staff works with code enforcement officers to follow up on citations for sub-standard or unpermitted housing that could be addressed with owner-occupied or rental rehabilitation program loans.

The Los Angeles Field Office made a monitoring visit to the City in May 2007 and concentrated on reviewing the City's housing rehabilitation program. The monitoring visit resulted in no findings and two concerns, as well as a number of suggestions for improvements to the program. The City reviewed the concerns raised, the first one being the City's practice of extending some loans as deferred loans at zero percent interest; these loans are paid off only when the property is sold or when title transfers to another party. The second concern was a recommendation that the City place a maximum on the amount that can be borrowed; the City's practice has been to provide loan funds for all rehabilitation work that is needed. During PY 2007 the City instituted a three percent interest on all rehabilitation loans, whether amortized or deferred. The City has maintained its policy of extending funds for all necessary rehabilitation work, that is, all work necessary to bring the unit up to current codes and to eliminate all health and safety problems.

The City provided 21 mobilehome improvement program (MHIP) grants of up to \$6,000 to very low- and low-income families, primarily seniors, during program year 2007; families must own and live in their own coach to be eligible. Seventeen projects were

completed during the year; the average MHIP grant was \$5,700. The City has a waiting list for these grants; funding for MHIP was increased in PY 2007 to \$95,000 and will remain at that level in PY 2008 and 2009.

Rehabilitation loan or grant funds are paid directly to the contractor after satisfactory completion of the work. Neighborhood Services Department staff inspect the home prior to approval of the loan or grant, and before final payment is made to the contractor. The rehabilitation program always includes inspections for lead-based hazards and the presence of asbestos, and historical evaluation where required.

#### **Mobilehome Park Conversion**

No activity during PY 2007. An ad hoc subcommittee of the City Manufactured Homes Commission reviewed the City's mobilehome rental control ordinance in 2002; the report from this committee did not result in any changes. The City Council has reiterated their unanimous support for the rent control ordinance.

#### **Assistance for Elderly and Disabled Persons to Remain in their Homes**

The Caring Neighbors minor home repair program, the meal delivery program of the Oceanside Senior Citizen Association, Project Care's daily "check the welfare" telephone call to seniors living alone, and other services provide assistance for seniors and persons with disabilities to remain in their homes as long as possible. The greatest challenge to independent living for this population is the limited access to transportation services available to persons who do not have personal transportation. The City Senior Commission and the Transportation Division of the Community Development Department are working to find ways to alleviate the problem. The City established a taxi voucher program as one way to address this issue and chose a provider for a permanent senior transportation service during PY 2007. The City is also looking for ways to partner with neighboring cities for transportation programs. North County Transit District contracts with a private company to provide transportation services for persons with disabilities.

The City extended a loan of \$2,112,000 in PY 2007 to Southern California Housing Development Corporation (SoCal), a non-profit affordable housing developer, to acquire and rehabilitate Cape Cod Villas, an existing 36-unit apartment complex. The complex, consisting of all one-bedroom units, was constructed in 1988 as an affordable density-bonus project with both rent and age restrictions. These restrictions were set to expire in 2007. SoCal will maintain the units as both affordable and age-restricted through a Regulatory Agreement. Rents will range from \$558 – \$752 based on household income; residency is limited to very low-income households (60 percent AMI or less).

#### **Assistance to Low- and Moderate-Income Homebuyers**

The City met its goal of providing loans through the first-time homebuyer program, using HOME funds, State CalHome funds and Mortgage Credit Certificates funded by State of California bond funds. The homebuyer program provides "silent second" loans of up to \$94,800 to low-income homebuyers (under 80% of AMI). The City provided assistance to seven households during the year to purchase homes. Loans are repaid (funds recaptured as HOME program income) when the home is sold or the primary mortgage is refinanced.

The median price of single-family detached homes in the North San Diego County region has dropped dramatically with the collapse of the sub-prime mortgage market, but the tightening of credit requirements has proven to be yet another barrier for low- and moderate-income families. Wages have remained relatively flat in the region, making it even more difficult for first-time homebuyers to enter the market.

Under direction from the City Council, the Neighborhood Services Department together with an outside consultant completed a Comprehensive Affordable Housing Strategy in 2006. The report recommended acquisition of land by the City for future housing development and work with nonprofit housing agencies to develop both for-sale and rental housing for low- and moderate-income residents. The City uses this Strategy to guide use of housing funds, with an emphasis on developing rental housing for very low-income families.

### **Development of Affordable Housing**

The City and Habitat for Humanity are working together to develop 20 single-family homes for low- and moderate-income families on City-owned land adjacent to the Libby Lake Community Center. Habitat for Humanity will prepare a list of potential buyers based on income, ability to succeed as homeowners, and willingness to provide "sweat equity" as part of the total project. The first four homes were completed in PY 2007.

Construction was completed in PY 2007 on the *La Mision* mixed-use project, which provides 80 one-, two- and three-bedroom units that are affordable to very low-income families, together with 4,900 sq. ft. of retail or commercial space. A small community clinic and child development center will open in the commercial areas. The City will issue a request for proposals in PY 2008 for "visioning" for a mixed-income rental and for-sale housing on a 14-acre site.

The Neighborhood Services Department and Planning Department, together with a SANDAG consultant, completed in July 2005 the draft 2005-2010 Housing Element of the City's General Plan. This draft has been reviewed by the Housing and Planning Commissions, approved by the City Council and submitted to the State Housing and Community Development Department for approval. The draft element maintains the requirement that developers of three or more housing units – for-sale or rental – reserve 10 percent of the units for low-income households. Developers have the option of paying an in-lieu fee, which will be used by the City for new construction that is consistent with the Housing Element. The City will update its density bonus ordinance to bring it into compliance with state law (SB 1818). Density bonuses are used to make tax credit projects more economically feasible; in the future, they will assist in the provision of onsite Inclusionary units. Once adopted by the City Council and approved by the state, the goals and policies of the Housing Element will become part of the 2005-2010 Consolidated Plan and annual Action Plans. Delays have pushed back final approval by the City Council to late 2008.

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

RESPONSE: The City continues to find ways and means to develop affordable housing that meets Section 215 goals of the National Affordable Housing Act. The City uses its Section 8 Rental Assistance Program and CDBG housing development program to assist very-low income households so that they do not use more than 30 percent of their income for housing. The Housing Division has determined that its primary housing efforts in the next five years will be to develop rental housing for very low-income households (30 to 60 percent AMI). The construction of *La Mision Village* (80 rental units), development of the Habitat for Humanity homes at Libby Lake Village (20 for-sale homes), the acquisition and rehabilitation of Cape Cod Villas (36 units senior housing) and of Country Club Apartments (90 units of housing for very low-income families), all contribute to the goals of providing affordable housing. The City will proceed on additional acquisition and rehabilitation projects in FY 2008.

3. Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.

RESPONSE: The primary effort to deal with worst-case housing needs and the housing needs of persons with disabilities is through the Section 8 Rental Assistance Program. The City has 1,525 households in the Section 8 program, but limited funding means that over 4,000 are on a four- to five-year waiting list for the program.

The City does provide lists and contact information for low-income housing opportunities, including HOME- and bond-funded apartments, senior apartments and other units with restricted rents. The City provides information on housing opportunities for persons with disabilities, and cooperates with the Access Center of San Diego and other organizations serving persons with disabilities to improve access to decent housing for persons with disabilities. The City contracted with the Fair Housing Council of San Diego in PY 2005, 2006 and 2007 to investigate any claims of housing discrimination, including restricting access to rental units for persons with disabilities.

The City seeks to assist persons with disabilities to remain in their homes as long as possible. A minor home repair program can install grab bars, replace light switches and faucet handles, and otherwise improve ease of movement in the homes of persons with disabilities.

The City supported the successful efforts of Casa de Amparo to obtain funds to provide transitional housing and supportive services in Oceanside for up to 24 youth who age out of the foster care system at age 18. The City also supported efforts of Interfaith Community Services to obtain funds from the U.S. Veterans Administration to acquire and rehabilitate an apartment building in Oceanside to house up to 72 formerly homeless veterans, including veterans with disabilities, and to provide supportive services for them. Both programs opened in PY 2007

## **Public Housing Strategy**

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

RESPONSE: The City of Oceanside does not own or manage any public housing units. The City does manage a Section 8 Rental Assistance Program with a current enrollment of approximately 1,525 individuals and families, and a minimum four-year waiting list for persons who have applied to the program. The City consistently receives a “High Performer” rating from monitoring and evaluation of the program. Staff of the Neighborhood Services Department – Housing Division host an annual meeting for owners, managers and landlords of units rented to Section 8 program participants, both to explain any changes in the program and to hear comments and complaints about the program and/or tenants. The City initiated a direct deposit program in program year 2005 to transfer funds on the first working day of each month, and the majority of landlords have now signed up for this program. Housing technicians complete all recertifications and annual inspections in a timely manner; problems between program participants and owners/managers are resolved as quickly as possible.

The Housing Commission, a citizen advisory body appointed by the City Council, has at least one Section 8 program participant as a member. The commission makes recommendations to the City Council with regard to housing activities, transitional housing and services to homeless individuals and families.

## Barriers to Affordable Housing

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

RESPONSE: The primary barrier to affordable housing in the City of Oceanside – and all of southern California – in recent years has been the rise in housing prices well outside any increase in salary and wages, putting homeownership out of reach for not only low-income families but for most moderate-income families. A more recent barrier to homeownership is the number of families who have lost homes due to their inability to meet rising mortgage payments resulting from Adjustable Rate Mortgages (ARM) extended through the sub-prime mortgage market. While these families are generally able to move to rental housing, they now have a serious default on their credit record and consequent increase in the cost of all credit. Families that hope to take advantage of the rapid decline in for-sale housing costs are now faced with an ever-increasing tight credit market that effectively bars them from homeownership.

The vacancy rate for apartments has remained around 5 percent (+/- 0.5 percent), in part as a result of the continuing deployment of military personnel from Marine Corps Base Camp Pendleton to Iraq and Afghanistan and dependents returning to live with other family during the period of deployment. While costs of for-sale housing have dropped dramatically over the past two years, rental costs for apartments and detached homes have remained stable, partly due to the number of families who lose their home to foreclosure and once again become renters.

The City uses a variety of programs to address the barriers to affordable housing:

- The City uses available funds – local, state and federal – to develop both for-sale and rental housing that is affordable to low-income families, and especially rental units for very low-income families. The City particularly looks for acquisition and rehabilitation opportunities as a way to preserve affordable housing and to improve the City's housing stock as safe and healthy housing, as with the acquisition of the blighted 90-unit Country Club Apartments, which will undergo rehabilitation in PY 2008 to become safe, healthy and affordable rental housing.
- The City works with both for-profit and non-profit housing developers that can leverage City funds for the development of affordable housing projects and housing for specific groups such as seniors, as with the 36-unit Cape Cod Villas, preserved as income-restricted senior housing in PY 2007.
- The City has a first-time homebuyer program to assist a few families each year move from renting to homeownership
- The City manages a Section 8 Housing Assistance Program for 1,525 families in the City, which provides decent housing to families without spending more than 30 percent of their household income on rent. The program, however, has a four-year waiting list due to limited funding, which is another barrier for very low-income families,
- The City participates in regional planning for housing, transportation and economic development, especially to improve jobs housing balance in the region and to ensure that all jurisdictions contribute to affordable housing, both rental and for-sale.
- The City provides fair housing information and assistance for persons who believe that they are excluded from housing by discrimination.

- The City provides extensive referral information for individuals and families seeking affordable housing through the Neighborhood Services Department – Housing Division offices.

## HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
  - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

RESPONSE: The City uses HOME funds in a homeownership program each year with additional funding from CalHome grants for a “silent second” mortgage. The program provides downpayment assistance for families who would otherwise be unable to become homeowners. Funds are recovered (recaptured) when the home is sold or the primary mortgage refinanced. The amount necessary – up to \$94,800 – limits the number of families that can be helped, usually six to eight families each year. The City maintains a waiting list of applicants. ADDI funds are expended with the first homeownership loan made each year; the City has fully used its ADDI allocation each year since program inception.

The City Council appropriated \$2,086,000 of HOME funds in June 2005 for the *La Mission* mixed-use development project, which will provide 80 units of rental housing. The project will provide one-, two- and three-bedroom units primarily for very low-income families and 4,900 sq. ft. of retail or commercial space. Construction began in program year 2006 and was completed in PY 2007, with full occupancy by mid-2008. HOME funds were allocated in PY 2007 to the Lil Jackson Senior Housing Project, with groundbreaking planned for late 2008; this project will provide 80 units of housing for very low-income seniors.

The City Council allocated \$200,000 for HOME CHDO funds to Habitat for Humanity – San Diego toward development of a single-family home in the Eastside (the Nelms Street project) on a parcel that had been donated to the City in 1990. If project development is successful, the home will be sold to a low-income Oceanside family.

Projects developed with HOME funds and completed in prior years continue to serve targeted audiences; the Old Grove Apartments for very low-income families including farmworker families and Vintage Pointe Apartments for seniors both remain fully occupied with waiting lists of persons. The 30-unit Solutions Family Center transitional housing facility in Vista, developed with HOME funds from a number of jurisdictions, likewise remains fully occupied with a backlog of homeless families in a ninety-day shelter ready and qualified for admittance. All HOME units are inspected every two years for safety and health concerns and to ensure compliance with HOME requirements for occupants.

2. HOME Match Report
  - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.

RESPONSE: The City provided matching funds for the HOME program in PY 2007 through CalHome grants, other state bond funds and local funds, including inclusionary housing fees and redevelopment setaside fees. The City maintains a significant match surplus for the HOME program. The HUD-40107-A Report is attached as an appendix to the CAPER.

3. HOME MBE and WBE Report

- a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).

RESPONSE: The City does outreach for contracts with MBEs and WBEs as part of the normal call for bids on City projects, and encourages all contracts to use MBEs and WBEs as subcontractors. No HOME funds went to MBEs or WBEs in the past year, primarily because HOME funds were used either for the first-time homebuyer program or for construction work for the *La Mision* mixed-use apartment project. The City files the HUD 40107 and other labor relations forms in a timely manner each year; copies of PY 2007 40107 reports are attached as an appendix.

4. Assessments

- a. Detail results of on-site inspections of rental housing.

RESPONSE: Neighborhood Services Department – Housing Division staff conduct inspections every two years of rental units developed with HOME funds along with monitoring for compliance with income restrictions and other regulations. Housing staff also inspect units in projects financed with State of California bond funds. The inspections ensure that the units are free of health and safety hazards, and that the tenants in the units meet the HOME requirements as established in the regulatory agreements with the developer of the units. The City requires third-party verification of income of tenants in HOME units. The following list shows housing projects for which the City provided HOME funds, the number of HOME units in particular projects, and the project management:

- Old Grove Apartments – 4 units for farm worker families (Community Housing Works)
- Solutions Family Center – 5 units of transitional housing (North County Solutions for Change)
- Marisol Apartments – 11 units for persons with AIDS (Community HousingWorks)
- La Corona Apartments – 23 units for very low-income families (SER – Jobs for Progress)
- McNealy House group home for 5 developmentally-disabled adults (T.E.R.I., Inc.)
- Vintage Pointe Senior Apartments – 11 units for very low-income seniors (Bush Street Housing)
- Women's Resource Center transitional housing – 21 units (WRC)
- *La Mision Village* – 11 3-bedroom units for very low-income families

Inspection of HOME-financed units during PY 2007 showed no deficiencies, and management records showed that the units were occupied by eligible households. Other units constructed or renovated with HOME funds are added to this list of annual inspections once work is complete and the units inhabited. A new Housing Division staff person was assigned in 2006 to inspect and monitor all HOME-financed and bond units; she has reviewed all existing files and brought them up to date. HUD forms are used for all inspection and monitoring.

- b. Describe the HOME jurisdiction's affirmative marketing actions.

RESPONSE: The City distributed information about the first-time homebuyer program and other projects funded under the HOME program in a variety of ways, especially through the Oceanside magazine. This quarterly publication is delivered to every home and business address in the City. Information is also available to residents through the community resource centers and at meetings of neighborhood associations; most material is published in both English and Spanish. Spanish-speaking staff members are always available at the Housing Division offices. Information about housing projects that are affordable to very low- and low-income such as the *La Mision Village* project is available at the Housing offices. Residents interested in moving to such new housing projects may place their names on a waiting list with the developer or management agency. The Housing Division maintains a variety of referral material for persons seeking affordable housing; this material is available in the Housing offices. Housing staff regularly update this material to ensure that residents receive accurate information.

- c. Describe outreach to minority (MBEs) and women (WBEs) owned businesses.

RESPONSE: The City does outreach to MBEs and WBEs as part of the normal call for bids for City projects, and encourages prime contractors to seek MBEs and WBEs as subcontractors for projects. The City files Form 40107 every six months with the HUD – Los Angeles Field Office with regard to its outreach and contracting activity.

## HOMELESS

### Homeless Needs

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Identify actions taken to address needs of homeless persons.

RESPONSE: The City funded services for homeless persons and families during PY 2007 based on a priority of services established in consultation with agencies and organizations that provide such services in Oceanside and the San Diego North County area. Priority areas are first, to prevent homelessness through emergency rental assistance and other emergency services; second, to support transitional living programs of housing and supportive services that assist families to become independent and self-sufficient; and third, to provide services to chronically homeless persons.

The City allocated CDBG funding to the Brother Benno Foundation to provide emergency assistance to homeless and very low-income persons and families, including food packets, infant supplies, hygiene supplies, clothing and other essentials. All persons or families receiving emergency assistance are registered with the program for case management as available. Brother Benno's can also under certain circumstances provide funds for prescription medications (paid directly to the pharmacy) and bus passes for work-related transportation. The City contributes to the San Diego County-managed hotel/motel voucher program, which provides short-term shelter for homeless families. North County Lifeline and Interfaith Community Services can issue County vouchers and FEMA-funded short-term housing vouchers.

The City used ESG funds to support transitional housing at the Women's Resource Center and North County Solutions for Change - Solutions Family Center, both of which

provide up to 24 months of housing and supportive services for families. CDBG funding was allocated for operation of the WRC emergency shelter for women from abusive situations and their children; this shelter provides immediate housing, counseling and other services for persons who are victims of domestic violence and who need time and shelter to determine what options are open to them.

The City provides CDBG funds to YMCA Oz North Coast, which provides short-term (up to fourteen days) shelter and services for runaway and homeless youth ages 12-17. Youth and parents receive counseling while the youth are in the shelter and for six to eight weeks afterward. A primary objective at Oz North Coast is family reunification whenever possible and reduction of any future runaway or throwaway behavior.

The City allocated local funds to a regional emergency winter shelter program with essential services for homeless persons. North San Diego County jurisdictions and nonprofit organizations serving homeless persons and families formed the Alliance for Regional Solutions to manage the 2007-08 winter emergency shelters, one of which was located in Oceanside. The Regional Shelter Solutions program moved away from the traditional "warehousing" of homeless persons during inclement weather to a responsibility-based program. Persons wanting to stay in the shelter had to agree to case management and to remain free of drugs and alcohol. The first season of the Alliance proved very successful and will be duplicated in the 2008-09 winter season.

The City awarded local funds to Bread of Life Ministries as part of its contribution to the above-mentioned Alliance for Regional Solutions. Bread of Life is a faith-based nonprofit organization that operates an emergency winter shelter from December 1 to April 15. The Neighborhood Services Department requests the City Council to declare a housing emergency for that period of time, which allows organizations to house up to 50 persons per night without a Conditional Use Permit from the City. Bread of Life provided shelter for individuals and families, although families were referred first to the Operation Hope program in neighboring Vista, which only took families. Shelter operations were managed as part of the overall Alliance for Regional Solutions framework and philosophy. The shelter provided safe housing, an evening meal and light breakfast. North County Health Services made weekly visits for health intervention services to identify medical needs of the guests. Bread of Life staff and volunteers made referrals to local agencies that could assist guests with particular needs, especially veterans, persons with disabilities and persons exhibiting signs of mental illness.

Interfaith Community Services, Lifeline Community Services and local community clinics provide information, assistance and referrals to homeless persons and families. This includes assisting veterans, persons with disabilities, and very low-income families apply for benefits to which they are entitled such as Food Stamps or Veterans Administration benefits. The City encourages these agencies particularly to work with veterans, including men and women recently separated from military service and those who present signs of Post-Traumatic Stress Disorder.

The City participates in the San Diego Regional Task Force on the Homeless, which is the local lead agency for the plan to end chronic homelessness by 2012. The Task Force conducts an annual homeless count in February.

The City supported efforts of two organizations to develop housing for particular homeless populations. Casa de Amparo received a five-year grant to provide transitional housing and supportive services to youth who at age eighteen age out of the foster care system. The *New Beginnings* program opened in PY 2007 and will provide 24 youth with the opportunity to gain post-secondary education, develop job and life skills, and make a successful transition to independent, self-sufficient adulthood.

Interfaith Community Services received funding from the U.S. Veterans Administration to acquire and rehabilitate 36 rental units to provide housing for up to 72 homeless veterans, both men and women, including veterans with disabilities. Supportive services will be provided offsite to assist the veterans with job-training, mental or physical health issues, and other needs. A particular concern will be to help younger veterans of the conflicts in Iraq or Afghanistan make a successful reentry into civilian life.

2. Identify actions to help homeless persons make the transition to permanent housing and independent living.

RESPONSE: The City supports short-term/emergency housing for victims of domestic violence and their children, runaway / homeless youth, and persons or families made homeless by economic factors. Each agency providing shelter also provides counseling and other supportive services to help the homeless person or family determine immediate and long-term steps toward independent, self-sufficient living. The Women's Resource Center Transitional Housing facility, the Solutions Family Center and Brother Benno homes provide housing and assistance for formerly homeless families for up to 24 months. Families work with a case manager to develop and then follow a contract to guide them toward becoming independent and self-sufficient.

The City participates in the Regional Continuum of Care Committee to find and implement regional solutions for particular groups of homeless persons, especially youth aging out of the foster care system at age 18, persons with mental illness or co-occurring disorders and persons returning to society after a period of incarceration. Housing for homeless youth is a particular problem, especially those with limited education and/or vocational skills. The City works with local agencies providing services to older youth to enable them to complete their education, develop marketable skills, and establish clear goals for their lives. The Alliance for Regional Solutions winter shelter program is based on a "personal responsibility model" that seeks ways for homeless persons to move out of homelessness rather than a "warehouse model" that only provides housing during inclement weather.

A problem for many families who are ready to move out of transitional housing is the high cost of all forms of housing; as a result, some families stay in transitional facilities longer than necessary and thus limit the number of persons or families who can move from the waiting list into transitional housing. The City already works with transitional housing programs to ensure that clients apply for and stay on the Section 8 waiting list, and that client families begin the search for affordable rentals well before their program comes to a close. One continuing "unknown" is the success rate for persons and families who complete transitional living programs. The City will work with local agencies that provide transitional living programs to identify ways to track families after they leave the programs to determine if they are able to maintain independent, self-sufficient lives.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

RESPONSE: The City has not received direct funding from the Homeless SuperNOFA. Organizations providing services to homeless persons do receive funding through the SuperNOFA, particularly the Family Recovery Center and Women's Resource Center with Supportive Housing Program (SHP) funds; Interfaith Community Services for a shelter for seniors, persons with disabilities, and chronically homeless veterans; Community HousingWorks for operation of the Marisol Apartments for persons with AIDS; and Fraternity House for residential services for persons with AIDS. The City does participate in collaboratives that apply on a regional basis for SHP, HOPWA and other

SuperNOFA funds. The City provides Certificates of Consistency with the Consolidated Plan for agencies that apply for HUD program funds.

## Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

RESPONSE: Local organizations and agencies provide emergency services – food, infant supplies and other necessities – for very low-income families so families do not have to choose between paying the rent and providing food for children. Other organizations provide family financial management programs so that families can make the best use of what money they do have. One objective of these programs is to help individuals and families reduce and eliminate their use of cash advance businesses, which can take an ever-increasing amount of limited household income. This has been a particular problem for young married military families with over-extended financial demands. The City provided CDBG funds to the Brother Benno Foundation for emergency services including when appropriate funds to cover one-time family financial shortfalls on rent.

The City recognizes that homelessness is a regional issue and thus collaborates with neighboring jurisdictions and local social service agencies to develop ways to address the issue on a regional level. This includes participation in planning groups such as the Regional Task Force on the Homeless, the Continuum of Care Committee, the FEMA Board for the region and the Regional Shelter Solutions consortium.

## Emergency Shelter Grants (ESG)

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

RESPONSE: The City has allocated ESG and CDBG funds to a number of organizations to address emergency shelter and/or transitional housing needs of homeless individuals and families. ESG funds in PY 2007 went to two programs:

- a. North County Solutions for Change operates the Solutions Family Center (32 units), which provides up to 24 months of transitional housing and supportive services to families in order that they might become independent and self-sufficient. North County Solutions also operates a short-term (ninety-day) shelter for families to “get over a financial hump” or while applying for transitional housing.
- b. Women’s Resource Center (21 units) manages a transitional housing program for women who were homeless, including women with children, with a special emphasis on women who became homeless as a result of domestic violence. Residents can stay up to 24 months with counseling, job and life skills training, and other supportive services to enable them to become independent and self-sufficient. The City also manages a Supportive Housing Program (SHP) grant for transitional housing services provided by the Women’s Resource Center.

The City distributed other funds during PY 2007 to agencies that provide emergency shelter and/or transitional housing:

- CDBG funds were allocated to the Women’s Resource Center in Oceanside to operate a 26-bed 30-day emergency shelter (“safe house”) for women who are

victims of domestic violence and their children. The City has provided CDBG capital funds for renovation and rehabilitation work at the emergency shelter.

- CDBG and HHS funds were allocated to YMCA Oz North Coast Shelter (10 beds) for homeless and runaway youth, and for an outreach program to youth living on the streets.
  - The City contributed local funds to the County hotel/motel voucher program, which provides emergency shelter in winter months for homeless families. Two local agencies – North County Lifeline and Interfaith Community Services – provide the vouchers together with case management and counseling.
  - The City provided local funds for case management of families in the Interfaith Shelter Network, which provides shelter and meals during winter months at local faith-based organizations for homeless families. The rotational shelter program is managed by the Ecumenical Council of San Diego and provides shelter to all eligible families.
  - The City has allocated CDBG public services and capital improvement funds to the Family Recovery Center (FRC) managed by Mental Health Services. The FRC provides transitional housing, supportive services, and education and vocational training for women in recovery from substance abuse (methamphetamines and other drugs). Women are homeless at entry. Women with children and pregnant women are eligible for admission, and must remain clean and sober throughout their stay at the center. A difficulty for women who successfully complete the program is being able to move from the FRC to affordable housing; Mental Health Systems is exploring options for post-FRC housing through acquisition or long-term lease on rental units.
  - The City is an active participant in the Alliance for Regional Solutions, which includes all cities in North San Diego County and nonprofit agencies that provide services to homeless persons and families. The Alliance successfully managed emergency shelter programs during the 2007-08 winter season, and will duplicate this effort in PY 2008. A long-term goal of the Alliance is to develop a permanent homeless shelter that can serve chronically homeless persons
  - A significant underserved population, however, are homeless men and women with mental illness or who have some form of addiction; winter shelters are staffed primarily by volunteers who are not able to provide adequate care and services for these persons. The Alliance for Regional Solutions recognizes that this population cannot be easily accommodated in the existing winter shelters. In emergency situations the shelters can call on Psychiatric Emergency Response Teams (PERT Program) from local police departments for assistance with mentally ill homeless persons.
2. Assessment of Relationship of ESG Funds to Goals and Objectives
- a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.

ESG funds have made it possible for the City to provide new and/or additional funding to support transitional housing programs, based on the City's priorities established in the Consolidated Plan. The priorities for serving homeless individuals and families are first, to prevent families from becoming homeless; second, to provide transitional housing and services that will enable individuals and families to become independent and self-sufficient, and third, to provide services to chronically homeless persons. The City has been able to address most of the objectives in the

annual Action Plan; exceptions are the lack of progress toward the development of a year-round shelter for chronically homeless persons and the lack of new supportive housing for persons with mental illness.

The City had to eliminate its funding for homeless prevention activities in PY 2007 due to the continuing reduction of CDBG funds and will look for alternate sources of funding for emergency rental assistance.

- b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.

RESPONSE: The City's priorities in serving homeless individuals and families are first, to prevent families from becoming homeless; second, to provide transitional housing and services that will enable individuals and families to become independent and self-sufficient, and third, to provide services to chronically homeless persons.

The City uses ESG funds as well as CDBG and local funds together with other funds used by local agencies – FEMA, SHP, etc. – to respond to the needs of homeless persons and families and to prevent homelessness. The City works with local faith-based organizations that address issues of homelessness and encourages their participation and collaboration with other nonprofit agencies. The City had to eliminate its funding for homeless prevention activities in PY 2007 due to the continuing reduction of CDBG funds, and will look for alternate sources of funding especially for emergency rental assistance.

The City supports transitional housing for those individuals and families who show the intent and desire to become independent and self-sufficient. ESG and CDBG funds are allocated to the Women's Resource Center for women who are victims of domestic violence, to the Family Recovery Center for women in recovery from substance abuse, and to the Solutions Family Center for families who can demonstrate the capacity to become self-sufficient. The City will concentrate its monitoring of transitional housing on how well residents transition from supportive housing to independent living.

The City works with the Regional Task Force on the Homeless, the FEMA Board and the Regional Continuum of Care Committee for planning a regional response to chronically homeless individuals and families. A Housing Program Manager from the City participates on these committees. The City supports the goal of eliminating or reducing the number of persons who live "on the streets," but recognizes that this is a regional issue. The City also recognizes that there are significant underserved homeless populations, including homeless persons with mental illness, dual-diagnosed homeless persons, and youth aging out of the foster care system. The primary barriers preventing response are limited funding sources, competing needs, and conflicting political and community viewpoints on how best to address the issue of homelessness.

Specific funding details and additional information on activities related to homelessness are included in the PR03 CDBG Activity Summary Report and the PR19 and PR 20 ESG reports.

3. Matching Resources
  - a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well

as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.

RESPONSE: Matching funds for ESG grants to subrecipients come from a variety of sources:

- North County Solutions for Change received \$21,000 of ESG funds in PY 2007 for operation of the Solutions Family center transitional housing. North County Solutions provided matching funds of \$40,000 in community donations, and local grants such as \$5,000 from the *North County Times* charitable fund.
- The Women's Resource Center receives \$55,606 of ESG funds in PY 2007 for operation of the WRC Transition House. The match for this grant comes from the City of Oceanside, which owns the Transition House facility and leases the facility at no cost as an in-kind contribution to the Women's Resource Center at a value of \$212,240 per year. The Women's Resource Center pays for utilities and ordinary maintenance from rental fees; residents pay thirty percent of any household income as rent
- Matching funds for ESG funds used for administration and management of the program (\$4,038) are provided by the in-kind contribution of City office and support services.

The City recognizes a need to improve reporting both of data and finances from ESG subrecipients to meet federal requirements, IDIS 10.0 reporting and the CPMP CAPER format. City staff will monitor ESG subrecipients more closely during program year 2008 and will use a new report form that provides the specific information that is needed for adequate IDIS reporting. The annual report for ESG-funded programs will request reporting of matching funds, donations and any in-kind contributions or volunteer time.

4. State Method of Distribution

- a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.

RESPONSE: Not applicable to the City of Oceanside as a participating jurisdiction

5. Activity and Beneficiary Data

- a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.

RESPONSE: Data is reported in Section 2 of this CAPER in IDIS reports on Consolidated Plan activities and projects (PR03 and PR06) and IDIS reports on ESG activities (PR 19 and PR20). The City recognizes a need to improve reporting both of data and finances from ESG subrecipients to meet federal requirements, IDIS 10.0 reporting and the CPMP CAPER format. City staff will monitor ESG subrecipients more closely during program year 2008 and will use a new report form that provides the specific information that is needed for adequate IDIS reporting. The annual report for ESG-funded programs will request reporting of matching funds, donations and any in-kind contributions or volunteer time.

The City will work with all local providers of transitional housing program to develop ways to evaluate the effectiveness of the programs, especially with regard to the percentage of families who leave transitional housing and successfully become and remain independent and self-sufficient.

b. Homeless Discharge Coordination

As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.

RESPONSE: The City of Oceanside has not used CDBG, HOME or ESG funds for housing for homeless persons discharged from institutions or for youth aging out of the foster care system. One local faith-based nonprofit organization works specifically with women upon release from incarceration to help them become independent and self-sufficient and to avoid recidivism. The City supported a successful application by Casa de Amparo to receive funds for transitional housing and supportive services for youth who at age 18 age out of the foster care system. This *New Beginnings* Program opened in PY 2007 for 24 youth and will enable them to gain post-secondary education, develop job and life skills, and become independent and self-sufficient adults.

c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

RESPONSE: The City of Oceanside has not developed or implemented a homeless discharge coordination policy, and has not used CDBG, HOME or ESG funds for housing for homeless persons discharged from institutions or for youth aging out of the foster care system.

## COMMUNITY DEVELOPMENT

### Community Development

\*Please also refer to the Community Development Table in the Needs.xls workbook.

The statutes for the Consolidated Plan set forth three basic goals: the National Objectives of decent housing, a suitable living environment and expanded economic opportunity against which the plan and the jurisdiction's performance under the plan will be evaluated by HUD. Each jurisdiction's plan must establish how it will pursue these goals for all community development and housing programs, and how these programs and activities will serve low- and moderate-income individuals, families and neighborhoods.

RESPONSE: This 2007-08 Action Plan for the City of Oceanside addressed the three statutory program goals with local goals, objectives, strategies/activities and anticipated outcomes. The following criteria were taken into consideration for setting priorities:

- The extent to which a particular project or program meets needs as identified in the Needs Assessment section of this Consolidated Plan;
- The extent to which the City's resources including federal, state and local funds will be available to address the identified needs and objectives;

- For housing objectives, the degree to which an project would assist the City to meet its Fair Share of the Regional Housing Need;
- For homeless objectives, the degree to which an objective would support the regional plan to eliminate chronic homelessness by 2012.

The City of Oceanside particularly supported projects and activities that addressed the national goals with specific local goals:

- For Decent Housing, the City looks for projects and activities that address the regional plan for affordable housing, the recommendations in the Affordable Housing Strategy developed by the City in 2004, and the regional plan to eliminate chronic homelessness by 2012.
- For a Suitable Living Environment, the City looks for projects and activities that strengthen family life for low- and moderate-income families and households, and that support positive youth development.
- For Expanded Economic Opportunity, the City looks for projects and activities that improve conditions and offer opportunity for the “working poor,” or that offer training for careers with opportunity for advancement and living-wage jobs.

The City of Oceanside also looks for projects and activities that will support in some way the City’s Vision Statement:

*The City of Oceanside will be a safe, culturally diverse community that empowers its citizens to provide an environment that promotes economic development, supports quality education, fosters the cultural arts and preserves its natural resources.*

1. Assessment of Relationship of CDBG Funds to Goals and Objective
  - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.

RESPONSE: All CDBG-funded activities and projects must address one of the three National Objectives and one of the thirty-three local objectives set forth in the City’s 2005-2010 Consolidated Plan and the annual Action Plan. Applications are reviewed and rated based on how effectively the proposed activity addresses the goals and objectives, to what extent the proposed activity addresses an unmet need in the community, and how well the applicant organization has performed in previous activities with CDBG or other funds. The City Council sets priorities for funding through their process for allocation of funds for each program year; the demonstrated priorities from previous years guide selection of subrecipients.

Funded organizations must meet proposed program objectives and demonstrate clear progress toward satisfying outcomes and performance measurement requirements as a condition of subsequent funding. Demonstrated achievement of goals and outcomes for priority activities are a primary guide for continued funding of projects and activities.

With the continued reduction of CDBG appropriations by Congress in the past five years, the City will increasingly use a cost/benefit analysis as a tool for evaluating programs. This will not mean that programs serving the greatest number of people will automatically be ranked highest. Agencies will have to show that the program for which they seek CDBG funding makes a significant impact on an identified objective, and that the program provides a significant benefit to Oceanside residents.

- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

RESPONSE: See also the Housing section in Part 2 of this CAPER. CPD funds were used in PY 2007 for a variety of housing purposes including:

- Five low-income homeowner households were approved for three percent interest loans of CDBG funds for rehabilitation on owner-occupied homes. Three recipients were female-headed families. These homeowners would not have been able to obtain commercial financing that was affordable for them. This program maintains decent housing for low-income households. Loans are repaid (funds recaptured) when the home is sold or the primary mortgage refinanced. Four rehabilitation projects were completed and three continue into 2008. Funding for completed projects ranged from \$14,199 to \$85,423.
  - Twenty-one very low-income households were approved for CDBG grants totaling \$114,682 to make repairs to owner-occupied mobilehomes. Most of these grants were made to senior citizens who would have had difficulty obtaining financing for repairs to their coach. Seventeen projects were completed during PY 2007; the average grant awarded was \$5,700
  - The City uses HOME/ADDI and CalHome funds for its first-time homebuyer program, and both HOME and local funds to develop affordable rental housing (*La Mision Village*). The City uses bond program and tax credit financing to develop for-sale housing with Habitat for Humanity (Libby Lake Village) and for the acquisition and rehabilitation of rental units that will be affordable to low- and very low-income families, including age-restricted senior rental units.
  - The City uses CDBG funds for administration of its housing rehabilitation program and for management of the City's portfolio of rehabilitation loans; HOME funds are used for administration of the first-time homebuyer programs.
  - Local funds – the condominium conversion trust fund – are used for the City's rental rehabilitation program, both for tenant-based and project-based rental rehabilitation activities.
- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

RESPONSE: The City of Oceanside consistently uses close to the maximum fifteen percent of CDBG funds (15% cap) allowed for public service activities that benefit low- and moderate-income individuals, families and neighborhoods. Funding for capital improvement projects and neighborhood revitalization activities are likewise directed at three CDBG-eligible neighborhoods in the City. Details on the activities, level of funding, performance outcome and number of persons or households involved in each activity are described in Part 2 of this CAPER narrative and in the PR03 CDBG Activity Summary Report (GPR) and PR06 Summary of Consolidated Plan Projects. All funded projects and activities provided a benefit to no less than 51 percent low- and moderate-income individuals and families; in many activities, 100 percent of beneficiaries were low- or moderate-income. The PR26 CDBG Financial Summary Report shows an overall 90.4 percent benefit to low- and moderate-income individuals, households and neighborhoods during program year 2007.

2. Changes in Program Objectives

- a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

RESPONSE: There were no changes in objectives during PY 2007, and the ranking of local objectives (high, medium or low) for funding has not changed. With the continuing reduction of the CDBG appropriation by Congress, the City Council is faced with the challenge of the increasing need for services and reduced resources to address those needs. While no overall programmatic changes are envisioned for PY 2008 and subsequent years, the City will emphasize three primary areas for CDBG funding:

- Youth development activities, especially those that deter youth gang activity and delinquent behavior;
- Services for very low-income individuals and families, especially seniors on fixed income, including food and other basic necessities;
- Support for persons in immediate need of services, including victims of domestic violence, abused or neglected children, and homeless youth

The City does recognize a need to expand economic development activities; this will be a primary activity of the Crown Heights Neighborhood Revitalization Plan, including support for small business development and job-training programs. The City will explore ways to support job-training programs at local community clinics that will start persons on a path toward careers in health care. With the growth of the tourism-related industry in the City and region, the City will also look for ways to support programs that will prepare people for living-wage jobs in this sector.

The City will encourage and emphasize the importance of cooperation, partnerships and collaboration as a condition of ongoing funding. This will especially impact recommendations for funding of senior services, with some apparent overlap or duplication in services. The City will continue working with providers of senior services during program year 2008 on how to use CDBG funds most effectively in their programs.

Performance measurement requirements and outcomes became part of the application process for program year 2007, and all applicants will be expected to show how proposed programs will address the objectives and meet the outcomes in a measurable manner. Adoption and implementation of the performance measurement requirements may have a substantial impact on future program objectives and funding. The City will further explore ways to adopt cost/benefit analysis for review of CDBG-funded programs.

3. Assessment of Efforts in Carrying Out Planned Actions

- a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

RESPONSE: The City of Oceanside used all available CDBG, HOME and ADDI, and ESG funds for purposes as set forth in the 2007-08 Action Plan or amendments to the Plan adopted during the year. The City also used other federal, state and local resources shown in the Action Plan budget for purposes set forth in the Action Plan. Local funding for housing programs – inclusionary housing fees and redevelopment setaside fees – were used for the acquisition and to begin rehabilitation of the Country Club Apartments, which was becoming a blighted project, and for the acquisition and rehabilitation of Cape Cod Village to maintain these units as age- and rent-restricted senior housing. All HOME funds designated for the City's first-time

homebuyer program were allocated and drawn down during PY 2007, and the City's Deadline Compliance Report shows the City current with all HOME funds requirements as of July 31, 2008.

The City seeks other grant funds as well, including competitive and entitlement funds from federal and state sources, especially for park development, library programs, and law enforcement, public safety and security activities. The City has been successful in receiving Economic Development Initiative (EDI) and Neighborhood Initiative (NI) awards. The City has contracted with a grantwriter to support City departments in identifying, applying for and receiving competitive grant funds from state, federal and private sources.

The City seeks to maintain a positive "timeliness of use" for CPD grant funds. The CDBG timeliness test date report of May 2, 2008, showed a draw ratio of 1.27, within HUD guidelines; the City's goal is to reduce this ratio to below 1.25 at every test date. One area for additional work is in the allocation of CDBG funds for capital improvement projects. The City will work with subrecipients of CDBG capital project funds, so that funds are used in a timely manner and not kept "on hold" for a long period of time. Managers of such projects, both City-sponsored and those of outside subrecipients, will be asked to provide definite (rather than "proposed") timelines for the projects; this timeline will be used as benchmarks to measure progress. Funds not used in a timely manner will be de-obligated.

- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

RESPONSE: Requests for Certificates of Consistency with the Consolidated Plan are reviewed by CDBG staff. The proposed project or program must meet one of the three National Objectives, address one of the thirty-one local objectives in the current Consolidated Plan, and demonstrate that the project or program meets an identified need in the community. When necessary, the agency requesting the certificate will be asked for additional material. Certificates are prepared by CDBG staff and then reviewed and signed by the Neighborhood Services Director. If the request is denied, the requestor will be given a statement with reasons for denial.

- c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

RESPONSE: The City of Oceanside made a good faith effort to implement the 2007-08 Action Plan of the Consolidated Plan in a timely and faithful manner. Activities of City staff responsible for CPD funds and programs in the City are reviewed and monitored by the Neighborhood Services Department Director. City staff seek to provide information in sufficient detail to elected officials and senior management to demonstrate commitment to and positive action for implementation of the Consolidated Plan. The City seeks the advice and assistance of the HUD – Los Angeles Field Office CPD representative and from more experienced CDBG staff persons in other cities to ensure that the City is aware of and implementing all requirements. Any missteps along the way – as with the lack of proper and timely filing of Form 272 Federal Cash Transaction Reports – are corrected as soon as possible and new procedures put into place.

The City meets HUD deadlines for filing the annual Action Plan and CAPER, and responds to monitoring reports in a timely manner. Any additional material requested by the HUD – Los Angeles Field Office staff is provided within fifteen days

of the request. Data is entered into the IDIS on a regular basis, and subrecipient reports are entered into IDIS within thirty days after receipt of the report. The City currently draws down funds through the IDIS system on a quarterly basis and will seek to do drawdowns more often in PY 2008.

4. For Funds Not Used for National Objectives
  - a. Indicate how use of CDBG funds did not meet national objectives.

RESPONSE: Does not apply. All CPD funds during PY 2007 were used to meet one of the three National Objectives. Subrecipients must show that funded activities benefit not less than fifty-one percent low- and moderate-income individuals, families or neighborhoods. All activities and projects presented to the City Council for CDBG, HOME or ESG funding are shown to address one of the three objectives and serve a low- or moderate-income population. Applications for CDBG funds that do not meet one of the National Objectives are returned to the applicant without further review. Subrecipients demonstrating inappropriate use of CDBG funds or use other than for approved purposes as defined in the agreement will not have expenses reimbursed and may have the activity cancelled. Questionable activities and/or expenditures are referred to HUD – Los Angeles Field Office CPD staff for review.

- b. Indicate how use of CDBG funds did not comply with overall benefit certification.

RESPONSE: Does not apply. The City of Oceanside consistently uses close to the 15 percent maximum of CDBG funds (15% cap) allowed for public service activities that benefit low- and moderate-income individuals, families and neighborhoods. Funding for capital improvement projects and neighborhood revitalization activities are likewise directed at three specific CDBG-eligible neighborhoods in the City. As a result, all funded activities meet the overall benefit certification requirements; the IDIS PR26 CDBG Financial Summary Report (line 22) shows an overall 90.4 percent low- and moderate-income credit for program year 2007.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
  - a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.

RESPONSE: No displacement or relocation activities took place as a result of the use of CPD funds during program year 2007. The City has a relocation plan as part of the 2005-2010 Consolidated Plan. It reads (in part):

*It is the intent of the City of Oceanside to minimize and where possible, to eliminate hardship to anyone affected by these projects and programs. Some projects could potentially cause displacement of individuals, families or businesses. It is the policy of the City of Oceanside to avoid displacement if at all possible.*

In situations involving the acquisition of real property through the use of federal funds, all acquisition and relocation activities are carried out in accordance with the City's Consolidated Plan for Housing and Community Development and the specific requirements of the source of funding. THE City adheres to HUD's implementation requirements of the Uniform Relocation Assistance (URA) and Real Property Acquisition Act of 1970, as amended. The Housing Division maintains current copies of HUD Handbook 1378, Tenant Assistance Relocation and Real Property Acquisition, for use in applicable situations.

The City's Relocation Assistance Plan includes requirements when HUD funds are used for a particular project; the URA (as amended) applies whenever federal funds are used. If the project is within the City of Oceanside Redevelopment Area or Local Coastal Zone, additional City and/or state requirements will apply. The City follows State of California guidelines and regulations if state and/or local funds are involved in acquisition and relocation. If the project involves the conversion of rental apartment units to for-sale condominium units, specific requirements under City regulations apply.

- b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.

RESPONSE: Not applicable to the City of Oceanside as there were no displacement activities or need for relocation assistance during PY 2007 as a result of projects that were subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended.

- c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

RESPONSE: Not applicable to the City of Oceanside as there were no displacement activities or need for relocation assistance during PY 2007 as a result of projects that were subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended.

- 6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons

- a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.

RESPONSE: No economic development activities were undertaken with CDBG funds during PY 2007. All capital improvement project subrecipients are required to sign a Section 3 attachment to CDBG contracts.

- b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.

RESPONSE: No economic development activities were undertaken with CDBG funds during PY 2007.

- c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

RESPONSE: No economic development activities were undertaken with CDBG funds during PY 2007. The City Council has directed that economic development and related programs (job-training, etc.) be a priority in the Crown Heights NRSA Plan.

The City cooperates with the Oceanside Unified School District in a new "Academic Recovery Center" program that will encourage young persons who did not complete

high school to complete their education and receive a full diploma. The program partners teachers and students in concentrated learning activities that will enable the student to complete high school graduation requirements and pass the California High School Exit Examination. The City supported in PY 2007 the Transitional Youth Academy managed by Interfaith Community Services, which works with 18- to 24-year-old persons who did not complete high school; the Academy helps the participants complete education requirements for a G.E.D., develop basic job and life skills, and set goals and objectives that will lead them into positive adulthood.

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
  - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

RESPONSE: The standard CDBG public service contract requires subrecipient organizations to show that the funded activities met the National Objective benefit either by reporting the household income level of persons or families participating in the program, or by showing that the particular program served a “presumed benefit” clientele of battered spouses, abused or neglected children, homeless persons or families, persons with AIDS, etc. Monitoring visits include review of back-up documentation on client individuals or families in order to confirm the subrecipient’s reports. CDBG staff review block group census data to verify that activities designed to serve a neighborhood, as with capital improvement projects, will in fact serve a majority (usually at least sixty percent) low- and moderate-income population.

8. Program income received
  - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.

RESPONSE: The City does not maintain any revolving funds. The only program income received by the City is from repayment of first-time homeowner loans (HOME) or homeowner rehabilitation loans (CDBG). Program income is reported through IDIS and used prior to drawing down entitlement funds. The City estimates the amount of program income as part of the overall CPD budget for the year, and allocates – within the particular cap limits - to public services and to program administration and planning expenditures. The City will explore setting up its homeowner rehabilitation loan program as a revolving fund in the next Consolidated Plan cycle.

- b. Detail the amount repaid on each float-funded activity.

RESPONSE: The City does not have any float-funded activities.

- c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.

RESPONSE: See also Part 2 of this CAPER and IDIS PR01 report. The City received program income of \$225,149 from repayment of CDBG homeowner rehabilitation loans, and \$71,580 from repayment of HOME loans including \$18,000 in repayment of first-time homebuyer loans. Deferred loans are repaid (recaptured) when the home is sold; other loans are either repaid through an amortization agreement or when the primary mortgage is refinanced. First-time homebuyer loans are secured

by a "silent second" on the property. The Mobile Home Improvement Program (MHIP) provides funds as grants. The City did not extend any loans for economic development activities during PY 2007.

- d. Detail the amount of income received from the sale of property by parcel.

RESPONSE: The City did not sell any properties on which CPD funds had been spent.

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
- The activity name and number as shown in IDIS;
  - The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
  - The amount returned to line-of-credit or program account; and
  - Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

RESPONSE: No applicable prior period adjustments during PY 2007 and no payments have been disallowed. The City exceeded the 20 percent cap on administration and planning in PY 2006 by 0.05 percent; the City reduced expenditures to 17.64 percent in PY 2007.

10. Loans and other receivables

- a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.

RESPONSE: The City has no float-funded activities.

- b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.

RESPONSE: The City has 86 homeowner rehabilitation loans outstanding for a total of \$1,731,760 and 15 rental rehabilitation loans outstanding for a total of \$846,350; giving a cumulative total of 103 loans for \$2,578,110. All amortized loan payments are up to date. Rental rehabilitation loans are forgiven after fifteen years so long as the units remain affordable and the owner maintains the units in good condition. Rental rehabilitation units are inspected annually.

- c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.

RESPONSE: First-time homeowner loans are deferred until sale of the home or the primary mortgage is refinanced. The City provides two types of rehabilitation loans, which are extended based upon the applicant's income. Very low-income (50% AMI or less) households receive deferred three percent interest loans which are repaid at time of sale or transfer of title. Loans to low-income households (50 - 80% AMI) are amortized at three percent interest. The City also manages a rental rehabilitation program, for which funds are approved for a fifteen-year period at zero percent interest. The loan is forgiven so long as the unit(s) improved with the loan remains affordable to low-income families during the life of the loan. A PY 2006 HUD

monitoring of the City's rehabilitation loan program expressed a concern as to the deferred no-interest loans; the City now extends all loans at three percent interest.

CDBG funds awarded for capital improvement projects in excess of \$50,000 are extended as no-interest loans that can be forgiven over a period of five, ten or twenty years, depending upon the amount of the loan. Loans are extended only to local nonprofit agencies for development of CDBG-eligible projects and are secured either with a deed of trust or a Uniform Commercial Code filing. At the end of the period of time shown in the promissory note, beginning from the date of the note, if all conditions and terms of the loan documents are complied with, the loan (principal and interest) will be forgiven in its entirety and all restrictions and encumbrances will be removed from the property. The borrower agrees that the project for which CDBG funds are used – acquisition of property or equipment, construction or improvements to facilities, etc. – will be used for CDBG-eligible purposes and serve a CDBG-eligible population during the term of the loan. Current CDBG-funded loans that will be forgiven are as follows with the amount and end date:

• Mental Health Systems – Family Recovery Center	\$154,640	2011
• Quality Children's Services Libby Lake CDC	\$343,000	2015
• North County Lifeline Building Acquisition	\$164,180	2016
• Casa de Amparo Child Development Center	\$100,000	2016
• Ivey Ranch Park Association	\$136,278	2018
• Camp Fire USA	\$150,025	2018

- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.

RESPONSE: No CDBG loans went into default during PY 2007 and no CDBG loans were forgiven or written off during PY 2007. A recent search of records as part of a monitoring visit by the Los Angeles Field Office has revealed one loan in 1994 in the amount of \$15,000 for which reconveyance was made but for which there is no record of funds received from the escrow firm or owner. The City will explore this one item further to determine what happened with this particular transaction. The property is no longer owned by the person who took out the original loan.

- e. Provide a list of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

RESPONSE: The City owned one home in a senior planned development on which rehabilitation work was done with a CDBG loan. The City acquired the property when the owner was unable to make payments on the first trust deed, and then allowed the owner to remain as a renter until such time as she moved out of state. Upon her departure, the City used accumulated rental funds to complete improvements to the home.

In a separate project, the City loaned inclusionary housing (local) funds to Southern California Housing Development Corporation for the acquisition and rehabilitation of Cape Cod Villas, an age- and rent-restricted housing project that was at risk of becoming market-rate housing in 2008. Upon review of tenants as part of the acquisition, it was determined that one of the families did not qualify to remain based on the household income level. The City worked with this family during program year 2006 to purchase the home owned by the City mentioned above; the family moved to this new home in PY 2007. The end result was one more senior

homeowner, one more available rent-restricted unit for a senior household, and repayment of the CDBG rehabilitation loan out of the proceeds from the sale. The City owns no other parcels that were acquired or improved with CDBG funds.

11. Lump sum agreements

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

RESPONSE: Not applicable to the City of Oceanside

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

- a. Identify the type of program and number of projects/units completed for each program.

RESPONSE: The City provides rehabilitation loans for owner-occupied single-family homes when the household income is 80 percent or less (low-income) of the area median income (AMI), adjusted for family size. The City provides grants for improvements to owner-occupied mobilehomes, primarily when household income is 50 percent or less of the area median income (very low), adjusted for family size. Almost all mobilehome improvement program grants were made to seniors or persons with disabilities. During program year 2007, five single-family rehabilitation loans were approved and four projects completed; twenty-one mobilehome improvement grants were approved and seventeen projects completed. Individual rehabilitation projects may continue into a subsequent program year if the loan or grant is approved late in a program year.

- b. Provide the total CDBG funds involved in the program.

RESPONSE: The City approved \$242,279 for single-family rehabilitation projects and \$114,682 for mobilehome improvement projects from CDBG funds during PY 2007. Because of the difference between the time when loans and grants are approved (allocation of funds) and final payments are made to contractors, the City paid out \$203,082 for homeowner rehabilitation and \$76,320 for mobilehome improvement during PY 2007.

- c. Detail other public and private funds involved in the project.

RESPONSE: No other public funds are used in the CDBG rehabilitation program. The homeowner - whether single-family detached home or manufactured home - may use additional personal funds for related improvement activities not eligible under the loan or to pay the additional cost of a contractor who did not submit the lowest bid for the rehabilitation work. Mobilehome improvement program (MHIP) grants must be matched dollar-for-dollar up to \$6,000 when the household income is between 50 and 80 percent of AMI. Households with 50 percent or less of AMI (very low-income) are not required to provide matching funds; almost all MHIP grants are made to very low-income households. Mobilehome improvement grants are capped at \$6,000; any costs beyond this must be paid in full by the owner regardless of household income.

13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies
- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

RESPONSE: The City has one Neighborhood Revitalization Strategy Area (NRSA) approved by HUD – the Calle Montecito Neighborhood Revitalization Area - and one locally-designated NRSA – the Crown Heights Neighborhood Revitalization Area. The City has completed objectives for the Calle Montecito project and a summary of actions in PY 2007 and of the ten years of the plan is included as an appendix. The City and consultant have completed a draft Crown Heights NRSA Plan, which will be reviewed by City staff, citizen advisory commissions and other stakeholders before a final plan is presented to the City Council in late 2008. The City plans to begin implementation of the Crown Heights NRSA Plan in PY 2009.

Detail of activities and progress against benchmarks is included in Part 2 of the CAPER narrative and in the appendices. A review and evaluation of the Calle Montecito NRSA was done in PY 2007; no further allocations or expenditures of CPD funds are planned for the Calle Montecito NRSA except for public services activities. The only capital project remaining in the Calle Montecito / Libby Lake NRSA plan is construction by Habitat for Humanity of twenty for-sale homes at Libby Lake Village. The first four homes were completed in June 2008 and construction will continue through PY 2008 and 2009.

The City does not have any Enterprise Zones (EZ) or Enterprise Communities (EC).

## Antipoverty Strategy

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

RESPONSE: The City has undertaken a number of initiatives to improve the quality of life and economic opportunity for low- and moderate-income individuals, families and neighborhoods:

- a. Most of the activities reported in this PY 2007 (Year Three) CAPER targeted the most needy communities and populations in the City, and all of the City's federal resources for housing and community development were allocated in accordance with the objectives described in the 2005-2010 Consolidated Plan for Housing and Community Development and annual Action Plans. In addition, the City effectively utilizes its federal funding to leverage other public and private monies, especially for development of affordable housing.
- b. The City's Section 8 Rental Assistance program provides support to 1,525 low-income households in the City. The Section 8 program was evaluated by HUD during the past program year and was recognized as a High Performer under the Section Eight Management Assistance Program (SEMAP).
- c. The City coordinates the Family Self-Sufficiency (FSS) program with 69 Section 8 households currently participating in the FSS program. Nine families successfully completed their contracts during the year while seven more joined the program. As an incentive, the City maintains an escrow account for each family in which a portion of their housing assistance payment is deposited. When a family

completes the objectives in their plan, they receive the savings in their escrow account. The Oceanside FSS program added a first-time homebuyer program in 2004; one FSS family was able to purchase a home during PY 2007.

- d. The City has initiated neighborhood revitalization programs in Calle Montecito and Crown Heights. The Libby Lake Community Center, a central objective in the Calle Montecito Plan, provides a community health clinic, programs for youth, a neighborhood computer center and access to various City services. The City obtained two federal grants for capital improvements in Crown Heights, an EDI-special projects grant for \$250,000 and a HUD Neighborhood Improvement grant for \$190,000. These grants plus CDBG and City General Fund allocations are used to improve conditions for residents of the neighborhood. A rental rehabilitation program, including a tenant-based rental rehabilitation program, has been presented to owners of apartment buildings in Crown Heights as a means to improve living conditions and reduce over-crowding.
- e. The City worked with a nonprofit job-training organization to open a new employment development/job-training center at the Libby Lake Community Center. The development of the Ocean Ranch Corporate Center in Oceanside offers opportunities for employment at higher wage scales in manufacturing, warehousing and pharmaceuticals; local educational institutions have added programs designed to prepare people for these jobs.
- f. The City operates four community resource centers in low-income neighborhoods. These resource centers, supported by the City's General Fund, provide access for residents to a range of public services, space for youth programs and neighborhood events, and opportunity for nonprofit social service and health agencies to offer programs and services to residents. The resource centers provide space for community-oriented police officers to deal with public safety issues.
- g. The City's childcare policy supports the expansion of affordable, quality childcare as a key support for working families and as an incentive for new businesses. The City used CDBG funds for a new 48-slot child development center serving the Libby Lake neighborhood; this opened in June 2006 and is now at full enrollment.
- h. With grants from the State Library, the City has established an adult literacy program using volunteer tutors who assist working adults and school-age children to develop and/or improve their reading and writing ability. A Library Bookmobile brings services and programs to persons in low-income areas who are unable to get to one of the City library facilities. The bookmobile contains a computer lab and provides space for the Adelante health information and neighborhood outreach program. Promoting English language literacy is a primary aim of the bookmobile.
- i. The City maintains a community computer center and computer labs at both Library locations and at three of the four resource centers. Computer labs are also being established at teen rooms in City recreation centers. These computer centers provide public access to computers and the Internet that enables low-income persons to learn computer skills and search for employment opportunities. Children and youth in low-income families have access to technology necessary for academic success. The Library Bookmobile, supported with CDBG funds, has computer terminals and a satellite uplink to bring technology to people in low-income areas of the City.

- j. The City actively promotes cooperation and partnerships among the various nonprofit social service and health agencies in the area and with the County Health and Human Services Agency, in order to make the most effective use of limited funds. The City has done outreach to faith-based and community-based organizations in the City to encourage their participation in the issues and challenges facing the City. The City's S.U.N. volunteer-based program for neighborhood enhancement has encouraged other volunteer activities by community-based organizations, such as beach or watershed clean-ups. The City actively promotes these activities for high school youth who have social service requirements to fulfill. Housing Division staff help to connect individuals and groups wanting to contribute volunteer efforts with organizations that need assistance with particular projects.

## NON-HOMELESS SPECIAL NEEDS

### Non-homeless Special Needs

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

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

RESPONSE: The City provided CPD funding in PY 2007 to a variety of supportive housing activities for persons with special needs:

- a. The City provides an annual allocation of CDBG funds to Fraternity House, which provides 24/7/365 residential care for persons with AIDS who do not need hospitalization but cannot live on their own. Residents are very low-income and would otherwise be at risk of homelessness.
- b. The City will establish a project-based Section 8 Rental Assistance Program during PY 2008 at the Marisol Apartments, which provides housing and supportive services for persons with AIDS and their families. Persons at Fraternity House and at Marisol Apartments pay no more than thirty percent of household income as rent.
- c. T.E.R.I., Inc., provides group homes with services for adults (18 and over) with developmental disabilities; the City allocated HOME funds for acquisition and improvements to one home in Oceanside, and has provided CDBG funds for other activities. CDBG funds in PY 2007 supported development of an outdoor enrichment area at the T.E.R.I. center, which is located in an industrial and commercial area with no nearby parks or recreational facilities.
- d. The City provided CDBG funds to Mental Health Systems for the operation of the Family Recovery Center in Oceanside, which provides housing and services for women in recovery from substance abuse, particularly methamphetamines, including women with children and pregnant women. CDBG funds in PY 2007 were used to support the sobriety counseling program at the center to help the residents develop a drug- and alcohol-free lifestyle. The program also provides classes to help the women develop positive parenting skills and a healthy family life for themselves and their children. The City has provided CDBG funds in previous years for facility rehabilitation, which was originally constructed as a hospital. The City and Mental Health Systems will explore using CDBG funds for a job-training program at the Recovery Center in PY 2009.

## Specific HOPWA Objectives

Program Year 3 CAPER Specific HOPWA Objectives response:

RESPONSE: The City of Oceanside does not receive HOPWA funds. The County of San Diego does provide HOPWA funds toward the support of the Marisol Apartments in Oceanside, which provides affordable rental housing for very low-income persons with AIDS who are able to live independently, including those with family members, and to Fraternity House in San Marcos, which provides 24/7 housing and supportive services to persons with AIDS who are unable to live independently, including persons from Oceanside. Oceanside provides CDBG funds to Fraternity House.

## OTHER NARRATIVE

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

The 2005-2010 Consolidated Plan for Housing and Community Development identified thirty objectives; these objectives form the structure of the annual Action Plan and the CAPER. In Part 2 of the CAPER for PY 2007 (year three of the five-year Consolidated Plan), each objective is listed followed by the proposed activities and available resources for the activities. The CAPER then shows how resources were used, the number of persons or households that were served, and program achievements.

The appendices to the PY 2007 CAPER include:

1. Calle Montecito Neighborhood Revitalization Plan with benchmarks and accomplishments for the year and for the ten-year period of the Plan
2. Status of the Crown Heights Neighborhood Revitalization Plan
3. Fair Housing Council of San Diego Report on Oceanside Activity for 2007-08
4. Substantial Amendments to 2007-08 Action Plan
5. Public participation activities during PY 2007
6. Reports: FHEO Section 3 compliance (HUD Form 60002), Labor Standards (HUD 4710), MBE/WBE Contract Activity (HUD 2516), HOME Match Report (HUD 40107)

IDIS Reports included in the PY 2007 CAPER:

1. PR03 CDBG Activity Summary Report (GPR)
2. PR02 & 06 Summary of Consolidated Plan Projects
3. PR19 & PR20 Emergency Shelter Grants Program Activity
4. PR22 HOME Investment Partnership Program Activity
5. PR23 Summary of Accomplishments
6. PR26 Financial Summary and Adjustments