

City of San Clemente
Draft 2017-2018
Annual Action Plan

Draft Date
3-8-2017

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2017-2018 Annual Action Plan for the City of San Clemente satisfies federal requirements to receive Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD).

The primary objective of the CDBG program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low- and moderate-income individuals.

Each activity to be undertaken with CDBG funds must meet one of the three national objectives:

- Benefit low and moderate-income persons,
- Aid in the prevention or elimination of slums and blight, or
- Meet a community development need having a particular urgency.

The City's Consolidated Plan is a multi-year strategic plan that identifies an array of goals, outcomes and activities that the City can implement with CDBG funds to address priority housing and community needs. The Action Plan, a component of the Consolidated Plan, is the City's annual expenditure plan for the use of CDBG funds. HUD has yet to announce CDBG allocations Fiscal Year 2017-2018 (FY 2017-18); however, the City anticipates it will receive an allocation of \$345,000 in CDBG funds. The City has also identified \$80,000 in prior year CDBG funds that may be available during FY 2017-18. Program income received during FY 2017-18 will also be available to fund eligible housing rehabilitation activities.

The 2017-2018 Action Plan details the specific activities the City will undertake with CDBG funds to address housing and community needs identified in the Consolidated Plan. Planned activities include sidewalk improvements, housing and commercial property rehabilitation, public services and program administration (including fair housing services).

2. Summarize the objectives and outcomes identified in the Plan

Four-year CDBG program objectives and outcomes identified in the 2016-2019 Consolidated Plan are summarized below. Corresponding proposed outcomes for FY 2017-18 are also summarized below:

- Public Infrastructure Improvements: 5 Yr. Goal: Projects benefitting 10,000 individuals / FY 17-18 Goal: 1 project benefitting 1,000 individuals (Note: this is the second year of funding for Ave. Palizada Sidewalks)
- Public Facility Improvements: 5 Yr. Goal: Projects benefitting 5,000 individuals / FY 17-18 Goal: No projects planned

- Single and Multi-Family Housing Rehabilitation: 5 Yr. Goal: 20 owner-occupied and 4 rental units rehabilitated / FY 17/18 Goal: 4 owner-occupied and 1 rental units rehabbed
- Commercial Rehabilitation: 5 Yr. Goal: Assist 20 business / FY 17-18 Goal: Assist 7 businesses
- Homeless Services: 5 Yr. Goal: 25 homeless individuals will be assisted with shelter and/or support services / FY 17-18 Goal: 230 individuals with shelter and support services
- Public Services: 5 Yr. Goal: 10,000 residents assisted / FY 17-18 Goal: 1,979 individuals assisted
- Fair Housing Services: Services to address impediments to fair housing choice. 5 Yr. Goal: Assist 500 households / FY 17-18 Goal: Assist 90 households
- Program Administration: CDBG program oversight and coordinate. 5 Yr. Goal: 5 Years of program admin / FY 17-18 Goal: 1 Year of program admin

3. Evaluation of past performance

FY 2016-17 is the first year of the City's 2016-2019 Consolidated Plan cycle – most activities identified in the 2016-17 Annual Action Plan will be completed by June 30, 2017; therefore, there are no past performances to report at this time.

4. Summary of Citizen Participation Process and consultation process

An important element of the Consolidated Plan (and Action Plan) planning process is the input of residents and community stakeholders with respect to priority needs and activities to be funded with CDBG. For the 2017-2018 Action Plan, the City encouraged public participation in a variety of ways:

- On December 12, 2016, the City held a public meeting for current and potential CDBG public service grant applicants. In addition to discussing the grant application process, input regarding the service needs of area residents was solicited. This meeting was held in partnership with the cities of Lake Forest, Mission Viejo and Rancho Santa Margarita.
- The City's Human Affairs Commission held a meeting on February 27, 2017, to accept public input on allocation of CDBG public service grant funds
- On March 3, 2017, a notice was published in a local newspaper announcing the required 30-day public comment period for the draft 2017-2018 Annual Action Plan. The notice also announced 2017-2018 public hearing to be held by the City Council.
- April 4, 2017, public hearing held by the San Clemente City Council to accept additional public input regarding the draft 2017-2018 Annual Action Plan, and authorize submission of the plan to HUD.

5. Summary of public comments

[To be provided at conclusion of comment period and public hearing.]

6. Summary of comments or views not accepted and the reasons for not accepting them

[To be provided at conclusion of comment period and public hearing.]

7. Summary

Fiscal Year 2017-2018 Annual Action Plan is the second year of the 2016-2019 Consolidated Plan cycle. The Annual Action Plan, is the City's one-year expenditure plan for CDBG funds. **The City anticipates receiving an allocation of \$345,000 in CDBG funds for FY 2017-18. An additional \$80,000 prior year uncommitted CDBG funds,** plus program income resources received during the year, will also be available during the year to carry out CDBG eligible activities. The Action Plan also details the activities the City will undertake with CDBG funds in support of the broader goals and objectives of the Consolidated Plan.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
CDBG Administrator	San Clemente, CA	Community Development

Narrative (optional)

The City’s Community Development Department is primarily responsible for the administration of CDBG funds including preparation of the Consolidated Plan, annual action plans, and year-end performance reports.

Consolidated Plan Public Contact Information

Amber Gregg, Interim City Planner
GreggA@san-clemente.org
(949) 361-6196

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Pursuant to HUD regulations, the City has taken several action steps to obtain the input of community residents and stakeholders to develop the 2017-2018 Annual Action Plan. Consultation efforts included workshops with current and potential applicants for CDBG funding and with the City's Human Affairs Committee. The City also utilized its internet webpage and the local community newspaper to notify residents of the opportunity to review and comment on the draft 2017-2018 Annual Action Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The City of San Clemente works closely with the County of Orange Housing Authority (OCHA), which administers the federal rental assistance voucher and certificate programs. The City has limited resources to assist with the development of new housing; however, as housing development evolves, City staff works closely with developers to identify opportunities to create new housing for lower income residents.

Through its annual CDBG Public Service Grants and City-funded Good Neighbor Grants funding process, City staff is able to ascertain the types of services City residents require (e.g., senior services, youth services, homeless services), and can develop partnerships with local agencies to coordinate the delivery of quality services.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

As a participant in the Orange County Continuum of Care (OC-CoC) planning process, the City provides information to the OC-CoC regarding the activities it will fund to address local homeless issues. This information is used by the OC-CoC to prepare the regional application to HUD for Homeless Assistance Grant funds. As needed, City staff will expedite certifications of consistency with the Consolidated Plan and other forms of support for the OC-CoC.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City is not a recipient of Emergency Solutions Grant (ESG) funds; therefore, it does not assist the OC-CoC with the determination of ESG allocations nor evaluating outcome, or developing policies and procedures for the administration of the regional Homeless Management Information System (HMIS).

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Orange County Housing Authority
	Agency/Group/Organization Type	PHA Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided information regarding number and type of households receiving rental assistance.
2	Agency/Group/Organization	211 Orange County
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Homeless Management Information System Admin
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Regional Continuum of Care coordinator and HMIS administrator. Provided information regarding regional homeless population and shelter resources.
3	Agency/Group/Organization	Fair Housing Foundation
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Impediments to Fair Housing

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency provided data and information which helped identify the needs of lower income families and individuals requiring fair housing services. Also provided consultation of City's strategy to address impediments to fair housing.
4	Agency/Group/Organization	Age Well Senior Services
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding the housing and service needs of seniors, including home bound seniors.
5	Agency/Group/Organization	Families Forward
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding housing and service needs of homeless individuals and households at risk of becoming homeless.
6	Agency/Group/Organization	Family Assistance Ministry
	Agency/Group/Organization Type	Services - Housing Services-homeless

	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Veterans Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding housing and service needs of homeless individuals and households at risk of becoming homeless.
7	Agency/Group/Organization	South County Outreach
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding the needs of lower income households specifically, individuals/households at risk of becoming homeless.
8	Agency/Group/Organization	Camino Health Center
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding medical/dental service needs of the community including homeless individuals.
9	Agency/Group/Organization	Laura's House
	Agency/Group/Organization Type	Services-Victims of Domestic Violence

	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency helped identify the needs of homeless women and women with children including victims of domestic violence.
10	Agency/Group/Organization	City of San Clemente
	Agency/Group/Organization Type	Other government – Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Various city departments, committees, and City Council provided data and information. Also played a key role in identifying priorities and recommendation for the allocation of HUD funds.

Identify any Agency Types not consulted and provide rationale for not consulting

The City made an effort to have an open consultation process. No agency was knowingly not consulted.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Table 3 – Other local / regional / federal planning efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	211 Orange County	Helped City establish program goals to address need of the San Clemente homeless. Includes regional point in time survey, 10-Year Plan to End Homelessness (including Discharge Plan).
City of San Clemente 2013-2021 Housing Element	City of San Clemente	Provided housing priorities and program goals. The City also made an effort to ensure the Housing Element and Consolidated Plan are consistent.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
City of San Clemente Capital Improvement Plan	City of San Clemente	Helped to identify priority capital projects that may be CDBG-eligible.
5 Yr & 1 Yr PHA Plan	Orange County Housing Authority	Identified OCHA resources to address housing needs of lower income renter householders in the City.
Analysis of Impediments to Fair Housing	16 Orange County HUD Grantee Cities	Multi-jurisdictional document identified fair housing impediments within participating cities and outlined plan to address issues.

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The City of San Clemente provided several opportunities for public participation throughout the Annual Action Plan preparation process. These opportunities included public meetings, a 30-day public review of the Annual Action Plan, and a City Council public hearing. The notice for the required public comment period and public hearing is presented in **Attachment 1** of this plan. Actions are further summarized below:

Citizen Participation Outreach

Table 4 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Public Service Agencies	12/12/16 meeting – 9 individuals attended meeting to discuss social service needs and grant application process	Provided input on needs of homeless, homeless families and senior issues	NA	NA
2	Public Meeting	Non-targeted/broad community	2/27/17 Human Affairs Commission meeting to accept public input on allocation of CDBG public service grant funds	None	NA	NA

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
3	Newspaper Ad	Non-targeted/broad community	Notice of 30-day public review period (3/3/17 to 4/3/17) and 4/4/17 public hearing	TBD	TBD	NA
4	Public Hearing	Non-targeted/broad community	4/4/17 public hearing	TBD	TBD	NA

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

Since the 2017 federal budget has yet to be approved, the City is estimating it will receive \$345,000 in CDBG funds for FY 2017-18. The City will use CDBG funds for housing activities, public infrastructure improvements, public services, and planning and administrative costs. The table below provides a summary of resources anticipated to be available during FY 2017-18. The table includes a carryover of prior year funds totaling \$80,000. Program income (i.e., Revolving Loan funds which are repayments of previously funded housing rehabilitation loans) will also be available. Housing voucher/certificate resources (via OCHA) and Good Neighbor grants, i.e., social service grants from the City’s General Fund, will also be available to carry out activities that support the goals of the Consolidated Plan. Due to recent housing development activity, the City has access to In-lieu Affordable Housing Fee resources; however, presently no projects are identified for the use of these funds.

Priority Table

Table 5 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin & Planning Economic Development Housing Public Improvements Public Services	345,000	0	80,000	425,000	600,000	Annual CDBG allocation from HUD, program income and prior year funds.
Section 8	Public-federal	Housing	0	0	0	0	0	130 San Clemente households receive rental assistance voucher or certificate

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Public Services	0	0	0	0	0	Approximately \$65,000 in General Fund resources for service providers

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In past years, the City was able to leverage federal funds with local redevelopment funds. In 2012 the State Legislature and the Governor passed legislation to dissolve all redevelopment agencies in the State. As a result, this funding source is no longer available. The City has identified other resources that will be available to carry out activities that address the goals of the Consolidated Plan:

- OCHA reports that as of January 19, 2017, a total of 134 San Clement households received rental assistance. It is anticipated that a similar number of households will be assisted during FY 2017-18.
- On an annual basis, the City allocates approximately \$65,000 in General Fund resources to support a variety of social service programs in the community, i.e., Good Neighbor grants. Several types of services are funded with these resources including homelessness prevention and interim housing for homeless families with children.
- In-lieu Affordable Housing Fund resources generated by the City’s Inclusionary Housing Program are available to assist nonprofit agencies purchase land or existing housing units for the provision of affordable housing. The program requires developers of six or more housing units to set aside 4% of units developed for households earning 50% or less of the area median income. The affordable requirement can be provided either on site, off site, or by paying an in lieu fee. Recent housing development has generated approximately \$1,000,000 for the fund. No specific project is presently slated to benefit from this resource; however, these funds are considered one-time funds, as large scale housing development in the City is complete and the City has approached build out.

CDBG does not require matching funds.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

As indicated in the Consolidated Plan, San Clemente is nearly “built out” with limited vacant land. The City’s Housing Element identifies several vacant and underutilized sites that may be suitable for housing development. Nearly all vacant residential sites are small, infill parcels located west of Interstate 5. Most parcels identified in the Housing Element residential sites inventory are in the City’s Affordable Housing Overlay. The intent of the Overlay Zone is to encourage the development of affordable rental and for sale housing in commercial and mixed use zones. City staff will continue to monitor development proposals in the overlay zone.

Discussion

Funding resources to implement the City’s 2017-18 Annual Action Plan are limited. The City anticipates receiving **\$345,000 in CDBG funds for FY 2018-17. This amount is \$89 (0.03%) less than the City’s 2016-2017 CDBG allocation;** however, it is worth noting that since the City became a CDBG recipient community in 2006, its CDBG allocation has decreased approximately 44.5%. It is anticipated that CDBG funding will continue to be reduced.

An additional **\$80,000** in uncommitted prior year CDBG resources will be available in FY 2017-18. CDBG-funded housing rehabilitation loan repayments (i.e., Revolving Loan Funds) will provided the City with additional source; however, these loan repayments are susceptible to the fluctuations of the economy and are unpredictable.

HUD has begun to invest additional resources into housing assistance vouchers and certificates, and OCHA has aggressively pursued these new resources. The City will continue to support OCHA’s efforts to secure new rental assistance resources. Additionally, for the foreseeable future, the City will continue to support programs serving City residents with Good Neighbor social service grants. Finally, the City has identified vacant and underutilized land that may be suitable housing development - in lieu fees for affordable housing development may also be available to support affordable housing activities.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Table 6 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Public Infrastructure Improvements	2016	2019	Non-Housing Community Development	CDBG census tracts	Public Improvements	CDBG: \$240,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1,000 Persons Assisted
2	Single Family Housing Rehab	2016	2019	Affordable Housing	Citywide	Housing Rehabilitation	CDBG: \$46,000	Homeowner Housing Rehabilitated: 4 Household Housing Unit
3	Rental Housing Rehab	2016	2019	Affordable Housing	Citywide	Housing Rehabilitation	CDBG: \$4,250	Rental units rehabilitated: 1 Household Housing Unit
4	Commercial Rehabilitation	2016	2019	Non-Housing Community Development	CDBG census tracts	Commercial Rehabilitation	CDBG: \$14,000	Businesses assisted: 7 Businesses Assisted
5	Public Services	2016	2019	Non-Housing Community Development	Citywide	Public Services	CDBG: \$41,750	Public service activities other than Low/Moderate Income Housing Benefit: 1,979 Persons Assisted
6	Homeless Services	2016	2019	Homeless	Citywide	Public Services	CDBG: \$10,000	Homeless Person Overnight Shelter: 155 Persons Assisted Homelessness Prevention: 75 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Fair Housing Services	2016	2019	Administration	Citywide	Administration	CDBG: \$4,500	Other: 90 Other
8	Program Administration	2016	2019	Administration	Citywide	Administration	CDBG: \$64,500	Other: 1 Other

Goal Descriptions

Table 7 – Goal Descriptions

1	Goal Name	Public Infrastructure Improvements
	Goal Description	Improvements to public infrastructure that primarily benefits low- and moderate-income persons
2	Goal Name	Single Family Housing Rehab
	Goal Description	Housing rehabilitation assistance to improve residential properties
3	Goal Name	Rental Housing Rehab
	Goal Description	Housing rehabilitation assistance to improve residential properties
4	Goal Name	Commercial Rehabilitation
	Goal Description	Business signs and other minor façade improvements
5	Goal Name	Public Services
	Goal Description	Safety net services for lower income households
6	Goal Name	Homeless Services
	Goal Description	Housing and service options for households at risk of homelessness and already homeless
7	Goal Name	Fair Housing Services
	Goal Description	Fair housing education and enforcement services

8	Goal Name	Program Administration
	Goal Description	CDBG program oversight and coordination

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

The City of San Clemente is not a recipient of HOME funds; however, CDBG resources will be allocated to assist with the rehabilitation of residential housing units. It is estimated that **one extremely low-income; one very low-income, and two low-income owner** households will be assisted with CDBG resources during FY 2017-18. **One** very-low income renter household may also be assisted.

AP-35 Projects – 91.220(d)

Introduction

The following activities have been allocated CDBG funds for Fiscal Year (FY) 2017-18.

Table 8 – Project Information

#	Project Name
1	Sidewalk Improvements 17-18
2	Single Family Housing Rehabilitation Program
3	Rental Housing Rehabilitation
4	Commercial Facade Improvements
5	Camino Health Center
6	Family Assistance Ministry
7	Laura's House
8	Fun On The Run
9	Fair Housing Foundation
10	CDBG Program Administration

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City will allocate a portion of its CDBG funds for activities that address the housing and service needs of the elderly and lower income households, especially those at risk of becoming homeless. According to data from the Consolidated Plan, these households are contributing a significant portion of their income to maintain housing. Consistent with the City's Homeless Strategy, resources will be allocated to help these households remain housed in place rather than fall into homelessness. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding for San Clemente households. The City's housing rehabilitation program will also focus its efforts to assist elderly homeowners undertake improvement of respective residences to address specific household needs.

Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	Avenida Palizada Sidewalk (Year 2 Funding)
	Target Area	CDBG census tracts
	Goals Supported	Public Infrastructure Improvements
	Needs Addressed	Public Improvements
	Funding	CDBG: \$240,000
	Description	CDBG funds for sidewalk improvements
	Target Date	06/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	Estimated 1,000 households (2,900 individuals), 61.8% of which are low- and moderate-income
	Location Description	100 Block of W. Avenida Palizada CT: 042107 BG: 2 & CT: 042108 BG: 5
	Planned Activities	Second year funding for this project (\$200,000 funded in FY 16-17). Construction of sidewalks, curbs and ADA ramps.
2	Project Name	Home Rehabilitation Program
	Target Area	Citywide
	Goals Supported	Single Family Housing Rehabilitation
	Needs Addressed	Housing Rehabilitation

	Funding	CDBG: \$46,000
	Description	CDBG funds (FY 17-18 funds plus program income) for housing rehabilitation loans or grants to address housing/building code deficiencies and deferred building improvements.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	4 owner occupied housing units
	Location Description	Citywide
	Planned Activities	Rehabilitation of owner occupied housing units.
3	Project Name	Rental Housing Rehab
	Target Area	Citywide
	Goals Supported	Rental Housing Rehab
	Needs Addressed	Housing Rehabilitation
	Funding	CDBG: \$4,250
	Description	CDBG funds (FY 17-18 funds plus program income) for housing rehabilitation loans or grants to address housing/building code deficiencies and deferred building improvements.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	1 rental housing unit
	Location Description	City wide
	Planned Activities	Funds for rental housing rehabilitation loans or grants.

4	Project Name	Commercial Facade Sign Grants
	Target Area	CDBG census tracts
	Goals Supported	Commercial Rehabilitation
	Needs Addressed	Commercial Rehabilitation
	Funding	CDBG: \$14,000
	Description	Grants to update or upgrade business signs or facades
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	Up to 7 business to be assisted
	Location Description	To be determined but located within CDBG-eligible Census Tract Block Groups
	Planned Activities	Grants to business owners to update or upgrade signs and/or facades.
5	Project Name	Camino Health Center
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$18,000
	Description	Low cost medical and pediatric dental services for low- and moderate-income persons
	Target Date	6/30/2018
Estimate the number and type of families that will benefit from the proposed activities	1,500 low- and moderate-income persons	

	Location Description	1031 Avenida Pico, Ste. 104, San Clemente CA
	Planned Activities	Primary medical care and pediatric dental services at reduced cost for lower income persons and indigents.
6	Project Name	Family Assistance Ministry
	Target Area	Citywide
	Goals Supported	Homeless Services
	Needs Addressed	Public Services
	Funding	CDBG: \$10,000
	Description	Housing, support services and case management for households that are at risk of homelessness and those that are homeless
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	208 low- and moderate-income persons (Homelessness Prevention =75, Emergency Shelter = 44, Transitional Housing = 60, Rapid Rehousing = 20, Permanent Supportive Housing = 9)
	Location Description	Citywide
	Planned Activities	A continuum of housing and supportive service for households at risk of homelessness and those that are homeless.
7	Project Name	Laura's House
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$8,000
	Description	Shelter, counseling and support services for victims of domestic violence

	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	200 individuals that are victims of domestic violence (Emergency Shelter = 4, Transitional Housing = 18, Counseling/Hotline = 178)
	Location Description	Citywide
	Planned Activities	Counseling and support services for victims of domestic violence.
8	Project Name	Fun On The Run
	Target Area	Citywide
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$15,750
	Description	Youth recreation program
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 300 youths
	Location Description	Citywide
	Planned Activities	After school recreation and homework assistance program with a focus on low- and moderate-income children.
9	Project Name	Fair Housing Foundation
	Target Area	Citywide
	Goals Supported	Fair Housing Services
	Needs Addressed	Administration

	Funding	CDBG: \$4,500
	Description	Fair housing outreach, education and enforcement services with the goal to reduce and eliminate impediments to the fair access of housing
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	90 households
	Location Description	Citywide
	Planned Activities	Fair housing outreach, education and enforcement services including: landlord, tenant and property management fair housing training; community outreach and education; complaint investigation and enforcement services.
10	Project Name	CDBG Program Administration
	Target Area	Citywide
	Goals Supported	Program Administration
	Needs Addressed	Administration
	Funding	CDBG: \$64,500
	Description	CDBG program oversight and coordination
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	Not applicable
	Location Description	910 Calle Negocio Ste. 100, San Clemente CA
	Planned Activities	Program oversight and coordination including management of public service grants, housing rehabilitation programs, and preparation of required applications and reports.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Most activities slated for CDBG-funding during FY 2017-18 will be available on a citywide basis to income eligible individuals and households. These activities include public services and housing rehabilitation. Activities such as commercial rehabilitation and sidewalk improvements will be limited to specific areas of the City where a majority of residents meet HUD’s income limits. A map of the City’s CDBG Target Areas is provided as **Attachment 2**.

Geographic Distribution

Table 10 - Geographic Distribution

Target Area	Percentage of Funds
CDBG census tracts	61
Citywide	39

Rationale for the priorities for allocating investments geographically

A significant portion of CDBG funding is allocated on a citywide basis as the City’s primary intent is to serve lower income households that need assistance regardless of where they live in the City. As the City’s CDBG-eligible areas tend to be older sections of the City, area wide activities (e.g., public improvements) will help to improve and sustain these neighborhoods.

Discussion

As indicated above, CDBG funds will be allocated to programs that serve lower income residents regardless on a citywide basis (estimated 39% of available funds). The balance will be allocated to activities that will benefit residents of areas identified by HUD as having a significant number of lower income residents.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City will utilize limited CDBG funds and program income to provide housing rehabilitation loans and grants to eligible homeowners and renter-occupied units. A total of \$18,000 CDBG funding is allocated in 2017-18 for homeless or other special needs populations housing and services.

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless (<i>Prevention, Emergency, Transitional, Rapid Rehousing & Permanent Supportive Housing</i>)	208
Non-Homeless	0
Special-Needs (<i>Victims of Domestic Violence</i>)	22
Total	230

Table 12 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance (<i>via OCHA</i>)	130
The Production of New Units	0
Rehab of Existing Units	5
Acquisition of Existing Units	0
Total	135

Discussion

Despite limited resources, the City will utilize 2017-18 CDBG funds to assist with the rehabilitation of owner-occupied and renter-occupied housing units. While not the primary focus of the program, some special-needs households (senior and disabled) may be assisted during the year by this program. The City will also continue to support OCHA’s program activities in the community. An estimated 130 households will receive rental assistance vouchers or certificates during FY 2017-18. Additionally, CDBG funding will be allocated to provide a spectrum of housing options and services for households at risk of becoming homeless, and those already homeless.

AP-60 Public Housing – 91.220(h)

Introduction

San Clemente does not own or manage public housing.

Actions planned during the next year to address the needs to public housing

Not applicable

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

Not applicable

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable

Discussion

San Clemente does not own or manage public housing.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

As outlined in the Consolidated Plan, the City's homeless strategy places an emphasis on preventing homelessness. Based on the proposition that it is less expensive and disruptive to keep a household housed in place, the City will use CDBG resources to fund programs that provide services that help households to maximize the amount of income they can contribute toward housing. Services to be funded with CDBG include reduced cost after-school youth recreation services, reduced cost medical services, counseling/legal services (for victims of domestic violence), and homelessness prevention assistance. To assist those already homeless, CDBG funding will be allocated for programs offering emergency shelter, transitional housing, rapid rehousing, and access to permanent supportive housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of San Clemente does not directly fund homeless outreach services; however, the City does support agencies that work directly with both sheltered and unsheltered homeless populations. Agencies such as Family Assistance Ministries conduct extensive outreach and vulnerability assessments throughout San Clemente and neighboring communities. Other agencies conduct similar outreach and assessment services for specific homeless populations such as victims of domestic violence and transitional age youth.

Addressing the emergency shelter and transitional housing needs of homeless persons

As indicated in the Consolidated Plan, there are 40 transitional shelter beds in the community managed by two agencies. Shelter beds are typically earmarked for special need populations such as homeless families and transitional age youth. Additionally, there are shelter beds for victims of domestic violence. 2017-18 CDBG funding is allocated to support emergency and transitional housing provided by Laura's House and Family Assistance Ministry.

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

As outlined above, the City will focus its CDBG resources on preventing homelessness and assisting those already homeless. For FY 2017-18, CDBG funding is allocated to support Rapid Rehousing and Permanent Supportive Housing programs offered by Family Assistance Ministry. These programs will

assist homeless families including chronically homeless families and veterans and their families. Additionally, as previously indicated, a shelter for transitional age youth is situated in the City. While no CDBG funding is allocated toward this program in FY 2017-18, the shelter and program resources are available to local homeless youth.

Upon request, the City will support agencies that provide homeless housing and supportive services by providing a Certification of Consistency with the Consolidated Plan. (Note that in addition to being consistent with the Consolidated Plan, programs must also comply with applicable federal, state and local regulations). Additionally, City will continue to support the regional CoC as it seeks resources to address regional homeless issues. The City will also support OCHA's efforts to obtain additional housing assistance vouchers for homeless Veterans (VASH). OCHA reports that as of February 2017, there are 531 Veteran households benefitting from VASH housing assistance – five reside in San Clemente.

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

It is the City's strategy to help a household at risk of becoming homeless, to stay in their home. CDBG funding has been allocated to provide financial assistance and case management to prevent homelessness. The City will also continue to participate in regional homeless planning efforts including the OC CoC's Discharge Plan, which aims to prevent individuals leaving institutions, hospitals, etc., from becoming homeless.

Discussion

The City's homeless strategy is to help prevent homelessness and to support local service providers' efforts to seek additional resources. CDBG funds are allocated for safety net services that will help households at risk of homelessness redirect limited income toward housing. If necessary, financial assistance and case management will be provided. CDBG funds will also be utilized to provide emergency, transitional and access to permanent supportive housing.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

Barriers to affordable housing and actions to overcome barriers are detailed in the Consolidated Plan and the City's Housing Element. Key elements are summarized below.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Housing Resources: The City will encourage developers to seek private and other public funding sources to reduce the development cost of housing units. To the extent that funds are available, Inclusionary Housing in-lieu fees may be made available to assist nonprofit agencies purchase land or existing housing units to create new long-term affordable housing opportunities.

Environmental Review. The Housing Element identifies exemptions that state and federal laws provide to streamline the environmental review process. City staff will assist property owners and developers navigate the various environmental review regulations to help reduce the holding cost associated with the time needed to comply with these reviews.

Planning and Development Fees. The City does not typically offer fee waivers; however, the City Council may approve a waiver, offer deferred or reduced fees, or supplement fees with funds from the In-lieu Fee Fund, for affordable housing projects.

Permit and Processing Procedures. The City's Housing Element outlines several time and cost savings development processes aimed at reducing the holding time of housing developers. For affordable housing project, City staff will interact with project sponsors early in the process to determine project feasibility and will assist the developer through the entitlement process.

Land Use Controls. In general, land use controls are necessary to protect the public health, safety and welfare and maintain the quality of life. The City has implemented reasonable controls which are appropriate for the community.

Tax Policies: There is no local tax; however, some areas of the City are subject to Mello-Roos assessments.

Discussion

The City's Housing Element outlines a comprehensive plan to address barriers to affordable housing - the Consolidated Plan mirrors this plan.

AP-85 Other Actions – 91.220(k)

Introduction

Outlined below are the actions the City will implement to address the sub-strategies of the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

The City will allocate a portion of its CDBG funds for activities that address the service needs of the elderly and lower-income households. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding especially for senior and low-income households. The City's housing rehabilitation programs will be available to assist elderly homeowners undertake improvement of respective residences to address specific household needs.

Actions planned to foster and maintain affordable housing

The City of San Clemente has identified the actions it will undertake during FY 2017-2018 to foster and maintain affordable housing. The Consolidated Plan identified programs such as Housing Rehabilitation assistance as the means to maintain and improve housing currently available to low- and moderate-income residents. By providing deferred payment loans and grants, lower income households are able to rehabilitate their residence to meet basic housing quality standards and incur zero or minimal additional housing costs. It is estimated five housing units will be assisted with CDBG funds during FY 2017-18.

Actions planned to reduce lead-based paint hazards

To ensure compliance with federal regulations, all housing units constructed before 1978, that are rehabbed with CDBG funds, will be tested for lead-paint hazards. If lead is found, additional assistance may be provided to eliminate or mitigate lead hazards in compliance with current regulations.

Actions planned to reduce the number of poverty-level families

Per Census data, approximately 8.0% of the City's population is living below the poverty level including 9.7% of children under the age of 18 and 4.9% of seniors (age 65 and older). During FY 2017-18, the City will fund the following activities with the goal of reducing the number of poverty-level households:

- Housing programs including rehabilitation for lower income and senior homeowners, and rental assistance for very low-income renters (the latter via the OCHA).
- Public services that provide free or reduced cost services to lower income households that will help to improve quality of life.
- Commercial property upgrades to improve neighborhood aesthetics and expand economic opportunities for lower income residents.

Actions planned to develop institutional structure

The City has made an effort to develop an institutional structure that will help identify and access resources to improve the community. The City will continue to work with nonprofit and public entities to deliver public services. As a member of the Orange County Continuum of Care Community Forum, the City will provide critical information to the County of Orange for preparation of the County's Continuum of Care Homeless Assistance grant application to HUD. The City will also continue to assist the OCHA implement its Five-year Public Housing Authority (PHA) Plan for the provision of rental assistance vouchers and certificates.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of San Clemente does not operate public housing - OCHA provides rental assistance in the community. Federal legislation requires that OCHA prepare a five-year and one-year plans that highlight its mission, goals and objectives as it relates to public and assisted housing programs. The City will review OCHA's plans and will provide OCHA the opportunity to review and consult with the City regarding its Consolidated Plan/Annual Action Plan. The goal of this cross-consultation is to provide consistent and coordinated housing services for City residents.

San Clemente has also developed positive working relationships with private and nonprofit housing developers. Additionally, ongoing working relationships with local nonprofits social service providers promotes the efficient and effective use of limited private and public resources to address the service needs of the community.

Discussion

HUD regulations require that the City prepare an Analysis of Impediments to Fair Housing choice (AI) every five years. In addition to identifying impediments, a strategy to overcome barriers must be developed and implemented annually. Accomplishments are reported annually. In May 2015, the City of San Clemente and 15 other Orange County jurisdictions entered an agreement to prepare an AI that is compliant with existing AI guidelines. This multi-jurisdictional AI evaluated existing demographic data, past fair housing enforcement activity for each partner community, region and city-specific mortgage lender data, and existing housing and land use public policies. Based on an extensive analysis of this data, and the input of residents, a list of impediments to fair housing choice for the 16-city region was developed. A corresponding set of action steps to ameliorate these barriers was prepared. A summary of identified Impediments is provided as **Attachment 3**. **NOTE: not all impediments identified in the AI may be present in San Clemente.** The specific action steps the City will undertake during FY 2017-18 are also listed in **Attachment 3**.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

Each HUD program that is covered by the Consolidated Plan regulations must address certain program specific requirements. Below are the requirements for the CDBG program as prescribed by the Consolidated Plan template.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

The City will meet the overall 70% benefit for low and moderate-income requirement during the one-year 2017 Program Year.