



AGENDA REPORT
SAN CLEMENTE CITY COUNCIL MEETING
Meeting Date: December 3, 2013

Agenda Item 7C
Approvals:
City Manager [Signature]
Dept. Head [Signature]
Attorney JAF
Finance [Signature]

Department: Community Development Department
Prepared By: Denise Obrero, Housing Programs Planner

Subject: **ADOPTION OF THE 2013-17 CONSOLIDATED PLAN AND THE 2012-13 CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT (CAPER) FOR EXPENDITURE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

Fiscal Impact: The Consolidated Plan and CAPER Report will have a positive fiscal effect by allowing the City to continue utilizing Federal funds to meet Community housing, infrastructure and social services needs.

Summary: Staff recommends that City Council receive and file the CDBG Report. Each year the City of San Clemente submits an Annual Plan and CAPER to meet federal funding requirements. Last fiscal year the City received \$323,900; this fiscal year the City has been awarded \$341,371.

Background: This is a request for City Council to approve and adopt the following plans for receipt of Community Development Block Grants:

1. Consolidated Plan for 2013-2017
2. Consolidated Annual Performance Evaluation Report (CAPER)

Each year the Department of Housing and Urban Development (HUD) determines the amount of Community Development Block Grant (CDBG) funds the City is entitled to, based upon population, income and housing needs. To continue receiving CDBG funds directly from HUD, the City Council must adopt the Consolidated Plan report and submit the adopted evaluation report to HUD by December 15, 2013.

The CAPER requires a 15-day notice period to allow the public to submit comments in writing while the Consolidated Plan requires a 30-day notice period. Residents may also attend the Public Hearing on December 3, 2013 to voice their comments. A public hearing is required twice a year to receive Federal Community Development Block Grant funds. The first hearing is for the adoption of the Annual Plan which is submitted in May 2013 for use of funds during the following fiscal year. The second hearing is held after the end of the fiscal year to review the Consolidated Annual Performance Evaluation Report (CAPER) and evaluate how the funds were spent; this City Council Public hearing fulfills this requirement.

Discussion: According to the City's Consolidated Plan, the priorities for CDBG funds fall into four categories: 1) public facilities and sidewalk improvements, 2) housing and commercial rehabilitation, 3) public services, and 4) administration.

1. Public Facilities

Last fiscal year's sidewalk improvement project was completed at the end of August 2013. The North Calle Seville sidewalk provides downtown and beach access to and from Avenida Del Mar and down to the Pier Bowl. The CDBG funded Avenida Palizada sidewalk improvements now connect to Calle Seville and provide a safe walking pathway to the Community Center and City's Library. CDBG allocation for Calle Seville's sidewalk construction was \$101,984.

2. Housing and Commercial Rehabilitation Programs

The City has provided loans and grants for Home Rehabilitation since 1994 and Commercial Facade improvements for the last nine years. The CDBG Home Rehabilitation Program has made a positive impact on the City's housing stock. Last year, four apartment projects and two single family home rehabilitation projects were completed, with a total of \$75,000 in CDBG funding. The Multi-Family Rehabilitation Program requires the property owner to provide 50 percent of the funding for repairs in exchange for a four-year deferred forgivable loan. Single family home owners receive deferred payment loans, with re-payment due at the time the property is sold. Repaid loans are recycled into new rehabilitation loans.

During the FY 2012-2013, there were ten Downtown Commercial Facade projects completed. The program continues to have a positive effect on the City's pedestrian oriented commercial districts and assists business owners. Grant applications are accepted year round and signage improvement projects are ongoing as long as funding is available. The City allocates \$25,000 total per year with an average of \$2,000 per signage grant. The Housing Program Planner is the project manager for these Downtown Revitalization improvement projects.



Before Photo: Oldest San Clemente Gym



After Photo: Awning compliments the building and adds more visible signage to a busy Downtown thoroughfare, freshens and updates the business.

3. Public Services

Last year, the Social Service Budget Committee recommended \$50,000 in CDBG funding for the following non-profit organizations:

- 1) Camino Health Center - \$13,000
- 2) Age Well Inc. Case Management Program - \$6,000
- 3) Laura's House- Domestic Violence Program - \$8,000
- 4) City Recreation – Award winning “Fun on the Run” mobile recreation \$20,000
- 5) Orange County Human Relation’s Parent Training - \$3,000

Other non-profit organizations are being recommended for funding through the General Fund - Social Service Fund; last fiscal year Council approved approximately \$68,000 from the City’s General Fund, for social services grant funds. In summary, the City Council and Human Affairs Committee continue to survey the community needs and address social services gaps with over \$118,000 in combined City General Funds and CDBG funds allocated on an annual basis.

4. HUD Grant Administration

CDBG Program Administration funds are allocated to fund costs of the Fair Housing Foundation contract services and the Housing Programs Planner position. In addition to overseeing the social service grants, the Housing Programs Planner manages the affordable housing programs, commercial facade signage projects, sidewalk improvement projects, prepares quarterly grant reports and request payment of funds from HUD. In addition, the Housing Programs Planner acts as a *Neighborhood Liaison* for underserved neighborhoods and non profits.

Consolidated Annual Performance Evaluation Report

The CAPER submitted for City Council approval includes the following programs.

Table 1 – CDBG FUNDED PROGRAMS, FY 2012-2013

C.D.B.G. PROGRAM	Grant Funds Allocated	Expected Number 2013-14	Actual Number 2012-13
Public Works Improvements: Sidewalk replacement program – Calle Seville Project (complete)	\$101,984	1	1
Housing Rehabilitation: Housing rehabilitation assistance for owner-occupied and rental housing	\$75,000	5	6
Commercial Rehabilitation: Façade improvement grants (awnings, signage, lighting)	\$25,000	8	10
Public Services: Senior, youth, homeless programs (maximum of 15% of allocation)	\$50,000	<u>Persons Projected</u>	<u>Persons Served</u>
Camino Health Ctr –Medical care for uninsured	\$13,000	1625	1581
Age Well Inc. - Case Management	\$ 6,000	68	80
Laura’s House - Domestic Violence Shelter	\$ 8,000	275	275
City of San Clemente - mobile recreation	\$ 20,000	7000	6702
OC Human Relations – Skills for Success and Parent Leadership Program	\$ 3,000	100	88
CDBG Administration & Planning: Program oversight and coordination, including Fair Housing Counseling (maximum of 20% of total allocation)	\$67,916		
Fair Housing Foundation	\$ 4,000	140	123
TOTAL 2012-13 HUD Grant	\$323,900		
TOTAL 2012-13 Program Income utilized From past home rehab. loan repayments	\$ 15,687		
TOTAL FUNDING	\$339,587		

5. CONSOLIDATED PLAN 2013-2017

In order to include data from the 2010 Census the City Council adopted the Consolidated Plan Extension Report FY 2010-2012. An update of the Consolidated Plan is required every five years. The City’s Consolidated Plan is a strategic planning document for upcoming CDBG funding cycles. The attached report updates the projected statistics and future community projects which may be accomplished between FY 2013 and 2017. The City Council must adopt and approve the 2013 Consolidated Plan report in order to receive CDBG funds in December.

Recommended

Action:

STAFF RECOMMENDS THAT the City Council take the following actions:

1. Approve and adopt the 2013-2017 Consolidated Plan report for use of Community Development Block Grant Funds (CDBG).

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2. Approve and adopt the 2012-13 Consolidated Annual Performance Evaluation Report (CAPER) for submittal to the Department of Housing and Urban Development.

Attachments: Attachment A: Consolidated Plan Report FY 2013-2017
Attachment B: Consolidated Annual Performance Evaluation Report FY 2012-2013

Notification: Camino Health Center, Laura's House, Orange County Human Relations, Age Well Senior Services Inc., City Recreation Services.

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CITY OF SAN CLEMENTE
2013-2017
CONSOLIDATED PLAN



SUBMITTED TO
DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT
COMMUNITY DEVELOPMENT BLOCK GRANT

D R A F T

PREPARED BY
CITY OF SAN CLEMENTE
COMMUNITY DEVELOPMENT DEPARTMENT

DECEMBER 3, 2013

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EXECUTIVE SUMMARY

As a recipient of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD), the City of San Clemente is required to prepare and submit a Consolidated Plan at least every three, four or five years. As a stand-alone entitlement community, the City has chosen to prepare a five-year Consolidated Plan that will cover Fiscal Years 2013-2014 through 2017-2018.

The Consolidated Plan is a multifaceted document designed to encompass a collaborative process whereby San Clemente stakeholders help establish the priority housing and community needs that may be eligible for CDBG funding. Components of the Consolidated Plan include:

- An assessment and prioritization of housing and community development needs.
- Strategies to address priority needs over a five-year period, including a listing of activities to meet these needs with quantitative and qualitative goals.
- Identification of local, state and federal resources available to meet needs.
- An action plan with specific one-year goals to address priority needs.

The City of San Clemente relied on its Citizen Participation Plan to encourage and gather input from the community's residents during the development of the Consolidated Plan. Means utilized to collect input included neighborhood outreach meetings, community workshops, and public hearings. The primary focus of these efforts was to provide the community opportunities to shape the priorities and strategies of the Consolidated Plan with the goal of addressing both HUD's CDBG program objectives and the City's mission statement. The former states the CDBG program objectives to be creating a suitable living environment, decent affordable housing opportunities, and economic opportunities for Low- and Moderate-Income households. The City's mission statement asserts the local government will, "*maintain a safe, healthy atmosphere in which to live, work and play; guiding development to*

ensure responsible growth while preserving and enhancing our village character, unique environment and natural amenities; providing for the City's long-term stability through promotion of economic vitality and diversity, resulting in a balance community committed to protecting what is valued today while meeting tomorrow's needs."

SAN CLEMENTE COMMUNITY PROFILE

The City of San Clemente is situated on the Pacific Ocean coast half way between Los Angeles and San Diego. The City covers approximately 17.8 square miles has an estimated population of 63,522. The 2010 Census reported there were 23,906 households in the City. Based on 2010 Census data, the City's median age was 40.6 - compared to 36.2 for the County; however, between 2000 and 2010 the percentage of school age children in the City grew from 14.1% of the City's total population to 20%. Census demographic data also estimates that a vast majority of San Clemente's residents are of White (80%), Latinos represent the City's largest ethnic minority population (15%), and Other multi-racial residents represent approximately (5%). Based on HUD data sources, approximately 15% of San Clemente's households would qualify for CDBG-funded activities, that is the annual incomes earned by these households equaled 80% of area median income or less.

HOUSING & HOMELESS NEEDS

Based on consultation with regional service providers, it is estimated that there are 80 to 180 homeless individuals in San Clemente. These individuals require a variety of support and housing services including targeted supportive services, emergency cold weather shelter, transitional housing, and access to permanent housing. These services are provided by Orange County's continuum of care system, which is partially sustained by City of San Clemente resources.

The Housing and Urban Development's SuperNOFA Continuum of Care Homeless Assistance grant process provides more funding resources to the homeless. During the program years 1996 through 2010, Orange County was awarded approximately \$139.4 million through this competitive grant application process which involved cities, county agencies, and non-profit organizations. Through this application process, HUD directly funds a variety of nonprofits and service providers to help homeless persons become self-sufficient. Last year, the SuperNOFA helped the region of Orange County to obtain grant funds in the amount of \$15.2 million from HUD. Friendship Shelter Inc., Family Assistance Ministries (FAM), and iHope Orange County all received funding through the Federal grant.

To prepare the Consolidated Plan, the City has also assessed the special housing and service needs of the City's elderly, frail elderly, disabled, substance addicted, individuals with HIV/AIDS, assisted-housing residents, and large families. Based on HUD data, it is estimated that approximately 1,300 San Clemente senior households are in need of housing assistance. It is also estimated that 708 disabled households need housing assistance, as do 1,500 individuals with mental illness and substance addiction. Based on consultation with the Orange County Health Care Agency, it is reported that 34 San Clemente residents are living with AIDS. While it is not anticipated that the City will fund any activities that directly serve individuals living with HIV/AIDS, the City will continue to work with other regional service providers to address the needs of San Clemente residents living with HIV/AIDS.

The Veterans Affairs Supportive Housing (VASH) vouchers for homeless veterans is a partnership with the Veteran's Administration (VA) in Long Beach that began back in 2008. The program includes 220 housing vouchers reserved for homeless veterans who are receiving treatment for disabilities and are receiving services from the VA office. The current FY2013 annual budget for this program is \$2.2 million.

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Since the City of San Clemente does not operate a public housing authority, the City works closely with the Orange County Housing Authority (OCHA). OCHA reports that 127 San Clemente households are presently receiving Housing Choice Voucher-rental assistance, with many hundreds on the waitlist. Finally, according to HUD's 2010 CHAS data, 1,067 out of 3,375 (32%) large renter- and owner-households in San Clemente are paying more than 30% of income for housing. These households are defined by HUD as having annual incomes at or below 80% of area median income, pay more than 30% of monthly income for their housing and utilities.

HOUSING MARKET ANALYSIS

Based on 2010 data from the State of California, there are 26,134 housing units in San Clemente - approximately 66% these units are single-family, 32% multi-family, and less than 2% mobile homes. The 2010 Census reports that 61.5% of San Clemente's housing units are owner-occupied and 38.5% renter-occupied. The demand for housing in San Clemente is currently high as evidenced by increasing home sales prices and a low rental-housing vacancy rate.

Several housing variables have been evaluated in order to examine the condition of San Clemente's housing stock. These variables included standard condition, age, and occupancy. Most City officials agree that the vast majority of the City's housing stock is in very good to good condition. Nonetheless, based on different analysis, it is estimated that 1,000 to 2,000 housing units may be substandard and are in need of rehabilitation. With respect to age, over 1,000 housing units in San Clemente were constructed more than 50 years ago (see *Table 24*); in fact, over 47% of the City's housing stock is older than 25 years - a significant feature as after 30 to 35 years many major housing unit systems are often in need of replacement (e.g., roof, plumbing, fixtures). Finally, while overcrowding does not appear to be a significant factor within the City - based on 2010 Census data 13.6% of the City's rental units and 1.8% of owner-occupied housing units

were considered overcrowded (i.e., having more than one person per room). Housing units that are overcrowded have a direct impact on the City's public infrastructure (i.e., streets and water/sewer systems) and often experience accelerated deterioration of major building systems.

San Clemente is essentially completely built out. As most large parcels of vacant land have already been developed or are in some stage of development, the City has begun to focus on recycling underutilized land to meet future housing needs. As new housing opportunities have become more difficult to create, the cost of housing has increased. The South County Board of Realtors reported in 2012 that the median home sales price in San Clemente ranged from \$425,000 for a condominium to \$800,000 for a single family home with four or more bedrooms. In addition, the cost of renting a home in the City has also recently increased. In September 2013, average rent for a two-bedroom, two-bath apartment in San Clemente was \$1,750-\$1,850 per month.

Individuals/households living on a fixed income or that are marginally employed are often one or two paydays away from homelessness. Typically these households are using more than 50% of their income for housing. Based on national models, it is estimated without some type of housing assistance, 1,000 San Clemente households are at risk of homelessness at any point in time. With respect to housing options for the City's homeless, there are 54 emergency and 39 transitional housing beds in San Clemente. These community resources are a key component of the County's homeless Continuum of Care system, also which provides access to permanent housing and essential support services to the region's homeless. In terms of senior housing, San Clemente has approximately 250 skilled/residential care beds for frail seniors, and two affordable regulated senior only housing complexes (270 units) for seniors that are more self-reliant. The San Clemente Senior Apartment 76-unit development is 65% complete and is scheduled to be finished in April 2014; this new development located at 2350 South El Camino Real is designed to serve senior residents ages 62+.

The housing assistance needs of these and other special needs residents are addressed via the City's partnership with the Orange County Housing Authority. One hundred and twenty-seven (127) households presently receive rental assistance from OCHA.

Finally, as required by HUD, the City analyzed various barriers that may hamper the development/preservation of affordable housing in San Clemente including an evaluation of property tax policies, land use, zoning, building codes, fees/charges, and overall growth limits.

STRATEGIC PLAN

A critical component of the Consolidated Plan is the Strategic Plan. The Strategic Plan delineates the process the City utilized to prioritize housing and community needs and identifies goals, objectives and activities to address these needs over a five-year period. This strategy calls for the City to work with local nonprofit organizations to analyze residents' needs and to develop a plan for services. Additionally, the City will provide nonprofits with resources that can be used to assist San Clemente residents in need.

ANNUAL ACTION PLAN

The Annual Action Plan outlines the fiscal resources the City anticipates will be available during the 2014-2015 Fiscal Year to implement the objectives of the Consolidated Plan. The Action Plan also provides detailed descriptions of the activities the City will carry out to meet these objectives.

HUD has notified the City it will receive \$341,371 in CDBG funds for Fiscal Year 2013. The formula allocation has been delayed because of the recent Federal shutdown and since late September on-going correspondences with HUD program staff. The City plans to use approximately \$15,000 in CDBG program income, which are past home rehabilitation loans repaid back to the City after an owner sells and/or passes away, to support eligible activities. Once the revised Consolidated Plan is adopted by Council and submitted to HUD in December, the City's new funds will be available to San Clemente to spend in the remaining fiscal year.

The Action Plan also includes grant application forms and certifications the City must submit in order to receive federal grant funds. Other key elements of the Annual Action Plan include:

- A description of required matching funds and how federal/non-federal funds will be leveraged.
- An Analysis of Impediments to Fair Housing Choice.
- A description of how the City will comply with specific program requirements.
- On going program monitoring efforts.
- Detailed descriptions of each activity proposed for funding and implementation during the fiscal year.

The following table summarizes the activities the City plans to undertake during the upcoming Fiscal Year to address priority housing and community needs:

ACTIVITY	FUNDING SOURCE	FUNDING AMOUNT	PLANNED ACCOMPLISHMENTS
FEDERAL FUNDED ACTIVITIES			
CDBG Administration & Planning: Program oversight and coordination, including Fair Housing Counseling (20% maximum allowed)	CDBG	\$70,000	1 Yr of Admin
Commercial Rehabilitation: Façade improvement grants (Ex. awnings, signage, lighting)	CDBG	\$25,000	8 Businesses
Housing Rehabilitation: Housing rehabilitation assistance for owner-occupied and renter-occupied housing	CDBG	\$75,000 \$15,000 (Program Income)	10 Housing Units
Public Services: Senior, youth, homeless and other Low/Mod household assistance programs (15% maximum allowed)	CDBG	\$50,000	9,073 Individuals
Public Facility Improvements:	CDBG	\$ 0	NA
Street Improvements: Sidewalk replacement program	CDBG	\$100,000	NA
Non-Federal Funded Activities			
Public Services: Funding for public service agencies serving lower income households	General Fund	\$68,000	2,690 Individuals

CITIZEN PARTICIPATION PLAN

The Consolidated Plan includes the City's Citizen Participation Plan, which acts as the guide to help ensure the residents of San Clemente participate in the development of the Consolidated Plan, subsequent annual action plans and program performance. Citizen representation and input has been, and will continue to be an important element in the decision-making process culminating in the adoption of the Consolidated Plan and annual objectives. The Citizen Participation Plan describes the City's process for notifying the public about the Consolidated Plan and Annual Action Plan preparation process, opportunities for participation, and the means by which the City will ensure the input of the community is incorporated into the planning process.

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COMMUNITY PROFILE

CONSOLIDATED PLAN OVERVIEW

As an "Entitlement Community," the City of San Clemente is eligible to receive federal funds from the U.S. Department of Housing and Urban Development (HUD). In order to receive these funds, the City is required to prepare and submit a Consolidated Plan every three to five years.¹ The federal grant received by San Clemente that requires the preparation of the Consolidated Plan is the Community Development Block Grant (CDBG).

According to HUD, "the Consolidated Plan is designed to be a collaborative process whereby [the] community establishes a unified vision for community development actions. It offers local jurisdictions the opportunity to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context, and to reduce duplication of effort at the local level."²

Per HUD regulations, the Consolidated Plan must include the following components:

- An assessment of housing and community (i.e. non-housing) development needs
- An analysis of the current housing market

¹ Consolidated Plan program regulations are found in the Code of Federal Regulations [24 CFR 91]. It is up to each entitlement community to determine the time frame of its Consolidated Plan. The City of San Clemente has chosen to prepare a five-year Consolidated Plan.

² "Guidelines For Preparing A Consolidated Plan Submission For Local Jurisdictions," U.S. Department of Housing and Urban Development, Office of Community Planning and Development, April 2010.

- Strategies to establish and address priority needs, and identification of local, state and other federal resources available to meet priority needs
- An action plan with specific five-year and one-year program goals to address priority needs

LEAD ENTITY FOR CONSOLIDATED PLAN DEVELOPMENT

The City of San Clemente's Community Development Department, Housing Division has been designated as the lead agency for coordination and preparation of the 2013-2017 Consolidated Plan. In an effort to maximize valuable resources, the Consolidated Plan has been developed to ensure its implementation supports the City's vision for community development. This vision is summed up by the following statement - *"maintain a safe, healthy atmosphere in which to live, work and play; guiding development to ensure responsible growth while preserving and enhancing our village character, unique environment and natural amenities; providing for the City's long-term stability through promotion of economic vitality and diversity, resulting in a balance community committed to protecting what is valued today while meeting tomorrow's needs."* This Consolidated Plan has also been prepared in effort to support HUD's community planning and development goals that are to:

- Provide decent housing
- Provide a suitable living environment
- Expand economic opportunities

CONSULTATION

As required by HUD, the City of San Clemente consulted with several entities during various phases of the preparation of the Consolidated Plan. Consultation included the exchange of information and materials with City departments, the local public housing authority, community-based service providers, other local

governments, county/state agencies, businesses, and most importantly, the residents of San Clemente. Specifically, the following consultation was utilized:

- Housing and Social Service providers - various housing, health, and social service providers were contacted to obtain needs assessment data, and were invited to participate in community input meetings and to review/comment on the Consolidated Plan.
- Homeless Housing and Service providers - San Clemente Homeless Task Force members and various homeless housing and supportive service providers were contacted to obtain needs assessment data, and were invited to participate in community input meetings and to review/comment on the Consolidated Plan.
- County of Orange - various agencies were contacted to obtain needs assessment data including the Health Care Agency (regarding healthcare, mental health, substance addiction, lead-based paint hazards, HIV/AIDS programs), Social Services Agency (regarding public assistance programs), Housing and Community Services Department (regarding homeless, job training, senior, veterans and public housing programs).³

As stated above, the residents of San Clemente played an important role in the preparation of the Consolidated Plan. The City's Citizen Participation Plan served as the basis to facilitate the citizen-input process. Actions taken by the City to obtain citizen participation included: Human Affairs Commission regular meetings, neighborhood focus groups, community-wide meetings, public notices and a public hearing. The Citizen Participation Plan will continue to act as a guide for the next five years to ensure the residents of San Clemente are involved in the preparation of the Consolidated Plan, subsequent annual updates, plan amendments, and the evaluation of annual performance.

³ There are four Public Housing Authorities operating in Orange County California. The Orange County Housing Authority (OCHA) serves San Clemente. The OCHA does not own or operate public housing - only Housing Choice Vouchers, i.e., Section 8 rental assistance is provided.

DATA SOURCES

HUD regulations [24 CFR 91.205 (a)] require that preparation of the Consolidated Plan be based on U.S. Census data “as provided by HUD.” To a large extent, the 2010 Census has served as the primary source of community data for the Consolidated Plan. If available, the City has utilized updated information.

SAN CLEMENTE COMMUNITY PROFILE

San Clemente is situated on the Pacific Ocean coast half way between Los Angeles and San Diego. The City covers approximately 17.8 square miles and is situated an average of 250 feet above sea level. Many San Clemente residents claim the City has the best weather in Southern California with well over 300 days of sunshine per year and an average rainfall of four inches.

HISTORY

In 1602, Spanish Explorer Sebastian Vizcaino discovered a small island off the now-Southern California coast. He named this island San Clemente in honor of the Christian martyr Saint Clemente. In 1925, Ole Hansen, the founder of San Clemente, named the town after this island and his love for the colonial villages of Spain. Hansen, a former mayor of Seattle, had moved to Southern California and had developed several communities in the Los Angeles/Santa Barbara area. He chose a picturesque coastal area south of Los Angeles to build his dream city – a “Spanish Village by the Sea.” In many ways, Ole Hansen was a forefather of the planned community. He established strict guidelines for development of the small town. All buildings were to be constructed in Spanish colonial architecture with red tile roofs and white plaster. He built several community amenities to serve town residents including a beach club with an Olympic-sized community pool, a pier, 17 miles of horse trails, a plaza with a church and school, a community center, and even the City’s own water system. When the City incorporated in 1928, it was a village of

5000 residents and the sale of lots had exceeded \$7.5 million. However, all that changed in 1929 when the stock market crashed. Development of the community slowed and financial backers took control of Ole Hanson's remaining properties in 1936. The economic recovery of the area began in the late 1930's due to the newly established presence of the U.S. military adjacent to the City. A second housing boom took place after World War II and the City grew steadily through the 1970's. The third housing boom began in 1998 with the development of approximately 4,000 new housing units in Talega. Over 200 historic properties and community facilities built during the Ole Hanson era can be found throughout the City's downtown district and adjacent neighborhoods. The Marblehead Coastal Development is scheduled to eventually add 313 dwelling units in the next three to five years.

GOVERNMENT

San Clemente is one of 34 cities located in Orange County, California. As outlined above, San Clemente was incorporated in 1928 as a General Law city. San Clemente operates under a council-manager municipal model and offers a full range of services to its residential and corporate citizens (fire and police services are provided via contracts with respective County agencies).

The following elected officials represent San Clemente residents at various levels of government:

- A directly elected five-member City Council
- One County Supervisor, the 5th Supervisorial District
- One Member of the State Assembly, the 73rd Assembly District
- One State Senator, the 38th Senatorial District
- One Member of the U.S. House of Representatives, 43rd Congressional District
- Two U.S. Senators

- Several special districts and the Capistrano Unified School District provide a variety of services to San Clemente residents and businesses.

POPULATION

According to the State of California Department of Finance, San Clemente is the 16th populous city in Orange County and the 123st most populous city in California.⁴ As Orange County experienced rapid population growth, San Clemente has also experienced similar population growth, and in some years has out-paced regional growth. As of January 2013 the City of San Clemente’s population was 63,522. *Graph 1* provides an overview of San Clemente’s population growth over the past 60 years.

70,000					
60,000					63,522 pop.
50,000					
40,000				49,936 pop.	
30,000					
20,000			41,100 pop.		
10,000		17,063 pop.			
YEARS	1950	1980	1990	2000	2010

Source: California State University Fullerton, Center for Demographic Research

Population growth trends for San Clemente show significant population increases in each of the past five decades. The slowest rate of growth occurred between 1990 and 2000 when the City’s population grew by roughly 21%. In other decades, population growth rates ranged from 325% to 31%. By way of comparison, between 2000 and 2005 the County’s population grew by 163,943 residents - San Clemente’s population growth rate mirrored this regional trend; however, between 2000 and

⁴ California Department of Finance, Demographic Information, Reports and Research Papers, www.dof.ca.gov.

2010, the County's population grew at a rate of 7.4%, while San Clemente's grew at a rate of 30.8%. *Table 1* provides an overview of this latter comparison.

TABLE 1: SAN CLEMENTE & REGIONAL POPULATION GROWTH 1990 - 2010

	POPULATION 1990	POPULATION 2000	POPULATION 2010	POPULATION GROWTH 1990 - 2000		POPULATION GROWTH 2000 - 2010	
San Clemente	41,100	49,936	63,522	8,836	21.5%	15,402	30.8%
Orange County	2,410,556	2,846,289	3,056,865	435,733	18.1%	210,576	7.4%

Source: California State University Fullerton, Center for Demographic Research & State of CA Department of Finance

The Center for Demographic Research at California State University, Fullerton has prepared a population growth model for Orange County. Utilizing the data from the Center, it is anticipated that Orange County and San Clemente will continue to experience growth over the next 20 years. Projected growth for San Clemente is illustrated in *Graph 2*.

Year 2030	68,454 anticipated census
Year 2025	68,126 anticipated census
Year 2020	67,532 anticipated census
Year 2015	66,468 anticipated census
Year 2010	63,522 Census 2010

Source: Center for Demographic Research California State University Fullerton

Note: 2025 & 2030 population estimates are more than actual 2010 population based on current State of CA estimates. Center for Demographic Research estimates are extrapolated from 2010 Census data and are intended to show trends rather than "actual" population.

Another perspective for viewing San Clemente's population is in terms of density, that is, number of persons per square mile. Based on State of California 2010 data,

TABLE 2: PERSONS PER SQUARE MILE

CITY	PERSONS PER SQUARE MILE
San Clemente	3,755
Dana Point	5,407
Laguna Beach	3,201
San Juan Capistrano	2,559
Mission Viejo	5,644
Orange County	3,829

Source: Center for Demographic Research California State University Fullerton

San Clemente has 3,755 persons per square mile, a density ratio slightly less than both that of Orange County as a whole and the average number of persons per square mile of neighboring communities. *Table 2* provides a summary of this density comparison for San Clemente and neighboring communities:

AGE

According to the 2010 Census, the median age of a San Clemente resident was 40.1 years (the County median age in 2010 was 33.3 years) – in 1990 the median age of residents in San Clemente was 33.5 years. While as a whole the City’s population has matured, there has been a marked increase in the percentage of school age children. *Table 3* depicts these statistics.

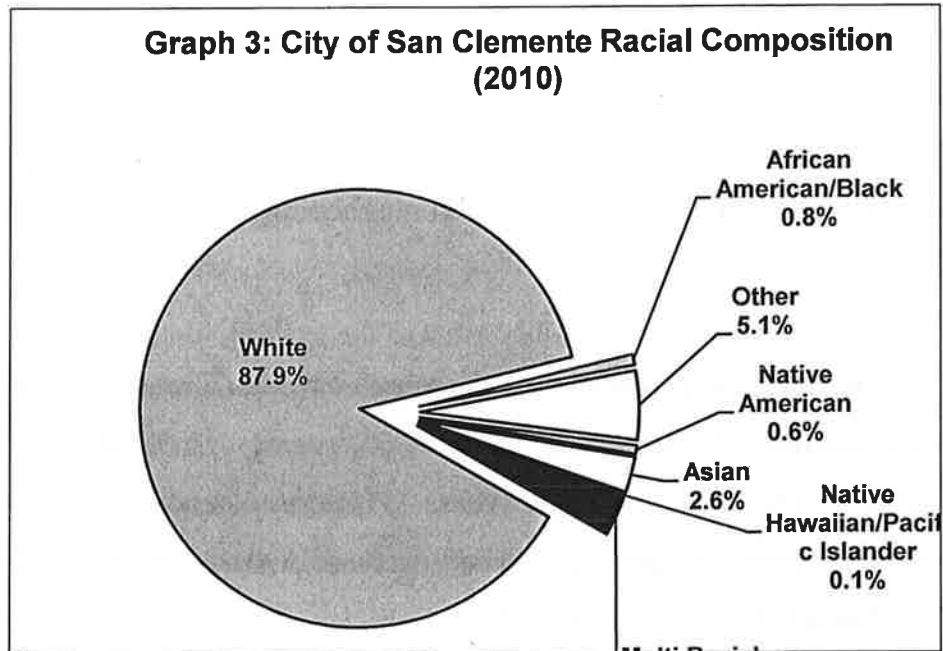
TABLE 3: SAN CLEMENTE AGE DISTRIBUTION

AGE GROUP	2000		2010	
	NUMBER	% OF POPULATION	NUMBER	% OF POPULATION
Preschool (Age 0-4)	3,223	6.5%	4,160	%
School (Age 5-14)	7,021	14.1%	8,731	13%
Young Adults (Age 15-24)	5,391	10.8%	7,508	12%
Prime Working (Age 25-54)	23,454	47.0%	26,801	44%
Retirement (Age 55-64)	4,313	8.6%	7,914	12%
Senior Citizen (Age 65+)	6,534	13.1%	8,411	13%
TOTAL*	49, 936	100%	63,522	100%

Source: U.S. Census, 2000 and 2010. * Total may not add to 100% due to rounding error.

RACE & ETHNICITY

Graph 3 and *Table 4* indicate the majority of the City’s residents are racially White.



SOURCE: U.S. Census 2010

TABLE 4: RACIAL COMPOSITION OF SAN CLEMENTE POPULATION 2000 VS 2010

Race	2000		2010	
	Number	%	Number	%
White	43,905	87.9%	54,817	85%
Black/African American	385	0.8%	426	0.7%
American Indian/ Alaska Native	2,552	0.6%	367	0.6%
Asian	307	2.6%	339	0.6%
Native Hawaiian/ Pacific Islander	1,317	0.2%	90	%
Other	69	5.1%	2,833	2.9%
Multi Racial	1,401	2.8%	2,301	2.6%
TOTAL	49,936	100%	63,522	100%

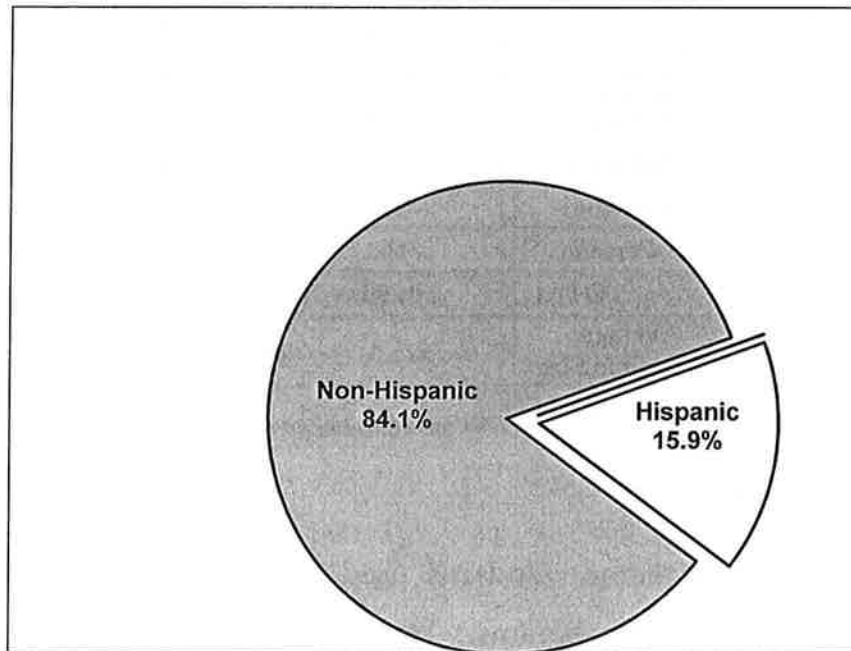
Source: U.S. Census 2000 and 2010

Table 5 indicates San Clemente's Latino population was 16.8% in 2010 - Graph 4 provides a comparison of San Clemente's Latino residents versus non-Latino residents based in 2010 Census data.

TABLE 5: SAN CLEMENTE HISPANIC/LATINO POPULATION 2000 vs 2010

Ethnic Groups	2000		2010	
	Number	%	Number	%
Latino	7,933	15.9%	10,476	16%
Non-Hispanic/ Latino	42,003	84.1%	53,046	84%
TOTAL	49,936	100%	63,522	100%

Source: U.S. Census 2000 and 2010



Source: U.S. Census 2010

Chart 4: City of San Clemente Hispanic/Latino Ethnicity (2010)

HOUSEHOLD SIZE

The 2000 Census reported 19,390 households in the City. In 2010, the U.S. Census reported that the average household size in San Clemente was 2.56 persons per household (see *Table 6*).

TABLE 6: HOUSEHOLD SIZE (2010)

HOUSEHOLDS	NUMBER OF HOUSEHOLDS	PERCENT OF HOUSEHOLDS
1 Person	4,541	23.4%
2 Persons	7,416	38.2%
3 Persons	2,962	15.3%
4 Persons	2,623	13.5%
5 Persons	1,115	5.8%
6 Persons	377	1.9%
7 + Persons	356	1.8%
TOTAL	19,390	100% *
Average Household Size	2.56	

Source: U.S. Census 2010

* Total may not add to 100% due to rounding error.

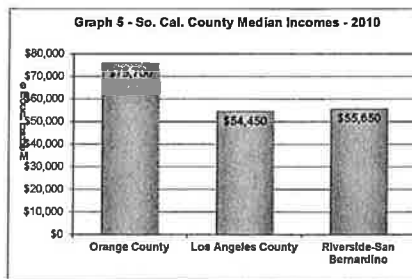
INCOME

Different household income standards used to qualify a household for various federal and state funded programs. These standards are typically based on the median income for a geographic area (e.g., Orange County) and are adjusted for family size. The most common household income categories utilized by HUD for the Consolidated Plan include the following:

- **Extremely Low-Income** - 0% to 30% of area median income
- **Very Low-Income** - 31% to 50% of area median income
- **Low-Income** - 51% to 80% of area median income
- **Low- and Moderate-Income** - HUD often groups and refers to the three income categories above into this one income category

- **Moderate Income** – 81% to 120% of area median income. In some programs moderate is limited to 100% of area median income
- **Above Moderate Income** – more than 120% of area median income

HUD develops annual median household income estimates for the purpose of determining program eligibility. According to HUD, the 2013 median household income for Orange County, which includes the City of San Clemente, is \$87,850. By comparisons, the 2010 median income for the Los Angeles-Long Beach region is



\$54,450 and the median income for the Riverside-San Bernardino region is \$55,650.

Graph 5 provides a comparison of this information.

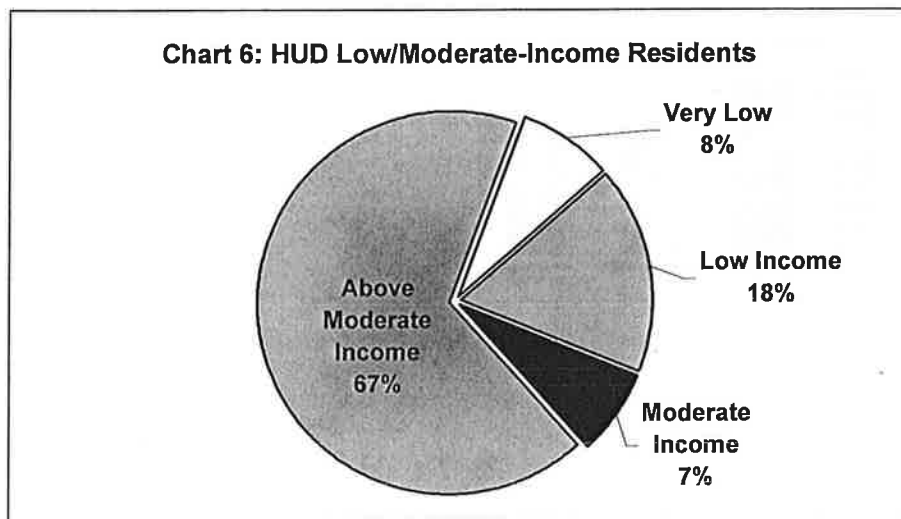
HUD extrapolation of 2010 Census data also provides information regarding San Clemente residents by income categories. *Table 7* and *Graph 6* provide a summary of this information.

TABLE 7: SAN CLEMENTE RESIDENTS BY INCOME GROUP 2010

INCOME CATEGORY (AS PERCENTAGE OF AREA MEDIAN INCOME - AMI)	NUMBER OF PERSONS	PERCENT OF PERSONS
Extremely Low-Income (0% - 30% AMI)	4,942	8%
Very Low-Income (31% - 50% AMI)	9,710	18%
Low-Income (50% - 80% AMI)	4,576	7%
Moderate-Income (80% & above AMI)	43,357	67%
TOTAL	62,585¹	100%

Source: HUD CPD Census 2010 Low and Moderate Income Summary Data

1. Total represents "Low/Mod Universe" determined by HUD to estimate percentage of Low- & Moderate-Income persons.



Source: HUD CPD Census 2010 Low and Moderate Income Summary Data

POVERTY

Created by the Social Security Administration in 1965, the federal poverty threshold was originally based on the amount of after-tax money a family spent on food. Over time it has developed into a statistical measurement of the relative risks of low economic status, i.e., a minimal standard of living. The federal poverty guideline is applied on a national basis and is not adjusted for regional, state or local variations in the cost of living.⁵

⁵ An adjustment is made for Alaska and Hawaii.

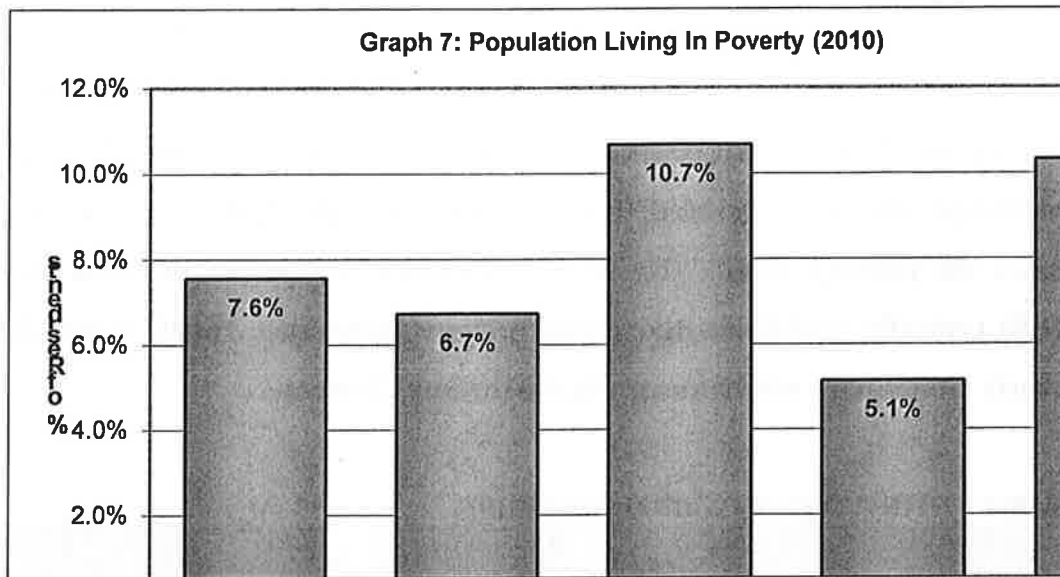
To comply with the Office of Management and Budget directives, the Census Bureau uses several income and family size/composition variables to determine who is poor. If the total income for a family or unrelated individual falls below the established poverty threshold, then the family/individual is classified as being "below the poverty level." The U.S. Department of Health and Human Services (HHS) typically establishes the annual poverty guideline. *Table 8* lists 2010 HHS Poverty Guidelines, which are applicable to San Clemente.

TABLE 8: HHS POVERTY GUIDELINES (2010)

1 PERSON HOUSEHOLD	2 PERSONS HOUSEHOLD	3 PERSONS HOUSEHOLD	4 PERSON HOUSEHOLD	5 PERSON HOUSEHOLD
\$9,750	\$12,830	\$16,090	\$19,350	\$22,610
6 PERSON HOUSEHOLD	7 PERSON HOUSEHOLD	8 PERSON HOUSEHOLD	FOR EACH ADDITIONAL PERSON ADD	
\$25,870	\$29,130	\$32,390	\$3,260	

Source: U.S. Department of Health and Human Services

The 2010 Census estimated that 389,475 Orange County residents were living below the poverty level - of these individuals, 162,002 were under the age of 18. With respect to San Clemente, the 2010 Census estimated 3,753 residents were living below poverty - 1,270 were less than 18 years of age and 210 were over 65. *Graph 7* compares the number of San Clemente residents living in poverty to neighboring communities and the County as a whole.



Source: U.S. Census 2010

ECONOMICS

Several factors influence a household’s income including regional and local employment and business opportunities availed to them in the region. The City of San Clemente has focused on expanding its economy and business base to support its

TABLE 9: PERCENT UNEMPLOYMENT

JURISDICTION	% UNEMPLOYED
San Clemente	2.8%
Dana Point	2.7%
Laguna Beach	2.6%
San Juan Capistrano	3.0%
Orange County	3.6%
California	5.1%
Nation	5.1%

Source: CA Employment Development Department 9/11

growing population and to prevent the “leaking” of local tax revenue to neighboring communities. The development of Plaza Pacifica brought several new employers to the City and center anchors such as Lowe’s and Wal-Mart created over 250 employment opportunities for local residents and has added substantially to the City’s sales tax base. According to the City’s business license division there are over 2,100 for-profit businesses located in San Clemente. Other large employers include Saddleback Memorial Hospital, Albertsons, ICU Medical, Capistrano Unified School District, the U.S. Postal Service, and the City of San Clemente. Despite current economic trends, San Clemente has a relatively low unemployment rate when

compared to Orange County as a whole and when compared to regional, state and national rates (see *Table 9*).

COMMUNITY INFRASTRUCTURE

Since parts of San Clemente represent some of Orange County's oldest communities, a significant percentage of its public infrastructure is in need of upgrading. Some of San Clemente's target neighborhoods suffer from deteriorating sidewalks and aging public facilities and parks. The City has invested substantial resources into improving its public infrastructure; however, limited resources require the prioritization of improvements. In 2005, the City of San Clemente developed a Capital Improvement Program aimed at replacing and upgrading the public infrastructure and public facilities throughout the City. Planned improvements were categorized into six general categories:

- Drainage - project types include storm drains, runoff treatments, and channels
- Parks and Medians - project types include median and park renovations and upgrades, streetscapes, and construction of new recreation-related facilities
- Sewers - project types include system replacements, pump station rehabilitation, and sewer line rehabilitation
- Water - project types include pump station rehabilitation and water line replacement
- Street Rehabilitation - project types include complete reconstruction of street surfaces and streetscape improvements
- Other Facilities - project types include community center improvements, fire station construction, and senior center relocation

COMMUNITY SERVICES

As San Clemente's population continues to grow and become more diverse, so have the human needs, health, education and safety needs of its residents. Several public and social service agencies provide services to residents of San Clemente. With the assistance of the City of San Clemente Human Affairs Committee in partnership with the San Clemente Collaborative (SCC), a system has been established that marshals the resources of the community's social, civic, and faith-based agencies. The goal of this process is to ensure efficient delivery of social services to the community.⁶ With over 63,000 residents, and 24% of the population earning less than 50% of the County median income, the demand for public and social services typically exceed available resources thus necessitating a coordinated service delivery system.

⁶ See *Appendix A* for sample of resources coordination efforts of the Human Affairs Committee.

HOUSING NEEDS ASSESSMENT

Pursuant to HUD regulations, the City of San Clemente is required to analyze the housing needs of its residents for the five-year Consolidated Plan timeframe (2013-2017). Specifically, HUD requires that this assessment address the housing needs for the following categories of individuals and households.¹³

- Type and number of households in need of housing assistance
- Nature and extent of homelessness in the community
- Housing needs of special need populations

The City will also evaluate the extent of housing lead-based paint hazards in the community.

DEFINITIONS

In order to estimate the type and number of households in need of housing assistance, it is important to define terms that will be utilized throughout this assessment. (See *Appendix B* – Glossary of Terms, for additional definitions.)

- **Cost Burden** – HUD considers an individual or household that pays more than 30% of their gross income toward housing and utilities as being cost burdened.¹⁴
- **Severely Cost Burden** - HUD considers an individual or household that pays more than 50% of their gross income toward housing and utilities as being severely cost burdened.¹⁵

¹³ Data for “housing needs” is mostly provided by HUD’s 2010 CHAS data, a special tabulation of 2010 Census data that shows housing problems and the availability of affordable housing by jurisdiction.

¹⁴ See HUD 2010 CHAS Data tables for definitions and estimates.

- **Housing Problem** – HUD defines an individual or household as experiencing a “housing problem” if it pays more than 30% of income for housing and/or lives in an overcrowded housing unit, and/or lives in a housing unit with incomplete kitchen or plumbing facilities.¹⁶
- **Overcrowding** – There are two definitions for overcrowded housing that are relevant to the Consolidated Plan - one definition utilized by federal agencies (i.e., U.S. Census Bureau and HUD) and one based on State of California statutes:
 - Federal Definition – HUD utilized the Census Bureau’s definition of overcrowding which considers a housing unit to be “crowded” if it houses more than one person per room. “Severely crowded” units are defined as housing units with more than 1.5 persons per room.¹⁷
 - State of California Definition – *Table 10* provides a summary of the number of people that may legally reside in a “habitable space” based on the Uniform Housing Code of the State of California.

TABLE 10: STATE MAXIMUM OCCUPANCY STANDARD

DWELLING UNIT SIZE	APPROXIMATE HABITABLE SPACE	MAXIMUM OCCUPANTS
1 Bedroom Apt	454 Sq. Ft.	10 persons
2 Bedroom Apt	507 Sq. Ft.	11 persons
3 Bedroom Apt	643 Sq. Ft.	13 persons
2 Bedroom Apt	543 Sq. Ft.	12 persons
3 Bedroom Apt	928 Sq. Ft.	19 persons

Source: CA Dept of Housing & Community Development

The City of San Clemente is prohibited by State statute from adopting an occupancy standard for overcrowding that is more restrictive than the State standard.

- **Substandard Housing Conditions** – Substandard housing refers to all deteriorated and dilapidated housing units.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ 24 CFR 791.402(b).

- **Substandard Condition but Suitable for Rehabilitation** – A housing unit that does not meet standard conditions but is structurally sound and rehabilitation of the unit is economically viable.

A. HOUSEHOLDS IN NEED OF HOUSING ASSISTANCE

According to HUD, households that are housing cost burdened or severe housing cost burdened, live in overcrowded housing, and/or live in substandard housing, are in need of housing assistance. The City is required to utilize HUD's Comprehensive Affordability Housing Strategy (CHAS) data to estimate the number and type of Low- and Moderate-Income households that are in need of housing assistance.¹⁸ *Table 14: HUD Table 2A - Priority Housing Needs Summary* (page 27) provides estimated housing needs in the format dictated by HUD. "Priority Need" and "Goals" were not generated by CHAS data but through the citizen input and staff analysis process described in the Strategic Plan of this document.

The following is an assessment of the housing needs of San Clemente residents by income category. Data for this analysis is based on HUD's CHAS.

EXTREMELY LOW-INCOME HOUSEHOLDS

As previously defined, Extremely Low-Income households are those that earn an income that does not exceed 30% of the Orange County median income. For 2010, a family of four with a maximum income of \$45,750 would be considered to fit this category. Extremely Low-Income households typically have the most difficult time finding affordable housing suitable for their needs. Particular problems faced by these households are overcrowding and substandard housing. Households in this

¹⁸ According to HUD, CHAS data is to be used by CDBG jurisdictions to prepare their Consolidated Plans. This special tabulation of 2010 Census data shows housing problems and the availability of affordable housing by states, counties, cities, and CDBG/HOME jurisdictions.

income category are more likely to be headed by a single parent or an elderly person on a fixed income. Such households are also more likely to include individuals with disabilities. Perhaps most significantly, Extremely Low-Income households are more likely to pay a larger portion of their income for housing leaving very little money for basic need like food, clothing, or transportation.

The 2010 CHAS data provides the most current information regarding the housing needs of these households. According to 2010 CHAS data, there were 1,485 San Clemente households that are defined as Extremely Low-Income. Of these households, 975 were renters and 510 were owners. *Table 11* provides a summary of Extremely Low-Income households experiencing some form of a housing problem.

TABLE 11: EXTREMELY LOW-INCOME HOUSEHOLDS EXPERIENCING HOUSING PROBLEMS

TYPE OF HOUSING NEED	NUMBER OF RENTER HOUSEHOLDS	% OF RENTER HOUSEHOLDS	NUMBER OF OWNER HOUSEHOLDS	% OF OWNER HOUSEHOLDS	TOTAL NUMBER OF HOUSEHOLDS	TOTAL % OF HOUSEHOLDS
Elderly (1 & 2 Member Households)						
Total Households	280		279		559	
Any housing problems	210	75.0%	174	62.4%	384	68.7%
Cost Burden > 30%	210	75.0%	174	62.4%	384	68.7%
Cost Burden > 50%	180	64.3%	120	43.0%	300	53.7%
Small Related (2 to 4 Member Households)						
Total Households	254		157		411	
Any housing problems	234	92.1%	149	94.9%	383	93.2%
Cost Burden > 30%	230	90.6%	139	88.5%	369	89.9%
Cost Burden > 50%	210	82.7%	124	79.0%	334	81.3%
Large Related (5 or more Members)						
Total Households	112		35		147	
Any housing problems	102	91.1%	35	100%	137	93.2%
Cost Burden > 30%	98	87.5%	35	100%	133	90.5%
Cost Burden > 50%	79	70.5%	35	100%	114	77.6%
All Other Households						
Total Households	329		39		368	
Any housing problems	264	83.1%	25	64.1%	289	78.5%
Cost Burden > 30%	264	82.3%	25	64.1%	289	78.5%
Cost Burden > 50%	224	71.1%	25	64.1%	249	67.7%
TOTAL	975		510		1,485	

Source: HUD 2010 CHAS data.

70-39

Table 14: HUD Table 2A - Priority Housing Needs, provides a summary of the housing needs of Extremely Low-Income households in the HUD prescribed format.

VERY LOW-INCOME HOUSEHOLDS HOUSING NEEDS

Very Low-Income households are households that have incomes between 30% and 50% of the median income for the County as determined by HUD. In 2010, the maximum household income for a family of four at 50% of the county median income was \$45,750 per year. Households with incomes up to 50% of median income often have difficulty finding affordable housing suitable for their needs. Homeownership opportunities are extremely difficult to attain at this income level. Households in this category often include younger families with children, and families with parents employed in low- or moderate-wage jobs. Very Low-Income households often pay a significant amount of money (more than 30% of their monthly income) for housing.

Cumulatively, 1,621 San Clemente households were defined by HUD's 2010 CHAS data as Very Low-Income. Of these Very Low-Income households, 1,021 were renters and 600 were owners. *Table 12* provides a summary of Very Low-Income households experiencing some form of a housing problem.

TABLE 12: VERY LOW-INCOME HOUSEHOLDS EXPERIENCING HOUSING PROBLEMS

TYPE OF HOUSING NEED	NUMBER OF RENTER HOUSEHOLDS	% OF RENTER HOUSEHOLDS	NUMBER OF OWNER HOUSEHOLDS	% OF OWNER HOUSEHOLDS	TOTAL NUMBER OF HOUSEHOLDS	TOTAL % OF HOUSEHOLDS
Elderly (1 & 2 Member Households)						
Total Households	179		395		574	
Any housing problems	134	74.9%	195	49.4%	329	57.3%
Cost Burden > 30%	134	74.9%	195	49.4%	329	57.3%
Cost Burden > 50%	60	33.5%	120	30.4%	180	31.4%
Small Related (2 to 4 Member Households)						
Total Households	338		120		458	
Any housing problems	338	100.0%	110	91.7%	448	97.8%
Cost Burden > 30%	298	88.2%	110	91.7%	408	89.1%
Cost Burden > 50%	113	33.4%	90	75.0%	203	44.3%
Large Related (5 or more Members)						
Total Households	149		25		174	
Any housing problems	149	100.0%	25	100.0%	174	100.0%
Cost Burden > 30%	89	59.7%	15	60.0%	104	59.8%
Cost Burden > 50%	15	10.1%	15	60.0%	30	17.4%
All Other Households						
Total Households	355		60		415	
Any housing problems	345	97.2%	60	100.0%	405	97.6%
Cost Burden > 30%	345	97.2%	60	100.0%	405	97.6%
Cost Burden > 50%	165	46.5%	60	100.0%	225	54.2%
TOTAL	1,021		600		1,621	

Source: HUD 2010 CHAS data.

Table 14: HUD Table 2A - Priority Housing Needs, provides a summary of the housing needs of Very Low-Income households in the HUD prescribed format.

LOW-INCOME HOUSEHOLDS HOUSING NEEDS

Low-Income households have incomes between 50% and 80% of the median income for the area, as determined by HUD. In 2010, 80% of the median household income for a family of four was \$75,000 per year. Cumulatively, HUD identified 2,928 San Clemente households as Low-Income in the 2010 CHAS. Of these Low-Income households, 1,639 were renters and 1,289 were owners. *Table 13* provides a summary of Low-Income households experiencing some form of a housing problem.

TABLE 13: LOW-INCOME HOUSEHOLDS EXPERIENCING HOUSING PROBLEMS

TYPE OF HOUSING NEED	NUMBER OF RENTER HOUSEHOLDS	% OF RENTER HOUSEHOLDS	NUMBER OF OWNER HOUSEHOLDS	% OF OWNER HOUSEHOLDS	TOTAL NUMBER OF HOUSEHOLDS	TOTAL % OF HOUSEHOLDS
Elderly (1 & 2 Member Households)						
Total Households	129		605		734	
Any housing problems	75	58.1%	210	34.7%	285	38.8%
Cost Burden > 30%	75	58.1%	210	34.7%	285	38.8%
Cost Burden > 50%	20	15.5%	110	18.2%	130	17.7%
Small Related (2 to 4 Member Households)						
Total Households	650		414		1,064	
Any housing problems	425	65.4%	364	87.9%	789	74.2%
Cost Burden > 30%	395	60.8%	364	87.9%	759	71.3%
Cost Burden > 50%	20	3.1%	230	55.6%	250	23.5%
Large Related (5 or more Members)						
Total Households	195		105		300	
Any housing problems	185	94.9%	95	90.5%	280	93.3%
Cost Burden > 30%	40	20.5%	80	76.2%	120	40.0%
Cost Burden > 50%	0	0%	25	23.8%	25	8.3%
All Other Households						
Total Households	665		165		830	
Any housing problems	385	57.9%	155	93.9%	540	65.1%
Cost Burden > 30%	355	53.4%	155	93.9%	510	61.4%
Cost Burden > 50%	30	4.5%	95	57.6%	125	16.1%
TOTAL	1,639		1,289		2,928	

Source: HUD 2010 CHAS data.

Table 14: HUD Table 2A - Priority Housing Needs, provides a summary of the housing needs of Low-Income households in the HUD prescribed format. (*HUD Table 2C* - a continuation of this table is also included in this document as part of *Attachment 1* page 187).

Data listed on this table is based on the 2010 CHAS. This table also identifies the level of priority need and the five-year goal the City has established to address respective housing needs. Additional information regarding priority need levels and five-year goals is found in the Strategic Plan. "215 Goals" refers to housing that is subject to affordable housing covenants as required by the HOME program;

however since the San Clemente is not a participating jurisdiction in the HOME program, this information has been labeled "NA" (Not Applicable).

TABLE 14: HUD TABLE 2A - PRIORITY HOUSING NEEDS SUMMARY

PRIORITY HOUSING NEEDS (Households)		Priority Need Level High, Medium, Low		Unmet Need	GOALS
Renter	Small Related	0-30%	High	234	0
		31-50%	High	338	0
		51-80%	Medium	425	0
	Large Related	0-30%	High	102	20
		31-50%	High	149	25
		51-80%	Medium	185	5
	Elderly	0-30%	High	210	10
		31-50%	Medium	134	50
		51-80%	Medium	75	20
	All Other	0-30%	Medium	383	0
		31-50%	High	390	0
		51-80%	High	824	24
Owner	0-30%	High	383	6	
	31-50%	High	390	4	
	51-80%	Medium	824	2	
SPECIAL NEEDS *		0-80%	Medium	871	0
Total Goals					166
Total 215 Goals (i.e., units with HOME covenants)					NA
Total 215 Renter Goals (i.e., units with HOME covenants)					NA
Total 215 Owner Goals (i.e., units with HOME covenants)					NA

Source: HUD 2010 CHAS data, City of San Clemente 2010-2012 Consolidated Plan Strategic Plan & City of San Clemente Planning Dept

* Special Needs Housing goals will be addressed as part of rental/owner priority needs housing.

HUD also requires that the City analyze whether one or more minority population is experiencing a disproportional greater need for housing assistance. Based on HUD’s CHAS data, 35% of San Clemente’s households, regardless of race or ethnicity, are paying more than 30% of household income for housing. Based on 2010 Census data, among all “minority” populations, Asian households appear to be more housing cost burdened than other minority San Clemente households (in terms of percentages); however, in terms of numbers, since Latinos are the City’s largest minority population, a larger number of these households are cost burdened. *Table 15* provides a list of percentage of homeowners and renters that are paying 30% or more of their income for housing by race/ethnicity.

TABLE 15: PERCENTAGE OF INCOME USED FOR HOUSING BY RACE/ETHNICITY

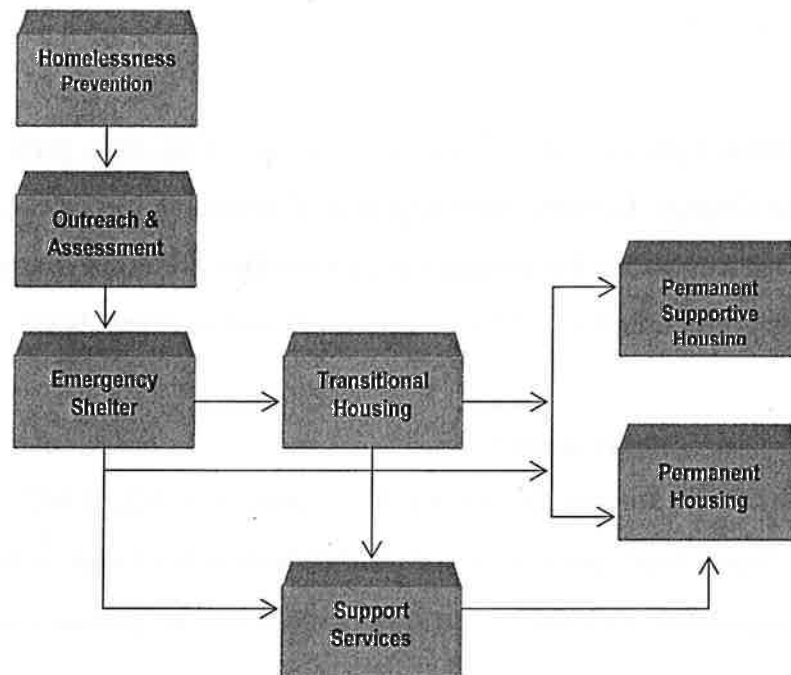
RACE/ETHNICITY	PAYING 30% + OF HOUSEHOLD INCOME FOR HOUSING		PAYING 50% + OF HOUSEHOLD INCOME FOR HOUSING	
	OWNERS	RENTERS	OWNERS	RENTERS
African-American/Black	30.8%	6.1%	10.8%	0%
Asian	28.9%	31.3%	30.4%	19.7%
Hawaiian/Pacific Islander	0%	0%	0%	0%
Hispanic/Latino	24.2%	24.6%	17.6%	16.0%
Native American	0%	22.5%	20%	11.3%

Source: U. S. Census 2010 (SF3 HCT47 & HCT39)

B. NATURE AND EXTENT OF HOMELESSNESS

HUD requires the City to examine the nature and extent of homelessness in the community in the context of a “continuum of care.” A *continuum of care* is described by HUD as a comprehensive and coordinated housing and service delivery system that responds to the different needs of a community’s homeless individuals and families. The goal of a continuum of care system is to prevent homelessness and to help those already homeless achieve self-sufficiency.

There are basic components to the continuum of care system that should be accessible to the homeless at any point in time.



Any evaluation of homelessness must be undertaken with care. Studies of homelessness are often complicated by issues of definitions and methodology. According to the National Coalition for the Homeless (NCH), most studies on homelessness have been limited to counting people in shelters or on the street. While these “point-in-time” studies yield useful information about the number of homeless who use services, they often do not accurately identify the “intermittently” homeless and may overestimate the number of homeless. Additionally, homeless studies may be flawed because researchers do not/cannot effectively search and count the “unsheltered” or “hidden” homeless that live in automobiles,

campgrounds, motels, or other out of the way hidden places. "Quite simply," the NCH states, "it is virtually impossible to ascertain the exact number homeless persons in the nation, state, county or city."¹⁹

The information presented below is mostly based on data published by the NCH and by the Orange County Housing and Community Services Department (OC-H&CS). These agencies have used various studies and surveys to capture homeless demographic and statistical data on a national and regional basis.

DEFINITIONS OF HOMELESSNESS

The Stewart B. McKinney Homeless Assistance Act (42, U.S.C. 1130, et seq. 1994) defines a "homeless" person as an individual who lacks a fixed, regular, and adequate nighttime residence, or an individual whose primary nighttime residence is:

- a. A supervised publicly or privately operated shelter designed to provide temporary living accommodations;
- b. An institution that provides a temporary residence for individuals intended to be institutionalized;
- c. A public or private place not designed for, or ordinarily used as, regular sleeping accommodations for human beings.

The McKinney-Vento Act (sec. 725(2); 42 U.S.C. 11435(2)) defines a person "at-risk" of becoming homeless as an individual who faces imminent eviction (within a week) from a private dwelling or institution and who has no subsequent residence or resources to obtain housing. People are also at risk of homelessness when they experience a sudden drop in income, a rise in housing costs, and/or they do not

¹⁹ *"Who is homeless," NCH Fact Sheet #3.* Published by the National Coalition for the Homeless, May 2011.

have the skills necessary to manage their limited resources. According to the NCH, most individuals at risk of homelessness are on a fixed income or are marginally employed and have few ties to family and friends.

The NCH estimates that there are 3.8 million homeless people nationwide - approximately 1% of the nation's total population. This estimate is based on a study undertaken by the Urban Institute, which surveyed homeless assistance providers across the nation at two different times of the year in 2010.²⁰ In January 2011, the Point In Time (PIT) survey was conducted by Applied Survey Research (ASR), OC Partnership, Orange County Health Care Agency, and OC Community Services. The survey estimated Orange County's homeless population to be 18,325 individuals.²¹ This estimate represents a 17% decrease (or a decrease of 1394 individuals) from 8,333 homeless individuals estimated in 2012.²²

PROFILES OF THE HOMELESS POPULATION IN ORANGE COUNTY & SAN CLEMENTE

As part of the annual application to HUD for Homeless Assistance Grant funds, the County of Orange, in partnership with the O.C. Partnership, conducted a survey of the region's homeless. O.C. Partnership (an Orange County-based nonprofit that provides technical assistance to homeless service providers) surveyed nineteen homeless shelter and service providers during the months of March, April and May 2012. The following is a summary of the characteristics of the region's homeless, as ascertained by survey respondents:

Gender <ul style="list-style-type: none"> ▪ 63.2% Female ▪ 36.4% Male 	Age <ul style="list-style-type: none"> ▪ 4.1% Under 20 years old ▪ 73.2% 21 to 45 years old
---	---

²⁰ Ibid.

²¹ The 34,898 figure is the sum of 10,469 "single adult" homeless and 24,429 "persons in homeless families with children."

²² "Continuum of Care Exhibit 1," 2012 Application for Homeless Assistance Grant Funds. Prepared by the Orange County Housing & Community Services Dept, June 2012.

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	<ul style="list-style-type: none"> ▪ 0.4% Transgender 		<ul style="list-style-type: none"> ▪ 17.9% 46 to 60 years old ▪ 2.4% Over 60 years old ▪ 2.4% NA
Race/Ethnicity	<ul style="list-style-type: none"> ▪ 42.3% White ▪ 29.2% Latino/Hispanic ▪ 12.1% African American/Black 	Families with Children	<ul style="list-style-type: none"> ▪ 45% homeless with children ▪ 55% Homeless without children
Monthly Income	<ul style="list-style-type: none"> ▪ 27.9% No income ▪ 48.0% \$1,000 or less ▪ 24.1% \$1,000 or more 	Source of Income	<ul style="list-style-type: none"> ▪ Part- or Full-time employment (21%) ▪ Supplemental Security Income ▪ Temporary Assistance for Needy Families ▪ Unemployment benefits
Cause of Homelessness	<ul style="list-style-type: none"> ▪ 23.5% Lack of affordable housing ▪ 17.9% Victim of domestic violence ▪ 17.2% Loss of job ▪ 12.2% Substance addiction 	Length of Homelessness	<ul style="list-style-type: none"> ▪ 40.5% Three months or less ▪ 27.6% Four to 11 months ▪ 21.5% One to four years
Shelter Status	<ul style="list-style-type: none"> ▪ 35% Lived in shelters ▪ 21.1% Lived in car, park or streets ▪ 12.1% Lived in motels ▪ 5.3% Lived with family/friends 	City of Last Residence	<ul style="list-style-type: none"> ▪ 59.2% of respondents stated they had lived in their "last city of residence" for at least five years

The City San Clemente has not undertaken an independent analysis to estimate the number of homeless in the City, but there are previous studies/estimates that have attempted to enumerate the City's homeless population based on County-wide statistics. As part of the annual Point In Time homeless count survey, O.C. Partnership carried out an enumeration of the homeless at selected group quarters and street locations. The homeless count was not intended to be a count of the total population of homeless persons; however, this "snap shot" effort represented one of the few empirically based estimates of the number of homeless in Orange County.

As previously stated, the County of Orange Housing and Community Services Department undertakes an annual estimate of the County's homeless population as part of its application for homeless assistance grant funds to HUD. It was estimated

in early 2011, there were 18,325 homeless individuals in Orange County. As part of this 2011 homeless estimate, Orange County homeless service providers were asked to track the “last city of residence” of shelter/service seekers for a 12-month period. (Service providers most often utilized “last city of residence” as the means to determine a client’s city of residency for reporting purposes). Raw data from this shelter provider survey reported twenty six individuals seeking homeless housing services in Orange County listed San Clemente as their last city of residence. City staff has reviewed and supplemented this County data in order to establish a more precise estimate of the City’s homeless.

Since national and regional homeless estimates equal roughly 1% of total population, it can be estimated that there are 65 active homeless individuals in San Clemente at any point in time. However, based on the total number of shelter beds located in the City and additional data provided by service providers, it is estimated that there are 80 to 180 homeless in the City. This figure takes into account an estimate of individuals living in cars and State beaches where overnight camping is allowed.

The estimates described above do not include the number of individuals at risk of becoming homeless. As previously referenced, the NCH suggests that individuals at risk of homelessness are often on a fixed income or marginally employed. Due to limited income and high area housing costs, these at risk households are typically cost burdened, and in most cases, severely cost burdened. Based on 2010 CHAS data, 693 Extremely Low-income San Clemente renter-households were paying more than 50% of their income for housing; 304 Extremely Low-income owner-households are also severely cost burdened.²³ It may be reasonable to assume a

²³ “SOCDS CHAS Data: *Housing Problems for All Households.*” U.S. Department of Housing and Urban Development. Resource website: HUDUser.org

majority of these households are one or two paycheck away from becoming homeless.

To complete the required HUD *Table 1A: Continuum of Care Gaps Analysis (Table 16, page 40)*, it is necessary for the City to analyze several data sources in order to make additional assumptions regarding San Clemente's homeless population.

HOMELESS SUBPOPULATIONS

ELDERLY

According to the NCH, an elderly head of household has a one-in-three chance of paying more than 50% of their income for housing. Faced with the added challenge of paying for other necessities such as food, medicine and health care, senior citizens are particularly vulnerable to homelessness. The NCH estimates that 2.5% to 19.4% of the nation's homeless are age 55-60.²⁴ Orange County's 2010 homeless survey estimated that 2.4% of the region's homeless are 60 years of age or older. For San Clemente, this estimate translates to two to four elderly homeless.

FAMILIES WITH CHILDREN

According to the NCH, families with children are one of the fastest growing segments of the homeless population. The NCH reports that a survey conducted in 2010 found families with children accounted for 36% of the homeless population. Poverty and the lack of affordable housing are listed as the principal causes for homelessness among families. Additional factors include a relative decline in wages and changes in welfare programs approved in the late 1990s.²⁵ The County of Orange estimates there are 24,499 "persons in homeless families with children"

²⁴ "Homelessness Among Elderly Persons," NCH Fact Sheet #15. Published by the National Coalition for the Homeless, June 2010.

²⁵ "Homeless Families with Children," NCH Fact Sheet #7. Published by the National Coalition for the Homeless, June 2010.

living in Orange County (approximately 70% of the total County homeless estimate).²⁶ Using this ratio, an estimated 55 to 125 of the City's homeless are persons in families with children.

CHRONICALLY HOMELESS

A chronically homeless person is defined as an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years.²⁷ In recent years, HUD has placed significant importance on chronic homelessness by establishing a goal to end chronic homelessness by the year 2012. The U.S. Interagency Council on Homelessness estimates that 10% of the homeless population is chronically homeless. The County's most recent homeless analysis estimates 22.5% (i.e., 7,866 individuals) of the County's homeless can be considered chronic homeless. Using the regional percentage 18 to 41 of the City's homeless population may be chronically homeless.

MENTALLY ILL

Mental illness is often defined as a disorder that prevents an individual from carrying out essential aspects of daily life such as self-care, household management, and interpersonal relationships. Severe mental illness is defined as persistent (i.e., more than one year) mental/emotional impairment that substantially interferes with or limits one or more major life activities including: basic daily living skills (eating, bathing, dressing), living skills (maintaining a household, managing money, taking prescribed medication), and functioning in a social, family, vocational and/or educational contexts.

²⁶ "Continuum of Care Exhibit 1," Prepared by the Orange County Housing and Community Services Department, July 2010.

²⁷ HUD defines a disabling condition as a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions.

According to the NCH, 20% to 25% of the single adult homeless population suffers from some form of severe mental illness.²⁸ NCH reports that the mentally ill remain homeless for longer periods and have less contact with family and friends. They also encounter more barriers to employment, tend to be in poorer physical health, and have more contact with the legal system than homeless people who do not suffer from mental illness. According to Orange County's most recent application to HUD for Homeless Assistance Grant funds, there are 2,218 homeless individuals with mental illness in the Orange County region. This figure represents 21.1% of Orange County's 10,500 "single adult" homeless, which is within the estimate of the NCH. Once again, applying the regional percentage to San Clemente's homeless population estimate, five to 12 are mentally ill.

ALCOHOL & SUBSTANCE ADDICTED

Alcohol and substance addicted is defined as an individual with serious and persistent alcohol or substance addiction that significantly limits his/her ability to live independently. Homeless surveys conducted in the 1980's found consistently high rates of addiction, particularly among single men; however, according to the NCH, more recent studies have questioned the high prevalence rates cited by these studies, arguing early studies over-represented long-term shelter users and single men. While there is no generally accepted "magic number," the NCH concedes that a 30% prevalence rate is more or less within reason.²⁹ The County of Orange H&CS Department estimates that there are 6,328 persons with substance addiction among the region's homeless population - 18.1% of the region's total homeless population.

²⁸ *"Mental Illness and Homelessness," NCH Fact Sheet #5.* Published by the National Coalition for the Homeless, 2010.

²⁹ *"Addiction Disorders and Homelessness," NCH Fact Sheet #6.* Published by the National Coalition for the Homeless, 2010.

Using the regional ratio, an estimated that 14 to 33 San Clemente homeless suffer from some form of substance addiction.

DUALLY DIAGNOSED

Dually diagnosed is defined as an individual that suffers both severe mental illness and substance abuse problems. According to the U.S. Department of Health and Human Services (HHS), adults with a substance use disorders are almost three times as likely to have serious mental illness. HHS also estimates that 50% of homeless adults with mental illness also have a substance use problem.³⁰ The County of Orange has not conducted a specific analysis of dually diagnosed homeless; however, it may be worth noting that that OC-H&CS's latest homeless population analysis did identify 2,218 severely mentally and 6,328 chronic substance abusers among the region's homeless - no doubt some co-occurrence is present among these populations. It is also reasonable to assume that a significant percentage of San Clemente's 14 to 33 homeless with substance addiction also suffer from severe mental illness.

VICTIM OF DOMESTIC VIOLENCE

According to the NCH, when a woman leaves an abusive relationship she often has nowhere to go. The lack of affordable housing and long waiting lists for assisted housing often means that women must choose between abuse at home or the street. Recent studies estimate that 22% to 46% of homeless women are victims of domestic violence.³¹ The Orange County H&CS Department estimates there are 6,988 homeless victims of domestic violence in the region at any point in time - 20% of the

³⁰ "Blueprint for Change: Ending Chronic Homelessness for Persons with Serious Mental Illness and Co-Occurring Substance Use Disorders, Chapter 2, National Mental Health Information Center, SMA04-3870 1/2012

³¹ "Domestic Violence and Homelessness," NCH Fact Sheet #8. Published by the National Coalition for the Homeless, 2011.

region's homeless population. Using this ratio, 16 to 36 of the City's homeless may be victims of domestic violence.

HOMELESS YOUTH

The NCH defines homeless youth as an individual under the age of eighteen who lacks parental, foster, or institutional care. The NCH estimates that within urban centers, 3% of the homeless are unaccompanied youth. Homelessness among youth is typically a result of physical/sexual abuse and/or parental neglect, or family economic problems such as the lack of sufficient income to afford housing. Another prevalent factor is residential instability, i.e., a history of foster care. One national study reports that one in five youth who arrived at shelters come directly from foster care or had been in foster care in the previous year.³² The Orange County H&CS Department estimates there are 306 homeless youth in the region at any point in time (i.e., 6.2% of the region's homeless). This percentage translates to five to 11 homeless youth in San Clemente.

PERSONS LIVING WITH AIDS

The NCH reports that the lack of affordable housing is a critical problem facing a growing number of people living with HIV and AIDS. Individuals living with HIV/AIDS that are fortunate enough to reside in affordable housing often find themselves in a tenuous financial situation. They may lose their job because of discrimination, fatigue and periodic hospitalization caused by related illnesses. They also run the risk of an income drain caused by the cost of medical treatment. The NCH estimates an HIV prevalence rate of 3% to 20% among homeless people. The NCH also reports that 36% of people with AIDS have been homeless at least

³² "*Homeless Youth*," NCH Fact Sheet #11. Published by the National Coalition for the Homeless, April 2011.

once since learning that they had HIV/AIDS.³³ The County's most recent analysis of the region's homeless population estimates that 2,029 (5.8%) of Orange County's homeless are living with HIV/AIDS – the City of Santa Ana's HIV/AIDS Housing Plan estimates 1,435 homeless individuals are living with HIV/AIDS in Orange County, and identifies 48 individuals living with AIDS in San Clemente. Applying the regional ratio to San Clemente's homeless estimate, five to ten of the City's homeless may be living with AIDS.

VETERANS

It is estimated that 23% of the homeless population (and 33% of homeless men) are veterans. Homelessness among veterans has declined by 7.2% since 2011 and by 17.2% since 2009. The National Coalition for Homeless Veterans estimates that on any given night, 107,000 veterans are homeless and over 214,000 experience homelessness over the course of a year. The NCH and the U.S. Department of Veterans Affairs (VA) cite the primary reasons for homelessness among veterans are a shortage of affordable housing, a lack of jobs providing a livable income, and access to health care. A large number of displaced and at-risk veterans also live with the affects of Post Traumatic Stress Disorder (PTSD), substance abuse issues or other psychosocial problems.³⁴ The OC-H&CS estimates there are 471 homeless veterans in Orange County (approximately 1.3%). Using this percentage, an estimated that one to two of the City's homeless may be Veterans.

To complete *Table 16: HUD Table 1A - Continuum of Care: Housing Gap Analysis Chart* (page 40), data from the Housing Market Analysis has been utilized to

³³ "HIV/AIDS and Homelessness," NCH Fact Sheet #9. Published by the National Coalition for the Homeless, April 2010.

³⁴ "Homeless Veterans," NCH Fact Sheet #9. Published by the National Coalition for the Homeless, September 2010.

determine the "Current Inventory". "Unmet Need/Gap" is determined by utilizing information outlined above.

TABLE 16: HUD Table 1A
City of San Clemente
Homeless and Special Needs Populations

Continuum of Care: Housing Gap Analysis Chart ¹

		Current Inventory	Under Development	Unmet Need/ Gap
--	--	-------------------	-------------------	-----------------

Individuals

Beds	Emergency Shelter	0	0	17
	Transitional Housing	24	0	14
	Permanent Supportive Housing	0	0	0
	Total	24	0	31

Persons in Families with Children

Beds	Emergency Shelter	40	0	0
	Transitional Housing	24	0	61
	Permanent Supportive Housing	0	0	0
	Total	64	0	61

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total		
	<i>Emergency</i>	<i>Transitional</i>				
1. Homeless Individuals	0	24	31	55		
2. Homeless Families with Children ²	16	9	24	50		
2a. Persons in Homeless Families with Children	40	24	61	125		
Total (lines 1 + 2a)	40	48	92	180		
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total		
1. Chronically Homeless	24				17	41
2. Seriously Mentally Ill ³	12					
3. Chronic Substance Abuse ³	33					
4. Veterans ³	2					
5. Persons with HIV/AIDS ³	10					
6. Victims of Domestic Violence ³	36					
7. Youth ²	11					

1. All figures based on high end of estimate of City's homeless population, i.e., 180.
2. Assumes 2.5 persons per homeless families with children.
3. Figure represents estimate of "sheltered" and "unsheltered."

HUD requires that if practical, the City evaluate the needs of the homeless by race and ethnicity. In light of the difficulty of obtaining information on the homeless in general, the City has not attempted to determine race/ethnicity of the community's homeless. It may be reasonable to assume that race/ethnicity of San Clemente's homeless population is consistent with the findings of the O. C. Partnership survey that was outlined above.

C. HOUSING NEEDS OF SPECIAL NEED POPULATIONS

As required, the City has undertaken the review of relevant data regarding the housing needs of persons that require special supportive housing, but who are not homeless. These special need populations include the following:

- Elderly and frail elderly
- Individuals with physical, developmental and mental disabilities
- Individuals with alcohol and/or drug addiction
- Individuals and families living with HIV/AIDS
- Public/Assisted housing residents
- Large Families

ELDERLY PERSONS

The housing needs of the elderly (i.e., individuals 65 and older) pose special challenges for the City of San Clemente since many elderly persons are likely to be on fixed incomes and typically require low cost housing. The problem is also exacerbated by the special housing needs of some elderly such as ramps, handrails, lower cupboards and counters to allow greater access and mobility. Due to limited mobility, many senior citizens also need centralized housing near public facilities (i.e., medical and shopping centers) and public transit facilities.

According to HUD's 2010 CHAS data, 32.9% of all elderly households in San Clemente are housing cost burdened, that is, 1,541 out of 4,686 elderly San Clemente households are paying more than 30% of their income for housing (16.9% of these households are paying more than 50% of their income for housing.) Based on recent estimates, there are 194 senior housing units in the City and the Orange County Housing Authority reports 67 elderly households are currently receiving rental assistance. Based on this information, it is estimated that 1,200 senior households are in need of affordable housing opportunities (see *Table 17: HUD Table 1B - Special Needs (Non-Homeless) Populations*, page 48).

FRAIL ELDERLY

The Public Policy Institute estimates that over 20% of persons 65 and older have difficulty with self-care or mobility, i.e. they are frail elderly.³⁵ The 2010 Census reports that 6,534 of the City's residents are elderly (over the age of 65). Based on this scenario, it is estimated there are 1,307 frail elderly San Clemente residents. HUD's 2010 CHAS data estimates that 1,114 senior households with "mobility and self-care limitations" are experiencing some type of housing problem, including paying more than 30% of their income for housing costs. Based on information provided by the Council On Aging of Orange County (a community based nonprofit agency) there are 21 skilled nursing and resident care facilities in San Clemente providing 249 beds. Despite what appears to be reasonable number of skilled nursing/care facilities in the City, a limited number of these beds are available to non-ambulatory seniors. Furthermore, even if it is assumed all skilled nursing/care facility beds are available to San Clemente frail elderly, there still remains a gap of 865 beds (see *Table 17: HUD Table 1B - Special Needs (Non-Homeless) Populations*, page 48).

³⁵ "Disability: Federal Survey Definitions, Measurements, and Estimates," AARP Public Policy Institute, Data Digest Number 98, August 2010

PERSONS WITH PHYSICAL & DEVELOPMENTAL DISABILITIES

Disabilities are typically defined as conditions that limit a person's ability to perform everyday life activities. The Americans with Disabilities Act of 1990 (ADA) defines a disability as a physical or mental impairment that substantially limits one or more major life activities. Major life activities generally refer to seeing, hearing, speaking, walking, breathing, performing manual tasks, learning, caring for oneself, and working. Physically disabled individuals typically required specially designed dwellings to permit access within the unit, as well as to and from the site. California Administrative Code Title 24 sets forth access and adaptability requirements for the physically challenged. These regulations apply to public buildings such as motels, employee housing, factory-built housing, and privately funded newly constructed apartment complexes containing five or more dwelling units. Regulations also require that ramp ways, larger door widths, restroom modifications, etc., be designed to enable free access for the handicapped.

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination because of disability in activity that receives financial assistance from any federal agency including HUD. For federally assisted new construction housing projects, Section 504 requires 5% of dwelling units, or at least one unit, to be accessible to persons with mobility disabilities. An additional 2% of the dwelling units, or at least one unit, must be accessible for persons with hearing or visual disabilities. Other regulations similar regulations apply to larger projects; however, in all cases, the City must ensure compliance with Section 504.

Two surveys conducted in 2012 estimate that 2.9% to 5.4% of Americans, regardless of age groups, live with some type of self-care and/or mobility issue.³⁶ Based on

³⁶ *"Disability: Federal Survey Definitions, Measurements, and Estimates,"* AARP Public Policy Institute, Data Digest Number 98, August 2012.

these percentages 1,895 to 3,528 San Clemente's residents have a disability and may be in need of affordable housing and services. HUD's 2010 CHAS data estimates that 742 non-senior households with mobility and self-care limitations are experiencing a housing problem, (i.e., pay more than 30% of their income for housing or live in substandard/overcrowded housing). The Orange County Housing Authority is currently providing rental assistance to 34 disabled households in the City. The short-term nature of some disabilities make it increasingly difficult to estimate the housing needs of this special needs subpopulation; however, it appears reasonable that 708 households with some type of disability that reside in San Clemente are in need of affordable housing, with a much larger number (1,800 to 3,500) in need of services.

Developmental disabilities are a group of severe chronic conditions caused by mental and/or physical impairments that begin anytime during a person's development up to the age of 22, and usually last for a person's lifetime. Examples of developmental disabilities include autism, cerebral palsy, hearing loss, mental retardation, and vision impairment. The State of California estimates that 0.3% (or 9,052 individuals) of Orange County's general population had some form of developmental disability – a portion of these individuals are from San Clemente.³⁷ The State reports that more developmentally disabled individuals are living at home with parents or in independent/supported living settings, with a trend away from community care or developmental centers. The housing need estimate for persons with development disabilities are included in the figures above.

³⁷ This estimate is based on individuals that utilize the Orange County Regional Center for the Developmentally Disabled.

PERSONS WITH MENTAL ILLNESS

According to the National Mental Health Association, 54 million Americans (18.3%) are affected by one or more mental disorders such as depression, eating disorders, attention deficit disorders, or anxiety. The U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA), estimates that up to 9.2% of adults affected by mental illness suffered from severe mental illness. (Severe mental disorders include autism, cognitive disorders, bipolar, and schizophrenia.) Based on these national trends, approximately 11,957 San Clemente residents suffer from some form of mental illness - 1,082 suffer from severe mental illness.

SAMHSA reports persons with severe mental illness have one of the lowest employment rates of any disabled group - only 1 in 3 is employed. Individuals with mental illness typically rely on public benefits (e.g., SSI) as their primary source of income. In 2010, persons receiving SSI paid, on average, 98% of their SSI benefit to rent a modest one-bedroom unit at fair market rent.³⁸ Based on the scenario above it is reasonable to assume 1,060 San Clemente residents living with severe mental illness are in need of housing (see *Table 17: HUD Table 1B- Special Needs (Non-Homeless) Populations*, page 48).

PERSONS WITH ALCOHOL AND DRUG ADDICTION

SAMHSA reports that in 2010, 8.2% of Americans age 12 and older used an illicit drug. Illicit drug use was highest among American Indians/Alaska Natives (12.1%) and lowest among Asians (3.8%). Over half (50.1%) of Americans age 12 and older are current drinkers of alcohol - 6.8% were reported to be heavy drinkers. SAMHSA also reports that 9.1% of Americans 12 years of age and older were classified as

³⁸ *"Blueprint for Change: Ending Chronic Homelessness for Persons with Serious Mental Illness and Co-Occurring Substance Use Disorders,"* Chapter 2, National Mental Health Information Center, SMA04-3870 1/2010

substance dependent or a substance abuser - over 68.5% of these individuals were dependent on (or abused alcohol) 17.6% were dependent on or abused illicit drugs, and 14.4% abused or were dependent on both alcohol and illicit drugs.³⁹

Based on these national trends, it can be estimated that 3,280 San Clemente residents 12 years of age and older have used illicit drugs and 20,040 use alcohol. An estimated 3,640 San Clemente residents are substance addicted or abusers, with the majority abusing alcohol (2,493) and 524 persons abusing both alcohol and illicit drugs. According to the City's Planning Department, there are 92 drug and alcohol recovery beds licensed to operate in San Clemente. These figures suggest there is a gap of approximately 430 substance addiction recovery beds in the City versus the potential need (*Table 17: HUD Table 1B - Special Needs (Non-Homeless) Populations*, page 48).

INDIVIDUALS WITH HIV/AIDS

As the most populous city in Orange County, Santa Ana receives and administers federal Housing Opportunities for Persons with AIDS (HOPWA) funds. Santa Ana is primarily responsible for undertaking a comprehensive regional housing and service needs analysis for individuals and families living with HIV and AIDS. A HIV/AIDS Housing Plan, completed by Santa Ana in 2011, is the most current data source for the County's HIV/AIDS housing and service needs. Data sources for the study included the County's most recent Homeless Continuum of Care grant application to HUD, Orange County Health Care Agency (OC-HCA) data, and survey data obtained from individuals diagnosed with HIV/AIDS and service providers.

³⁹ "Overview of Findings from the 2011 National Survey on Drug Use and Health," U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Office of Applied Studies (NSDUH Series H-24, DHHS Publication No. SMA 04-3963), September 2011.

AIDS was first reported in Orange County in 1981. From 1981 through 2012, 8,111 AIDS cases have been reported in Orange County representing approximately 5% of California's AIDS cases. It is estimated that as of December 2011, 3,878 Orange County residents were aware they were living with AIDS and 2,998 were aware they were living with HIV (not AIDS). It is also estimated that 1,774 County residents were living with HIV or AIDS and they were not aware of their status. Combined, it is estimated that 8,448 Orange County residents are living with HIV/AIDS.⁴⁰

The OC-HCA reported that as of 2012, the majority of individuals living with AIDS resided in Santa Ana; however, the City of Laguna Beach had the highest concentration of persons living with AIDS (1,096 per 100,000 population). OC-HCA reports that San Clemente had 1.6% of the County's cumulative reported AIDS cases (94 individuals) and 1.7% of the County's residents living with AIDS (48 individuals). Presently there are approximately 620 supportive housing beds/units in Orange County dedicated to individuals and families living with HIV/AIDS - none of these units are located in San Clemente.

Table 17 is a HUD required table. Housing needs are based on the respective needs outlined above.

⁴⁰ "Orange County HIV/AIDS Housing Plan" 2012-2014.

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TABLE 17: HUD TABLE 1B - SPECIAL NEEDS (NON-HOMELESS) POPULATIONS

SPECIAL NEEDS SUBPOPULATIONS ¹	PRIORITY NEED LEVEL HIGH, MEDIUM, LOW, NO SUCH NEED	UNMET NEED	DOLLARS TO ADDRESS UNMET NEED	GOALS
Elderly	High	1,200 Units	--	70 Units
Frail Elderly	Low	865 Beds	--	0 Beds
Severe Mental Illness	Low	1,060 Units	--	0 Units
Developmentally Disabled	Low	708 Units	--	0 Units
Physically Disabled				
Persons with Alcohol/Other Drug Addictions	Low	432 Beds	--	0 Beds
Persons with HIV/AIDS	Low	48 Beds	--	0 Beds
TOTAL		2968 Units 1,345 Beds	--	70 Units 0 Beds

1. Service needs of special needs subpopulations are listed on TABLE 39: HUD TABLE 2B COMMUNITY DEVELOPMENT NEEDS page 119.

PUBLIC/ASSISTED HOUSING RESIDENTS

As stated previously, the Orange County Housing Authority (OCHA) provides rental assistance in partnership with the City of San Clemente. While OCHA does not own or operate public housing, it is always seeking new and innovative ways to assist Housing Choice Voucher (i.e., Section 8) program participants more effectively and efficiently.

As of August 2010, OCHA reports it is providing rental assistance to 9,442 households throughout Orange County (exclusive of Santa Ana, Anaheim and Garden Grove). *Table 18* provides a breakdown of OCHA's current rental assistance household.

TABLE 18: OCHA HOUSING VOUCHER PARTICIPATING HOUSEHOLD CHARACTERISTICS

	FAMILIES	DISABLED HOUSEHOLDS	ELDERLY HOUSEHOLDS	TOTAL
Countywide	3,510	2,194	3,738	9,442
San Clemente	31	34	67	132

Source: Orange County Housing Authority, August 2010.

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The OCHA's waiting list for rental assistance is currently completely closed. Applications were accepted via traditional methods the last time it was opened in 2005; they received 18,600 applications. From February 15 to February 29, 2012 OCHA re-opened the waiting list and received approximately 30,000 completed applications on-line on the first day. Since the last time names were added to the waiting list the County has been working its way through the roster of eligible recipients. The applications are ranked with veterans given priority.

LARGE FAMILIES

Although not identified by HUD as a special needs population requiring a housing needs assessment, an evaluation of the housing needs of large families has been undertaken as part of this housing assessment.

The 2010 Census reported 1,848 households in the City of San Clemente with five or more persons – HUD's definition of a large family. This number represented 9.5% of all San Clemente's households. The City has included large households in this special needs group analysis because they require dwellings with three or more bedrooms, a rare commodity in Orange County's rental housing market. According to 2010 Census data, there are 12,341 housing units in San Clemente with five or more rooms, although most of these are owner occupied. Based on these estimates it appears that there are sufficient "large" housing units in the City to accommodate "larger" families; however, affordability presents an issue. According to HUD's 2000 CHAS data, 228 out of 261 (87.5%) of all large renter-households with an income equal to or less than 30% of the County median are paying more than 30% of their income for housing. Similarly, 100% of Extremely Low-Income owner-households (35 of 35) are experiencing a similar housing burden. Even when income is not considered, 1,067 out of 3,375 (32%) of large renter- and owner-households are paying more than 30% of income for housing.

D. LEAD-BASED PAINT HAZARDS

Lead-paint hazards are typically found in buildings constructed prior to 1978 - the year lead based paint was removed from the U.S. consumer market. According to the Center for Disease Control and Prevention (CDC) approximately 434,000 (2.2%) U.S. children age 1-5 years have blood lead levels greater than the CDC recommended level of 10 micrograms of lead per deciliter of blood (mcg-dL). The importance of identifying and eliminating lead-based paint hazards as a HUD-housing issue relates to the fact that lead poisoning can affect nearly every system in the body leading to learning disabilities, behavioral problems, and at high levels, seizures, coma and even death. Young children (age zero to five) are at highest risk of lead-paint poisoning as are most likely to be exposed to lead-paint through two major pathways: by eating paint chips or indirectly by ingesting lead-containing house dust or soil through normal hand-to-mouth contact.

Recent studies regarding the prevalence of lead-based paint hazards estimate that 25% of the nation's housing stock had significant lead-based paint hazards in the form of deteriorated paint, dust lead, or bare soil lead.⁴¹ This study found that the prevalence of lead-based paint hazards varied by geographic region, housing unit age, and household income, for example:

- Fifteen percent (15%) of Western United States housing units reported lead-based paint hazards.
- Sixty-eight percent (68%) of housing units built prior to 1940 had lead-paint hazards - conversely only 3% of units built between 1978 and 1998 reported lead-based paint hazards.
- Twenty-five percent (25%) of all units housing households with children age zero to five were reported to contain a lead-based paint hazard.

⁴¹ *"The Prevalence of Lead-Based Paint Hazards in U.S. Housing,"* Environmental Health Perspectives, Volume 110, Number 10, October 2010.

- Thirty-five percent (35%) of housing units occupied by low-income households had lead paint hazards - conversely, only 19% of middle- and upper-income household occupied housing units had such hazards.

Based on these national trends, it is estimated that 3,931 San Clemente housing units may have some level of lead-based paint hazard - including 305 housing units constructed prior to 1940. Approximately 987 San Clemente households with children age zero to five and 2,386 Low-Income families live in units with lead-paint hazards.

The County of Orange Health Care Agency collects statistics regarding the number of children age 16 and younger, with a blood lead level greater than or equal to 10 mcg/dL, i.e., the CDC "level of concern." Reports of elevated blood lead levels are obtained from the State, local laboratories and health care providers; however, the County stipulates that this is not an all-inclusive list. County data also does not identify the source of the lead poisoning. In addition to lead-based paint, other sources of lead contamination may include clay pottery and candy.

Data regarding children with elevated blood lead levels was provided by the County Health Care Agency, Environmental Health Division.

TABLE 19: CHILDREN WITH BLOOD LEAD LEVEL OF CONCERN

YEAR	CHILDREN 16 YRS. OR LESS W/ BLOOD LEAD LEVEL > 10 MCG/DL
2007	0
2008	0
2009	2
2010	1
2011	3
2012	2
TOTAL	8

Source: Orange County Health Care Agency, December 1, 2012

II. HOUSING MARKET ANALYSIS

III. SAN CLEMENTE'S HOUSING MARKET CHARACTERISTICS

The City of San Clemente is required to undertake an analysis of its current housing market in order to facilitate the development of a strategic plan to address the housing needs of the community over the next five-year period. Several factors that affect the City's housing market are considered and discussed below.

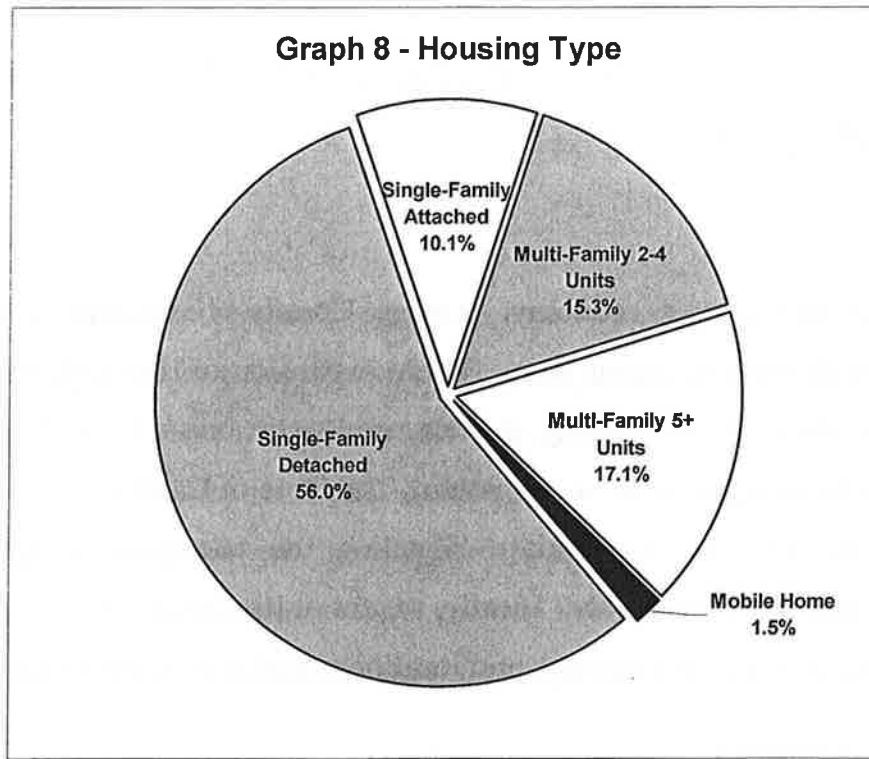
SUPPLY

Based on California Department of Finance statistics, as of January 2010, San Clemente has 26,134 housing units. *Table 20* and *Graph 8* summarizes housing unit information by type.

Table 20: HOUSING CHARACTERISTICS BY TYPE (2010)

TYPE	<i>Number</i>	PERCENT OF TOTAL HOUSING STOCK
Single-Family Detached	14,591	56.0%
Single-Family Attached	2,645	10.1%
Multi-Family (2-4 Units)	4,010	15.3%
Multi-Family (5+ Units)	4,485	17.1%
Mobile Home	403	1.5%
TOTAL	26,134	100%

Source: CA Dept of Finance Population and Housing Estimates (Table 2 E-5) 1/1/10



Of San Clemente's 26,134 residential units, 32.4% of housing units were developed as multi-family units. Over 67% were constructed as "single-family units"

Table 21: HOUSING CHARACTERISTIC BY OCCUPANT TENURE

TYPE	2010	
	UNITS	%
Owner	12,111	61.5%
Tenant	7,580	38.5%
TOTAL	19,691	100.0%

Source: U.S. Census Bureau Census 2010

(including mobile homes); however, not all single-family housing units are owner-occupied. The 2010 Census indicates that there are approximately 1.5 owner households for every tenant household - *Table 21* provides an overview of owner versus tenant occupied housing based on 2010 Census data.

It is estimated that San Clemente is approximately 94% built-out; by 2020 all planned housing will be completed with an estimated 27,000 total housing units. The City is also evaluating underutilized land that is presently not zoned for

housing. The intent of this process is to identify mix use commercial/housing and additional multi-family development opportunities with an emphasis on creating affordable housing units.

DEMAND

Similar to the nation’s economy, Orange County’s economy has experienced significant changes in recent years. Recent expansion of the region’s economy has sparked a demand for housing that has resulted in one of the tightest and most expensive housing markets in the nation. The State of California has established a 5% vacancy rate as the standard signaling the adequate supply of housing opportunities for a community. Ideally, vacant units should be available in various housing types, sizes, price ranges, and locations within the community.

Table 22 provides a five-year summary of the City’s rental housing occupancy rate.

TABLE 22: SAN CLEMENTE ANNUAL RENTAL HOUSING OCCUPANCY RATE

DATE	AVERAGE OCCUPANCY RATE ¹
2009	93.9%
2010	94.8%
2011	93.9%
2012	92.7%
2013 *	93.5%

Source: RealFacts, January 2013

* Note: San Clemente’s occupancy rates trend slightly lower than neighboring communities due to seasonal rentals and 2nd home/vacation properties which are prevalent in the community.

Following a basic concept of economics, as demand increases so will the price. The demand for owner occupied housing can also be predicted by an increase in home purchase price. A review of home sales statistics is provided later in this Housing Market Analysis; however, the analysis indicates a steady increase in the price for ownership housing in San Clemente.

CONDITION

The condition of San Clemente’s housing stock is affected by several factors, including age, physical condition, and occupancy (i.e., overcrowding).

There is a direct relationship between the age (i.e., year of construction) of the housing stock within a community and the need for maintenance, repair and replacement activities. The age of San Clemente’s housing stock ranges from pre-1940 to under construction (see *Table 23*). It is important to note that over 47% of the City’s housing stock is older than 25 years.

TABLE 23 – AGE OF SAN CLEMENTE HOUSING STOCK

<i>Year Built</i>	NUMBER OF UNITS	PERCENT OF UNITS
Pre 1940	449	1.7%
1940 - 1949	636	2.4%
1950 - 1959	2,313	8.8%
1960 - 1969	4,174	15.9%
1970 - 1979	4,769	18.2%
1980 - 1989	5,395	20.6%
1990 - 2000	2,915	11.1%
2000 - 2005	5,556	21.2%
2005 - 2010	3,605	19.8
TOTAL	26,134	100.0% *

Source: U.S. Census Bureau Census 2010, CA Dept. of Finance 2010 City/County Population & Housing Estimates.

* Total percentage may not equal 100% due to rounding error.

Table 24 provides an overview (based on 2010 Census data) of the age of San Clemente’s housing stock by comparing age with tenure type. Note that over 60% of the City’s owner-occupied housing is less than 25 years old, and approximately 40% of renter-occupied housing is of similar age.

TABLE 24: AGE OF SAN CLEMENTE HOUSING STOCK BY TENURE

YEAR BUILT	OWNER		RENTAL	
	UNITS	%	UNITS	%
Pre 1940	245	1.5%	179	2.0%
1940 - 1949	241	1.5%	360	4.1%
1950 - 1959	960	5.9%	1,188	13.5%
1960 - 1969	2,172	13.4%	1,783	20.3%
1970 - 1979	2,556	15.8%	1,830	20.8%
1980 - 1989	3,616	22.4%	1,436	16.3%
1990 - 1999	2,321	14.4%	504	5.7%
2000 - 2005	4,039	25.0%	1,515	17.2%
2005 - 2010	2,798	15.1	807	8.8%
TOTAL	18,948		9,602	

Total percentages may not equal 100% due to rounding error.
Totals by "Age & Tenure" (Table 25) will not equal total units by "Age" (Table 24) due to vacancies
Source: U.S. Census Bureau Census 2010

There is no current citywide condition analysis of San Clemente's housing stock; however, it is reported by City staff that it is in very good condition as 62% of the City's owner-occupied dwellings and 40% of the rental housing stock is less than 25 years old. Nonetheless, San Clemente has 5,340 rental-housing units older than 25 years old resulting in issues related to deferred maintenance and overcrowded units.

In March 2010, the State of California Department of Housing and Community Development (HCD) prepared the "California Housing Markets" report which provided information regarding housing **conditions** on a regional basis (i.e., Orange County). This report can be used to assess some general conditions of San Clemente's housing stock. The HCD report found the majority of the State's housing stock is in good condition; however, there is a significant portion of housing throughout the State that needs repairs or replacement. "Lower income households often occupy this stock. For owners, the problem is often one of ongoing maintenance problems - for these households, low incomes lead to a lack of funds for maintenance and repairs. For rental properties, rent that can be collected on

properties may not be sufficient to cover the needed costs [of maintenance], leading to deterioration.”⁷¹

This HCD report estimated that in 2010 8% of Orange County’s housing stock was “substandard.” The definition of a “substandard unit” adopted by the State of California was based on the “Codebook for the American Housing Survey,” and evaluated the housing unit characteristics listed in *Table 25*:

Table 25: Unit Characteristics Of Substandard Housing Condition

UNIT COMPONENT	DEFINITION OF SUBSTANDARD CONDITION
Plumbing	<ul style="list-style-type: none"> ▪ Lack of hot piped water or a flush toilet, or lack of both bathtub and shower, all for exclusive use of the unit. ▪ All toilets broken down at least once (or at least three times in the past three months) for at least six hours each time.
Heating	<ul style="list-style-type: none"> ▪ Discomfort during winter for 24 hours or more because the heating equipment broke down at least three times for at least six hours each time. ▪ Un-vented gas, oil or kerosene heaters as the main source of heat. These devices give off unsafe fumes.
Unit Upkeep	<ul style="list-style-type: none"> ▪ Three of the following six maintenance problems: <ul style="list-style-type: none"> ▪ Leaks from outdoors ▪ Leaks from indoors ▪ Holes in floor ▪ Holes or open cracks in walls or ceilings ▪ More than one square foot of peeling paint or plaster ▪ Rats in at least the past 90 days
Hallways	<ul style="list-style-type: none"> ▪ Three of the following problems in public hallways: <ul style="list-style-type: none"> ▪ No working light fixtures ▪ Loose or missing steps ▪ Loose or missing railings ▪ No elevator

⁷¹ “The State of California’s Housing Market.” California Department of Housing and Community Development, March 2010.

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UNIT COMPONENT	DEFINITION OF SUBSTANDARD CONDITION
Electrical	<ul style="list-style-type: none"> ▪ No electricity ▪ All of the following electrical problems: <ul style="list-style-type: none"> ▪ Exposed wiring ▪ A room with no working outlets ▪ Three blown fuses/ tripped circuit breakers in the last 90 days
Kitchen	<ul style="list-style-type: none"> ▪ Lack of a sink, range, or refrigerator, all for the exclusive use of the unit
Exterior Conditions	<ul style="list-style-type: none"> ▪ Building with any of the following: <ul style="list-style-type: none"> ▪ Sagging or missing roof materials ▪ Roof has hole(s) ▪ Building walls missing wall materials/siding ▪ Building has sloping outside walls ▪ Building has crumbling foundation

Source: "The State of California's Housing Market 1990-1997." Page 51.

The California Department of Finance estimates that in January 2010, there were 26,134 housing units in San Clemente. If it is assumed that 8% of the City's housing units meet the State's substandard conditions described above, 2,097 San Clemente housing units can be considered "substandard."

The 2010 Census identified a total of 57 San Clemente owner-occupied housing units without complete kitchen and plumbing facilities – two of three variables that HUD utilizes to identify a household experiencing "housing problems;" a total of 124 renter-occupied housing units were also reported to have incomplete kitchen/plumbing facilities.⁷² Utilizing this standard, less than one percent (0.9%) of the City's housing stock was considered substandard in 2010.

Another factor that impacts the condition of the community's housing stock is **occupancy**, specifically **overcrowding**. Overcrowding is a measure of the number of

⁷² HUD defines a household experiencing "housing problems" as one that is experiencing overcrowding (1.01 or more persons per room), and/or without complete kitchen or plumbing facilities.

people in a house, and may serve as a warning sign that a community does not have housing units with enough bedrooms to house large families. The 2010 Census estimated that 987 (or 13.6%) of rental units and 219 (or 1.8%) of owner-occupied units in San Clemente were overcrowded, that is occupied by 1.01 or more persons per room (see *Table 26*).

TABLE 26: HUD-DEFINED "OVERCROWDED" HOUSING UNITS

PERSONS PER ROOM	OWNER OCCUPIED		RENTER OCCUPIED	
	HOUSING UNITS	% OF TOTAL HOUSING UNITS	HOUSING UNITS	% OF TOTAL HOUSING UNITS
Less than 0.5 to 1 Person Per Room	11,892	98.2%	6,293	86.4%
1.01 to 1.5 Persons Per Room	135	1.1%	263	3.6%
1.51 or More Persons Per Room	84	0.7%	724	10.0%

Source: U.S. Census 2010 (SF3-H20)

As discussed previously, the Census/HUD definition of overcrowded living conditions is significantly different from the State definition that the City is required to enforce. State housing unit occupancy standards are based on the persons per square footage (see *Table 10*, page 20), and the City is prohibited from implementing a different standard. Aside from HUD/Census estimates, no additional reports are available regarding the number of overcrowded housing units in San Clemente.

Another means of assessing the occupancy issue is by assessing the number of persons per housing unit. Based on a January 1, 2010 estimate from the State of California Department of Finance, San Clemente has 2.64 persons per housing unit. By comparison: Santa Ana had the highest ratio of persons per housing unit at 4.70 persons per housing unit and Laguna Woods had 1.45. Compared to neighboring communities, San Juan Capistrano was pegged at 3.16, Dana Point at 2.49 and Laguna Beach at 2.12 persons per housing unit.

While overcrowding does not appear to be a significant factor within the City, units that are overcrowded are directly impacted in terms of wear and tear of major building systems. Similarly overcrowded housing units often have a direct impact on the City’s public infrastructure such as streets and water/sewer systems.

COST

The cost of housing in San Clemente is an important element that will impact strategies to address priority housing needs. Like most other Southern California communities; San Clemente home sales prices have increased dramatically within the last decade. In January 2010, San Clemente’s median home sales price was estimated at \$855,000 and \$795,250 for zip code areas 92672 and 92673 respectively.⁷³ *Table 27* provides an overview of San Clemente’s median home sales price from 2000 through 2010.

TABLE 27: MEDIAN HOME SALES PRICE SAN CLEMENTE & ORANGE COUNTY

YEAR	SAN CLEMENTE ZIP CODE 92672	SAN CLEMENTE ZIP CODE 92673	ORANGE COUNTY ATTACHED
2000	\$400,000	\$417,000	\$284,000
2005	\$915,000	\$897,500	\$606,000
2010	\$855,000	\$795,250	\$450,980

Source: *Orange County Register*

Tables 28 and 29 provide an overview of San Clemente’s rental housing rent history on a quarterly and annual basis.

TABLE 28: SAN CLEMENTE AVERAGE RENT BY QUARTERS

⁷³ *Orange County Register*, “Your Home,” January 19, 2010

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UNIT SIZE	QUARTER								
	3 RD QRT 2008	4 TH QRT 2008	1 ST QRT 2009	2 ND QRT 2009	3 RD QRT 2009	4 TH QRT 2009	1 ST QRT 2010	2 ND QRT 2010	3 RD QRT 2010
<i>Average All Units</i>	\$1,299	\$1,299	\$1,313	\$1,328	\$1,336	\$1,351	\$1,357	\$1,366	\$1,390
Studio	\$1,004	\$1,004	\$1,004	\$1,024	\$1,024	\$1,024	\$1,024	\$1,085	\$1,135
1 Bd 1 Bth	\$1,118	\$1,118	\$1,138	\$1,138	\$1,150	\$1,158	\$1,159	\$1,170	\$1,196
2 Bd 2 Bth	\$1,414	\$1,414	\$1,431	\$1,455	\$1,465	\$1,504	\$1,491	\$1,498	\$1,529
2 Bd Town House	\$1,547	\$1,547	\$1,556	\$1,581	\$1,581	\$1,581	\$1,644	\$1,628	\$1,628
3 Bd 2 Bth	\$1,698	\$1,698	\$1,689	\$1,723	\$1,707	\$1,707	\$1,718	\$1,791	\$1,827

Source: RealFacts January 2010

TABLE 29: SAN CLEMENTE AVERAGE RENT BY YEARS

UNIT SIZE	YEAR					
	2006	2007	2008	2009	2010	4 YR CHANGE
<i>Average All units</i>	\$1,209	\$1,221	\$1,284	\$1,332	\$1,371	13.4%
Studio	\$979	\$1,002	\$1,004	\$1,019	\$1,081	10.4%
1 Bedroom 1 Bath	\$1,046	\$1,051	\$1,101	\$1,146	\$1,175	12.3%
2 Bedrooms 2 Bath	\$1,343	\$1,347	\$1,403	\$1,464	\$1,506	12.1%
2 Bedroom Town House	\$1,437	\$1,467	\$1,531	\$1,575	\$1,634	13.7%
3 Bedrooms 2 Bath	\$1,542	\$1,604	\$1,688	\$1,706	\$1,779	15.3%

Source: RealFacts January 2010

VACANT AND UNDERUTILIZED LAND

The City's 2008 Housing Element estimated that the City was approximately 74% built out - the bulk of San Clemente's Residential Land Use Inventory is zoned for low density. *Table 30* provides an overview of this data:

TABLE 30: RESIDENTIAL LAND USE INVENTORY

RESIDENTIAL LAND USE TYPE	TOTAL ACRES	% OF TOTAL	VACANT ACRES	% OF TOTAL ACRES
Very Low Density (1 d.u./20 gross ac.)	25.0	0.8%	25.0	3.0%
Low Density (4.5 - 7 d.u./ac.)	2,380.2	80.5%	522.2	62.8%
Medium-Low Density (7.1 d.u./ac.)	251.4	8.5%	101.9	12.3%
Medium Density (10.1 - 24 d.u./ac.)	235.7	8.0%	158.9	19.1%
Medium-High & High Density (24.1-35 d.u./ac)	67	2.2%	23.0	2.8%
TOTAL	2,959.3	100.0%	831.0	100.0%

"d.u." = Dwelling Units ac. = Acres
Source: City of San Clemente Housing Element, Oct. 2008.

As previously reported, it is anticipated that by 2010 San Clemente will be completely built out. Since all large vacant parcels of land that are presently available for new housing are developed, the City is turning its focus on using underutilized land that to address future housing needs and demand.

The Southern California Association of Governments (SCAG) is responsible for preparing a Regional Housing Needs Assessment (RHNA) for a five-county region (Imperial County, Los Angeles County, Orange County, Riverside County, San Bernardino County, and Ventura County). The most recent RHNA was completed and is used by SCAG to plan for regional growth and to quantify the need for housing for each city within SCAG's jurisdiction (between January 1, 2014 and October 31, 2021). Cities must utilize RHNA data when they plan and decide how they will address housing needs when completing respective Housing Elements of

their General Plans. Per State law, the RHNA must measure existing and future housing need.

Abandoned and Vacant Properties

Revision to Consolidated Plan regulations requires the City to identify abandoned and vacant properties, and to determine if any of these units are suitable for rehab (see *Table 31*). Three residential properties have been identified, abandoned due to sliding soils - it is not known at this time if they are suitable for rehab. The number of vacant units listed is provided by the State Department of Finance and represent the City's typical vacancy rate, which includes vacation rental and second homes.

TABLE 31: INVENTORY OF ABANDONED AND VACANT PROPERTIES

	NUMBER OF PROPERTIES	NUMBER THAT ARE SUITABLE FOR REHAB
ABANDONED	3	Not Known at this time
VACANT	1,598	N.A.

Source: City of San Clemente Community Development Dept., State of CA DOF

Areas of Minority Concentration

As part of the assessment of the current housing market in San Clemente, HUD requires an analysis of race/ethnicity minority concentration. As demonstrated in *Table 4* (page 10), the largest identifiable racial minority populations in San Clemente are Asians (2.6% of the City's population) - other racial minority populations (e.g., African-Americans, Native Americans and Pacific Islanders) comprise less than 2% of the City's population; however, per *Table 5* (page 11), the City's population is 19.7% Latinos - clearly the City's largest "minority" population. *Map No. 1* (page 170), depicts the concentration of Latinos in the City.

Areas of Low-Income Concentration

In addition to evaluating the concentration of minorities in the community, HUD requires that the City evaluate the concentration of Low- and Moderate-Income residents within the City. Based on *Map No. 2*, (page 171) most of San Clemente's Low- and Moderate-income residents are concentrated in the City's older central core, with a smaller pocket adjacent to Camp Pendleton Marine Corps base. Areas of low- and moderate-income concentration may be eligible for activities funded with certain federal funds.

B. PUBLIC & ASSISTED HOUSING

As stated previously, the Orange County Housing Authority (OCHA) does not operate or maintain public housing units; however, to comply with HUD Consolidated Plan regulations, the following items regarding OCHA's assisted housing program and other publicly assisted affordable housing activity, is provided.

NUMBER OF ASSISTED HOUSING UNITS AND CONDITION OF UNITS

As of August 2011, OCHA was providing Housing Choice Voucher (i.e., Section 8 rental assistance) to 127 San Clemente households. Prior to allowing a qualified tenant to move into a housing unit, OCHA staff initiates a Housing Quality Standard (HQS) inspection. HQS is HUD's minimum housing unit condition standard. If a unit does not meet all minimum HQS conditions, the property owner is provided an opportunity to make corrections. When all HQS conditions are met, a program participant is allowed to move into the unit. At a minimum, each unit under Section 8 contract is inspected annually to ensure HQS conditions are still being met. As with the initial inspection, a property owner and tenant are given an opportunity to correct HQS deficiencies in order for rental assistance to continue.

PUBLICLY ASSISTED AT-RISK AFFORDABLE HOUSING UNITS

HUD requires that the City undertake an analysis of federal, state, and locally assisted housing units that may be lost from the City's affordable housing stock. The expiration of affordability restrictions on government-assisted rental units is the typical reason for this potential loss. Much of the housing at risk of conversion from affordable housing to market rate housing is predominately reserved for lower income households.

The State of California Department of Housing and Community Development (HCD) estimated that in 1998, there were over 186,000 federally assisted housing units in California.⁷⁴ Eight thousand eight hundred and ninety-two (8,892) of these units were located in Orange County. The California Housing Partnership Corporation (CHPC) estimated that by 2010, 17,000 had been removed from the State's affordable housing stock through the prepayment of federally assisted mortgages and/or opting out of federally assisted rental subsidies. In January 2010, SCAG estimated that between 2000 and 2010, 52,073 privately owned, federally subsidized housing units had the potential to lose their federal mandated affordability requirements and convert to market-rate units - 5% of these units did convert to market-rate housing during this timeframe. SCAG also estimated that an additional 23% of subsidized units were at a high or moderate risk of converting - 2,416 of these units are located in Orange County.⁷⁵ SCAG did not identify any housing units in San Clemente that had received some form of subsidy that was at

⁷⁴ Assistance types included HUD rental subsidy contracts, mortgage subsidies by the Federal Housing Administration (FHA) and HUD, tax- exempt bonds, and Rural Section 515.

⁷⁵ To estimate "high" and "moderate" risk of conversion, SCAG utilized a standard established by CHPC. According to CHPC, the fundamental determination of whether an owner will make the decision to "opt out" is economic, i.e., if their property will generate more as a market-rate development, there is a strong incentive to opt out. Projects with profit motivated owners were rated them as "High Risk" of conversion if the estimated Section 8 contract rent was 105% or less than comparable market-rent rates. Projects were rated as "Moderate Risk" of market-rate conversion if they had contract rents above 105% to 120% of estimated market rents.

risk of conversion to market-rate.⁷⁶ It is important to note, however, that as part of the San Clemente Inclusionary Housing Program, a total of 679 multi-family rental units were built during the 1980's. All of these units have complied with the terms of respective affordability covenants, and except for some bond-financed units, all are now market rate rental units.

In order to address inquires, San Clemente's Planning Department has participated in updating of an on-line affordable housing inventory maintained by the County of Orange. This inventory is the most comprehensive listing of affordable housing for the City. *Table 32* displays San Clemente's portion of this inventory.

TABLE 32: SUBSIDIZED AFFORDABLE HOUSING UNITS

PROJECT NAME AND ADDRESS	TYPE OF PUBLIC ASSISTANCE	TOTAL PROJECT UNITS	TOTAL AFFORDABLE UNITS	TYPE AND INCOME TARGET
Casa De Seniors	HUD 202	72	72	Seniors & Disabled
Mendocino Apts	Tax Credits	186	185	Families
Mary Erickson Community Housing	HOME/Local Redevelopment	18	18	Families
Vintage Shores	Tax Credits	122	122	Seniors
Mary Erickson Housing	NSP/RDA	4 condos	4	Families
Meta Senior Apartments	MHP/HOME/Local	76	75	Seniors

Source: OC Housing & Community Services Dept and City of San Clemente Community Development Dept

⁷⁶ "Housing Southern Californians," Southern California Association of Governments, January 2010.

C. HOMELESS FACILITIES

INVENTORY OF HOMELESS FACILITIES

The Consolidated Plan is required to include an inventory of facilities that are available to serve the homeless of the community.

EMERGENCY SHELTERS

Emergency shelters are generally geared toward providing immediate housing to persons without shelter. Stays in emergency shelters are typically limited to a short period of time (1 to 90 days). Several service agencies located in or near San Clemente provide emergency shelter and services for the homeless in south Orange County. *Table 33* focuses on shelters that are located in or that serve San Clemente homeless. The number of beds listed represents total shelter capacity – none of the shelter beds are restricted for San Clemente homeless. Based on this data, there are 40 emergency shelter beds located in the City.

Table 33: San Clemente Emergency Shelters

SHELTER NAME	LOCATION ¹	NO. OF BEDS	SERVICES	% OF BEDS/SERVICES FOR CHRONIC HOMELESS
CSP Youth Shelter	Laguna Beach	6	Emergency housing, support & family reunification services	0%
Alt. Sleeping Location Shelter	Laguna Beach	45	Emergency housing year round; local preference	100%
Friendship Shelter	Laguna Beach	3	Emergency housing and support services	100%
Gilchrist House	San Clemente	10	Emergency housing and supportive services for women and children	20%
Human Options	Irvine	40	Emergency housing and support services for victims of domestic violence	15%
Laura's House	San Clemente	44	Emergency housing and support services for victims of domestic violence	15%

Source: County of Orange Housing and Community Services Department

1. Location may be administrative office and not location of shelter facility.
2. Beds only available during winter months

TRANSITIONAL HOUSING

Transitional housing is an important component for assisting homeless individuals and families to become self-sufficient. As with emergency shelter facilities, some transitional housing programs that serve San Clemente's homeless are located in neighboring communities. *Table 34* focuses on transitional housing facilities that are located in or serve San Clemente homeless. The number of beds listed represents total shelter capacity - none of the shelter beds are restricted for San Clemente homeless. Based on this data, there are 39 transitional housing beds in the City of San Clemente.

Table 34: San Clemente Transitional Housing Facilities

SHELTER NAME	LOCATION	NO. OF BEDS	SERVICES	% OF BEDS/SERVICES FOR CHRONIC HOMELESS
Families Forward	Irvine	13	Transitional housing and supportive services for families	10%
Friendship Shelter	Laguna Beach	26	Transitional housing and supportive services for single adults	30%
Henderson House	San Clemente	24	Transitional housing for single adults recovering from substance addiction	30%
Hope's House	Aliso Viejo	10	Transitional housing and supportive services for women with infants	30%
Gilchrist House	San Clemente	16	Transitional housing and supportive services for women and children	25%
Kathy's House	San Juan Capistrano	12	Transitional housing & support services for victims of domestic violence	25%
Laura's House	San Clemente	15	Transitional housing and support services for victims of domestic violence	15%
Saddleback Community Outreach	Laguna Hills	56 to 73	Transitional housing (17 housing units) & support services for families	25%

Source: County of Orange Housing and Community Services Department

PERMANENT SUPPORTIVE AND PERMANENT HOUSING

An important component of a continuum of care for the homeless is permanent supportive housing for persons with special needs. There are only a few of these housing units throughout Orange County and none are presently identified as being located in San Clemente.

D. SUPPORTIVE HOUSING

HUD requires that the City provide an overview of supportive housing currently available in the community for populations with special needs, but that are not homeless.

ASSISTED LIVING RESIDENCES

There are several residential care facilities located in San Clemente that provide housing and services for the City’s elderly and frail elderly. These facilities are listed below in *Table 35*.

TABLE 35: RESIDENTIAL CARE FACILITIES FOR THE ELDERLY

NAME	NUMBER OF BEDS
Accent on Seniors	6
Avondale Family Care Home #1	6
Avondale Family Care Home #2	4
Bedford Cottage #2	6
California Lifestyles #2	6
California Lifestyles Care Facility	6
Camino Hills Care Home	6
Casa Paraiso #1	6
Casa Paraiso - Arlena	6
Harbor View Estates	6
Leriza’s Guest Home	6
Malash Gardens	6
Pacific Breeze Home #1	6
Rose Haven on the Park	6
Rosehaven #1	6
Rosehaven #3	6
San Clemente Villas by the Sea	131
Seaview Care Home #1	6
Seaview Care Home #2	6
Tender Touch Eldercare	6
Tessie’s Place #2	6
TOTAL BEDS	249

Source: Council on Aging of Orange County, September 2010.

SENIOR HOUSING

Table 36 provides a current inventory of affordable senior housing in San Clemente that is subject to regulatory covenants.

70-87

TABLE 36: SENIOR HOUSING COMPLEXES

FACILITY NAME	NUMBER OF SENIOR UNITS
Casa De Seniors	72
Vintage Shores	122
Meta Senior Apts. (Complete in March 2014)	76
TOTAL	270

Source: Orange County Housing & Community Services Department

OCHA reports that 77 “elderly” San Clemente households are presently receiving Housing Choice Voucher rental assistance.

The City’s Planning Department maintains an inventory of group homes that assist individuals recovering from substance addiction (See *Table 37*).

TABLE 37: SOBER LIVING HOMES

SOBER LIVING FACILITY	TOTAL BED CAPACITY
CROSSROADS	30
Glenhaven	30
Henderson House ¹	24
TOTAL	84

Source: City of San Clemente Community Development Dept.
1. Also listed as transitional housing on Table 33.

OCHA reports that 34 “disabled” San Clemente households were receiving rental assistance as of August 2011.

HIV/AIDS HOUSING

According to the County of Orange Health Care Agency (OC-HCA), there have been a total of 94 “cumulative cases” of AIDS reported from San Clemente between 1981 and 2010 (1.6% of all AIDS cases reported in the County during the same timeframe). OC-HCA also reports that as of December 2010, there were 28 San

Clemente residents living with AIDS.⁷⁷ Presently, there are no HIV/AIDS-only housing resources in the City of San Clemente. As the region’s administrator of Housing Opportunities for Persons with AIDS (HOPWA) funds, the City of Santa Ana has worked with regional partners to develop AIDS housing resources. A list of HIV/AIDS housing and resources is provided as *Table 38*.

TABLE 38: HIV/AIDS HOUSING RESOURCES

PROJECT NAME	NUMBER OF UNITS/PERSONS LIVING WITH AIDS SERVED ANNUALLY
Emergency Shelters ¹	0 Beds
Transitional Housing Shelters	
Emmanuel House	21 Beds
Gerry House West	6 Beds
START House	6 Beds
Permanent Housing Assistance	
Case Alegre	23 Units
Hagan Place	24 Units
San Miguel	5 Beds
SUBTOTAL	85 Beds/Units
Other HIV/AIDS Housing Resources	
Emergency Housing Program	500 Persons
Transitional Housing Program	75 Persons
Rental Assistance Program (RAP)	53 Persons
SUBTOTAL	628 Persons

Source: Orange County Housing and Community Services Department and City of Santa Ana CDA
1. There is no emergency shelter dedicated solely for persons living with HIV/AIDS; however, resources provided via the Emergency Housing Program ensure no person with HIV/AIDS is without emergency shelter options.

⁷⁷ Most recent County data provided in OC-HCA’s “Comprehensive HIV Service Plan,” prepared by the County of Orange HIV Planning Council.

E. BARRIERS TO AFFORDABLE HOUSING

In preparing the Consolidated Plan, the City consulted with representatives of the building community (including for-profit and nonprofit developers), advocates for low-income tenants, rental property owners, and others. Based on the input of these interested parties, the following barriers to affordable housing in San Clemente have been evaluated for their impact on the development of affordable housing and housing in general.

PROPERTY TAX POLICY

In California, property taxes rates are constitutionally limited. Local assessments may be added to a property tax bill; however, in most cases these assessments must be approved by a two-thirds majority vote of the community's voters. The San Clemente City Council, Capistrano Unified School District and other special district agencies do have the ability to pursue special property tax assessments; however, traditionally these assessments have been kept to a minimum. While property taxes/assessments are a factor of housing costs, current City policies have aimed to minimize their impact on housing costs.

LAND USE CONTROLS

California State law requires cities to adopt a General Plan, which is a document that is required to address land use, circulation, housing, conservation, open space, safety, noise and the general needs of the city. These subject areas are known as "elements." A General Plan defines a city's vision for the quality of life of the average person within the community. Once the community has defined its vision, through the adoption of its General Plan, other documents and tools are created to implement this defined vision.

The Consolidated Plan helps local jurisdictions assess their affordable housing, social services and community development needs, and make sound community investment decisions. The consolidated planning process is a framework for a community-wide dialogue to identify housing and community development priorities. San Clemente's new Centennial General Plan is a key input into that process. The General Plan contains goals and policies regarding a broad range of community issues, needs and resources. City policy and financial decisions must conform to the General Plan and help achieve the Plan's goals. For example, the allocation of housing and social services funds must promote, and be consistent with, policies in the City's General Plan Public Facilities, Services and Utilities and Housing Elements. This Element addresses the need for supportive programs and facilities to protect the community's most vulnerable citizens, such as children, disabled persons, the elderly and lower-income persons. They express the community's fundamental regard for the value and dignity of all its residents. Through information sharing and referral services, the City of San Clemente works with other public agencies and nonprofit organizations to help identify gaps in services and deliver services that meet the community's human service needs. One of the City's overarching goals is to continue to be a community with a strong network of public, private, and non-profit human service providers that meet the basic health, safety and welfare needs of all San Clemente residents.

The San Clemente General Plan will be adopted in December 2013 and is formatted in the following manner:

Community Development

- Land Use Element - regulates how land is to be utilized.
- Urban Design Element - provides the physical and design characteristics of the community including streetscapes, signs, and architecture.

- Economic Development Element - provides City demographic and economic statistics, and sets goals, objectives, policies, and programs to meet the City's economic needs.

Infrastructure and Community Services

- Mobility and Complete Streets Element - guides the development and maintenance of the City's circulation systems i.e., how vehicles, people, goods and services circulate through the community.
- Public and Utilities Facilities and Services Element - guides the manner by which public facilities and institutions such as police, fire, marine safety, educational facilities, and cultural facilities serve the community. Guides the manner by which the City will provide utility services such as water, sanitation treatment/sewerage, storm drainage, and solid waste.
- Beaches, Parks and Recreation Element - provides the goals, objectives, and policies for the parks and recreation in the City. *Includes the Health and Wellness Element.*
- Growth Management Element - provides standards and implementation or mitigation programs to fund public facilities and services.

Environmental Resources

- Natural Resources Element - guides the preservation and enhancement of natural and historic/cultural resources in the City. Guides the manner in which energy is consumed within the community.
- Historic Preservation Element - guides the historic preservation of the Ole Hanson homes and historic buildings in the City.

Hazards

- Geologic, Seismic, and Soils Hazards Element - policies aimed at the reduction of damage from fault rupture, slope instability, and landslides in order to protect human life and property.

Housing Element

- Housing Element - set forth goals and objectives to insure that housing for all economic levels is addressed. The current Housing Element was certified in 2011.

Coastal Element

- Coastal Element - the adopted policy statement for growth, development, and preservation of the Coastal Zone. The Coastal Element is the primary planning document for reviewing coastal related issues and development within the Coastal Zone.
- Governance Element - document which guides the City governance and finances and implementation strategies.

To implement the General Plan, the City of San Clemente utilizes a number of planning tools including specific plans, zoning regulations, and design guidelines.

As a beach community, there has always been a demand for land development opportunities in San Clemente. As the City has developed and aged, so has its sophistication in planning and designing neighborhoods through land use controls. While some may argue that such land use controls add to the cost of housing, it can also be demonstrated that the lack of thorough and forward thinking planning pose a cost to a community. For example, like many Orange County communities, attention to certain planning and design features was not the primary concern in the 1960's and '70s - over 40% of the City's rental housing stock was constructed during this timeframe. Today, these housing units pose challenges to the City it must now respond to issues of inadequate parking, overcrowding, and code violations, and the need to find resources to address these issues. Conversely, over 60% of the City's single-family housing stock has been constructed in the past 25 years - a significant percentage of these units have been built utilizing a "planned community" approach

in compliance with more current land use regulations. While compliance with regulations may have contributed to increased housing production costs, in the long run the City anticipates it will save limited resources as a result of more orderly and consistent land development.

ZONING

The City's Zoning Ordinance is the primary tool implementing the General Plan. The Zoning Ordinance provides detailed standards for development or the use of land. These standards include what types of uses are permitted in particular zone, minimum lot size, height restrictions, building setbacks, parking requirements, wall heights, and other development standards.

BUILDING CODES

Building and safety codes are adopted for purposes of preserving public health and safety, and ensuring the construction of safe and decent housing. Changes to building code often increase the cost of housing construction or maintenance. The City of San Clemente has adopted the California Building Code, 2012 Edition along with the Uniform Housing Code, 2012 Edition. The purpose of the first code is for regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings and structures within the City's jurisdiction. The purpose of the second code is for regulating and controlling the use and occupancy, location and maintenance of all residential buildings within the City's jurisdiction. Due to health and building safety issues, building code requirements are rarely waived.

FEES AND CHARGES

Various fees and assessments are charged by the City and other public agencies to cover the cost of processing development permits and providing local services.

These fees help ensure quality development and the provision of adequate public services. Development fees; however, are typically passed through to renters and homeowners in the rent/price of housing and thus can affect housing affordability.

The Orange County Chapter of the Building Industry Association provides a land development fee survey for Orange County jurisdictions. The survey provides fee information of all Orange County cities based upon a hypothetical 50-unit subdivision. Evaluation of development fees indicates that San Clemente is comparable to surrounding jurisdictions such as the Dana Point and San Juan Capistrano with respect to basic development fees.

In 1986 the voters of San Clemente approved a Growth Management Initiative. One response to the growth management initiative's impacts on the creation of affordable housing was the implementation of an Inclusionary Housing program for households earning 50% - 120% of county median income. Due to the recession of the early 1990's there was no new development of housing on undeveloped properties that triggered Inclusionary Housing between 1989 and 1999.

Between 1980 and 2000, the inclusionary requirement provided for two options depending on whether the project is a for-sale project or for-rent project, 1) 15% of the units were to be set aside for-sale or for-rent by households earning between 50% and 120% of median income. Inclusionary units could be provided on or off-site, or 2) the payment of an in-lieu fee or a combination of a donation of land and fees could be provided instead of building the affordable dwelling units. In-lieu fees were earmarked for the development of rental housing for households earning 50% or less than median income. Since 1996, housing development in the City has surged thus the City has accumulated a significant amount of in-lieu fees. Between 1996 and 2000, a total of \$738,179 in lieu fee payments have been made by

development activity in Rancho San Clemente, Forster Ranch and one downtown project (see *Table 39*).

TABLE 39: INCLUSIONARY HOUSING UNITS AND IN-LIEU FEES COLLECTED 1996-2000

PROJECT	TOTAL UNITS CONSTRUCTED	TOTAL INCLUSIONARY UNITS REQUIRED/TOTAL VERY LOW-INCOME UNITS*	TOTAL IN-LIEU FEES COLLECTED	AVERAGE PAYMENT/VERY-LOW INCOME D.U.
Hovnanian Rancho S.C.	43	7/2	\$146,286	\$73,143
Plaza Pacifica Rancho S.C.	162	24/6	\$347,300	\$57,120
Monarch/Alisal Forster Ranch	56	8/2	\$57,883	\$28,560
Greystone Naples Forster Ranch	62	9/3	\$123,730	\$41,243
Vista Pac. Villas Downtown	23	4/1	\$63,743	\$63,743
TOTAL	346	52/14	\$738,179	\$52,910

* Total Inclusionary units amounts to 15% of total constructed and 3.75% very-low income based on 1989 requirements.
Source: City of San Clemente 2008 Housing Element

The City continued to collect in-lieu fees which has been used for development of two Very Low-income “family” rental Downtown housing projects. These properties are owned and managed by Mary Erickson Community Housing, a local nonprofit organization, and will be affordable in perpetuity.

Other Barriers to Affordable Housing

Aside from addressing these barriers to affordable housing as required by Consolidated Plan regulations, San Clemente has identified other policy issues that may also act as barriers to affordable housing.

PREVAILING WAGE - Federal law requires that the City ensure all laborers working on certain types of housing developments are paid prevailing wages. It is commonly accepted that complying with prevailing wage requirements adds 10% to 30% to the overall costs of construction. In addition to increased labor costs, administrative/management resources are needed to complete payroll and other reporting requirements. Contractors typically will add the cost of prevailing wage compliance to their bids thus increasing the overall cost of housing.

LAND PRICE - The cost of land directly influences the cost of housing. In turn, land prices are determined by a number of factors, most important of which are land availability and permitted development density. As land becomes scarce its purchase price increases. As San Clemente approaches complete build out, land values will inevitably continue to increase and impact housing development costs.

CONSTRUCTION COSTS - The cost of construction depends primarily on the price of materials and labor associated with the type of unit being built and the quality of the product being produced. Labor saving materials and construction techniques are available but they may reduce the quality of the finished product. Industry professionals peg the average construction costs for a typical Southern California single-family home at \$129 per square foot, with multi-family housing at an estimated \$160 per square foot; however, depending on several variables, it is not unusual for these costs to reach \$140 to \$170 per square foot. Cost for materials and labor have steadily increased over the past years and have directly affected the supply of affordable housing.

STRATEGIC PLAN

The Strategic Plan portion of the Consolidated Plan is intended to provide a specific course of action that supports human, community, physical, environmental and economic resources to respond to community needs. HUD requires that the Strategic Plan outline the general priorities for allocating financial resources within the jurisdiction and among priority community needs. Specifically, the Strategic Plan must:

- Describe the basis for assigning priorities for each category of needs.
- Identify accomplishments the City plans to achieve in quantitative and qualitative measures over a five-year period.
- Identify obstacles to meeting underserved needs.

Federal regulations also require that the Strategic Plan provide a description of the City's strategies for the following:

- Address barriers to affordable housing
- Address lead based paint hazards
- Combat poverty
- Enhance institutional structures
- Enhance coordination
- Implement public housing resident initiatives

IDENTIFICATION OF PRIORITY NEEDS

One of the primary purposes of the Strategic Plan is to designate the relative priority of the City's housing and community development needs. The City of San Clemente

relied on its Citizen Participation Plan to encourage and gather input from the community's residents to establish priorities. The process outlined below served as the framework for identifying housing and community development needs and assigning respective priorities.

A. BASIS FOR DETERMINING PRIORITIES

The process utilized to determine affordable housing, homeless, special need and community development priority needs was facilitated by the following actions:

COMMUNITY WORKSHOPS

Two community workshops were held to provide the residents of San Clemente with a forum to discuss priority housing and community needs and to further identify strategies to address these needs. Display ads were placed in local newspapers announcing the date, time and location of the community workshops. Community workshop meetings were scheduled at different times of the day in an effort to provide as many individuals as possible, the opportunity to participate in the Consolidated Plan process. Spanish translation services were available at all meetings although they were not needed.

This overview included a listing of the components of the Consolidated Plan and key San Clemente demographic and housing stock information. Extensive time was also provided for comments, questions and answers. A summary of workshop comments is included in *Exhibit 2* (page 181).

EXISTING PUBLIC DOCUMENTS

In addition to using the survey and group participation tools described above, City staff also took into consideration key documents with information containing policies and programs that support the strategies and activities of the Consolidated Plan. These documents included the following:

- **The Housing Element** – A State required document that outlines the City’s housing needs and strategies.
- **Prior Year Funding and Performance Reports** – Prior year performance reports provided valuable information regarding planned performance and expenditure trends.

COMMENT PERIODS AND PUBLIC HEARINGS

- On August 3, 2013, a notice was published in *Sun Post News* announcing the availability of the draft 2013-2017 Consolidated Plan for a 30-day public comment period, and the required public hearing. The comment period commenced on August 10, 2013, and ends September 10, 2013 (see *Exhibit 3* for copy of notice, page 184).
- The San Clemente City Council held a public hearing on December 3, 2013 to receive additional comments on the draft Consolidated Plan. There were no public comments; however, a summary of public comments received during public workshops is included as *Exhibit 2*.

PRIORITY DETERMINATION PROCESS

The public input of meeting attendees is subject to personal preferences. For example, the first meeting was predominately attended by community-based social service providers; therefore comments and responses to surveys submitted by the attendees of this meeting were weighted toward community service needs. Conversely, the evening meeting was predominately attended by residents and

owners of property in the City's CDBG target areas. Comments received during this meeting (and most likely survey responses) were weighted toward issues of neighborhood infrastructure and public amenities.

HOUSING AND COMMUNITY DEVELOPMENT STRATEGY

The foundation of a comprehensive housing and community development strategy is a vision or mission statement. As previously indicated, the City of San Clemente's mission statement asserts the local government will, *"maintain a safe, healthy atmosphere in which to live, work and play; guiding development to ensure responsible growth while preserving and enhancing our village character, unique environment and natural amenities; providing for the City's long-term stability through promotion of economic vitality and diversity, resulting in a balance community committed to protecting what is valued today while meeting tomorrow's needs."* The Strategic Plan proposes strategies and programs that focus on San Clemente's mission statement, address community priority needs, and HUD's statutory goals.

Relative priority ranking designations have been used to indicate if certain activities will be funded with CDBG as a means to address needs. The following relative priority ranking system has been used:

- **High Priority:** Activities to address high priority needs will be funded by the City during the four-year Consolidate Plan period.
- **Medium Priority:** If funds are available, activities to address medium priority needs may be funded during a five-year period.
- **Low Priority:** The City does not anticipate directly funding activities of low priority needs during a five-year period.
- **No Such Need:** The City finds there is no need or that this need is already substantially addressed.

In addition to assigning relative priority to housing and community needs, HUD has asked communities to implement a performance measurement system that establishes quantitative and qualitative accomplishments. The following performance management system has been used to outline the City's strategic plan to meet priority needs:

- **Priority Need:** The priority needs identified through the citizen participation process listed by categories (e.g., housing, public facilities, public services).
- **Relative Priority:** The relative priority of the housing/community need as determined by the citizen input process.
- **City Strategic Goal:** City strategic goals proposed as a solution to priority needs identified in the planning process (e.g., preserve existing housing stock, create new affordable housing opportunities).
- **Activity/Program:** Actions and/or programs that will be supported by resources to address objectives (e.g., rehabilitation loans, property inspected to identify code deficiencies) and corresponding objective number.
- **Input:** The resources the City of San Clemente will dedicate to proposed programs (e.g., type of public funds, staff dedicated).
- **Output:** The direct product of program activities (e.g., number of loans processed, number of individuals served)
- **HUD Objective:** HUD statutory objective for the CDBG program.
- **HUD Outcome:** Preliminary HUD programmatic outcome.
- **City Outcome:** The benefit of the program to the City (e.g., increase the percentage of housing units that are standard).

On June 2011, HUD issued a "Notice of Draft Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs." This notice provided CDBG-entitlement communities, such as San Clemente, with interim instructions and information regarding the implementation of a nation-wide

outcome performance measurement system. While HUD has not officially adopted the objectives and outcomes identified in this notice, the City has chosen to implement HUD's interim system until further direction is provided. HUD objectives and outcomes are listed below:

HUD Objectives:

- Suitable Living Environment - An activity designed to benefit the community, families, or individuals by addressing living environment issues.
- Decent Affordable Housing - A wide range of housing opportunity activities designed to meet individual family or community housing needs.
- Creating Economic Opportunities - An activity that creates or expands job opportunities.

HUD Outcomes:

- Availability/Accessibility - Activity makes basic services, infrastructure, housing or shelter available to Low- and Moderate-Income persons. Example: providing clean water where none existed before.
- Affordability - Makes an activity more affordable for Low- and Moderate-Income persons. Example: providing low interest loans to Low- and Moderate-Income homebuyers.
- Sustainability - Activity uses resources in a targeted area to help make that area more viable. Example: a downtown improvement project in a Low- and Moderate-Income community.

CONSOLIDATED PLAN GOAL #2

RENTER-OCCUPIED HOUSING NEEDS

CITY PRIORITY NEED: There is a need to expand and maintain affordable renter-occupied housing opportunities for San Clemente's lower income households.

PRIORITY NEED RATING: High

CITY OF SAN CLEMENTE STRATEGIC GOALS:

1. Create new affordable rental housing opportunities.
2. Preserve the existing supply of rental housing.

ACTIVITY/PROGRAM OBJECTIVE #: 2Hsng.a Renter-Occupied Housing Rehabilitation	Loans up to \$20,000 per building to eliminate conditions detrimental to health/safety and deferred maintenance. (Funds may also be used for the preservation of historically significant properties if property is CDBG-eligible.)	
INPUT	Federal: CDBG State:	Local: Private: Private party matching and leveraging funds
5-YEAR OUTPUT	Assist with the rehabilitation of 24 rental housing units occupied by lower income households	
	Income Categories Low-Income: 24 Units	Special Need Categories N.A.
HUD OBJECTIVE		
<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	<p>A housing opportunity designed to meet individual family or community housing needs.</p> <p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p>	
HUD OUTCOME		
<ul style="list-style-type: none"> ▪ Affordability ▪ Sustainability 	<p>Housing is more affordable for Low- and Moderate-Income persons.</p> <p>Resources used in a targeted area to help make the area more viable.</p>	
5-YEAR OUTCOME	Eliminate at least one significant health/safety deficiency in renter-occupied housing units.	

B. STRATEGY TO ADDRESS PRIORITY HOUSING NEEDS

CONSOLIDATED PLAN GOAL #1:

OWNER-OCCUPIED HOUSING PRIORITY NEEDS

CITY PRIORITY NEED: There is a need to improve and maintain owner-occupied housing for San Clemente Low- and Moderate-Income households.

PRIORITY NEED RATING: High

CITY OF SAN CLEMENTE STRATEGIC GOALS: Improve and/or preserve the quality or condition of housing owned and occupied by Low-/ Moderate-Income households. (Funds may also be used for the preservation of an historically significant property if property owner is CDBG-eligible.)

ACTIVITY/PROGRAM OBJECTIVE #: 1Hsng.a Owner-Occupied Housing Rehabilitation	<ol style="list-style-type: none"> Loans up to \$20,000 to rehab a primary residence to eliminate conditions detrimental to health/safety and deferred maintenance. Grants up to \$3,000 for limited to health and safety/code violation improvements. 								
INPUT	<p>Federal: CDBG</p> <p>State:</p> <p>Local:</p> <p>Private: Homeowner funds</p>								
5-YEAR OUTPUT *	<p>Assist 12 owners rehab their primary residence based on the following income/special need categories:</p> <table> <tr> <td>Income Categories</td> <td>Special Need Categories</td> </tr> <tr> <td>Extremely Low-Income: 6 units</td> <td>Frail Elderly: 4 units</td> </tr> <tr> <td>Very Low-Income Households: 4 units</td> <td></td> </tr> <tr> <td>Low -Income: 2 units</td> <td></td> </tr> </table>	Income Categories	Special Need Categories	Extremely Low-Income: 6 units	Frail Elderly: 4 units	Very Low-Income Households: 4 units		Low -Income: 2 units	
Income Categories	Special Need Categories								
Extremely Low-Income: 6 units	Frail Elderly: 4 units								
Very Low-Income Households: 4 units									
Low -Income: 2 units									
HUD OBJECTIVE	<ul style="list-style-type: none"> Decent Affordable Housing A housing opportunity designed to meet individual family or community housing needs. Suitable Living Environment Activity designed to benefit the community, families, or individuals by addressing living environment issues. 								
HUD OUTCOME	<ul style="list-style-type: none"> Affordability Housing is more affordable for Low- and Moderate-Income persons. Sustainability Resources used in a targeted area to help make the area more viable. 								
5-YEAR OUTCOME	Eliminate significant health/safety code deficiency in all units assisted with rehab program funds.								

* "Special Need Categories" is only a characteristic of assisted units, not additional assisted units.

RENTER-OCCUPIED HOUSING NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 2Hsng.b Rental Housing New Construction	Construction of new rental housing units for lower income households at affordable rents for a specific number of years.									
INPUT	Federal: State: Tax Credits	Local: Private: Private party matching and leveraging funds								
5-YEAR OUTPUT *	Assist and/or sponsor the construction of 130 new rental housing units for the following income/special need categories: <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Income Categories</td> <td style="width: 40%;">Special Need Categories</td> </tr> <tr> <td>Extremely Low-Income Households: 30 units</td> <td>Senior: 80 units</td> </tr> <tr> <td>Very Low-Income Households: 75 units</td> <td>Large Families: 50 units</td> </tr> <tr> <td>Low-Income Households: 25 Units</td> <td></td> </tr> </table>		Income Categories	Special Need Categories	Extremely Low-Income Households: 30 units	Senior: 80 units	Very Low-Income Households: 75 units	Large Families: 50 units	Low-Income Households: 25 Units	
Income Categories	Special Need Categories									
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HUD OBJECTIVE	<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;"> <ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment </td> <td> A housing opportunity designed to meet individual family or community housing needs. Activity designed to benefit the community, families, or individuals by addressing living environment issues. </td> </tr> </table>		<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	A housing opportunity designed to meet individual family or community housing needs. Activity designed to benefit the community, families, or individuals by addressing living environment issues.						
<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	A housing opportunity designed to meet individual family or community housing needs. Activity designed to benefit the community, families, or individuals by addressing living environment issues.									
HUD OUTCOME	<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;"> <ul style="list-style-type: none"> ▪ Affordability ▪ Sustainability </td> <td> Housing is more affordable for Low- and Moderate-Income persons. Resources used in a targeted area to help make the area more viable. </td> </tr> </table>		<ul style="list-style-type: none"> ▪ Affordability ▪ Sustainability 	Housing is more affordable for Low- and Moderate-Income persons. Resources used in a targeted area to help make the area more viable.						
<ul style="list-style-type: none"> ▪ Affordability ▪ Sustainability 	Housing is more affordable for Low- and Moderate-Income persons. Resources used in a targeted area to help make the area more viable.									
5-YEAR OUTCOME	Increase the City's supply of affordable rental housing by 30%.									

* "Income Categories" will total "5-Year Outputs." "Special Need Categories" is only a characteristic of assisted units, not additional assisted units.

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RENTER-OCCUPIED HOUSING NEEDS CONTINUED

ACTIVITY/PROGRAM	
OBJECTIVE #: 2Hsng.c Off-Site Improvements	Construction of off-site public improvements (e.g., streets, sidewalks, landscape) for new or large affordable housing project
INPUT	Federal: State: Local: Private: Owner matching/leveraging funds
5-YEAR OUTPUT	Assist with construction of off-site improvements for 1 new affordable housing project. Income Categories * N.A. Special Need Categories N.A.
HUD OBJECTIVE	
<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	<p>A housing opportunity designed to meet individual family or community housing needs.</p> <p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p>
HUD OUTCOME	
<ul style="list-style-type: none"> ▪ Affordability ▪ Sustainability 	<p>Housing is more affordable for Low- and Moderate-Income persons.</p> <p>Resources used in a targeted area to help make the area more viable.</p>
5-YEAR OUTCOME	Increase term of affordability for assisted units by at least 55 years as a result of off-site improvement assistance.

* Outputs for this activity are included in other rental housing program outcomes.

OBSTACLE TO MEETING PRIORITY HOUSING NEEDS

The following factors have been identified as potential obstacles to accomplishing priority housing goals during the next five years:

- **Funding** - Decreased federal, state, local and private funds have effectively reduced the amount of overall future funds available to support affordable housing activities. The elimination of the Redevelopment Agency's permanent housing fund has posed recent challenges, limiting the amount of funding that is available to support planning new housing activities.
- **Availability of Licensed Contractors** - Orange County property owners have realized substantial equity in their properties as a result of the increase in property values. Many homeowners have chosen to use this equity to undertake property improvements. The resulting demand for qualified contractors has reduced the pool of contractors willing to undertake publicly assisted property improvement projects.
- **Financing** - Even though interest rates have remained low, land and construction costs have increased thus effectively eliminated any savings gained from low interest rates. The City can offer various forms of subsidies to make project financing feasible, especially when affordability is desired. To create housing opportunities that are affordable for Extremely Low- and Very Low-Income households, projects will require substantial subsidies; these large subsidies limit the number of affordable housing units that can be created.
- **Cost of Housing** - As discussed in the Housing Market Analysis, the cost of housing in Orange County is one of the highest in the nation as well as in all of California. According to the RealFacts October 2013 report, the County held its position as the fifth-priciest metro area in California trailing behind San Francisco, San Jose, Los Angeles and Santa Cruz. High housing costs reduce the effectiveness and impact of housing activities such as homeownership and rental

acquisition/rehabilitation. At some point, the City must consider if the level of subsidy required to achieve a program goal is warranted.

- Land Use - Land use development patterns in Orange County have traditionally not considered mixed use, or high density, high-rise housing as an alternative to creating affordable housing (and housing in general) opportunities. Such non-traditional development patterns always seem to raise questions regarding appropriateness by neighboring property owners.

C. STRATEGY TO ADDRESS PRIORITY HOMELESS NEEDS

CONSOLIDATED PLAN GOAL #3

HOMELESS NEEDS

CITY PRIORITY NEED: There is a need for services that prevent homelessness and also supportive housing alternatives for those individuals and households that have become homeless. Services and housing should be provided within a continuum of care with the goal of self-sufficiency.

PRIORITY NEED RATING: High

- CITY OF SAN CLEMENTE STRATEGIC GOALS:**
1. Prevent individuals and families from becoming homeless.
 2. Provide short-term (emergency) shelter and services for individuals and families in immediate need of shelter.
 3. Provide housing for individuals and families that require supportive services and interim (transitional) housing opportunities while they obtain life-skills to gain self-reliance.
 4. Provide supportive services for homeless individuals to address special needs and/or to help achieve self-sufficiency.

ACTIVITY/PROGRAM OBJECTIVE #: 3Hmls.a Homelessness Prevention	One-time grants to prevent eviction and/or termination of utilities.
INPUT	Federal: CDBG
5-YEAR OUTPUT	Provide financial assistance to 100 individuals to prevent eviction and/or utility termination.
HUD OBJECTIVE	
<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	<p>A housing opportunity designed to meet individual family or community housing needs.</p> <p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p>
HUD OUTCOME	
<ul style="list-style-type: none"> ▪ Affordability ▪ Availability/Accessibility 	<p>Activity is more affordable for Low- and Moderate-Income persons.</p> <p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.</p>
5-YEAR OUTCOME	75% of assisted individuals and households will retain their housing or utilities for at least 6 months after assistance is provided.

HOMELESS NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 3Hmls.b Emergency Shelter	Short-term shelter (1 to 90 days) for homeless individuals and families; housing/services provide by community-based agencies	
INPUTS	Federal: CDBG State:	Local: General Fund Private: Program fees, private donations, service provider funds
5-YEAR OUTPUTS	Provide emergency shelter and supportive services to 500 individuals (including children).	
HUD OBJECTIVE		
<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	<p>A housing opportunity designed to meet individual family or community housing needs.</p> <p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p>	
HUD OUTCOME		
<ul style="list-style-type: none"> ▪ Affordability ▪ Availability/Accessibility 	<p>Housing is more affordable for Low- and Moderate-Income persons.</p> <p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.</p>	
5-YEAR OUTCOME	50% of individuals/households that are provided emergency shelter will transition to interim housing (i.e., transitional housing)	

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HOMELESS NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 3Hmls.c Transitional Housing	Interim housing (90 days to 2 years) for homeless individuals and families. Transitional housing should provide a stable living environment enriched with support services aimed at solidifying skills for self-reliance.				
INPUTS	<table border="0"> <tr> <td>Federal: CDBG</td> <td>Local: General Fund</td> </tr> <tr> <td>State:</td> <td>Private: Program fees, private donations, service provider funds</td> </tr> </table>	Federal: CDBG	Local: General Fund	State:	Private: Program fees, private donations, service provider funds
Federal: CDBG	Local: General Fund				
State:	Private: Program fees, private donations, service provider funds				
5-YEAR OUTPUT	Provide transitional housing and support services to 450 individuals (including children).				
HUD OBJECTIVE <ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	A housing opportunity designed to meet individual family or community housing needs. Activity designed to benefit the community, families, or individuals by addressing living environment issues.				
HUD OUTCOME <ul style="list-style-type: none"> ▪ Affordability ▪ Availability/ Accessibility 	Housing is more affordable for Low- and Moderate-Income persons. Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.				
5-YEAR OUTCOME	10% of homeless individuals participating in transitional housing program will be placed in permanent housing.				

HOMELESS NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 3Hmls.d Supportive Services	An array of services for homeless individuals and families focused on stabilizing respective living situations and linking the homeless with appropriate housing and additional services.	
INPUT	Federal: CDBG, Homeless Assistance Grant (Super NOFA) State:	Local: General Fund Private: Program fees, private donations, service provider funds
5-YEAR OUTPUT	Support services for homeless individuals and families with children will be blended with the provision of shelter therefore no stand alone output.	
HUD OBJECTIVE	<ul style="list-style-type: none"> <li data-bbox="232 814 500 877">▪ Decent Affordable Housing A housing opportunity designed to meet individual family or community housing needs. <li data-bbox="232 898 459 957">▪ Suitable Living Environment Activity designed to benefit the community, families, or individuals by addressing living environment issues. 	
HUD OUTCOME	<ul style="list-style-type: none"> <li data-bbox="232 1062 435 1092">▪ Affordability Services are more affordable for Low- and Moderate-Income persons. <li data-bbox="232 1113 586 1178">▪ Availability/Accessibility Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons. 	
5-YEAR OUTCOME	100% of individuals/families receiving supportive services will be linked to one or more additional services and/or appropriate housing.	

OBSTACLE TO MEETING PRIORITY HOMELESS NEEDS

There are several obstacles that may prevent the City from accomplishing goals aimed at addressing the needs of the City's homeless and individuals at risk of homeless during the next five years.

- **Funding** – Public funds to assist the homeless are available to the City; however, current trends are for reduced funding. Some agencies that serve San Clemente have applied directly to HUD for Homeless Assistance Grant funds via the competitive Super NOFA process. Constant reductions in public resources may force the City to reduce funding for homeless services, which may in turn create a negative impact on the overall community.
- **Cost of Housing** - As discussed in the Housing Market Analysis, the cost of housing in Orange County is one of the highest in the nation. Finding and maintaining affordable housing is a primary obstacle faced by households at risk of becoming homeless and transitioning from homelessness to self-sufficiency.
- **Not In My Back Yard (NIMBY)** – Even though San Clemente has several established social services and a Homeless Day Resource Center, the City's *Continuum of Care Gaps Analysis* indicates that there is a need for additional shelter beds. One of the arguments often utilized by individuals opposing the expansion of homeless facilities is that San Clemente is providing its share of services and shelters beds for the region and other communities in the county need to build and/or expand facilities for the region's homeless. This viewpoint has made it increasingly difficult for existing service providers to expand services/facilities in the City and for new homeless programs to be established in San Clemente.

D. STRATEGY TO ADDRESS PRIORITY NEEDS OF SPECIAL NEEDS POPULATION

CONSOLIDATED PLAN GOAL #4

SPECIAL NEEDS POPULATION NEEDS

CITY PRIORITY NEED: There is a need for housing and services for San Clemente residents who are not homeless, but have special housing and supportive services needs. These individuals include the elderly, frail elderly, and disabled.

PRIORITY NEED RATING: High

CITY OF SAN CLEMENTE

STRATEGIC GOALS:

1. Provide quality services (High Need) and affordable housing opportunities (High Need) for seniors.
2. Provide quality services (High Need) and affordable housing opportunities (Low Need) for frail elderly.
3. Provide quality services (High Need) and affordable housing opportunities (Medium Need) for individuals with disabilities.

ACTIVITY/PROGRAM	
OBJECTIVE #: 4SpcN.a	
See Owner/Renter Priority Housing Needs Strategy.	
Supportive Housing for Seniors	
INPUT	Federal: _____ State: _____ Local: _____ Private: _____
5-YEAR OUTPUT	
HUD OBJECTIVE	
▪ Decent Affordable Housing	A housing opportunity designed to meet individual family or community housing needs.
▪ Suitable Living Environment	Activity designed to benefit the community, families, or individuals by addressing living environment issues.
HUD OUTCOME	
▪ Affordability	Services are more affordable for Low- and Moderate-Income persons.
▪ Availability/ Accessibility	Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.
5-YEAR OUTCOME	
See Owner/Renter Priority Housing Needs Strategy.	

SPECIAL NEEDS POPULATION NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 4SpN.b Senior Services	Various public services for San Clemente senior citizens including (but not limited to) transportation, home delivery of meals, recreation and health care programs.	
INPUT	Federal: CDBG State:	Local: General Fund Private: Program fees, private donations, service provider funds
5-YEAR OUTPUTS	Provide direct services to 1,300 elderly individuals.	
HUD OBJECTIVE	<ul style="list-style-type: none"> ▪ Suitable Living Environment 	
	An activity designed to benefit the community, families, or individuals by addressing living environment issues.	
HUD OUTCOME	Services are more affordable for Low- and Moderate-Income persons.	
<ul style="list-style-type: none"> ▪ Affordability ▪ Availability/ Accessibility 	<ul style="list-style-type: none"> Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons. 	
5-YEAR OUTCOME	100% of elderly individuals assisted with City funds will be provided with appropriate referral services and will be linked to one or more additional services to improve quality of life.	

SPECIAL NEEDS POPULATION NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 4SpN.c Frail Elderly Services	Various public services for frail elderly including, but not limited to, transportation, home delivery of meals, recreation and health care programs.				
INPUT	<table border="0"> <tr> <td data-bbox="613 470 966 514">Federal: CDBG</td> <td data-bbox="971 470 1437 514">Local: General Fund</td> </tr> <tr> <td data-bbox="613 520 966 594">State:</td> <td data-bbox="971 520 1437 594">Private: Program fees, private donations, service provider funds</td> </tr> </table>	Federal: CDBG	Local: General Fund	State:	Private: Program fees, private donations, service provider funds
Federal: CDBG	Local: General Fund				
State:	Private: Program fees, private donations, service provider funds				
5-YEAR OUTPUT	Provide direct services to 250 frail elderly individuals (Note: output also included in total of Senior Services listed above)				
HUD OBJECTIVE <ul style="list-style-type: none"> ▪ Suitable Living Environment 	An activity designed to benefit the community, families, or individuals by addressing living environment issues.				
HUD OUTCOME <ul style="list-style-type: none"> ▪ Affordability ▪ Availability/ Accessibility 	Services are more affordable for Low- and Moderate-Income persons. Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.				
5-YEAR OUTCOME	100% of frail elderly individuals assisted with City funds will be provided with appropriate referral services and will be linked to one or more additional services to improve quality of life.				

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SPECIAL NEEDS POPULATION NEEDS CONTINUED

ACTIVITY/PROGRAM	
OBJECTIVE #: 4SpcN.d	See Owner/Renter Priority Housing Needs Strategy.
Supportive Housing for Persons with Disabilities	
INPUT	Federal: State: Local: Private:
5-YEAR OUTPUT	See Owner/Renter Priority Needs Strategy
HUD OBJECTIVE	
<ul style="list-style-type: none"> ▪ Decent Affordable Housing ▪ Suitable Living Environment 	<p>A housing opportunity designed to meet individual family or community housing needs.</p> <p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p>
HUD OUTCOME	
<ul style="list-style-type: none"> ▪ Affordability ▪ Availability/ Accessibility 	<p>Services are more affordable for Low- and Moderate-Income persons.</p> <p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.</p>
5-YEAR OUTCOME	See Owner/Renter Priority Housing Needs Strategy.

SPECIAL NEEDS POPULATION NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 4SpN.e Disabled Services	Services for San Clemente residents with disabilities including (but not limited to) referrals, recreation and health care programs.
INPUT	Federal: CDBG State: Local: General Fund Private: Program fees, private donations, service provider funds
5-YEAR OUTPUTS	Provide direct services to 100 individuals with disabilities
HUD OBJECTIVE	
<ul style="list-style-type: none"> ▪ Suitable Living Environment 	An activity designed to benefit the community, families, or individuals by addressing living environment issues.
HUD OUTCOME	
<ul style="list-style-type: none"> ▪ Affordability ▪ Availability/ Accessibility 	Services are more affordable for Low- and Moderate-Income persons. Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.
5-YEAR OUTCOME	100% of disabled individuals assisted with City funds will be provided with appropriate referral services and will be linked to one or more additional services to improve quality of life.

OBSTACLE TO MEETING PRIORITY NEEDS OF HOUSEHOLDS WITH SPECIAL NEEDS

Obstacles identified that can prevent the City from accomplishing five-year goals to address the special needs of individuals that require housing and supportive services include the following:

- **Funding** - Due to the nature of the client needs, supportive housing and services tend to be costly. The San Clemente Senior Apartment development was fortunate to receive the Mental Health Services Act funding in the amount of \$1.622 million to dedicate 35% of its units to older adults with either a serious mental illness or a long term chronic health condition. Special needs housing and support services must compete for extremely limited resources.
- **Cost of housing** - The cost of housing in Orange County poses a substantial challenge to individuals with special needs. Due to physical, mental and/or other forms of limitations, individuals with special needs face many challenges obtaining and maintaining gainful employment and thus typically rely on public assistance benefits as their primary source of income. Public assistance benefits typically are insufficient to cover the cost of housing in Southern California.
- **Limited Number of Service Providers** - The special needs of these populations often require the services of specially trained professionals and equipment. As a result there may be a limited number of qualified service providers to meet all the special needs of these populations.

E. STRATEGY TO ADDRESS PRIORITY COMMUNITY NEEDS

As a recipient and user of CDBG funds, the City is required to develop a strategy to create a viable community by providing a suitable living environment and expanding economic opportunities for Low- and Moderate-Income persons. This portion of the Consolidated Plan and Strategic Plan is dedicated to prioritizing these competing needs, and identifying activities that the City will strive to accomplish during the 2013-2017 timeframe.

Priority community needs were established utilizing the same process as housing, homeless and special need priorities, that is, the City's Citizen Participation process. As required, the relative level of need, estimated five-year unmet need, funding needs, and goals, are listed in the HUD prescribed format (*Table 40*, page 119).

To facilitate priority need delineation, community needs have been separated into the following categories:

1. Public Infrastructure and Facilities Improvements
2. Public Services
3. Economic Development
4. Administration and Planning

CONSOLIDATED PLAN GOAL #5

COMMUNITY PRIORITY NEEDS - Public Infrastructure and Facilities

CITY PRIORITY NEED: **Public Infrastructure and Facilities** – There is a need to improve the City’s public infrastructure and facilities, especially in CDBG-eligible areas.

PRIORITY NEED RATING: High

- CITY OF SAN CLEMENTE STRATEGIC GOALS:**
1. Reconstruction of neighborhood streets and alleys
 2. Improve youth, senior and/or community facilities
 3. Improve/expand park and recreation facilities
 4. Preserve non-housing historic resources

ACTIVITY/PROGRAM OBJECTIVE #: 5PI&F.a Public Infrastructure Improvements:	Construction/rehabilitation of public infrastructure integral to neighborhoods in the City’s CDBG target area	
INPUT	Federal: CDBG State:	Local: General Fund Private: User fees, property owner/developer fees
5-YEAR OUTPUT	<ol style="list-style-type: none"> 1. 15 sidewalk reconstruction/rehabilitation projects. 2. 2 alley reconstruction/rehabilitation projects 3. 1 ADA improvement project (Note: others ADA improvements may be part undertaken as part of sidewalk projects) 	
HUD OBJECTIVE	<ul style="list-style-type: none"> ▪ Suitable Living Environment 	
	Activity designed to benefit the community, families, or individuals by addressing living environment issues.	
HUD OUTCOME	<ul style="list-style-type: none"> ▪ Sustainability 	
	Resources used in a targeted area to help make the area more viable.	
5-YEAR OUTCOME	Improve the viability of Low/ and Moderate-Income neighborhoods by eliminating one or more substandard or deteriorated infrastructure components.	

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COMMUNITY PRIORITY NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 5PI&F.b Public Facility Improvements:	Construction/rehabilitation of public facility improvements that serve the City's CDBG target area, Low- and Moderate-Income persons, or preserve eligible historic resources.				
INPUT	<table border="0"> <tr> <td>Federal: CDBG</td> <td>Local: General Fund</td> </tr> <tr> <td>State: Park Bonds</td> <td>Private: User fees, property owner/ developer fees</td> </tr> </table>	Federal: CDBG	Local: General Fund	State: Park Bonds	Private: User fees, property owner/ developer fees
Federal: CDBG	Local: General Fund				
State: Park Bonds	Private: User fees, property owner/ developer fees				
5-YEAR OUTPUT	<ol style="list-style-type: none"> 1 youth, senior or community center/facility construction or rehabilitation project 2. Expansion and/or renovation of 1 park and recreation facility 				
HUD OBJECTIVE	<ul style="list-style-type: none"> ▪ Suitable Living Environment Activity designed to benefit the community, families, or individuals by addressing living environment issues.				
HUD OUTCOME	<ul style="list-style-type: none"> ▪ Sustainability Resources used in a targeted area to help make the area more viable.				
5-YEAR OUTCOME	<ol style="list-style-type: none"> 1. Improve the viability of Low/ and Moderate-Income neighborhoods by eliminating one or more substandard or deteriorated public facilities. 2. Extend the useful life of historic significant buildings by at least 10 years. 				

COMMUNITY PRIORITY NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 5PI&F.c Historic Property Rehabilitation	Provide financial incentives to improve historic building facades and/or provide for code improvements.
INPUT	Federal: CDBG State: Historic Tax Credits, Mills Act (i.e., property tax relief) Local: General Fund Private: Business owner funds
5-YEAR OUTPUT	1. Approve 20 Mills Act agreements 2. Evaluate 5 properties for potential eligibility and matching grants
HUD OBJECTIVE	
▪ Suitable Living Environment	Activity designed to benefit the community, families, or individuals by addressing living environment issues.
HUD OUTCOME	
▪ Sustainability	Resources used in a targeted area to help make the area more viable.
5-YEAR OUTCOME	Extend the useful life of historically significant buildings by at least 10 years.

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CONSOLIDATED PLAN GOAL #5

COMMUNITY PRIORITY NEEDS: Public Services

CITY PRIORITY NEED: **Public Services** - Through an extensive network of community- and faith-based organizations, address the social needs of San Clemente residents. Services provide range from senior meals to after-school education and recreation. (NOTE: the service needs of homeless and persons with special needs, e.g., seniors, persons with disabilities, have been outlined previously in the Strategic Plan.)

PRIORITY NEED RATING: High

CITY OF SAN CLEMENTE STRATEGIC GOALS:

1. Provide quality social services for youth and children
2. Provide quality social services for Low- and Moderate-Income persons

ACTIVITY/PROGRAM OBJECTIVE #: 5PS.a Youth Services	Provide a variety of quality social services to San Clemente's children and youth including educational support, recreation, self-esteem/reliance, and cultural arts.
INPUT	Federal: CDBG Local: General Fund State: Private: Program fees, private donations, service provider funds
5-YEAR OUTPUT	Provide direct services to 5,000 Low- and Moderate-Income children and youth
HUD OBJECTIVE	
<ul style="list-style-type: none"> ▪ Suitable Living Environment 	An activity designed to benefit the community, families, or individuals by addressing living environment issues
HUD OUTCOME	
<ul style="list-style-type: none"> ▪ Availability/ Accessibility ▪ Affordability 	Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons. Services are more affordable for Low- and Moderate-Income persons.
5-YEAR OUTCOME	<ol style="list-style-type: none"> 1. Increase participation of youth over a 4 year period by 25% per year. 2. Ensure 75% of youth participating in assisted-activities are linked to age-/issue-appropriate services.

COMMUNITY PRIORITY NEEDS CONTINUED

<p>ACTIVITY/PROGRAM OBJECTIVE #: 5PS.b Low- and Moderate-Income Services</p>	<p>Provide quality services for Low- and Moderate-Income individuals in order to improve their quality of life.</p>
<p>INPUT</p>	<p>Federal: CDBG State: Local: General Fund Private: Program fees, private donations, service provider funds</p>
<p>5-YEAR OUTPUT</p>	<p>Provide a variety of direct services to 8,000 Low- and Moderate-Income individuals (e.g., health care, resource referrals, dispute resolution)</p>
<p>HUD OBJECTIVE</p> <ul style="list-style-type: none"> ▪ Suitable Living Environment 	<p>Activity designed to benefit the community, families, or individuals by addressing living environment issues</p>
<p>HUD OUTCOME</p> <ul style="list-style-type: none"> ▪ Availability/ Accessibility ▪ Affordability 	<p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons. Services are more affordable for Low- and Moderate-Income persons.</p>
<p>5-YEAR OUTCOME</p>	<p>75% of program participants will be linked to additional services to enhance health, safety or general welfare.</p>

CONSOLIDATED PLAN GOAL #5

COMMUNITY PRIORITY NEEDS: Economic Development

CITY PRIORITY NEED: Economic Development - Expand economic opportunities for San Clemente residents. ⁴³

PRIORITY NEED RATING: Medium

CITY OF SAN CLEMENTE STRATEGIC GOALS:

1. Attract new and retain existing business to San Clemente
2. Provide and recruit competitive employment centers

ACTIVITY/PROGRAM OBJECTIVE #: 5ED.a	Fast track building permit process for new businesses						
Business Attraction/Retention							
INPUT	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Federal:</td> <td style="width: 33%;">Local: General Fund</td> <td style="width: 33%;"></td> </tr> <tr> <td>State:</td> <td>Private: Business owner funds, private lenders</td> <td></td> </tr> </table>	Federal:	Local: General Fund		State:	Private: Business owner funds, private lenders	
Federal:	Local: General Fund						
State:	Private: Business owner funds, private lenders						
5-YEAR OUTPUT	Meet with business for the purpose attracting or retaining San Clemente-based employment opportunities.						
HUD OBJECTIVE							
<ul style="list-style-type: none"> ▪ Suitable Living Environment ▪ Creating Economic Opportunities 	<p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p> <p>Activity that creates or expands job opportunities.</p>						
HUD OUTCOME							
<ul style="list-style-type: none"> ▪ Availability/Accessibility ▪ Sustainability 	<p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.</p> <p>Resources used in a targeted area to help make the area more viable.</p>						
5-YEAR OUTCOME	San Clemente residents will obtain jobs as a result of proactive business retention/attraction activities.						

⁴³ Goals and objective derived from the City's Economic Development Element of the General Plan. The plan identifies economic development implementation measures and goals (ED-7)

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COMMUNITY PRIORITY NEEDS CONTINUED

ACTIVITY/PROGRAM OBJECTIVE #: 5ED.c Business Improvements	Provide financial incentives to improve businesses. Grants of approximately \$2,000 provided for façades including signs, awnings, lighting, and other minor improvements.
INPUT	Federal: CDBG State: Local: Private: Business owner funds
5-YEAR OUTPUT	Improve 45 business facades.
HUD OBJECTIVE	
<ul style="list-style-type: none"> ▪ Suitable Living Environment ▪ Creating Economic Opportunities 	<p>Activity designed to benefit the community, families, or individuals by addressing living environment issues.</p> <p>Activity that creates or expands job opportunities.</p>
HUD OUTCOME	
<ul style="list-style-type: none"> ▪ Availability/ Accessibility ▪ Sustainability 	<p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons.</p> <p>Resources used in a targeted area to help make the area more viable.</p>
5-YEAR OUTCOME	100% of assisted business will improve aesthetic features of exteriors or eliminate building code violations that impact health and safety.

CONSOLIDATED PLAN GOAL #5

COMMUNITY PRIORITY NEEDS: Administration and Planning

CITY PRIORITY NEED: It is imperative that the City maintains adequate administrative systems to ensure proper use of public funds.

PRIORITY NEED RATING: High

- CITY OF SAN CLEMENTE STRATEGIC GOALS:**
1. Ensure appropriate oversight and coordination of CDBG funds.
 2. Ensure San Clemente residents have adequate access to fair housing counseling and enforcement services, and that impediments to fair housing choices are identified and addressed.

ACTIVITY/PROGRAM OBJECTIVE #: 5A&P.a	Ensure effective and efficient administration of CDBG grant funds	
Program Administration		
INPUT	Federal: CDBG State:	Local: General Fund Private:
5-YEAR OUTPUT	Provide 5 years of program administration	
HUD OBJECTIVE		
▪ Suitable Living Environment	An activity designed to benefit the community, families, or individuals by addressing living environment issues.	
HUD OUTCOME		
▪ Sustainability	Resources used in a targeted area to help make the area more viable.	
5-YEAR OUTCOME	Maintain program administration at a level that will ensure no HUD findings.	

COMMUNITY PRIORITY NEEDS CONTINUED

<p>ACTIVITY/PROGRAM OBJECTIVE #: 5A&P.b Fair Housing Services</p>	<p>1. Fair housing education, counseling and enforcement through contracts with community-based service providers 2. Identify and eliminate regional factors that act as impediments to fair housing choices</p>
<p>INPUT</p>	<p>Federal: CDBG Local: General Fund State: Private: Program fees, service provider funds, private donations</p>
<p>5-YEAR OUTPUT</p>	<p>1. Provide fair housing counseling, education and enforcement services to 550 San Clemente households 2. Annually assess actions to eliminate impediments to fair housing</p>
<p>HUD OBJECTIVE</p> <ul style="list-style-type: none"> ▪ Suitable Living Environment ▪ Decent Affordable Housing 	<p>An activity designed to benefit the community, families, or individuals by addressing living environment issues. A wide range of housing opportunity activities designed to meet individual family or community housing needs.</p>
<p>HUD OUTCOME</p> <ul style="list-style-type: none"> ▪ Availability/Accessibility ▪ Sustainability 	<p>Activity makes basics services, infrastructure, housing or shelter available to Low- and Moderate-Income persons. Resources used in a targeted area to help make the area more viable.</p>
<p>5-YEAR OUTCOME</p>	<p>90% of all fair housing referrals are responded to and/or investigated within four weeks from the date of initial contact.</p>

Short-Term Strategies to Address Community Development Objectives

HUD requires that the City identify short-term strategies to meet community needs. To this end, the City will implement the activities delineated in the 2013-2014 Annual Action Plan to meet the objectives of the Consolidated Plan. Annual activity goals are targeted toward meeting the high and medium priority needs identified in the Strategic Plan.

Long-Term Strategies to Address Community Development Objectives

In the long-term, San Clemente will utilize General Funds, Developers fees, Street Assessment funds along with seeking additional state and federal funding resources that will provide flexibility to address priority community needs. As with the short-term strategy, resources and activities will be geared toward meeting five-year goals.

Jurisdictions are allowed to simply estimate the dollars that will be targeted to address community development priority needs. The City of San Clemente estimates that it will utilize approximately \$1,000,000 in CDBG resources over the next five years to address non-housing priority community needs - this assumes no major reductions or the elimination of the CDBG program.

TABLE 40: HUD TABLE 2B COMMUNITY DEVELOPMENT NEEDS

PRIORITY COMMUNITY DEVELOPMENT NEEDS	PRIORITY NEED LEVEL HIGH, MEDIUM, LOW, NO SUCH NEED	UNMET PRIORITY NEED	5 YEAR GOALS
PUBLIC FACILITY NEEDS (projects)			
Senior Centers	Medium	1	1 Facility
Handicapped Centers	Low	0	0
Homeless Facilities	Medium	1	1 Facility
Youth Centers	High	2	1 Facility
Child Care Centers	Low	0	0
Health Facilities	Low	0	0
Neighborhood Facilities	Low	0	0
Parks and/or Recreation Facilities	High ¹	2	1 Facility
Parking Facilities	Low	0	0
Non-Residential Historic Preservation	Medium	20	4
Other Public Facility Needs			
INFRASTRUCTURE (projects)			
Water/Sewer Improvements	Low ²	0	0
Street Improvements	Medium	4	1
Sidewalks	High	25	15 Projects
Solid Waste Disposal Improvements	Low	0	0
Flood Drain Improvements	Low	0	0
Other Infrastructure Needs			
▪ Alley Improvements	High	3	2 Projects
▪ Architectural Barriers (ADA)	High	3	1 Projects
PUBLIC SERVICE NEEDS (Individuals)			
Senior Services	High	6,500 Individuals	1,300 Individuals
Handicapped Services	High	2,500 Individuals	100 Individuals
Youth Services	High	10,000 Individuals	1,300 Individuals
Child Care Services	Low	0	0
Transportation Services	Medium	0	0
Substance Abuse Services	Medium	0	0
Employment Training	Medium	0	0
Health Services	High	6,000 Individuals	1,000 Individuals
Lead Hazard Screening	Medium	0	0
Crime Awareness	Low	0	0

PRIORITY COMMUNITY DEVELOPMENT NEEDS	PRIORITY NEED LEVEL HIGH, MEDIUM, LOW, NO SUCH NEED	UNMET PRIORITY NEED	5 YEAR GOALS
Other Public Service Needs			
▪ General Low-/Moderate-Income	High	14,000 Individuals	4,000 Individuals
▪ Fair Housing	High	800 Individuals	480 Individuals
ECONOMIC DEVELOPMENT			
ED Assistance to For-Profits (businesses)	Medium	0	0
ED Technical Assistance (businesses)	Medium	0	0
Micro-Enterprise Assistance (businesses)	Low	0	0
Rehab; Publicly- or Privately-Owned Commercial/Industrial (projects)	High	40	20 Businesses
C/I* Infrastructure Development (projects)	Medium	0	0
Other C/I* Improvements (projects)	Low	0	0
PLANNING			
Admin	High	4 Yrs of Admin	4 Yrs of Admin

* Commercial or Industrial Improvements by Grantee or Non-profit

1. "High" need to address park/recreation facilities
2. Rates "Low" as a stand-alone activity; however, rated "Medium" if improvement is undertaken as part of a street improvement activity.

OBSTACLES TO ADDRESSING NEEDS OF UNDER-SERVED

The community's underserved have been identified as seniors, youth, lower income renters, and homeless. To address the obstacles that may be encountered when addressing the needs of these segments of the community, the following strategies have been devised. (It is important to note that these strategies are consistent with the overall strategy to address priority housing and community needs outlined above.)

- Seniors: A variety of public services will be available to address the non-housing needs of seniors with the goal of helping seniors maintain independent living.

- Youth: An investment in the City's future generation has been identified as a priority need. As the number of children in the City has grown, gaps in services for lower income youth has resulted. To assist this underserved population, the City plans to implement a variety of services to address social and educational needs, and also will invest in facilities where youth can build their physical and intellectual abilities. City staff and school administrators continue to develop afterschool programs at various school sites in order to address both academic and recreational needs.

- Lower Income Renters: Many lower income renter households have found it increasingly difficult to maintain a reasonable standard of living in light of increasing rents and utilities costs. Constrained by obstacles to developing new affordable housing opportunities, the City will seek to utilize land-use regulations and incentives to create new opportunities for family, non-age restricted, and mixed-use affordable housing construction. Public investment in these projects will be tied to long-term affordability, thus the City's current inventory of affordable housing units will be expanded. The City will also continue to work with the local housing authority to assist local residents apply for rental assistance. Additionally, the City will assist renters living in properties with substantial deferred maintenance and other forms of unfair treatment by providing access to fair housing education and code enforcement services. City staff will continue to do Home Rehabilitation Grant Program outreach to property owners and seniors in need.

- Homeless: The City recognizes that homelessness is a regional issue and addressing the needs of this underserved population will require some local investment. The City's strategy to overcome obstacles to address the needs of the homeless includes continued participation in regional efforts to address

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homelessness and to coordinate local resources with regional efforts to close gaps in Orange County's continuum of care for the homeless.

SENATE BILL 2

Senate Bill 2 (SB 2) refers to a State law adopted in 2007. The law took effect January 1, 2008 and requires cities and counties to designate at least one zone or overlay zone where emergency shelters, transitional/supportive housing are allowed by right as permitted uses without a Conditional Use Permit or other discretionary permit. Program 21 of San Clemente's adopted Housing Element calls for the City to "review and amend the Zoning Code to implement State requirements to remove barriers to the development of special needs housing, including emergency shelters and transitional/supportive housing, consistent with the requirements of Senate Bill 2 of 2007." The proposed, City-initiated amendments would implement a key Housing Element program and bring the City into compliance with State law.

This amendment would allow such uses to be established by right, subject to compliance with specific performance standards and with Zoning Ordinance standards, such as parking, building, setbacks, and height. Architectural review would be required to help ensure architectural compatibility with surrounding uses. SB 2 does not require cities and counties to actually build or provide emergency shelters. Rather, it allows non-private organizations to find suitably-zoned property, develop and operate emergency shelters or transitional/supportive housing. Such uses could include shelters for residents displaced by civil disasters like fires or floods (e.g. Red Cross center), for homeless persons, abused women and children, disabled veterans, and persons recovering from substance abuse or other health issues.

Community Development Staff Research and Recent Information Sharing

The Housing Programs Planner coordinated five meetings and one site visit to the Alternative Sleeping Location (ASL) emergency shelter located in Laguna Beach with the San Clemente Homeless Task Force (SCHTF), starting in May 2012. The task force was comprised of homeless services providers, emergency room hospital social workers and nurses, outreach ministry coordinators from five local churches, San Clemente Police Services and Code Enforcement staff.

A SB 2 sub-committee was formed in April 2013 to research this topic in more detail and to provide direction. Mayor Baker, Pro Tem Mayor Brown, Jeff Goldfarb, and Jim Holloway reviewed several memos regarding the existing homeless count, human needs and examples of what other Orange County cities were doing to comply with SB 2. Most of the other cities found suitably-zoned properties in Business Parks or designated their Business Parks as suitable for emergency shelters. Consequently, the Rancho San Clemente Business Park was recommended as a suitable zone for the City to consider because of its design and location, availability of public transportation, proximity to existing social service agencies like Family Assistance Ministries, the Friendship Center, and three churches (Talega Life Church, Heritage Christian Church, and The Shoreline Church). On August 15, 2013, the Housing Programs Planner presented this recommendation to the Executive Department Management Team and there were no objections for the proposed designated zone located along Avenida Fabricante.

On September 6, 2013, the SB 2 Sub-committee reconvened with City staff to discuss the ExDMT's recommendation. Heritage Christian Church's Pastor Wegner contacted the City Manager and was also in attendance. Pastor Wegner was open to working with the City to potentially provide his vacant lot church property as a future emergency shelter site. Subcommittee members agreed with the proposal and

the Housing Programs Planner was directed to schedule a Public Workshop with the Rancho San Clemente Business Park Association (RSCBPA) on November 20th.

Staff will report back to the City Council with the comments and steps moving forward after the Public Workshop meeting. Next steps will be to present the SB 2 Ordinance at a January 2014 Planning Commission Public Hearing and then schedule a presentation to the City Council for adoption in early February 2014.

F. EMPOWERMENT ZONE REVITALIZATION STRATEGY

The City of San Clemente is not a HUD-approved empowerment zone.

G. ADDITIONAL REQUIRED STRATEGIES

In addition to the identifying strategies to address housing and community priority needs, the Strategic Plan is required to outline strategies to address various elements outlined in the Housing Market Analysis.

STRATEGY TO ADDRESS BARRIERS TO AFFORDABLE HOUSING

The Housing Market Analysis identified several barriers to affordable housing. This section of the Strategic Plan identifies the actions the City plans to undertake over the next five years to remove or mitigate variables that serve as barriers to affordable housing.

- **Property Tax Policy** – As discussed previously, current City property tax policies have limited impact on affordable housing. Traditionally special property tax assessments have been kept to a minimum, and current laws require 2/3 of

voters to approve increases to or assessment of new property taxes. The City has little control over assessments imposed by other government and special districts.

- **Land Use Controls** - San Clemente has purposely adopted land use controls that ensure orderly and consistent development of the community. One reason these controls were imposed was to respond to the deterioration of higher-density housing built in the 1970's and the impact this housing has on neighboring single-family neighborhoods and public infrastructure. There are incentives that the City can utilize to boost the number of affordable units developed. These tools include the State density bonus and development of an affordable housing overlay in commercial and mixed-use zones, and implementation of the City's Inclusionary Housing Program.
- **Zoning** - Zoning regulations control development by establishing requirements related to height, density, lot area coverage, yard setbacks, and minimum parking spaces. Zoning is an important tool to preserving the living environment of a community. Exceptions to certain zoning requirements for affordable housing projects may be considered on a case-by-case basis.
- **Building Codes** - Building and safety codes are adopted for purposes of preserving public health and safety, and to ensure the construction of safe and decent housing. Due to the public safety nature of building codes waivers are rarely provided.
- **Fees and Charges** - As outlined previously, the City's building/development fees are comparable to neighboring cities. On a case-by-case basis, the City may consider waiving fees and/or provide subsidies to offset fees in order to enhance the affordability of a housing project.
- **Overall Development Costs** - The cost of land, materials, and labor have increased substantially in the last few years. In order to lower the cost of

development, and therefore, the sales price or rent charged by the property owner, the City will consider utilizing public resources such as Inclusionary housing in-lieu fees to subsidize development costs in return for long-term affordable housing units.

STRATEGY TO ADDRESS LEAD BASED PAINT HAZARDS

Lead paint hazards are typically found in buildings constructed prior to 1978. As outlined in the Housing Needs Assessment of this Plan, the Orange County Health Care Agency, Environmental Health Division reported that between January 2005 and October 2010, four cases of San Clemente children with “Blood Lead Level of Concern” were reported while this is a relatively low number, it is also estimated that 987 San Clemente households with children age zero to five, and 2,386 Low-Income families live in units that may have lead-paint hazards.

HUD regulations require that the City inspect/test all housing activities assisted with HUD resources for lead-based paint hazards, and then remove/encapsulate hazards if found. The City has prepared policies and procedures to comply with these regulations that ensure lead paint hazards are eliminated and that a housing unit is retest to ensure all hazards have been properly mitigated. These regulations have increased the cost of a housing rehabilitation projects and have added to the time needed to complete projects. Regardless of these obstacles, the City will comply with lead-based paint hazards regulations to remediate lead-paint hazards in housing that is affordable to lower income households.

STRATEGY TO COMBAT POVERTY

The 2010 Census estimates that 3,753 San Clemente residents were living below poverty. While Orange County’s economic growth continues to provide ample opportunities for these households to raise their standard of living, some individuals

still require assistance. It is the goal of the City of San Clemente to link households living in poverty to social and public services that may provide them with the education, vocational training or other resources needed to seek and secure good paying employment opportunities. Specifically, resource referrals, housing, education, health care, employment and job training programs will be utilized to assist these households.

STRATEGY TO ENHANCE INSTITUTIONAL STRUCTURES

The City will continue to foster its relationship with local housing providers, such as non- and for-profit developers and OCHA, to ensure that limited housing resources are utilized in the most efficient and effective manner possible to meet the housing needs of San Clemente residents. The City also will continue to participate in the regional Continuum of Care Community Forum, which has been established to identify the housing and service needs of the County's homeless. Additionally, as a member of the Cities Advisory Committee, San Clemente will assist the County shape regional housing policy.

STRATEGY TO ENHANCE COORDINATION

The City of San Clemente will continue to utilize a network of referrals, contacts and partnerships to facilitate implementation of the strategies outlined in the Consolidated Plan. The City's Human Affairs Committee has been at the forefront of coordinating resources in Southern Orange County. This City-supported advisory committee has coordinated local and regional workshops to discuss numerous issues including affordable housing, homelessness, senior services, and healthcare. In addition to identifying needs, the Committee has helped marshal the resources of the City, County agencies, education institutions and nonprofits to address community needs. The HAC works in partnership with the San Clemente

Collaborative (SCC) a fairly new grassroots advocacy group of dedicated community minded volunteers.

STRATEGY TO IMPLEMENT PUBLIC/ASSISTED HOUSING RESIDENT INITIATIVES

The City of San Clemente does not operate a public housing authority – the City works in partnership with the Orange County Housing Authority (OCHA). The City will support OCHA’s initiatives as long as they remain consistent with the City’s Consolidated Plan.

STRATEGY FOR ECONOMIC DEVELOPMENT

As outlined in the City’s General Plan, San Clemente will continue to support entrepreneurial efforts in the City to expand employment opportunities for residents.

Through the City’s various programs, several efforts will be undertaken to expand economic opportunities for San Clemente residents. These efforts include:

- Preparation of a marketing program to solicit new industrial firms, retail outlets, and hotels to the City.
- Implementation of a business retention program to keep retail and industrial businesses in the City. Program efforts will include:
 - Preparation of procedures to expedite the development review process as a means to attract new business.
 - Provide for an ongoing relationship with existing firms and retail outlets to monitor their needs and concerns and to determine which needs/concerns can be addressed by the City.

- The City continues to assign an urban planner with specialized knowledge and experience in specific business districts to serve as liaison case managers. The liaisons provide services to business owners and explain how to access City resources, where possible, to help businesses accomplish their goals and objectives.

Various funding sources will be utilized to carry out economic development efforts including City of San Clemente General Funds, tax increment revenue generated by redevelopment projects, and other funding sources approved by the City Council.

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Strategy Implementation

HUD requires that the City reevaluate how the additional strategies outlined in the Strategic Plan will specifically be addressed during the Program Year. These respective reevaluations are found below. Additionally, over the course of the four-year Consolidated Plan cycle, the tables found as *Attachment 4* will be used to track ongoing program results by comparing planned versus actual accomplishments.

STRATEGY TO ELIMINATE OBSTACLES TO MEETING NEEDS OF THE UNDERSERVED

The City of San Clemente will undertake several activities aimed at addressing the needs of the community's underserved, that is elderly, youth, homeless, and lower income renter households. In order to overcome the barriers identified earlier in the Consolidated Plan, the City will focus its limited resources toward upgrading existing rental housing units and expand the number of affordable housing units for lower income renters. Additionally, the City and local nonprofits will continue to provide services for underserved City residents. Public services to be funded during the 2013-2014 Program Year include senior, youth, and homeless shelter/assistance activities. By focusing resources on the housing and community needs identified as **HIGH** priority the City will be able to utilize funds more efficiently.

Many of the barriers to maintaining and expanding affordable housing opportunities for all residents of San Clemente are attributed to market constraints. Many of these market constraints are beyond the control of the City, nonetheless, the City will utilize its limited resources to foster and maintain affordable housing. By leveraging federal funds with local Redevelopment funds and resources available to nonprofit housing developers, the City will strive to increase its supply of long-term affordable housing. The City's owner occupied housing stock will be preserved with rehabilitation funds for homeowners. Referring first-time homebuyers to the

Affordable Housing Clearinghouse and the County of Orange to access mortgage credit certificates and other forms of subsidies will help build and reinforce neighborhood pride.

BARRIERS TO AFFORDABLE HOUSING

The City will implement an array of housing programs in order to foster and maintain the supply of affordable housing in San Clemente. As outlined above, the City will provide housing rehabilitation programs for both owner and rental housing units. For renters, the City may evaluate various activities including acquisition and rehabilitation and will evaluate new construction options. Public policy and/or discretionary requirements that are within the jurisdiction of the City will also be considered for modification on a case-by case basis.

LEAD-BASED PAINT

Based on Orange County data, it is estimated that as nearly 4,000 housing units in San Clemente may have some level of lead-based paint hazard. Additionally, it is estimated that over 900 San Clemente households with children under five years of age may live in housing with some form of lead-based paint hazard. As required by HUD, the City has implemented several means to implement lead-based paint hazard regulations. At a minimum each housing unit built before 1978 participating in City-funded affordable housing programs will be tested for lead hazards prior to the commencement of any rehab work. The City will provide financial assistance for lead testing of the property in conjunction with housing rehabilitation assistance when painting is included in the work. If lead is found, program resources can be used to pay for the removal or mitigation of lead-paint hazards. While these steps have increased rehabilitation costs and completion time, it is imperative that City comply with regulations and to also educate program participants regarding the

dangers of lead-paint. With respect to the latter, the City also provides lead paint educational information to property owners.

ANTI-POVERTY STRATEGY

The City has identified numerous factors it can influence to combat poverty. Activities and services the City will implement during the 2013-2014 Program Year to combat poverty includes the following:

- Affordable housing programs including rehabilitation and rental assistance (via the Orange County Housing Authority).
- Homeless assistance including emergency shelter and transitional housing opportunities. Referrals to the iHope Homeless Day Resource Center as well as the Family Assistance Ministries (FAM) Drop In Center located in the Rancho San Clemente Business Park.
- Public services to assist lower income seniors, youth and special need households to improve their quality of life.

DEVELOPMENT OF INSTITUTIONAL STRUCTURES

The City of San Clemente will implement its strategy to develop institutional structures as outlined in the Strategic Plan. Specifically, the City will continue to work closely with the local school district to enhance the learning and recreational facilities of students. To the extent feasible, the City will also coordinate efforts with other special districts serving the community to ensure adequate and quality services are provided to residents regardless of income status. City will continue to build its relationship with local housing providers such as private developers, nonprofit developers and the Orange County Housing Authority, to ensure that limited housing resources are utilized in the most efficient and effective manner possible. Finally, the City will continue to participate in the regional Continuum of

Care planning efforts in order to identify the housing and service needs of the City's and region's homeless.

Structures to Enhance Coordination in the Community

The City will continue to coordinate activities that will enhance the relationships between public agencies, private entities, and community residents. At the forefront, the City's Human Affairs Committee will sponsor five forums a year regarding public service needs and resources. The City will also encourage community participation through the public service application process, during which the community's service providers and community leaders discuss the needs of San Clemente's residents and the best means to provide needed support services. The City also participates in regional homeless needs planning and when appropriate, will provide "Certificates of Consistency with Consolidated Plan" for agencies applying for HUD homeless assistance funds.

Housing Improvements and Initiatives

As stated previously, the City of San Clemente does not operate public housing. The Orange County Housing Authority (OCHA) provides rental assistance in the community. Federal legislation requires that the Housing Authority prepare five-year and one-year plans that highlight its mission, goals and objectives as it relates to public and assisted housing programs. The City has reviewed the Authority's plan and OCHA has also been provided the opportunity to review and consult with the City regarding the Consolidated Plan. The goal of this cross-consultation is to provide consistent and coordinated housing services for City residents.

Economic Development

As outlined previously, the City's General Plan outlines a strategy to expand and support entrepreneurial efforts in the City as a means to expand employment

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opportunities for residents. Even though these efforts will be carried out and tracked by the City's Community Development Department, the goals and objectives of these activities are completely consistent with HUD's and the City's objectives.

Measure Outcomes

As outlined in the Strategic Plan, the City has implemented a results-oriented management and accountability system that will measure program/activity outcomes as well as outputs. The City has implemented this results oriented management system in response to a HUD initiative. As HUD finalizes regulations and revises on-line reporting methods, the City will modify its measurement system to remain consistent with HUD. In the interim, recipients of CDBG funds will be required to regularly report how respective activities are meeting quantitative and qualitative goals.

G. Program Specific Requirements

Each HUD entitlement grant program has a list of specific program requirements that must be addressed on an annual basis. Actions to address the CDBG program's specific requirements are outlined below.

CDBG

The activities the City of San Clemente will implement during the 2013-2017 Program Year will be focused on eligible activities to address housing and community needs. Programs will be limited to activities that benefit Low- and Moderate-Income households, and to a lesser degree, activities that eliminate conditions of slum and blight. All activities that will be funded with CDBG resources are described in some detail in *Attachment 2*.

The City anticipates it will utilize \$15,000 in program income from housing rehabilitation loan repayment during the 2013-2014 Program Year. Funds will be used for new housing rehabilitation activity. The City does not have surplus funds from urban renewal settlements, nor does the City have grant funds returned to its line of credit. The City will not undertake float-funded activities therefore it does not anticipate program income from these types of activities. Finally, the City does not anticipate undertaking urgent need activities during the 2013-2014 Program Year nor will it undertake any actions that may result in involuntary displacement of business or residents.

H. MONITORING

Outlined below are the standards and procedures that the City of San Clemente will use to monitor CDBG-funded activities during the 2013-2014 Program Year. The goal of the City's monitoring program is to ensure compliance with program requirements thus protecting the public's investment in San Clemente.

CDBG

All CDBG funded activities, including those carried out by subrecipients will be required to submit quarterly reports to the City. Housing and public improvement project reports will provide a description of project progress and dates for milestones such as completion date. Social service agencies are required to provide information on the number of clients served and the overall progress of their programs. City staff has implemented a comprehensive on-site monitoring program to review subrecipients' performance, quality of services, and grant administration abilities. If and when necessary, corrective actions will be recommended by the City to ensure compliance with applicable federal laws and regulations. All quarterly report information will be compiled and submitted to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER).

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CITIZEN PARTICIPATION PLAN

The City of San Clemente Citizen Participation Plan has been prepared pursuant to federal regulations and the City's desire to encourage and support public participation in the development of the Consolidated Plan and related documents. The Consolidated Plan is a five-year strategic plan that identifies priority needs in the community and the activities that can be funded with certain federal resources that will address these needs. The actions outlined in the Citizen Participation Plan only relate to the planning and expenditure of funds provided to the City by the U.S. Department of Housing and Urban Development's (HUD) Office of Community Planning and Development (CPD). Specifically, the City receives Community Development Block Grant (CDBG) funds from HUD-CPD. It is the City's goal to ensure the input of residents and other stakeholders will be a significant component of the decision-making process culminating in the adoption of the Consolidated Plan and related annual objectives.

Applicability & Adoption of the Citizen Participation Plan

As required by HUD, the Citizen Participation Plan has been developed to ensure San Clemente residents participate in the development of a strategy to meet priority housing and community needs of the City and to provide input on the utilization of federal HUD-CPD entitlement funds. Citizen involvement will be encouraged in the development of the Consolidated Plan and subsequent annual updates to the Consolidated Plan. The Citizen Participation Plan will also affect the process by which community stakeholders are included in the assessment of program performance and any substantial amendments to the Consolidated Plan.

The City will encourage citizen participation through various means. Community wide notices in the form of newspaper advertisements announcing public workshops,

meetings, and/or public hearings will be one of the primary means utilized to inform residents/stakeholders if significant actions related to Consolidated Plan. Other methods of communication that may be utilized include special mailings and video/electronic communication (e.g., cable TV notices and City's web page site).

Adoption of the Citizen Participation Plan

The authorization of the San Clemente City Council to submit the Consolidated Plan to HUD will constitute the official adoption of the Citizen Participation Plan. Similarly, authorization of the Council to submit subsequent annual updates to the Consolidated Plan and annual performance reports will constitute a formal adoption.

Encouragement of Citizen Participation

To the greatest extent feasible, the City of San Clemente's Citizen Participation process emphasizes the involvement of Low- and Moderate-income residents (as defined by HUD) and/or entities that represent or serve the community's lower income population. Additionally, as required by federal regulations, efforts will also be taken to encourage the participation of the City's racial/ethnic minorities, non-English speaking individuals, individuals with disabilities, and recipients of federal housing rental assistance.

The following elements of the City's Citizen Participation Plan have been devised to ensure San Clemente resident are provided ample opportunities to become involved and represented in the Consolidated Plan planning process.

- Citizen participation is open to any person wishing to attend any of the meetings, hearings, and/or workshops sponsored by the City regarding HUD-CPD programs.
- Public hearings will be held before the City Council to obtain public comments at various stages of Consolidated Plan preparation and adoption. Public input will be

recorded by the City as required by federal regulations for inclusion in Consolidated Plan-related documents.

- From time to time, the City's Human Affairs Committee will serve as an additional means for residents and stakeholders to provide input in the Consolidated Plan process. Specifically, the Human Affairs Committee will hear and provide input on the housing and social service needs of the City. Committee meetings may also be utilized as a forum to develop strategies and priorities for addressing priority housing and non-housing needs of the community. If appropriate, recommendations of the Human Affairs Committee will be included in related staff reports to the City Council.
- An ad hoc committee composed of the Mayor (or his/her City Council representative), Human Affairs Committee representation and program staff, will develop Public Service grant funding recommendations.
- As appropriate and/or needed, additional citizen participation will be encouraged via neighborhood and community-wide public meetings or hearings.

The City will work in partnership with the Orange County Housing Authority (OCHA) to ensure participants in their rental assistance program are afforded opportunities to participate in the Consolidated Plan process. Additionally, the City will work with OCHA to build consistency and mutual support for the goals outlined in the Authority's five-year Agency Plan and the City's Consolidated Plan. The City's Housing Coordinator will attend regular meetings of the Cities Advisory Committee sponsored by OCHA

Citizen Comments Regarding Development Of The Citizen Participation Plan & Amendments To The Citizen Participation Plan

Pursuant to HUD regulations, San Clemente residents and stakeholders will be given no less than 30 days to submit written comments during the development of the Citizen Participation Plan (and/or substantial amendments to the Citizen Participation Plan)

prior to the submission of the Plan to HUD. The Citizen Participation Plan, and any amendments, will be available for public review at following locations:

- Main Library
- Office of the City Clerk
- Community Development Department

These locations are accessible to persons with physical disabilities.

CITIZEN PARTICIPATION IN DEVELOPMENT OF THE CONSOLIDATED PLAN

Before the Consolidated Plan (or a subsequent annual update) is adopted by the City Council and submitted to HUD, Community Development Department staff will make the draft plan available to residents, public agencies, and other interested parties for review and comment. The City will publish its proposed Consolidated Plan (and annual updates) so that all affected residents will have sufficient opportunity to review and comment on the plan. A summary describing the contents and purpose of the Consolidated Plan will be published in one or more newspapers of general circulation. At a minimum, information that will be provided in a public notice will include the amount of CDBG grant funds the City expects to receive (including program income), a range of activities to be undertaken, and the anticipated number of Low- and Moderate-income persons to benefit from funded activities. If applicable, information will also include the steps the City will take to eliminate the need for the displacement of residents and/or businesses. If displacement will occur due to any planned actions, the City will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (and implementing regulations in 49 CFR part 24).

The draft Consolidated Plan will be available to residents and other interested parties to facilitate their participation in the development of the plan. The proposed plan will be made available for review at the following locations:

- Main Library
- Office of the City Clerk
- Community Development Department

If possible, the draft Consolidated Plan will be posted on the City's website. Additionally, a reasonable number of free copies will be available via the Community Development Department.

During the development of the Consolidated Plan (and subsequent annual updates) there will be at least one public hearing to obtain comments from persons affected by the use of HUD-CPD funds and other interested parties. Additionally, as required by program regulations, there will be a 30-day public comment period prior to the submission of the Consolidated Plan to HUD. The City will consider all comments received from residents, public agencies and other interested parties as it prepares the final Consolidated Plan (and annual updates). A summary of public comments will be included with the final submission. The summary of public comments will include a synopsis of the City's response to written public comments, and an explanation of public comments not accepted including the reasons why these comments were not accepted.

AMENDMENTS TO THE CONSOLIDATED PLAN

The City will amend the Consolidated Plan or a subsequent annual update whenever one or more of the following decisions are made:

1. There is a change in the original relative priority designation of a housing or community need, or there is a change in the original purpose, scope, location or beneficiaries of an activity listed in a final plan submitted to HUD.
2. The City decides to undertake an activity that was not previously included in the Consolidated Plan or a subsequent annual plan.

HUD requires that if the City undertakes a **substantial amendment** to the Consolidated Plan (or a subsequent annual plan), residents and stakeholders must be provided with reasonable notice of the proposed amendment and also provided an opportunity to comment on the proposed amendment. A substantial amendment to the Consolidated Plan (or subsequent annual plan) is defined as:

1. A change in the use of CDBG funds from one eligible activity to another (such as changing CDBG funds allocated for housing rehabilitation to a sidewalk improvement project), and/or
2. The reallocation of 30% or more of an annual CDBG allocation from one or more eligible activities to one or more other eligible program activities.

A substantial amendment will be subject to a public hearing and 30-day public comment period. The City will publish the proposed substantial amendment to the Consolidated Plan (or annual update) so that residents and interested parties will have sufficient opportunity to review and comment on the amendment. A summary describing the purpose of the amendment will be published in one or more newspapers of general circulation. A reasonable number of free copies of the proposed amendment will be available upon request. Additionally, a copy of the proposed amendment will be made available for review at the following locations:

- Main Library
- Office of the City Clerk
- Community Development Department

Prior to notifying HUD of the substantial amendment to an authorized Consolidated Plan (or a subsequent annual update) the City will hold a 30-day public comment period. Additionally, the City Council will hold a public hearing to obtain public comments regarding the amendment. The City will consider all comments received from residents, public agencies and other interested parties regarding the amendment prior to HUD submittal. A summary of public comments will be included with the City's notification of the amendment to HUD. The summary of public comments will include a synopsis of the City's response to written public comments, and an explanation of public comments not accepted including the reasons why these comments were not accepted.

PERFORMANCE REPORTS

The City is required to submit an annual performance report describing the use of CDBG funds to HUD no later than 90 days from the end of a program year (i.e. late-September). This performance report is known as the Consolidated Annual Performance and Evaluation Report (CAPER). Prior to submitting the CAPER to HUD, the City will solicit and consider the comments of residents, public agencies, and other interested parties regarding the report.

As required by HUD, the City will publish a notice that its CAPER is available for public review in one or more newspapers of general circulation. This notice will contain information regarding the required 15-day public comment period and the public hearing that must be held prior to the submission of the CAPER to HUD.

In addition to making a reasonable number of free copies of the CAPER available for the public, the draft CAPER will be placed at the following locations:

- Main Library
- Office of the City Clerk

- Community Development Department

A public hearing to obtain comments regarding annual accomplishments will be held by the San Clemente City Council prior to the submission of the CAPER to HUD. The City will consider all comments received from residents and interested parties during the comment period and public hearing. A summary of comments will be provided to HUD as part of the City's CAPER submission. The summary of public comments will include a synopsis of the City's response to written public comments, and if applicable, an explanation of why a public comment was not considered.

PUBLIC HEARINGS

The City of San Clemente will hold at least two public hearings each year to ensure that the public has ample opportunity to provide input regarding the development of proposed activities to be funded with CDBG resources and to review program performance. Public hearings will be held at times and locations that are convenient to residents that might or have benefited from CDBG-funding activities.

As stated above, at a minimum, public hearings will be held during two different stages of the consolidated submission process.⁴⁴ Specifically, public hearings will be held to:

1. Address housing and community needs and review the proposed use of CDBG funds. This meeting will be held prior to the submission of the final Consolidated Plan (and subsequent annual plans) to HUD.
2. Review program performance at the end of the fiscal year.

Rules for all public hearings include the following:

⁴⁴ In addition public hearings, one or more public meetings may be scheduled. For example, public meetings may be held to receive testimony on public service programs and proposed program year budgets.

1. A notice of each hearing will be published at least 14 days prior to the meeting date. The notice will be published in a local newspaper of general circulation. All notices will be of a size and type to draw the attention of casual newspaper readers and will state the time, date, location and topics to be discussed.
2. Where a significant number of non-English speaking residents can be reasonably expected to participate, translators will be available.
3. Meetings will be held at locations that are accessible to persons with disabilities.

MEETINGS

Newspapers, special mailings, the City's web site, and other forms of communication will be utilized to notify residents and interested parties of meetings, workshops, and hearings related to the Consolidated Plan, subsequent annual updates and performance reports. As stated above, meetings will be scheduled at times and locations that are convenient to residents that might or have benefited from CDBG-funding activities and that are accessible to persons with disabilities.

AVAILABILITY OF INFORMATION TO THE PUBLIC

As previously stated, the City will publish announcements regarding the availability of its proposed Consolidated Plan (and subsequent annual updates), amendments, and performance reports, so that residents and interested parties will have sufficient opportunity to review documents and provide comments. Notices will be published in one or more newspapers of general circulation, and a reasonable number of free copies of the entire proposed plan, amendments, and performance reports will be available. Plans/reports will also be available for review at the following locations:

- Main Library
- Office of the City Clerk
- Community Development Department

Upon request (and within reason), the plan will be made available to persons with disabilities.

ACCESS TO RECORDS

The City will provide access to information and records relating to the Consolidated Plan to residents, public agencies, and other interested parties.

Requests for information and records must be made in writing to:

**City of San Clemente
Community Development Department
910 Calle Negocio
San Clemente, CA 92673**

The written request must delineate the specific information that is being requested. Community Development staff will have 15-working days to respond to requests.

TECHNICAL ASSISTANCE

The City will provide technical assistance to groups representing Low- and Moderate-income persons that request help in developing proposals for CDBG funding. The City will determine the type and level of assistance that staff will provide for each group. Technical assistance does not include nor assure the awarding of CDBG funds.

COMPLAINTS

Written complaints regarding the preparation of the Consolidated Plan/annual updates, amendments and/or performance reports must be submitted in writing to:

**City of San Clemente
Community Development Department
910 Calle Negocio
San Clemente, CA 92673**

The City will provide a written response to complaints within 15-working days from the date the complaint is received.

USE OF CITIZEN PARTICIPATION PLAN

The City will comply with the process and policies established in the City Council-adopted Citizen Participation Plan when administering CDBG funds. Amendments to the Citizen Participation Plan will be subject to the substantial amendment requirements outlined in this document.

JURISDICTION'S RESPONSIBILITY

The requirements for the Citizen Participation Plan will not restrict the responsibility or authority of the City in the development and execution of the Consolidated Plan.

**City of San Clemente
Consolidated Annual Performance
Evaluation Report
Submitted to
Department of
Housing and Urban Development
Community Development Block Grant
2012-2013**



September 2013

**Prepared by
City of San Clemente
Community Development Department
San Clemente, CA**

70-163



CITY OF SAN CLEMENTE

BOB BAKER, MAYOR
TIM BROWN, MAYOR PRO TEM
LORI DONCHAK, COUNCIL MEMBER
JIM EVERT, COUNCIL MEMBER
CHRIS HAMM, COUNCIL MEMBER

PALL GUDGEIRSSON, CITY MANAGER
JAMES HOLLOWAY, COMMUNITY DEVELOPMENT DIRECTOR
JEFF HOOK, PRINCIPAL PLANNER
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COMMUNITY DEVELOPMENT DEPARTMENT
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20-164

City of San Clemente
Consolidated Annual Performance Evaluation Report
2012/2013

Narrative Statement

A. INTRODUCTION

This Consolidated Annual Performance and Evaluation Report (CAPER) is prepared by the City of San Clemente in accordance with all applicable U.S. Department of Housing and Urban Development (HUD) requirements. It describes the 2012-2013 grant program year's performance and accomplishments and provides detailed information on individual projects that received grants through the Community Development Block Grant Program (CDBG). The Housing and Urban Development's Integrated Disbursement and Information System (IDIS) was utilized to assist the City of San Clemente's monitoring and reporting efforts.

Purpose

This performance report will summarize the short-term goals and objectives set forth in the Annual Action Plan which was adopted on May 1, 2013. The report provides a comparative analysis of the City's performance and accomplishments relative to those goals and objectives stated in the 2010-2012 Consolidated Plan. The City documents the annual progress in meeting affordable housing and human service needs and helps citizens understand how to access CDBG grant funds. This annual process is important because the City's community grant funds provide accountability to San Clemente citizens and, ultimately, to HUD. Recently, there has been an increasing challenge to meet social service and housing needs with fewer funding resources. CDBG is a critical funding source the Community relies on to meet a broad range of needs that are difficult to address through State, local or private funding sources.

Citizen Participation

It is the policy of the City Council to ensure consistent and ongoing citizen involvement in the planning and implementation of the CDBG Program. Opportunities for public comment and/or citizen involvement are provided throughout the year. To ensure the City reaches the targeted populations and areas, notices of meetings and public outreach events are distributed through various media and networks, including: direct mail, school districts, churches, non-profit organizations, the Human Affairs Committee and The San Clemente Collaborative's community wide forums. During the development of the Annual Plan and CAPER the City's Community Development Department will hold at least two public hearings to obtain comments from persons affected by or interested in the use of Federal CDBG funds. The City will consider all comments received from residents, public agencies and other interested parties as it prepares the final Consolidated Annual Performance Evaluation Report.

Public Notice

A public notice was published in the Orange County Register on August 29, 2013 and on the City's website (www.san-clemente.org). The notice described the purpose and function of the CAPER report, invited interested parties to review and comment, and provided information on where to submit comments.

Copies of the draft of this report are available at City Hall (100 Avenida Presidio, San Clemente), the Community Development Department and the local branch public library (242 Avenida Del Mar, San Clemente). The CAPER was reviewed by the City Council at a public hearing on Tuesday, September 17, 2013 at 6 p.m. in the Council Chamber, 100 Avenida Presidio, in San Clemente.

B. BACKGROUND

The City began receiving CDBG funds in the early 1970s as part of the County of Orange Urban County Program. In 2000, the City reached 50,000 in population and began receiving CDBG funds through the County of Orange, Metropolitan City Program. San Clemente helps provide a diversity of housing opportunities, as described in the City's Housing Element, certified by the State Housing and Community Development (HCD) in August of 2011. Housing opportunities include multi-family apartments, condominiums, mobile home parks and single-family homes. The City's priorities for use of Community Development Block Grant (CDBG) funds are outlined in detail in the most recent Annual Action Plan and the Consolidated Plan. The evaluation of the programs is provided below.

C. ASSESSMENT OF ANNUAL PERFORMANCE AND CONSOLIDATED PLAN GOALS

Consolidated Plan Goals and Priorities

In the 2012/13 Program Year, CDBG and other City funding resources were utilized to assist low/moderate income individuals with preservation of housing utilizing housing rehabilitation loans, Public Services funds to promote fair housing opportunities, assistance for the homeless and for special needs population through social service agencies and facilities.

Consolidated Plan Goals – High Priority Needs

HUD OBJECTIVES

1. Decent Affordable Housing – provide a wide range of housing activities designed to meet low and moderate income households housing needs.

Goals

- A. Maintain owner occupied housing
 - i) improve and/or preserve the quality or condition of housing owned and occupied by low and moderate income households and persons with disabilities (CDBG funds)

- B. reduce lead based paint hazards in all housing
- C. Maintain renter-occupied housing
 - i) create new affordable rental housing opportunities (non-CDBG funds)
 - ii) preserve and maintain the existing supply of rental housing for low and moderate income households and persons with disabilities (CDBG funds)
 - iii) construction of off-site public units for new affordable housing project (non-CDBG funds)
 - iv) reduce lead based paint hazard in multi-family housing

Projects: During 2012/13, the City addressed affordable housing objectives by providing four Multi-Family home rehabilitation loans and two Single Family home rehabilitation loans for a total of \$75,000. These improvement projects helped our low-income property owners and helped the condition of our rental housing stock.

2. Suitable Living Environment – an activity designed to benefit the community, neighborhoods, families, or individuals by addressing essential housing, health, social services and accessibility for special needs groups.

Goals

- A. Provide public services that prevent homelessness and also supportive housing alternatives for the homeless.
- B. Provide public services for senior citizens and frail elderly including transportation, home delivery of meals, recreation and health care programs.
- C. Provide public services for persons with disabilities, including referrals, recreation, and health care programs.
- D. Provide public infrastructure in CDBG target areas through the reconstruction of streets, alleys, sidewalks and ADA improvements.
- E. Provide resources to public park, recreation and community facilities.
- F. Preservation of non-housing historic resources through façade improvements and code upgrades.
- G. Provide financial incentives to improve historic building facades (Mills Act), and/or expanded for code improvements.
- H. Provide public services to a wide range of non-profit organizations to meet the social needs of low and moderate income San Clemente residents. (e.g. health care, domestic violence, seniors, disabled and youth).
- I. Provide resources to meet the fair housing and tenant/landlord issues of low and moderate income households in San Clemente.

Projects: The Calle Seville sidewalk project received approximately \$100,000 in Fy12 CDBG Public Facilities funds. The project improved pedestrian access to the Downtown area by providing a continuous and unobstructed sidewalk along Calle Seville. The purpose was to improve pedestrian safety conditions. After several public workshops, the project design was modified to address both safety and historic preservation concerns and approved in late 2012. Construction was completed in August 2013.

During 2012/13, the City assisted 3,207 residents utilizing CDBG grants for public services. Services to low and moderate income households included health care, case management for frail seniors, domestic violence shelter and counseling, and a mobile recreational youth program.

The City also provided funds from the General Fund for transitional shelter for 197 households at Henderson House and Gilchrist House. Family Assistance Ministries provided homeless prevention services to 2,657 individuals and 14,925 family households. These services included assistance with food, emergency rental funds, motel and transportation vouchers, case management, life skills workshops, and referrals to health care services and child care programs. In 2012, the Gilchrist shelter housed forty homeless women and thirty-four children.

The City's General Fund provided small grants to a variety of civic organizations including membership in the O.C. Human Relations Commission, after-school programs at Shorecliffs Middle School's Activate Program. Basic needs of youth were met by the Assistance League's Operation School Bell clothing and shoe program, and educational and recreational services were provided to allow low income youth to access the Mendocino Afterschool Program. A total of 1,259 residents were served by these programs in 2012-13.

3. Creating Economic Opportunities – an activity that creates or expands economic opportunities

- A. Expand economic opportunities and provide resources to attract new businesses and improve existing business facilities.

During 2012/13 the City enhanced economic opportunities for San Clemente business owners by providing Commercial Rehabilitation grants to 10 businesses. The grants helped pay costs of beautifying commercial storefronts and replacing non-conforming signs.

Economic Development Summary

LOS MOLINOS PUBLIC/PRIVATE PARTNERSHIP PROGRAM

The City Council has selected property owners and business operators to serve on the Los Molinos Business Advisory Committee. The purpose of the Committee is to help guide City efforts to revitalize this important industrial/commercial area. Primary emphasis is on the development of a partnership that encourages private investment in cleaning up and beautifying the area's concentration of light-industrial businesses, and on the City responding with public improvements and other support programs. The Committee also serves as a zoning advisory body to review and make recommendations concerning the City's proposed West Pico Corridor Specific Plan. Future projects call for the City to undertake the undergrounding of electrical utilities, the rehabilitation or reconstruction of Calle de los Molinos and Calle Valle and the design and installation of a new storm drain system through Bonita Canyon to the M02 Channel.

ASSESSMENT OF ANNUAL PERFORMANCE

The City annually evaluates the CDBG performance goals and measurements by making sure that the sub-grantees and projects meet our proposed performance indicators in each specific HUD objective and category.

HUD Objectives:

Housing Rehabilitation Program - six properties assisted

Senior Services – 88 seniors served

Disabled persons – 29 persons served with various services

Youth Services – over 9349 youth served

Health Care services – 1596 persons served with various health care services

Public Infrastructure: Community Dev. Block Grant Sidewalks – one project completed

Commercial ‘Downtown Revitalization’ Program – ten signage projects completed

D. RESOURCES (Funding Available, Expended and Leveraged)

Leveraging of Resources

HUD requires the City to discuss how federal resources were made available during the 2012-2013 Program Year to leverage non-federal public and private funds to meet HUD objectives. The City of San Clemente has made every effort to link non-federal resources for housing and community needs with federal grant funds. This strategy involves identifying federal resources that may be available to undertake a project. If grant funds are insufficient, other, non-federal resources will be utilized to meet project funding gaps. Additionally, the City has continued to commit non-federal resources to undertake activities that may not be eligible for federal funding but address the priority needs of the community.

Federal Match Requirements

There is no federal requirement for the City to match CDBG funds with non-federal program resources. Furthermore, the City is not a Participating Jurisdiction in the HOME program, therefore is not subject to the HOME program requirement for a 25% match with non-federal dollars. As part of the Action Plan, federal regulations require the City of San Clemente to delineate non-federal and private resources expected to be available to address the priority needs and specific objectives identified in the Strategic Plan. Table 2 describes non-federal and private resources available to the City during the 2012/13 Program Year.

Federal (HUD) Section 8 Housing Vouchers

Section 8 rental housing assistance is available citywide through the City’s membership in the Orange County Housing Authority (OCHA). Eligible tenants pay 30 percent of their income for rent. HUD pays the difference between the tenant’s contribution and the actual contract rent through subsidies to owners. This program assisted approximately 125 residents in 2012/13. Approximately 34 families, 29 disabled persons, and 62 elderly persons were assisted last year. OCHA maintains the Section 8 financial records and is responsible for monitoring and reporting.

Non-Federal Resources

There are several sources of non-federal funds used to implement the City’s housing and social services programs. The City and CDBG funds a full-time position, Housing Programs Planner, to help implement the City’s affordable housing programs, administer the CDBG program and coordinate with other City departments to develop strategies for using City funds to help meet the City’s housing, neighborhood revitalization and social service needs. Funding sources include: State Housing grants, City General Funds for social and civic programs, and Developer’s In-lieu Housing Fees. The City applies for grants that are pertinent to furthering the improvements to low income neighborhoods

**TABLE 2
NON-FEDERAL PUBLIC & PRIVATE RESOURCES FOR FY 2012-2013**

RESOURCES	AMOUNT
Redevelopment Tax Increment Public Services– Housing/Shelter Programs	\$ 50,000
Rental Rehab Property Owner Matching Funds	\$ 40,000
General Fund Public Services	\$ 25,450
General Fund- Downtown Capital Improvement/Sidewalks/Handicap ramps	\$560,800
TOTAL	\$676,250

SOURCE: CITY OF SAN CLEMENTE COMMUNITY DEVELOPMENT DEPT

In Fy11-12, the City’s General Fund provided \$25,450 in grants to a variety of community based organizations, a Middle School after school program, transportation services for low-income senior citizens, and a summer mentor program. In the same year, the General Fund provided \$50,000 to emergency and homeless shelter providers including Gilchrist House and Henderson House’s transitional housing program.

E. GEOGRAPHIC DISTRIBUTION

The geographic distribution of federal grant funds is depicted in the attached map, Exhibit 1. This map shows the City’s target area where CDBG resources are focused, and sites where proposed activities will be located. Additionally, HUD requires that the City provide information regarding the geographic distribution of HUD funds and how this distribution relates to areas of minority concentration. The map depicts this allocation of resources by projects layered with the City’s CDBG target area and the concentration of San Clemente’s largest ethnic minority population – Hispanics/Latinos in Census Tracts 421.07 and 421.08, (Exhibit 2). The Home Rehabilitation Program and Commercial Façade Program are primarily targeted to the central target area.

70-170

As this map indicates, the City of San Clemente will continue to focus its Consolidated Plan-funded activities in the community's Low- and Moderate-income areas - predominately situated in San Clemente's older neighborhoods located Downtown and south-east of Downtown. Areas of the City outside of the CDBG target areas will benefit from activities that benefit a limited clientele, such as programs that help meet accessibility needs for the handicapped.

F. AFFORDABLE HOUSING

Housing Strategy

HCD certified the City's Housing Element on August 8, 2011. This means the City can turn its attention to accomplishing the affordable housing programs, including our two main affordable housing developments -- Meta Senior Housing and Avenida Serra Workforce housing. These projects are now moving forward and are eligible for funding sources that require a certified housing element. The 2008 Housing Element is a required component of the General Plan and includes goals, strategies, policies and programs to ensure the provision of housing for all economic groups, especially the homeless and lower income households unable to afford market rate housing in San Clemente.

Key policies and programs of the 2008 Housing Element include the continuation of affordable housing programs, including Inclusionary Housing, financial and land use incentives for new affordable housing, and a Citywide policy to increase energy efficiency in all City sponsored projects is being developed. The Housing Program is funded, in part, through the City's General Fund, the Redevelopment Agency Low/Moderate Housing Fund, Developer's In-lieu housing fees, and the federal CDBG Program. The City General Fund also provides grants to civic groups and non-profit organizations to provide social services.

The following priorities were incorporated in the City's CDBG Consolidated Plan under Goal #2, "to create new affordable rental housing opportunities". The City's Housing Strategy includes the following priorities:

- 1) New Housing Resources, including the construction of new affordable housing and acquisition and rehabilitation of blighted apartments by non-profit agencies for households earning less than 50% of median income.
- 2) Neighborhood Revitalization, continuation of the CDBG Home Rehabilitation Program.
- 3) Housing Support Services, small community grants to agencies to support their homeless programs and shelters.

The Inclusionary Housing Program requires market rate developers building 6 or more housing units to provide 4% of the units as rental units to households earning less than 50% of median income. Units may be provided on-site, off-site or through the payment of an in-lieu fee.

To meet the need for rental housing for extremely low and very low income households, Community Development Department staff developed the Affordable Housing Overlay Zone. The City Council approved this overlay zone with other Zoning Code amendments in the spring of 2005.

The overlay allows commercial sites along El Camino Real to be used for affordable housing as long as 51% of the units are sold to non-profit organizations and rented to households earning up to 50% of median income.

In 2010, the City Council agreed to reserve \$1.8 million out of the \$6.6 million for the Meta Senior Housing apartment complex for a period of 3 years. The applicant began construction in December 2012. A 76 unit building will offer 61, one-bedroom units and 15, two bedroom units, one of which is dedicated to the on-site manager. The opening is scheduled to take place in the Spring of 2014. The Council has also agreed to loan Meta Housing \$3 million dollars to provide funding to ensure long term affordability and qualify for tax credits.

Housing Rehabilitation

The City has operated the CDBG funded Home Rehabilitation Program for low income single family and multi-family improvements since 1994. Over 185 properties have been rehabilitated through the Home Rehabilitation Program. These improvements have lead to other private investments in the “Neighborhood Pride” area thereby improving the quality of the overall downtown housing stock over the last 19 years.

Citywide, the majority of the stock is in good condition as 62 percent of the City’s owner-occupied dwellings and 40 percent of the rental housing stock are less than 25 years old. Nonetheless, San Clemente has 12,341 housing units built before 1980 with 5,340 rental-housing units older than 25 years old. The older properties don’t command the highest rents and as indicated in the 2010 Census, are rented predominantly to low-income residents. High occupancy and lower rents have resulted in many properties with deferred maintenance, necessitating that the rental rehabilitation program continue as an active and effective program.



Before: downtown multi-family apartments at 255 Avenida Victoria



After: newly renovated and painted apartment

In 2012, the average rehabilitation loan amount for a 0 percent deferred loan was \$13,500 for owner-occupied homes. The City also provides a matching, deferred-forgivable loan program for rental property owners of up to \$20,000. The City's loan is matched by the owner and forgiven over four years, as long as the rental units house eligible, low income tenants and rents meet HUD's requirements. Funding for this program was available throughout the year. The program is advertised in the City's quarterly magazine, which is mailed to approximately 31,000 residents and businesses in the City, in addition to public noticing in the local paper. The program is available to low income property owners earning less than 80% of median income, or income property owners renting to low income households. Priority is given to properties within the CDBG target area. Approximately, \$75,000 was expended in 2012-13 with six loans issued to two low income owner-occupied units and four rental properties with very low income households. Program income is included in this amount, which is generated from the repayment of loans and recycled back into the loan program. The housing rehabilitation program continues to provide much needed funding especially for seniors living on limited monthly incomes.

Homeless/Near Homeless

The City recognizes that homelessness is a regional issue and addressing the needs of this underserved population will require the investment of local and regional resources. The City's strategy to address the needs of homeless persons and families includes continued participation in regional efforts to address homelessness and to provide grants to local shelters and programs. CDBG and City General Funds totaling \$59,000.00 supported a homeless prevention program, 5 local shelters and transitional housing programs in 2012-13. City funding has helped to close gaps in Orange County's Continuum of Care for the homeless.

Special Needs Population

During 2012-13, the City provided \$6,000 to a nonprofit organization, (Age Well Senior Services Inc. - 88 persons served) who assisted 21 special needs disabled persons. Of these individuals, 65 were low income and 15 were moderate income.

Public Housing

Orange County Housing Authority (OCHA) administers the HUD Housing Choice Voucher Program (i.e., Section 8 rental assistance) for the City of San Clemente. As of June 2012, 127 San Clemente households received vouchers. Prior to allowing an income-eligible tenant to move into a housing unit, OCHA staff initiates a Housing Quality Standard (HQS) inspection. HQS is HUD's minimum standard for housing unit condition. If a unit does not meet all minimum HQS conditions, the property owner is provided an opportunity to make corrections. When all HQS conditions are met, a program participant is allowed to move into the unit. At a minimum, each unit under Section 8 contract is inspected annually to ensure HQS conditions are still being met. As with the initial inspection, a property owner and tenant are given an opportunity to correct HQS deficiencies in order for rental assistance to continue.

Homelessness Prevention

A key component of a Continuum of Care strategy is to prevent individuals and families from falling into homelessness. This is often accomplished by providing temporary monetary assistance for rent, food, and counseling/support services. Several nonprofit service providers located in the region are available to assist San Clemente's homeless at-risk population. These include iHOPE, Illumination Foundation and Families Forward. The City did not fund any of these agencies during 2012/13 with CDBG funds because there were no applications submitted. The social services budget earmarked \$20,000 for homeless prevention to Family Assistance Ministries (FAM). FAM has provided services to 2,657 San Clemente individuals and 14,986 families during the period from July 1, 2012 to June 30, 2013.

Community Development staff and summer interns are currently working on SB 2 research with monthly meetings held at City offices with the San Clemente Homeless Task Force members. The goal is to present to the Planning Commission in late October a few designated zones for future emergency shelter facilities which will be able to operate 'by right.' Community Development staff is working closely with the Friendship Shelter's Executive Director and the City of Laguna Beach to study and analyze the Alternative Sleeping Location (ASL) standards of operation at the Laguna Canyon site which sleeps about forty five homeless Laguna Beach clients per night. The ASL opened its doors in 2009.

Emergency Shelters

In 2012-13 the City provided a \$10,000 grant to one emergency shelter provider via the CDBG program at Laura's House Shelter. These funds helped offset the costs of providing emergency shelter and essential support services for San Clemente's homeless. A total of 275 homeless individuals were assisted with CDBG-funded emergency shelter and supportive services.

Transitional Housing

The critical link between homelessness and self-sufficiency is provided by transitional housing programs. In this setting, homeless individuals and families are provided free or very low-cost

housing that is enriched with support services aimed at building self-reliance skills. Quite often, transitional housing programs will require participants to save a portion of their earnings so they will have adequate resources to move into permanent housing upon their successful graduation from the transitional program. San Clemente did not allocate CDBG funds to support the transitional housing and related service during the 2011-2012 Program Year because there was alternative funding sources available. The General Fund provided a grant of \$14,600 to Gilchrist House, and \$7,000 to Henderson House which supported 195 homeless adults and children with emergency housing services.



Family Assistance Ministries women and children's shelter in Vista Los Mares

G. OBSTACLES AND POLICIES THAT MAY AFFECT AFFORDABLE HOUSING

Barriers to Affordable Housing

In preparing the Consolidated Plan, the City consulted with representatives of the building community (including for-profit and nonprofit developers), advocates for low-income tenants, rental property owners, and others. Based on the input of these interested parties, the following barriers to affordable housing in San Clemente have been evaluated for their impact on the development of affordable housing and housing in general.

- Land Use Controls
- Zoning
- Building Codes
- Fees and Charges
- Overall Development Costs
- Land Costs
- Lack of public understanding of affordable housing

H. ACTIONS TO ELIMINATE BARRIERS TO AFFORDABLE HOUSING

The Housing Market Analysis in the Consolidated Plan identified several barriers to affordable housing. This section of the CAPER identifies the actions the City plans to undertake over the next several years to remove or mitigate variables that serve as barriers to affordable housing.

Land Use Controls

San Clemente has purposely adopted land use controls that ensure orderly and consistent development of the community. One reason these controls were imposed was to respond to the deterioration of higher-density housing built in the 1970s and the impact this housing has on neighboring single-family neighborhoods and public infrastructure. It is unlikely that the City Council will approve increased residential densities throughout the City; however, there are incentives that may be utilized to boost the number of affordable units developed on a case-by-case basis. These tools include the State density bonus and the affordable housing overlay in commercial and mixed-use zones, and implementation of the City's Inclusionary Housing Program.

Zoning

Zoning regulations control development by establishing requirements related to height, density, lot area coverage, building setbacks, and onsite parking spaces. Zoning is an important tool to preserving the safety, appearance and environmental quality for the community. Exceptions to certain zoning requirements for affordable housing projects may be considered on a case-by-case basis. The City adopted an Affordable Housing Overlay zone in 2005-2006 which allows for regulated, affordable housing to be built in certain mixed-use zones in the Downtown area and along the main transportation corridor, (portions of El Camino Real). The Affordable Overlay zone now allows both senior and affordable housing within the El Camino Real corridor.

In 2009, the City Council approved a 76-unit affordable senior housing complex located in the Overlay zone at 2358 South El Camino Real along with a \$3,016,000 residual receipts loan to the project. Escrow closed officially in July 2012. They have dedicated 35% of its units to older adults with either serious mental illness or a long term chronic health condition. The affordable project will be developed by Meta Housing Corporation and is scheduled to open in 2014.

Building Codes

Building and safety codes are adopted for purposes of preserving public health and safety, and to ensure the construction of safe and decent housing. Due to the public safety nature of building code waivers are rarely provided.

Fees and Charges

The City's building/development fees are comparable to neighboring cities; however, there are some miscellaneous fees that are collected by the City that are substantial when compared to other communities. On a case-by-case basis, the City may consider waiving fees and/or provide

subsidies to offset fees in order to enhance the affordability of a housing project. The City has collected in-lieu fees from developers required to participate in the City's Inclusionary Housing Program. Non-profit developers may request these funds to help pay their development fees.

Overall Development Costs

The costs of land, materials, and labor have increased substantially in recent years. To lower development costs and therefore, the sales price or rent charged by the property owner, the City will consider utilizing Inclusionary housing in-lieu fees to subsidize development costs in return for long-term affordable housing units.

Public Information on Affordable Housing Needs

The Housing Programs Planner attends monthly regional meetings of the Kennedy Commission, a regional housing advocacy organization, quarterly housing meetings with City and County governments, and participates in regular conferences to stay abreast of current housing issues. At least once a year, an educational forum on housing and homeless issues affecting our City is provided.

The South Orange County Alliance for Housing our Communities (SOCAHC) in collaboration with the City's housing staff and Mission Hospital scheduled a forum at the City's Community Center in November 2012. Local housing non-profit organizations are active in San Clemente and do a good job of being a good neighbor and garnering local support. San Clemente has had the good fortune of being a leader in affordable housing due to the ongoing partnerships the City has created.

J. ANTI-POVERTY STRATEGY

Since 2006, various City staff including the Housing Programs Planner, Police Services-Crime Prevention and the City's Recreation Department have been meeting quarterly with leaders from the San Clemente Collaborative's Leadership Committee, local churches, schools, hospitals, staff from Orange County Behavioral Health, the Orange County Transportation Authority and representatives from the City commissions and committees to develop a strategy to improve the quality of life of low income families in San Clemente.

The larger working group has broken down into 4 sub-committees to identify resources and implement programs to meet the identified neighborhood needs. The City also provides a public services grant to the Beaches Parks and Recreation Division to operate mobile after school programs in the four C.D.B.G. target areas



Calle Campana award winning mobile recreation program called *Fun On The Run*

The committees include: Youth Activities, Wellness and Prevention, Mental Health/ Health, and Neighborhood Outreach. The Orange County Human Relations Commission is working closely providing technical assistance and support to this grassroots' group. For the past five years, the Human Relations Commission continued to offer parent-leadership trainings and participates in developing a community coalition lead by the San Clemente Collaborative. The City provided general fund grants to Shorecliffs Middle School's ACTIVATE Program and other anti-poverty programs.

J. CONTINUUM OF CARE

HUD requires the City to examine the nature and extent of homelessness in the community in the context of a "continuum of care." A *continuum of care* is described by HUD as a comprehensive and coordinated housing and service delivery system that responds to the different needs of a community's homeless individuals and families. The goal of a continuum of care system is to prevent homelessness and to help those already homeless achieve self-sufficiency.

Based on the homeless profile developed by the County of Orange and the capacity of facilities/services offered regionally, the unmet need in the County can be determined. The County's 2005 Gaps Analysis identifies an existing need for nearly 14,500 emergency shelter beds, 17,000 additional transitional beds, and 106,000 permanent supportive housing units.

The City recognizes that to provide continuum of care to homeless and near homeless individuals a multi-pronged strategy to provide immediate housing needs, transitional skills to independence and employment opportunities is necessary. To assist its citizens, the City funds support service organizations that provide emergency shelter (Laura's House), services to prevent homelessness by intervention and assist in the transition to permanent housing, (Family Assistance Ministries-homeless prevention program). The City also provided funds to Henderson House for transitional housing. Mary Erickson Community Housing, Jamboree Housing, and Vintage

Shores senior apartments, also provide a variety of “life-skill programs” at their permanent affordable properties to assist the families in improving their skills and, eventually, live in non-subsidized housing as the ultimate goal in the continuum of care.

K. MONITORING

Outlined below are the standards and procedures that the City of San Clemente will use to monitor CDBG-funded activities during the 2012/13 Program Year. The goal of the City’s monitoring program is to ensure compliance with program requirements thus protecting the public’s investment in San Clemente.

All CDBG funded activities, including those carried out by sub-recipients will be required to submit quarterly reports to the City. Housing and public improvement project reports will provide a description of project progress and dates for milestones such as completion date. Social service agencies are required to provide information on the number of clients served and the overall progress of their programs.

City staff has implemented a comprehensive on-site monitoring program to review sub-recipients’ performance, quality of services, and grant administration abilities. If and when necessary, corrective actions will be recommended by the City to ensure compliance with applicable federal laws and regulations. All quarterly report information will be compiled and submitted to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER).

Non-Profit Organizations

The non-profit organizations funded by the City’s CDBG provide a variety of services to San Clemente residents including emergency and transitional shelters, food and supply distribution, counseling, job skills training, referral services, health care services, and before and after school care programs.

L. LEAD BASED PAINT HAZARD REDUCTIONS

Recent studies regarding the prevalence of lead-based paint hazards estimate that 25% of the nation’s housing stock had significant lead-based paint hazards in the form of deteriorated paint, dust lead, or bare soil lead.¹ This study found that the prevalence of lead-based paint hazards varied by geographic region, housing unit age, and household income, for example:

- Fifteen percent (15%) of Western United States housing units reported lead-based paint hazards.
- Sixty-eight percent (68%) of housing units built prior to 1940 had lead-paint hazards – conversely only 3% of units built between 1978 and 1998 reported lead-based paint hazards.
- Twenty-five percent (25%) of all units housing households with children age zero to five were reported to contain a lead-based paint hazard.
- Thirty-five percent (35%) of housing units occupied by low-income households had lead paint hazards – conversely, only 19% of middle- and upper-income household occupied housing units had such hazards.

¹ “The Prevalence of Lead-Based Paint Hazards in U.S. Housing,” Environmental Health Perspectives, Volume 110, Number 10, October 2002.

Based on these national trends, it is estimated that 3,935 San Clemente housing units may have some level of lead-based paint hazard – including 305 housing units constructed prior to 1940. Approximately 980 San Clemente households with children age zero to five and 2,386 Low-Income families live in units with lead-paint hazards.

All application packets for the Housing Rehabilitation Grant/Loan Program include a notice to educate residents on the health dangers of lead and encourage screening of children for elevated blood-lead levels. Additionally, prior to the use of federal funds, all existing units are reviewed and or inspected for lead-based paint. For 2012/13, 1 housing unit has been evaluated and inspected for lead-based paint as appropriate before rehabilitation loans were issued. Units identified as having lead-based paint hazards shall be treated so as to abate the lead-based paint hazards in accordance with federal requirements. The use of lead-based paint is prohibited in newly constructed units.

M. INSTITUTIONAL STRUCTURE TO HELP ENSURE COMPLIANCE WITH COMPREHENSIVE PLANNING REQUIREMENTS

The following section describes the institutional framework through which San Clemente will carry out its CDBG program and the City's housing strategy.

CDBG Program

For the 2012/13 program year, a full-time Housing Programs Planner provided administrative services of the CDBG program and the Housing Rehabilitation Loan Program. The Principal Planner provides supervision, oversight, and strategic planning for the CDBG Program. The Public Works Department and Engineering staff implements the sidewalk and other public facilities grants. The City also provides a public services grant to the Recreation Division to operate free after school programs in the four target areas. Code Enforcement personnel assisted with regular monitoring of property maintenance matters in the CDBG Target Areas.

City staff in partnership with the Police department continues to work closely with community stakeholders to provide quarterly community-building activities in Central San Clemente and Vista Los Mares. The two local school Principals at Las Palmas Elementary and Shorecliffs Middle School, have been tremendous supporters and work closely with all of the partners and stakeholders. There are award winning 'Parent and Teen Project' sessions taught in English and Spanish to residents twice a year in the evening time. In addition, the Orange County Human Relations community organizers have provided monthly resident meetings during the past two years in both underserved areas.

Grassroots supporters have coordinated annual Las Posadas - candlelight holiday processions – and bi-annual Cleanup and Beautification Events in partnership with City staff and volunteers.



Making Great Communities Happen – Orange County Section APA Winner

The Community Development Block Grant's Downtown Revitalization Program received an American Planning Award (APA) Community Award. The purpose of the project was to find economical ways to address an increasingly dilapidated downtown. The CDBG program was aimed at providing property and business owner's financial incentives to make exterior improvements and sign upgrades to their buildings. The City allocates approximately \$25,000 a year and gives emphasis to buildings with dilapidated features or things that do not conform to current codes. To comply with federal grant guidelines, the program is limited to businesses in the downtown area between Avenida Presidio and Avenida Palizada, or along North El Camino Real from as far as Avenida Pico. The award recognizing the commercial facade program was one of two awards that the City recently received. The other is for improved customer service at the Community Development Department, where the public goes to obtain permits.

Community Development Department

During the 2012/13 year, the CDBG program was administered within the Community Development Department (CDD). The CDD included the divisions of building, current and advanced planning, code enforcement, building, and housing programs. Staff performed functions that directly impact and facilitate the development, rehabilitation and inspection of housing. This department oversees the permitting process and regulates compliance with zoning and building codes.

Intergovernmental Cooperation

The Orange County Housing Authority assists the City with the administration of the HUD Section 8 Rental Assistance Program to at risk households.

Non-Profit Organizations

The non-profit organizations funded by the City's CDBG provide a variety of services to San Clemente residents including emergency and transitional shelters, food and supply distribution, counseling, life skills training, referral services, health care services, and after school care programs.

N. AFFIRMATIVELY FURTHERING FAIR HOUSING

The City provided assistance to its residents regarding local, state and federal fair housing policies and laws through its support of and contract with the Fair Housing Foundation of Long Beach. Services from July 1, 2012 through June 30, 2013 offered through Fair Housing Foundation included resolution of conflicts among landlords and tenants, dissemination of information by packets and three workshops, and response to allegations of discrimination goals and objectives, Subrecipient obligations, review content of Subrecipient agreements, and review regulations of the CDBG program.

Last year, the Fair Housing Foundation of Long Beach reported 140 households were assisted with landlord/tenant dispute matters such as 30-day notices, security deposits, leases; substandard conditions, unlawful detainers and 3-day notices. The racial make-up of these 140 households were as follows: 122 White, 3 African American, 7 Asian-White, and 4 considered themselves Multiracial. A total of 135 households were low income and 5 were moderate. Zero of the 219 households dealt with discrimination allegations.

As a recipient of federal grant funds, the City of San Clemente is required to prepare an Analysis of Impediments to Fair Housing Choice (AI). The regional AI reviews an array of public and private policies, practices and procedures affecting housing choice in the County and San Clemente. The information listed below summarizes the impediments identified in the AI and also lists the actions the City implemented during the 2012 Program Year.

Summary of Impediments Identified in the Analysis

The following is a summary of six impediments identified in the AI. It is important to note that not all of the impediments identified in the analysis are present in San Clemente. This summary is based on a regional evaluation:

1. A need exists for cost sensitive and effective fair housing counseling that provides comprehensive educational services and fair housing enforcement.
2. There is a need for a pro-active evaluation of fair lending practices in the region to evaluate, explain and eliminate disparity in lending practices by race and national origin.
3. Local jurisdictions do not have a formal fair housing education system in place for employees who impact fair housing issues (e.g., planning/zoning and code enforcement staff).
4. Residents do not have adequate information regarding basic housing rights, which may lead to an increase in undetected discrimination. The FHF provided written materials in English, Spanish and Vietnamese for use by local jurisdictions and other service providers. It also made specific outreach efforts to immigrant populations in low-income neighborhoods to assist in informing and organizing such populations.

5. Insurance companies may be targeting certain zip codes for higher denial rates or different terms and conditions in violation of fair housing laws. This was a finding in the Regional AI conducted in 2000 and it remains beyond the scope of this analysis.
6. Local entitlement communities may have policies and programs that affect housing development, which may indirectly act as an impediment to fair housing choices.

Additionally, throughout FY 2012/2013 particular attention has been paid to the possibility of predatory and/or discriminatory practices that may be connected to the marked increase in mortgage default issues presented by clients, especially those with so-called "sub-prime" loans. There have been three successful educational housing workshops scheduled by Fair Housing Foundation in 2012 all hosted at the City's Community Center.

Actions to Address Identified Impediments

The Regional Analysis to the Impediments of Fair Housing (AI) and the City of San Clemente has taken the following actions to address identified impediments to fair housing:

1. Fair housing services will be provided at an effective and responsive level. The Fair Housing Foundation in Long Beach is providing fair housing services for San Clemente residents. A total of 140 San Clemente households received fair housing assistance including landlord/tenant counseling from July 1, 2012 through June 30, 2013. The Foundation also provided two educational meetings in San Clemente to landlords and one for tenants.
2. The City will utilize existing referral and advocacy resources such as the Orange County Human Relations Commission, to investigate and address complaints of unfair or predatory lending practices.
3. A similar course of action will be taken by the City to address complaints of insurance redlining, i.e., the City will utilize existing referral and advocacy resources such as the Orange County Human Relations Commission, to investigate and address complaints.

O. SELF EVALUATION

The City has addressed identified goals and needs as outlined in the City's two-year Consolidated Plan. The public service agencies were timely in turning in their quarterly reports, submitting invoices, and the City's grant disbursements were right on target. The City has a 90% average for spending down the grant monies during 2012/13. All of the project goals and milestones were met for the Home Rehab and Public Services activities. As part of the City's Housing Programs, in 2012-13, six low/mod income households were assisted with home rehabilitation loans.

Individuals and households living on a fixed income or that are marginally employed are often one or two paydays away from homelessness. Typically, these households are using more than 50% of their income for housing. Based on national models, it is estimated without some type of

housing assistance, 1,000 San Clemente households are at risk of homelessness at any point in time. With respect to housing options for the City's homeless, there are 44 emergency and 48 transitional housing beds in San Clemente (approximately 15% of these beds are available to chronically homeless individuals). These resources are a key component of the County's homeless Continuum of Care system, which provides access to permanent housing and essential support services to the region's homeless. In 2011, iHOPE Homeless Day Resource Center opened up its doors in Central San Clemente; they provide laundry, counseling, computers on-site, case management, and brown bag lunch. Many of their homeless clients need overnight shelter, storage for personal items, and showers. On a daily basis they provide services for thirty five clients.

In terms of senior housing, San Clemente has approximately 250 skilled/residential care beds for frail seniors, and two affordable regulated senior only housing complexes (194 units) for seniors that are more self-reliant. The housing assistance needs of these and other special needs residents are addressed via the City's partnership with the Orange County Housing Authority. One hundred and twenty-four (124) households presently receive rental assistance from OCHA.

Code enforcement in the CDBG Target areas along with neighborhood preservation activities including Neighborhood Pride Events, Neighborhood Watch Meetings and continued operation of the Home Rehabilitation Program were provided as an important neighborhood preservation component to ensure continued maintenance of the City's housing stock. In addition, the Sheriff's Department has deployed special/extra patrols in the neighborhood to address gang and graffiti issues and to enhance public relations with the children living in the Canasta/Campana neighborhood, central and north target areas.



Grassroots organizing in Los Mares neighborhood. Resident meeting in Campana cul-de-sac.

Currently, the Canasta/Campana property owners along with the City's Crime Prevention Unit, Housing Programs Planner, Public Works and Code Enforcement staff have been working

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closely to encourage and facilitate improvements to the area's 49 individually owned rental properties. The number of calls has greatly decreased since the City's first proactive neighborhood improvement coordination in 2000. In 2001, there were approximately 60 complaints for the Los Mares area while in 2012 there were only 7 complaints received by Code Enforcement. The City and residents have been determined to meet on a quarterly basis to address common safety issues. Fun On the Run after school activities in the cul-de-sac have provided much needed supervised youth programs during the past three years. The City's funding and support of Fun On the Run's recreation program will help to enhance the lives of the families in this area.



Teen Project participants assist in annual Beautification & Cleanup Event. August 2012

San Clemente's First Community Garden was installed in 2010 at the Henderson House shelter site located in the Vista Los Mares neighborhood. The parents and youth have started a small neighborhood group which has become a model of community building. There are a number of community stakeholders who helped create a small Community 'El Jardin' Garden at the Henderson House shelter which will only add to more positive interactions and neighborhood events in Los Mares. Partners such as Saddleback Church's Good Neighbor program supports neighborhood events and improvement projects. Non profits like San Clemente Green and the Orange County Fire Authority continue to provide volunteers and staff time to community building projects.

El Bajio to San Clemente Cultural Art Project was completed last summer. Orange County Relations partnered up with the Swayne Family Foundation and conducted research which concluded that 1,500 of San Clemente's 65,000 residents have roots in the Mexican town called El Bajio. The community building project consisted of oral history exercises, art activities, intergenerational interviews, and basically traced sixty five San Clemente residents who migrated from El Bajio starting in the 1940's with braceros. When the government sponsored program ended in 1964 many residents and relatives stayed in San Clemente. At the end of the project, the Orange County Human Relations produced a wonderful 76 paged storybook of their art and resident biographies; one of the residents interviewed was an eighty three years old woman who is extremely proud of her roots and she shared her journey with the younger

generation. At the September 17th City Council Meeting Housing Program Planner, Denise Obrero, and Mayor Baker presented the residents and the Orange County Human Relations Board members a City Recognition for spearheading this unique project and capturing these wonderful stories.



Civic engagement and informal neighborhood activities have been positive for everyone in San Clemente; the grassroots organizing efforts of the Orange County Human Relations commission has been invaluable for the areas safety changes and creating a sustainable community plan of action. The grass-roots resident leadership trainings and youth empowerment workshops have been highly successful and well received. However, it takes a village to bring a community together!

On May 10, 2012, the *Las Palmas Leadership Team* (attached photo) was recognized for their commitment and dedication to community building efforts in South Orange County. The proud members included City Housing staff, two Human Affairs members, Las Palmas Elementary School staff, Las Palmas Elementary School parent leaders and the San Clemente Collaborative stakeholders and volunteers.