



AGENDA REPORT

CITY OF SAN CLEMENTE

City Council Meeting

910 Calle Negocio
2nd Floor
San Clemente, California
www.san-clemente.org

Meeting Date: 4/4/2023

Agenda Item: 7A

Department: Community Development

Prepared By Cecilia Gallardo-Daly, Community Development Director

Subject:

ADOPTION OF THE DRAFT 2023-2024 ANNUAL ACTION PLAN FOR EXPENDITURES OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

Summary:

The U. S. Department of Housing and Urban Development (HUD) requires the City Council to review, approve and adopt the draft 2023-2024 Annual Action Plan. The purpose of the Annual Action Plan is to receive the City's allocated CDBG funds and set forth specific activities to be funded for the program year.

Background:

Each year, the U.S. Department of Housing and Urban Development (HUD) determines the amount of CDBG funds the City receives based on various community factors such as population, household income, and housing needs. To receive CDBG funds from HUD, the City must adopt an Annual Action Plan that lists eligible projects and activities to be carried out during the fiscal year with CDBG funds. HUD notified the City it will receive \$314,259 in FY 2023-24 CDBG funds. Staff has also identified \$81,679 in prior year, uncommitted CDBG funds available for programming in FY 2023-24. Finally, program income received during the year from repayment of prior funded housing rehabilitation loans will be available to support additional housing rehabilitation activities.

HUD regulations require the draft Annual Action Plan to be available for public review for 30 days. The City must also hold a public hearing to obtain resident comments regarding the draft Annual Action Plan and proposed use of CDBG funds. A notice was published in the San Clemente Times on March 2, 2023, announcing the 30-day comment period and the April 4, 2023, public hearing. The required comment period commenced on March 3, 2023, and ended on April 3, 2023.

Discussion:

All recipients of CDBG funds are required to prepare a Consolidated Plan. The Consolidated Plan identifies a jurisdiction's overall housing and community development needs. It also outlines specific goals and objectives that will guide the City's CDBG funding priorities over a multi-year period. The City Council adopted the current Consolidated Plan in May 2020. According to the City's 2020-2024 Consolidated Plan, CDBG funding priorities fall into four general categories: 1) public improvements, 2) housing and commercial rehabilitation, 3) public services, and 4) program administration.

1. Public Improvements

According to HUD, "CDBG funds may be used for activities which include but are not limited to... construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes."

The Action Plan proposes CDBG funding for the Max Berg Park Fountain Refurbishment Project. This work includes refurbishment of the four historic fountains at Max Berg Park. Phase 1 of the project will cover costs associated with historic preservation consulting and design of the proposed park improvements (restoration of four fountains contributing to the park's historical nature). The FY 2024-25 Annual Action Plan will consider funding to restore the fountains.

2. Housing and Commercial Rehabilitation

Since 1994, the City has provided eligible property owners with Home Rehabilitation Program loans, and since 2004 the City has provided Commercial Facade Rehabilitation Program grants to eligible commercial property owners. Residential improvement loan proceeds are primarily utilized to address housing and building code deficiencies and deferred property improvements. The maximum loan amount is \$25,000. The loan carries zero percent interest, with repayment deferred until the sale or transfer of the property. Loan repayment proceeds are recycled into additional home rehabilitation loans (i.e., program income). The typical commercial rehabilitation grant is used to design and install new business signs or awnings. The maximum grant is \$2,000. Grants are limited to businesses that serve residents of CDBG-eligible areas.

3. Public Services

The City can allocate up to 15 percent of its annual CDBG grant for Public Services. Based on the FY 2023-24 CDBG grant, up to \$47,128 is available for public service grants. In December 2022, the City notified local nonprofit organizations serving San Clemente residents of the availability of the CDBG public services grant application via the City's website and email. Seven applications for CDBG funding were received in January 2023, requesting \$121,240 - \$74,110 more than available. On March 9, 2023, the City's Social Services Budget Committee reviewed the applications and recommended \$47,130 in CDBG funding for the following programs:

- Age Well Senior Services: \$5,000 to assist an estimated 30 San Clemente seniors with in-home case management and support services.
- Camino Health Center: \$10,815 to assist an estimated 2,500 residents with low-cost medical and pediatric dental services.
- Family Assistance Ministries: \$10,815 to assist an estimated 585 individuals at risk of becoming homeless or homeless, with an array of housing and support services.
- Fun on the Run (City of San Clemente): \$10,000 to offset the cost of after-school and summer recreation services for an estimated 120 low- and moderate-income youths.
- Parentis Foundation: \$5,500 to support one-on-one reading tutoring for students not reading at grade level; trained older adult volunteers recruited from the community

will provide tutoring for an entire school year.

- Vocational Visions: \$5,000 to support the agency's Pathways to Employment and Employment Support program, which will assist 12 San Clemente adults with developmental disabilities to prepare for and apply for work and to provide job coaching for clients placed in jobs. Vocational Visions is a first-time applicant for San Clemente CDBG funds.

4. Administration

The City may allocate up to 20 percent of its annual CDBG grant for Planning and Administration activities. Administrative program costs include funding for fair housing services and City staff and contractual staff time for the overall grant management. Staff oversees the Commercial Façade Rehabilitation Program, conducts public outreach and education, administers and monitors the social services grant program, and coordinates with the Engineering Division in setting community priorities for the CDBG target area. Consultants oversee the Home Rehabilitation Program, prepare mandatory reports, and work closely with City Staff. \$62,850 is allocated for CDBG program administration, including \$5,000 for fair housing services. The Fair Housing Foundation will provide HUD-required fair housing outreach, education, and enforcement services for an estimated 50 San Clemente households.

The Draft 2023-2024 Annual Action Plan provides additional details regarding the activities recommended for CDBG funding. A summary of funding recommendations is provided below.

2023-24 CDBG Proposed Activity	Proposed CDBG Funding
Public Improvements: Max Berg Park Improvements (Phase 1)	\$125,000
Housing Rehabilitation: Housing rehabilitation assistance for owner-occupied & renter-occupied housing **	\$150,958
Commercial Rehabilitation: Façade improvement grants	\$10,000
Public Services: Youth, homeless, and other low/mod-income households	\$47,130
CDBG Planning & Administration: Program oversight and coordination, including Fair Housing Counseling	\$62,850
Total:	\$395,938
2023-24 CDBG Resources	
2023-24 CDBG Grant	\$314,259
Prior Year Funds	\$81,679
Total:	\$395,938

** Plus program income received during FY 23-24 from repayment of prior funded housing rehab loans.

Council Options:

- Approve and adopt the Draft 2023-2024 Annual Action Plan for the use of Community Development Block Grant Funds and authorize the City Manager to submit the Annual Action

Plan to HUD to execute the HUD contract.

- Modify and adopt the Draft 2023-2024 Annual Action Plan for the use of Community Development Block Grant Funds and authorize the City Manager to submit the Annual Action Plan to HUD to execute the HUD contract.
- Continue the Item with direction to provide additional information.
- Deny the Annual Action Plan.

Fiscal Impact:

The Annual Action Plan will have a positive fiscal effect by adding \$314,259 of Community Development Block Grant (CDBG) funds to the Miscellaneous Grant Fund.

Recommended Actions:

Staff Recommendation

1. Approve and adopt the Draft 2023-2024 Annual Action Plan for the use of Community Development Block Grant Funds.
2. Authorize the City Manager to submit the Annual Action Plan to HUD to execute the HUD contract.
3. Accept grant revenues of \$314,259 from HUD to the Miscellaneous Grants Fund (Fund 017).
4. Authorize a related budget appropriation of \$314,259 to the CDBG fund for the amounts in the 2023-2024 Action Plan.

Attachment:

1. Draft 2023-2024 Annual Action Plan

Notification:

San Clemente Times

CITY OF SAN CLEMENTE
2023-2024
Annual Action Plan

Draft March 4, 2023

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- Attachment 2: Public Notice and Summary of Public Comments
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- Attachment 4: Analysis of Impediments Analysis Summary and Action Plan
- Certifications and SF-424

Executive Summary

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

1. Introduction

The 2023-2024 Annual Action Plan for the City of San Clemente satisfies federal requirements to receive Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). The primary objective of the CDBG program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for low- and moderate-income individuals.

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

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

To receive CDBG funds, the City must prepare a Consolidated Plan. The Consolidated Plan is a multi-year strategic plan that identifies priority housing and community needs, and it also identifies the City's activities over five years to address priority needs. The Action Plan, a component of the Consolidated Plan, is the City's annual expenditure plan for using CDBG funds to address the needs identified in the Consolidated Plan.

HUD has announced that the City will receive \$314,259 in 2023 CDBG funding - \$16,399 more than the City's current year CDBG allocation. The City has also identified \$81,679 in prior year CDBG funds that will be available during FY 2023-2024 to fund eligible activities. Program income received during FY 2023-2024 will be available to support housing rehabilitation activities.

The 2023-2024 Action Plan details the specific activities the City will undertake with CDBG resources to address the housing and community needs identified in the Consolidated Plan. Planned activities include housing rehabilitation, minor commercial property improvements, public infrastructure improvements, public social services grants, and program administration (including fair housing services).

2. Summarize the objectives and outcomes identified in the Plan

The five-year CDBG program objectives and outcomes identified in the 2020-2024 Consolidated Plan are summarized below. Corresponding proposed outcomes for FY 2023-24 are also provided below:

- Infrastructure and Facility Improvements: Improve public infrastructure and facilities that benefit 7,000 low- and moderate-income residents / FY 23-24 Goal: 1 project (Max Berg Plaza Park), which will benefit 4,090 residents
- Provide housing rehabilitation assistance to 20 homeowners and 2 rental housing owners / FY 23-24 Goal: Rehab 6 owner-occupied and 0 rental units
- Provide access to public social services for 12,500 low- and moderate-income persons / FY 23-24 Goal: Assist 2,687 individuals

- Provide access to housing and supportive services for 2,500 persons at risk of becoming homeless or that are homeless / FY 23-24 Goal: Provide homelessness prevention assistance, shelter, and support services to 315 individuals
- Support activities to promote economic opportunities by assisting 10 businesses that serve lower-income residents / FY 23-24 Goal: Assist 5 businesses
- Provide CDBG program oversight and coordination, including fair housing services to 300 households / FY 23-24 Goal: Provide 1 Year of program admin and assist 50 households with fair housing services

3. Evaluation of past performance

FY 2022-2023 (the current fiscal year) is the third year of the City's 2020-2024 Consolidated Plan cycle. Most planned activities will be completed by June 30, 2023. A table that summarizes the City's Consolidated Plan goals for two completed program years (FY 2020-2021 and FY 2021-2022) is provided as Attachment 1.

4. Summary of Citizen Participation Process and consultation process

Resident and community stakeholder participation in prioritizing the use of CDBG funds is an essential component of the Consolidated Plan (and Action Plan) planning process. For the 2023-2024 Action Plan, the City obtained public input in a variety of ways:

- Consistent with HUD regulations (24 CFR 91.105 (a)(2)(iv)), the City utilized focus groups to ascertain public service grant priority needs. Specifically, the City's Social Service Budget Committee reviewed social service needs in the community and developed funding recommendations for the City Council's consideration. The Committee is comprised of a representative of the City Council, the City's Human Relations Committee, and City staff.
- The City's Social Service Budget Committee held a meeting on March 9, 2023, to provide public input regarding allocating CDBG public service grant funds.
- On March 3, 2023, a notice was published in the local newspaper announcing the required 30-day public comment period for the draft 2023-2024 Annual Action Plan. The notice also announced a public hearing to be held by the City Council.
- On April 4, 2023, the San Clemente City Council held a public hearing to accept additional public input regarding the draft 2023-2024 Annual Action Plan and authorize submission of the plan to HUD.

5. Summary of public comments

See Attachment 2.

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

All comments and views were accepted – see Attachment 2.

7. Summary

The 2023-2024 Annual Action Plan is the fourth year of the 2020-2024 Consolidated Plan cycle. The Annual Action Plan is the City's one-year expenditure plan for CDBG funds. HUD has notified the City that it will receive \$314,259 in CDBG funds for FY 2023-2024. An additional \$81,679 in prior year uncommitted CDBG funds, plus program income resources received during the year will be available to carry out CDBG-eligible activities. The Action Plan details how CDBG funds will support the broader goals and objectives of the Consolidated Plan. Funded activities include housing rehabilitation, public infrastructure improvements, public social services, and program administration, including fair housing services.

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

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

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

Table 1 – Responsible Agencies

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

Narrative (optional)

The City's Community Development Department is primarily responsible for administering CDBG funds, including preparing the Consolidated Plan, annual action plans, year-end performance reports, and other administrative aspects of the program.

Consolidated Plan Public Contact Information

Cecilia Gallardo-Daly, Community Development Director
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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Pursuant to HUD regulations, the City has taken several steps to obtain resident and stakeholder input to develop the 2023-2024 Annual Action Plan. The City Council held a hearing to receive public comment on the proposed use of CDBG funds. The City's Social Service Budget Committee provided funding recommendations for public service grants. The City also utilized its internet web page and the newspaper to notify residents of the opportunity to review and comment on the 2023-2024 Annual Action Plan draft.

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

The City of San Clemente works closely with the County of Orange Housing Authority (OCHA); OCHA administers the federal rental assistance voucher and certificate programs. The City has limited resources to assist with the development of housing opportunities. Still, City staff will work with developers as opportunities evolve to encourage housing development for lower-income residents.

Through the annual CDBG Public Service Grants (and the funding process for other City-funded community service grants), City staff can ascertain the services residents need and develop partnerships with local agencies to coordinate the delivery of needed services.

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

As a supporter of the Orange County Continuum of Care (OC CoC) planning process, the City provides information regarding the activities it will fund to address local homeless issues. The OC CoC uses this information to prepare the region's application to HUD for Homeless Assistance Grant funds. As needed, City staff will expedite certifications of consistency with the Consolidated Plan and other forms of support for the OC CoC. The City also supports and participates in the biennial Point-In-Time Survey of the region's homeless.

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

The City does not receive Emergency Solutions Grant (ESG) funds; therefore, it does not help the OC-CoC to determine ESG allocations, evaluate grant outcomes, or develop policies and procedures for administering the regional Homeless Management Information System (HMIS).

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities (see Table 2 below):

1	Agency/Group/Organization	Orange County Housing Authority
	Agency/Group/Organization Type	PHA Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided information regarding the number and type of households receiving HUD rental assistance
2	Agency/Group/Organization	211 Orange County
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Homeless Management Information System (HMIS) Admin
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Regional Continuum of Care coordinator and HMIS administrator. Provided information regarding regional and local homeless populations and shelter resources
3	Agency/Group/Organization	Fair Housing Foundation
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Impediments to Fair Housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency provided data and information that helped identify the needs of lower-income families and individuals requiring fair housing services and provided input regarding the City's strategy to address impediments to fair housing

4	Agency/Group/Organization	Age Well Senior Services
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding the service needs of seniors, including homebound seniors
5	Agency/Group/Organization	Family Assistance Ministries
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding housing and service needs of homeless individuals and households at risk of becoming homeless
6	Agency/Group/Organization	Camino Health Center
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding medical/dental service needs of the community, including homeless individuals
7	Agency/Group/Organization	City of San Clemente
	Agency/Group/Organization Type	Other government – Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Market Analysis

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Various city departments, committees, and City Council provided data and information. It also played a crucial role in identifying priorities and recommendations for the allocation of HUD funds
8	Agency/Group/Organization	Boys and Girls Club
	Agency/Group/Organization Type	Services-Youth
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding childcare needs for lower-income households
9	Agency/Group/Organization	Parentis Foundation
	Agency/Group/Organization Type	Services-Youth
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Needs of Low/Mod persons
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding childcare needs for lower-income households

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

The City made an effort to have an open consultation process; no agency was knowingly excluded from the consultation process.

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

Table 2 – Other local / regional / federal planning efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each
Continuum of Care	211 Orange County	Helped establish program goals to address the needs of the San Clemente homeless, including the regional & local homeless point-in-time survey
City of San Clemente Housing Element	City of San Clemente	Provided housing priorities and program goals

City of San Clemente Capital Improvement	City of San Clemente	Helped to identify priority capital projects that may be CDBG-eligible
5 Yr. & 1 Yr. PHA Plan	Orange County Housing Authority	Identified OCHA resources to address the housing needs of low-income renters in the City
Analysis of Impediments to Fair Housing	Orange County HUD Grantee Cities and the County of Orange	A countywide document that identifies fair housing impediments within participating cities and outlines a plan to address fair housing issues

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

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

The City of San Clemente provided several opportunities for public participation throughout the Annual Action Plan preparation process. These opportunities included public meetings, a 30-day public review of the draft Annual Action Plan, and a City Council public hearing. The notice for the required public comment period and a public hearing is provided in Attachment 2 of this plan. Actions are further summarized below:

Citizen Participation Outreach

Table 3 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Non-targeted/broad community	3/9/23 Social Service Budget Committee meeting to recommend CDBG public service grant funds	None	None	NA
2	Newspaper Ad	Non-targeted/broad community	Notice of 30-day public review period (3/3/23 to 4/3/23)	See Attachment 2	TBD	NA
3	Public Hearing	Non-targeted/broad community	4/4/23 public hearing	See Attachment 2	TBD	NA

Expected Resources

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

Introduction

HUD has published 2023 CDBG allocations; the City's CDBG Allocation for FY 2023-2024 is \$314,259. Additionally, the City identified \$81,679 in prior year CDBG funds that will be available during FY 2023-2024. Program income received during FY 2023-2024 will also be available to fund housing rehabilitation activities. Housing voucher/certificate resources via OCHA and Good Neighbor grants (i.e., social service grants funded with American Recovery Plan Act) will also be available to support activities that may address the Consolidated Plan's goals.

The City has access to In-lieu Affordable Housing Fee resources; however, no project has been identified to use these funds.

Priority Table

Table 4 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public – federal	Acquisition Admin & Planning Economic Development Housing Public Improvements Public Services	314,259	0	81,679	395,938	300,000	Annual CDBG allocation from HUD, program income, and prior-year funds

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

The City leveraged federal funds with local redevelopment funds in past years. In 2012 the State Legislature and the governor passed legislation to dissolve all redevelopment agencies in the State; consequently, local resources supporting Consolidated Plan strategies are limited. The City has identified other resources that will be available to carry out activities that address the goals of the Consolidated Plan:

- OCHA reports that as of January 2023, 132 San Clement households receive rental assistance. It was anticipated that 150 households would be assisted annually during the five-year Consolidated Plan programming cycle.
- For FY 2023-2024, the City will utilize \$30,000 in American Recovery Plan Act (ARPA) funds to support three programs that assist youths and San Clemente residents needing services. The City will also use Permanent Local Housing Allocation (PLHA) funds to fund homeless outreach services (approximately \$190,000). PLHA is state funding allocated to local governments to help address unmet housing needs.
- In-lieu Affordable Housing Fund resources generated via the City's Inclusionary Housing Program (IHP) are available to assist nonprofit agencies in purchasing land or existing housing units to provide long-term affordable housing. The City adopted the IHP in 1980 to increase the supply of affordable housing. The program requires developers of six or more units to set aside 4% of total units developed for households earning 50% or less of the area median income. The affordable requirement can be provided on-site, off-site, or through an in-lieu fee. Past housing development activity has generated a fund of approximately \$1,000,000. No specific project(s) is presently slated to benefit from this resource; however, these funds should be considered one-time funds as most large housing scale development in the City is complete as the City approaches build-out.

CDBG does not require matching funds.

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

As indicated in the Consolidated Plan, San Clemente is nearly "built out" with limited vacant land; nonetheless, the City's Housing Element identifies several vacant and underutilized sites that may be suitable for housing development. Most properties identified in the Housing Element residential sites inventory are in the City's Affordable Housing Overlay. The Overlay Zone intends to encourage affordable rental and for-sale housing in commercial and mixed-use zones.

Discussion

Funding resources are limited to implement the City's 2023-2024 Annual Action Plan. The City will receive \$314,259 in 2023 CDBG funding from HUD. An additional \$81,679 in uncommitted prior-year CDBG funding, plus program income generated from CDBG-funded housing rehabilitation loan repayments (i.e., Revolving Loan Funds), will be available to address priority needs.

OCHA has aggressively pursued new rental assistance resources - the City will continue to support OCHA's efforts to secure these resources. Additionally, the City will continue supporting programs serving City residents with ARPA-funded social service grants and PLHA-funded activities. Finally, the City has identified vacant and underutilized land that may be suitable for housing development - in-lieu fees for affordable housing development are available to support affordable housing activities; however, no projects are slated for development utilizing these resources in FY 2023-2024.

Annual Goals and Objectives

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

Goals Summary Information

Table 5 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Infrastructure and Facility Improvements	2020	2024	Non-Housing Community Development	CDBG Census Tracts Citywide	Public Improvements	CDBG: \$125,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 4,090 Persons Assisted
2	Housing Preservation	2020	2024	Affordable Housing	Citywide	Affordable Housing	CDBG: \$150,958	Homeowner Housing Rehabilitated: 6 Household Housing Unit
3	Public Social Services	2020	2024	Non-Homeless Special Needs Low & Moderate-income Households	Citywide	Public Services	CDBG: \$36,315	Public service activities other than Low/Moderate Income Housing Benefit: 2,687 Persons Assisted
4	Homeless Continuum of Care	2020	2024	Homeless	Citywide	Homeless Support Services and Housing	CDBG: \$10,815	Public service activities other than Low/Moderate Income Housing Benefit: 250 Persons Assisted Homeless Person Overnight Shelter: 20 Persons Assisted Homelessness Prevention: 45 Persons Assisted

5	Economic Opportunities	2020	2024	Non-Housing Community Development	CDBG Census Tracts	Economic Development	CDBG: \$10,000	Businesses assisted: 5 Businesses Assisted
6	Program Administration	2020	2024	Administration	Citywide	Administration and Planning	CDBG: \$62,850	Other: 50 Other

Goal Descriptions

1	Goal Name	Infrastructure and Facility Improvements
	Goal Description	Improve and expand public infrastructure and facilities that benefit low- and moderate-income neighborhoods and residents
2	Goal Name	Housing Preservation
	Goal Description	Improve or expand the supply of housing affordable to lower-income households
3	Goal Name	Public Social Services
	Goal Description	Provide or improve access to public social services for low- and moderate-income persons and persons with special needs
4	Goal Name	Homeless Continuum of Care
	Goal Description	A continuum of supportive and housing services for the homeless and households at risk of homelessness
5	Goal Name	Economic Opportunities
	Goal Description	Grants and other forms of assistance to improve or expand local businesses
6	Goal Name	Program Administration
	Goal Description	Provide for administration and planning activities to address needs identified in the Consolidated Plan, including services to address impediments to fair housing

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

The City of San Clemente does not receive HOME funds; however, CDBG resources are allocated to rehabilitate residential housing units. Six lower-income homeowners are projected to be assisted with CDBG resources during FY 2023-2024.

AP-35 Projects – 91.220(d)

Introduction

The following activities have been allocated CDBG funds for FY 2023-2024.

Table 6 – Project Information

#	Project Name
1	Single-Family Housing Rehabilitation
2	Age Well Senior Services
3	Camino Health Center
4	Family Assistance Ministries
5	Fun On The Run
6	Parentis Foundation
7	Vocational Visions
8	Fair Housing Foundation
9	CDBG Program Administration
10	Max Berg Park Improvements
11	Business Sign and Façade Improvement

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

The City will allocate a portion of its CDBG funds for activities that address the housing and service needs of lower-income households and households with special needs, especially those at risk of homelessness. Consistent with the City's Homeless Strategy, resources will be allocated to provide safety net services to help at-risk households maintain their current housing. The City will use CDBG program income (i.e., funds generated by the repayment of housing rehabilitation loans) to help homeowners improve their residences and not incur additional housing cost burden. The City will also encourage and support OCHA's efforts to obtain additional rental assistance funding for San Clemente households.

Projects

AP-38 Projects Summary

Project Summary Information Table 7 – Project Summary

1	Project Name	Single-Family Housing Rehabilitation Program
	Target Area	Citywide
	Goals Supported	Owner-occupied Housing Rehabilitation
	Needs Addressed	Housing Rehabilitation
	Funding	CDBG: \$150,958 plus program income received during the year
	Description	CDBG-funded housing rehabilitation loans or grants for eligible homeowners
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	6 owner-occupied housing units
	Location Description	Citywide
	Planned Activities	CDBG funds (\$150,958 in 2022 funds plus program income received during the year) for homeowner housing rehabilitation loans or grants to address housing/building code deficiencies and deferred property improvements
2	Project Name	Age Well Senior Services
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$5,000
	Description	Services for seniors

	Target Date	6/30/2024
	Estimate the number and type of families	30 seniors
	Location Description	Citywide
	Planned Activities	A variety of services for homebound seniors, including in-home support services, meals-on-wheels, and case management
3	Project Name	Camino Health Center
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$10,815
	Description	Low-cost medical and pediatric dental services for low- and moderate-income persons
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	2,500 low- and moderate-income persons
	Location Description	1031 Avenida Pico, Ste. 104, San Clemente CA
	Planned Activities	Primary medical care and pediatric dental services at a reduced cost for lower-income persons and indigents
4	Project Name	Family Assistance Ministries
	Target Area	Citywide
	Goals Supported	Homeless Continuum of Care
	Needs Addressed	Homeless Support Services and Housing
	Funding	CDBG: \$10,815

	Description	Housing assistance, support services, and case management for households that are at risk of homelessness and those that are homeless
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	315 low- and moderate-income persons
	Location Description	Citywide
	Planned Activities	Rent and utility assistance (45 individuals), emergency and interim housing (20 individuals, and food/case management (250 individuals) for households at risk of homelessness and those that are homeless
5	Project Name	Fun On The Run (City of San Clemente)
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$10,000
	Description	Youth recreation program
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 120 youths
	Location Description	Citywide
	Planned Activities	After-school recreation and homework assistance program with a focus on low- and moderate-income children
6	Project Name	Parentis Health Foundation
	Target Area	Citywide

	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$5,500
	Description	Children's literacy program that links students age 5 to 11 with a trained older adult tutor
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	25 youths
	Location Description	Boys & Girls Club of the South Coast Area, 1304 Calle Valle, San Clemente, CA
	Planned Activities	Intensive one-on-one reading support for students that do not read at grade level - tutoring is provided by trained older adult volunteers for an entire school year
7	Project Name	Vocational Visions
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$5,000
	Description	Employment services for adults with developmental disabilities
	Target Date	6/30/2024
	Estimate the number and type of families	12 adults with developmental disabilities
	Location Description	26041 Pala, Mission Viejo, CA
	Planned Activities	Job preparation and job-seeking support services and on-the-job coaching for adults with developmental disabilities
8	Project Name	Fair Housing Foundation
	Target Area	Citywide

	Goals Supported	Program Administration
	Needs Addressed	Administration and Planning
	Funding	CDBG: \$5,000
	Description	Fair housing outreach, education, and enforcement services to reduce and eliminate impediments to fair access to housing
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	50 households
	Location Description	Citywide
	Planned Activities	Fair housing outreach, education, and enforcement services, including landlord, tenant, and property management fair housing training; community outreach and education; complaint investigation and enforcement services
9	Project Name	CDBG Program Administration
	Target Area	Citywide
	Goals Supported	Program Administration
	Needs Addressed	Administration and Planning
	Funding	CDBG: \$57,850
	Description	CDBG program oversight and coordination
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Not applicable
	Location Description	910 Calle Negocio Ste. 100, San Clemente CA – City Hall

	Planned Activities	Program oversight and coordination, including management of public service grants, housing rehabilitation programs, and preparation of required applications and reports
10	Project Name	Max Berg Park Improvements (Phase 1)
	Target Area	CDBG census tracts
	Goals Supported	Public Infrastructure Improvements
	Needs Addressed	Public Improvements
	Funding	CDBG: \$125,000
	Description	Neighborhood park improvements
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	Estimated 4,090 individuals, 71.3% of which are low- and moderate-income
	Location Description	1100 Calle Puente, San Clemente, CA (Census Tract 421.07 Block Group 2 & Census Tract 421.08 Block Group 4)
	Planned Activities	Max Berg Park Fountain Refurbishment Project – phase 1 will cover costs associated with historic preservation consulting and design of proposed park improvements (restoration of four fountains that contribute to the historic nature of the park)
11	Project Name	Business Sign and Façade Improvement Grants
	Target Area	CDBG census tracts
	Goals Supported	Economic Opportunities
	Needs Addressed	Economic Opportunities
	Funding	CDBG: \$10,000
	Description	Grants to update or upgrade business signs or facades
	Target Date	6/30/2024

Estimate the number and type of families that will benefit from the proposed activities	Assistance for up to 5 businesses
Location Description	To be determined but located within CDBG-eligible Census Tract Block Groups
Planned Activities	Grants to business owners to update or upgrade business signs and/or other minor building facades improvements

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

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

AP-50 Geographic Distribution – 91.220(f)

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

Most activities slated for CDBG funding during FY 2023-2024 will be available citywide to income-eligible individuals and households. These activities include public services and housing rehabilitation. Activities such as park improvements will be limited to specific areas of the City where a significant percentage of residents meet HUD's income limits. A list of the City's CDBG Eligible Areas is provided in Attachment 3.

Geographic Distribution

Table 8 - Geographic Distribution

Target Area	Percentage of Funds
CDBG census tracts	32
Citywide	68

Rationale for the priorities for allocating investments geographically

Funding is principally allocated on a citywide basis. The City's primary intent is to serve lower-income residents who need housing or services regardless of where they live in the City. Area-wide activities (e.g., public improvements) are typically limited to the City's CDBG-eligible areas.

Discussion

The City's primary intent is to use CDBG funds to assist eligible households that need services regardless of where they live in the City. A portion of funds focuses on specific areas of the City with a significant percentage of low- and moderate-income residents.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City will utilize limited CDBG funds and program income to provide eligible homeowners with housing rehabilitation loans and grants.

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	6
Special-Needs	0
Total	6

Table 10 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	6
Acquisition of Existing Units	0
Total	6

Discussion

The City will utilize CDBG and program income (Revolving Loan funds) to assist in rehabilitating owner-occupied housing units. While it is not the program's primary focus, some special-needs households (senior and disabled) may be assisted during the year by the program. The City will also continue to support OCHA's program activities in the community. It is estimated that 130 households will receive rental assistance vouchers or certificates during FY 2023-2024.

AP-60 Public Housing – 91.220(h)

Introduction

San Clemente does not own or manage public housing.

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

Not applicable.

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

Not applicable.

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

Not applicable.

Discussion

San Clemente does not own or manage public housing.

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

Introduction

As the Consolidated Plan outlines, the City's homeless strategy emphasizes preventing homelessness since it is less expensive and disruptive to keep a household housed in place. To this end, the City will continue to support local agencies with CDBG resources that provide various services for lower-income households, including food banks, rent/utility assistance, and reduced-cost childcare and healthcare services. These safety-net programs can help a household maintain its current housing situation and avoid homelessness.

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

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

The CARES Act of 2020 allowed the City to invest significant CDBG-CV resources to engage the homeless, specifically the chronically homeless, during the COVID-19 pandemic. No additional CDBG (or CDBG-CV) resources will be allocated for homeless outreach services in FY 2023-2024. However, the City will utilize Permanent Local Housing Allocation (PLHA) funds to fund the current homeless outreach staff and add a second outreach staffer.

The City of San Clemente will also continue to support agencies working directly with sheltered and unsheltered homeless populations. For example, Family Assistance Ministries conducts extensive outreach and vulnerability assessments throughout San Clemente and neighboring communities. Other agencies conduct similar outreach and assessment services for specific homeless populations, such as domestic violence victims and transitional-age youth.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Consolidated Plan indicates that Family Assistance Ministries manages 44 emergency and 14 transitional shelter beds in San Clemente. These shelter beds are earmarked for homeless families with children. Additionally, Laura's House offers shelter for victims of domestic violence.

FAM proposes to utilize FY 2023-2024 CDBG funds to provide emergency or interim housing for 20 individuals.

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

As outlined above, the City will focus its CDBG resources on preventing homelessness and assisting those already homeless. The 2022 Orange County homeless Point In Time County survey indicates 50 sheltered San Clement homeless individuals; however, 81 individuals are reported unsheltered-homeless.

Upon request, the City will support agencies that provide homeless housing and supportive services by providing a Certification of Consistency with the Consolidated Plan. (Note that in addition to being consistent with the Consolidated Plan, programs must also comply with applicable federal, state, and local regulations). Additionally, the City will continue to support the OC-CoC's efforts to seek resources to address regional homeless issues and support OCHA's efforts to obtain additional housing assistance vouchers for homeless Veterans (VASH). OCHA reports that in January 2023, four veteran households will benefit from VASH housing assistance in San Clemente. Additionally, six individuals receive rental assistance via the Emergency Housing Voucher program. This program provides rental subsidies and supportive services to individuals that have experienced homelessness.

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

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

CDBG funding is allocated to Family Assistance Ministries to provide housing and utility assistance to help near-homeless households maintain stable housing.

Discussion

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

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

Introduction

Barriers to affordable housing and actions to overcome barriers are listed in the City's Housing Element and discussed in the Consolidated Plan.

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

Affordable Housing Funds: The City will encourage developers to include affordable housing units within developments and seek other private and public funding sources to reduce these units' development costs. To the extent that resources are available, Inclusionary Housing In-lieu Funds may assist nonprofit agencies in purchasing land or existing housing units to provide long-term affordable housing.

Environmental Review: The City's Housing Element details the impact of environmental review compliance. The Housing Element also identifies the exemptions that state and federal laws provide to streamline the environmental review process. City staff plays a vital role by assisting property owners, and developers in navigating the various environmental review regulations.

Planning and Development Fees: According to the City's Housing Element, housing construction imposes certain short- and long-term costs upon local government, such as the cost of providing planning services and inspections. Fees assessed by the City are typical for Orange County communities.

Permit and Processing Procedures: The processing time required to obtain approval of development entitlements and building permits is sometimes cited as contributing to construction costs. The City's development approval process is designed to accommodate, not hinder, development and not unduly constrain housing. The City's Housing Element outlines the time and cost savings development processes, including one-stop permitting, pre-permit application meetings, and concurrent permit application processing. For an affordable housing project, City staff interacts with project sponsors early in the process to determine project feasibility.

Land Use Controls: Generally, land use controls are considered necessary to protect public health, safety, and welfare and maintain the quality of life. Such controls are not considered a significant constraint on the development of housing. The City has implemented reasonable controls appropriate for the community and detailed these controls in the City's Housing Element.

Discussion

The City's Housing Element identifies several barriers to developing affordable housing opportunities. The Housing Element identified several actions the City can take to reduce these impacts. No projects are currently planned or under construction that are using these incentives.

AP-85 Other Actions – 91.220(k)

Introduction

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

Actions planned to address obstacles to meeting underserved needs

The City will allocate a portion of CDBG funds for activities that address the service needs of lower-income and special-needs households. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding for these households. CDBG resources will be available to help with housing rehabilitation. This program is available to assist homeowners in improving their residences and address specific household needs.

Actions planned to foster and maintain affordable housing

San Clemente has identified actions it will implement during FY 2023-2024 to foster and maintain affordable housing. The Consolidated Plan identifies programs such as Housing Rehabilitation assistance as the means to maintain and improve housing currently available to low- and moderate-income residents. By providing deferred payment loans or grants, homeowners can rehabilitate their properties to meet basic housing quality standards and incur zero or minimal additional housing costs. FY 2023-2024 CDBG funding and program income received during the year will be available to assist with housing rehabilitation.

Actions planned to reduce lead-based paint hazards

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

Actions planned to reduce the number of poverty-level families

Approximately 5.3% of the City's population live below the poverty level, including 2.7% of children under 18 and 4.6% of seniors (age 65 and older). During FY 2023-2024, the City will fund the following activities to help reduce the number of poverty-level households:

- Support public services that provide a social safety net for lower-income households, especially for the near-homeless
- Support OCHA's administration of the federal rental assistance program for very low-income renters
- Subject to the availability of funds, provide housing rehabilitation assistance for lower-income and special-needs homeowners
- Commercial property upgrades to improve neighborhood aesthetics and expand economic opportunities for lower-income residents.

Actions planned to develop institutional structure

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

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

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

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

Broadband: According to BroadbandNow.com, Cox Communications is the top broadband service provider in San Clemente, covering 99.6% of the City. AT&T Internet and EarthLink are also available via fiber optic cable to 77.7% and 50.6% of San Clemente properties, respectively. Several additional providers offer satellite or 5-G-based broadband service.

Most broadband service providers in Orange County participate in the Affordable Connectivity Program (ACP). The ACP was created with the passage of the Infrastructure and Jobs Act of 2021. The purpose of the ACP is to provide eligible households with a \$30 discount on monthly broadband internet service. ACP eligibility is based on household income (200 percent of federal poverty or less) or participation in specific government assistance programs, such as SSI, Medicaid, or WIC. Funding may also be available to provide "discounts" for connective devices such as a laptop, a desktop computer, or a tablet. Information about the ACP is readily available online; however, many of the City's nonprofit service providers will inform clients of this program and assist clients in applying for discounts. Additionally, the City will continue encouraging developers and property owners to incorporate broadband infrastructure into all new or substantially rehabilitated housing projects, especially affordable housing projects.

Resiliency: The Disaster Mitigation Act of 2000 requires the State of California and local governments to prepare mitigation plans to document their hazard mitigation planning process and to identify hazards, potential losses, mitigation needs, goals, and strategies. Each state and local government must have a federally approved mitigation plan to qualify for hazard mitigation grant funding.

The City of San Clemente Natural Hazards Mitigation Plan aims to promote sound public policy to protect citizens, critical facilities, infrastructure, private property, and the environment from natural hazards. The mitigation plan seeks to increase public awareness, document the resources for risk reduction and loss prevention, and identify activities to guide the City toward building a safer, more sustainable community. The mitigation plan lists activities to help reduce risk and prevent loss from future natural hazards such as earthquakes, landslides, flooding, tsunamis, wildfires, and nuclear, and the impacts of climate change.

Discussion

HUD-funded grant recipients are required to not discriminate in housing or services directly or indirectly based on race, color, religion, sex, national origin, age, familial status, or disability. Grant recipients such as San Clemente are required to: (1) examine and attempt to alleviate housing discrimination within their jurisdiction; (2) promote fair housing choices for all persons; (3) provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, national origin, and other personal or familial attributes; (4) promote housing that is accessible to and usable by persons with disabilities; (5) and comply with the non-discrimination requirements of the Fair Housing Act. HUD encourages jurisdictions to consult with one another and initiate region-wide area fair housing planning. The **Analysis of Impediments (AI) to Fair Housing Choice** is the primary document for this purpose. In addition to identifying impediments, a strategy to overcome barriers must be developed and implemented - accomplishments are reported annually. The City participated in developing a countywide AI, which the City Council adopted in May 2020. A summary of impediments to fair housing and the action steps the City will take during FY 2023-2024 are found in Attachment 4.

Program Specific Requirements

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

Introduction

Each HUD program covered by the Consolidated Plan regulations must address specific program-specific requirements.

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

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

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

Other CDBG Requirements

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

Discussion

The City will meet the overall 70% benefit for low and moderate-income requirements of the CDBG program over one program year – **FY 2023-2024**.

Five-Year and One-Year Summary of Accomplishments

Grantee Name: City of San Clemente

Decent Housing						
Objective: Housing Preservation	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
Housing Rehabilitation Loans and Grants: Improve or expand the supply of housing affordable to lower-income homeowners	CDBG	2020	Housing Units	2	1	50.0%
		2021	Housing Units	3	2	66.7%
		2022	Housing Units			
		2023	Housing Units			
		2024	Housing Units			
		5-Yr Con Plan Goal		20	3	15.0%
Housing Rehabilitation Loans and Grants: Improve or expand the supply of housing affordable to lower-income renter households	CDBG	2020	Housing Units	0	0	0.0%
		2021	Housing Units	0	0	0.0%
		2022	Housing Units			
		2023	Housing Units			
		2024	Housing Units			
		5-Yr Con Plan Goal		2	0	0.0%
Housing Choice Vouchers (Administered by OCHA): Improve or expand the supply of housing affordable to lower-income homeowners	HUD Housing Vouchers	2020	Housing Units	150	141	94.0%
		2021	Housing Units	140	132	94.3%
		2022	Housing Units			
		2023	Housing Units			
		2024	Housing Units			
		5-Yr Con Plan Goal		150 (Annual Avg)	137 (2 Yr Avg)	91.3% (2 Yr Avg)
Suitable Living Environment						
Objective: Public Social Services	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
Objective: Infrastructure and Facility Improvements	CDBG	2020	Individuals	2,845	2,365	83.1%
		2021	Individuals	2,720	2,616	96.2%
		2022	Individuals			
		2023	Individuals			
		2024	Individuals			
		5-Yr Con Plan Goal		12,500	4,981	39.8%
Provide or improve access to public social services for low- and moderate-income persons and persons with special needs	CDBG	2020	Projects	0	0	0.0%
		2021	Projects ^A	0	0	0.0%
		2022	Projects			
		2023	Projects			
		2024	Projects			
		5-Yr Con Plan Goal		7,000	0	0.0%
Improve and expand public infrastructure and facilities that benefit low- and moderate-income neighborhoods and residents	CDBG	2020	Projects	0	0	0.0%
		2021	Projects ^A	0	0	0.0%
		2022	Projects			
		2023	Projects			
		2024	Projects			
		5-Yr Con Plan Goal		7,000	0	0.0%

Five-Year and One-Year Summary of Accomplishments

Economic Opportunity						
Objective: Economic Opportunities	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
On December 17, 2020, added small business assistance grant for businesses impacted by the Coronavirus (CDBG-CV funding)	CDBG-CV	2020	Businesses ^B	0	40	NA
		2021	Businesses	5	1	20.0%
		2022	Businesses			
		2023	Businesses			
		2024	Businesses			
		5-Yr Con Plan Goal			10	1
Continuum of Care						
Objective: Homeless Continuum of Care Provide a continuum of supportive and housing services for the homeless and households at risk of homelessness	CDBG	2020	Individuals	290	453	156.2%
		2021	Individuals	519	880	169.6%
		2022	Individuals			
		2023	Individuals			
		2024	Individuals			
		5-Yr Con Plan Goal			2,450	1,333
Other						
Objective: Administration and Planning Provide for administration and planning activities to carry out actions that address needs in the Consolidated Plan, including fair housing services to address local impediments to fair housing	CDBG	2020	Year of Admin	1	1	100.0%
		2021	Year of Admin	1	1	100.0%
		2022	Year of Admin			
		2023	Year of Admin			
		2024	Year of Admin			
		5-Yr Con Plan Goal			5	2
Provide for administration and planning activities to carry out actions that address needs in the Consolidated Plan, including fair housing services to address local impediments to fair housing	CDBG	2020	Households	60	30	50.0%
		2021	Households	50	71	142.0%
		2022	Households			
		2023	Households			
		2024	Households			
		5-Yr Con Plan Goal			300	101

A. Consolidated Plan goals are established by the number of "Projects" to be undertaken/completed; however, year-end reporting requires accomplishments reported by the number of persons benefiting from the project. No new project or accomplishments reported - Cabrillo Sidewalk Improvements was initially funded in FY 19-20.

B. CDBG-CV funds were used to assist businesses in FY 20-21.



PROOF OF PUBLICATION

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I am a citizen of the United States and a resident of the County aforesaid: I am over 18 years of age, and not a party to or interested in the above-titled matter. I am the principal clerk of the publisher of the San Clemente Times, a newspaper of general circulation adjudicated for the City of San Clemente, County of Orange and which newspaper has been adjudicated as a newspaper of general circulation by the Superior Court of the County of Orange, State of California on Nov 9th, 2018, Case Number 01017680; that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

Published in:
SAN CLEMENTE TIMES
 Run Dates: March 2, 2023

Executed: March 2, 2023
 At San Clemente, CA

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Signature:

Mina R. Cazarez

PUBLIC NOTICE

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BY THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ON THE PROPOSED SUBMISSION OF THE 2023-2024 ANNUAL ACTION PLAN AND THE COMMENCEMENT OF THE THIRTY (30) DAY COMMENT PERIOD 3/3/23 - 4/3/23

NOTICE IS HEREBY GIVEN that the City of San Clemente City Council will hold a public hearing and public comment period for the Action Plan for Fiscal Year 2023-2024. This action is taken in compliance with federal regulations [24 CFR 91].

As a recipient of Community Development Block Grant (CDBG) funds, the City must prepare a Consolidated Plan every five years. The City is also required to update the related Action Plan annually. The Consolidated Plan is a multi-year strategic plan that identifies housing and community priority needs, strategies to address priority needs, and programs/resources to address these needs. The Action Plan delineates proposed activities to be funded under the U.S. Department of Housing and Urban Development's (HUD) CDBG program. The San Clemente City Council approved the current 2020-2024 Consolidated Plan in May 2020. The draft 2023-2024 Annual Action Plan is available for public review.

30-Day Public Comment Period

The required 30-day public comment period for the 2023-2024 Annual Action Plan will begin on March 3, 2023 and end on April 3, 2023. The draft document will be available for public review during regular business hours at City Hall at the Community Development Department at 910 Calle Negocio and on the City's website at <https://www.san-clemente.org/departments-services/housing-and-social-services>.

Written comments may be submitted to Cecilia Gallardo-Daly, Community Development Director, at 910 Calle Negocio, San Clemente, 92673, or Gallardo-DalyC@san-clemente.org on or before noon April 3, 2023.

2023-2024 Action Plan

To date, HUD has not published FY 2023-2024 CDBG allocations; however, for planning purposes, the City anticipates it will receive an allocation of \$297,000 in CDBG funds for FY 2023-2024. Prior year unused funds (\$81,679) and housing rehabilitation program income will also be available. Once HUD announces CDBG grants, proposed CDBG

allocations will be increased or decreased by a uniform percentage based on the final grant amount or as otherwise directed by the City Council.

The proposed use of CDBG funds includes the following:

Proposed Activity	Proposed CDBG Allocation
Public social services for lower-income persons, seniors, the homeless & youths	\$44,550
Housing Rehabilitation & Capital Improvements (including Business)	\$274,729
Program administration (including Fair Housing services)	\$59,400

2023-2024 Action Plan Public Hearing

A public hearing is scheduled before the City Council of the City of San Clemente on April 4, 2023, regarding the Action Plan for Fiscal Year 2023-2024.

If you challenge this project in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or written correspondence delivered to the City of San Clemente at or prior to the public hearing.

To allow staff adequate time to confirm software compatibility, individuals wishing to utilize electronic visual aids to supplement their oral presentations at the meeting must submit the electronic files to the City Clerk by no later than 12:00 pm on the day of the meeting. Only compatible electronic formats will be permitted to be used on City audio/visual computer equipment. Staff makes no guarantee that such material will be compatible but will use its best efforts to accommodate the request.

NOTICE IS FURTHER GIVEN that said public hearing will be held at the meeting of the City Council on April 4, 2023, at the San Clemente City Council Chambers, 910 Calle Negocio, San Clemente, California, Second Floor. All interested persons are invited to attend said hearing.

Laura Campagnolo
 City Clerk and Ex-Officio
 Clerk of the Council

SUMMARY OF PUBLIC COMMENTS

SOCIAL SERVICES BUDGET COMMITTEE MEETING

No public comments were received

30-DAY COMMENT PERIOD

TBD

CITY COUNCIL PUBLIC HEARING

TBD

CDBG-ELIGIBLE CENSUS TRACTS BLOCK GROUPS 2022

CITY	CENSUS TRACT	BLOCK GROUP	LOW/MOD RESIDENTS	LOW/MOD UNIVERS	PERCENT LOW/MOD
San Clemente	042108	2	505	645	78.29%
San Clemente	042108	5	905	1,165	77.68%
San Clemente	042107	2	1,970	2,570	76.65%
San Clemente	042107	1	1,120	1,560	71.79%
San Clemente	042109	1	1,240	1,905	65.09%
San Clemente	042111	2	720	1,130	63.72%
San Clemente	042103	4	1,005	1,610	62.42%
San Clemente	042108	4	945	1,520	62.17%
San Clemente	042113	3	655	1,085	60.37%
San Clemente	042108	3	615	1,120	54.91%
San Clemente	042109	3	450	835	53.89%

ORANGE COUNTY ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE
August 6, 2020

REGIONAL PROPOSED AI GOALS AND STRATEGIES

To address the contributing factors described above, the AI plan proposes the following goals and actions:
Regional Goals and Strategies"

Goal 1: Increase the supply of affordable housing in high opportunity areas.¹

Strategies:

1. Explore the creation of a new countywide source of affordable housing.
2. Using best practices from other jurisdictions, explore policies and programs that increase the supply of affordable housing, such as linkage fees, housing bonds, inclusionary housing, public land set-aside, community land trusts, transit-oriented development, and expedited permitting and review.
3. Explore providing low-interest loans to single-family homeowners and grants to homeowners with household incomes of up to 80% of the Area Median Income to develop accessory dwelling units with affordability restrictions on their property.
4. Review existing zoning policies and explore zoning changes to facilitate the development of affordable housing.
5. Align zoning codes to conform to recent California affordable housing legislation.

Goal 2: Prevent displacement of low- and moderate-income residents with protected characteristics, including Hispanic residents, Vietnamese residents, other seniors, and people with disabilities.

Strategies:

1. Explore piloting a Right to Counsel Program to ensure legal representation for tenants in landlord-tenant proceedings, including those involving the application of new laws like A.B. 1482.

Goal 3: Increase community integration for persons with disabilities.

Strategies:

1. Conduct targeted outreach and provide tenant application assistance and support to persons with disabilities, including individuals transitioning from institutional settings and individuals who are at risk of institutionalization. As part of that assistance, maintain a database of housing that is accessible to persons with disabilities.
2. Consider adopting the accessibility standards adopted by the City of Los Angeles, which require at least 15 percent of all new units in city-supported Low-Income Housing Tax Credit (LIHTC) projects to be ADA-

¹The term "high opportunity areas" generally means locations where there are economic and social factors and amenities that provide a positive impact on a person's life outcome. This is described in more detail in Section iii, Disparities in Access to Opportunity.

accessible with at least 4 percent of total units to be accessible for persons with hearing and/or vision disabilities.

Goal 4: Ensure equal access to housing for persons with protected characteristics, who are disproportionately likely to be lower-income and to experience homelessness.

Strategies:

1. Reduce barriers to accessing rental housing by exploring eliminating application fees for voucher holders and encouraging landlords to follow HUD's guidance on the use of criminal backgrounds in screening tenants.
2. Consider incorporating a fair housing equity analysis into the review of significant rezoning proposals and specific plans.

Goal 5: Expand access to opportunities for protected classes.

Strategies:

1. Explore the voluntary adoption of Small Area Fair Market Rents or exception payment standards in order to increase access to higher opportunity areas for Housing Choice Voucher holders.
2. Continue implementing a mobility counseling program that informs Housing Choice Voucher holders about their residential options in higher opportunity areas and provides holistic support to voucher holders seeking to move to higher opportunity areas.
3. Study and make recommendations to improve and expand Orange County's public transportation to ensure that members of protected classes can access jobs in employment centers in Anaheim, Santa Ana, and Irvine.
4. Increase support for fair housing enforcement, education, and outreach.

CITY OF SAN CLEMENTE PROPOSED AI GOALS AND STRATEGIES

- 1) In collaboration with the Orange County Housing Authority (OCHA):
 - a) a. Attend quarterly OCHA Housing Advisory Committee to enhance the exchange of information regarding the availability, procedures, and policies related to the Housing Assistance Voucher program and regional housing issues.
 - b) b. Support OCHA's affirmative fair marketing plan and de-concentration policies by providing certifications for five-year and annual PHA plan.
 - c) c. In coordination with OCHA and fair housing services provider, conduct landlord education campaign to educate property owners about State law prohibiting discrimination based on household income.
- 2) Through the City's fair housing contractor:
 - a) Provide fair housing education and information to apartment managers and homeowner associations on why denial of reasonable modifications/accommodations is unlawful.

- b) Conduct multi-faceted fair housing outreach to tenants, landlords, property owners, realtors, and property management companies. Outreach methods may include workshops, informational booths, presentations to community groups, and multi-lingual fair housing literature distribution.
 - c) Provide general fair housing counseling and referrals services to address tenant-landlord issues, and investigate allegations of fair housing discrimination and take appropriate actions to conciliate cases or refer to appropriate authorities.
 - d) Periodically monitor local newspapers and online media outlets to identify potentially discriminatory housing advertisements.
 - e) Include testing/audits within the scope of work with a fair housing provider.
- 3) Support local eviction prevention strategies to reduce the number of homeless individuals and families (homelessness prevention services).
 - 4) Prepare a new Housing Element compliant with all current State laws and certified by the California Department of Housing and Community Development.
 - 5) Update zoning ordinance to comply with current State law.
 - 6) Offer various housing opportunities to enhance mobility among residents of all races and ethnicities by facilitating affordable housing throughout the community through 1) flexible development standards, 2) density bonuses, and 3) other zoning tools.
 - 7) Review the type and effectiveness of current affordable housing development incentives and amend/augment as necessary to increase the production of affordable housing units.