

# REQUEST FOR COUNCIL ACTION



**CITY COUNCIL MEETING DATE:**

**DECEMBER 1, 2020**

**TITLE:**

**PUBLIC HEARING – AUTHORIZE THE  
SUBMISSION OF THE FISCAL YEAR 2019  
CONSOLIDATED ANNUAL  
PERFORMANCE AND  
EVALUATION REPORT TO THE U. S.  
DEPARTMENT OF HOUSING AND URBAN  
DEVELOPMENT**

**/s/ Kristine Ridge**

**CITY MANAGER**

**CLERK OF COUNCIL USE ONLY:**

**APPROVED**

- ☐ As Recommended
- ☐ As Amended
- ☐ Ordinance on 1<sup>st</sup> Reading
- ☐ Ordinance on 2<sup>nd</sup> Reading
- ☐ Implementing Resolution
- ☐ Set Public Hearing For \_\_\_\_\_

**CONTINUED TO** \_\_\_\_\_

**FILE NUMBER** \_\_\_\_\_

## **RECOMMENDED ACTION**

Authorize the submission of the Fiscal Year 2019 Consolidated Annual Performance and Evaluation Report to the U.S. Department of Housing and Urban Development.

## **DISCUSSION**

The Five-Year Consolidated Plan is a comprehensive planning and application document that covers the three entitlement grants that the City receives annually from the U.S. Department of Housing and Urban Development (HUD). These three entitlement grants are the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships Program (HOME). The Consolidated Plan outlines a strategy for using the three grants and other resources to meet community needs as they were identified in the Consolidated Plan. The Consolidated Plan also identifies five-year numeric goals for meeting the identified community needs that Santa Ana will work toward during the period covered.

As part of the Consolidated Plan process, HUD requires the City to submit a Consolidated Annual Performance and Evaluation Report (CAPER) (Exhibit 1). The CAPER describes the activities and accomplishments for the three federal entitlement grants during the past Fiscal Year. It also reports on the City's success in achieving the five-year numeric goals and objectives that are established in the Five-Year Consolidated Plan. Fiscal Year 2019-2020 is the fifth year covered by the 2015 - 2020 Consolidated Five-Year Plan.

The following table highlights accomplishments achieved during Fiscal Year 2019-2020 with funding from the CDBG, ESG, and HOME Program:

General Activity	Accomplishments
Capital Improvements	<ul style="list-style-type: none"> <li>Completed upgrades to the Senior Center HVAC system.</li> <li>Completed improvements to the Thornton Park parking lot.</li> <li>Completed street improvements in the Henninger Neighborhood</li> <li>Completed upgrades to HVAC system at the Santa Ana Senior Center.</li> <li>Completed the installation of ADA curb ramps.</li> </ul>
Economic Development	<ul style="list-style-type: none"> <li>Provided 48 small business incentive grants.</li> </ul>
Public Services	<ul style="list-style-type: none"> <li>Provided funding for 17 nonprofit organizations to administer 20 programs and served a total of 35,497 persons. These public service activities were selected through a NOFA process. Activities were targeted to meet the needs of specific populations, including the elderly, youth, persons with disabilities, and low-income individuals. Specific providers included Community Legal Aid, the Cambodian Family, YMCA, Second Chance of OC, Public Law Center, Hope Builders, Lutheran Social Services, Neutral Ground, Orange County Children's Therapeutic Arts Center, CASA of Orange County, DELHI, America on Track, Heritage Museum of Orange County, Charitable Ventures of Orange County, Community Health Initiative of Orange County, Boy's and Girl's Club, and Community Action Partnership of Orange County.</li> </ul>
Affordable Housing	<ul style="list-style-type: none"> <li>Completed construction of a 75-unit affordable permanent supportive housing project with wrap-around supportive services for HUD-Veterans Affairs Supportive Housing (VASH) eligible homeless veterans (Heroes' Landing) of which three units are HOME-assisted units.</li> <li>Completed a total of ten rental rehabilitation projects funded by the HOME program.</li> <li>Provided CDBG down payment assistance to two income-eligible homebuying households.</li> <li>Committed \$1,687,047 to support the rehabilitation of affordable rental units in the North Harbor Village</li> </ul>



Code Enforcement	<ul style="list-style-type: none"><li>• CDBG funds were used to rectify and preserve the aging housing stock within the City through code enforcement activities in eligible CDBG areas.</li><li>• Code Enforcement staff responded to 4,857 complaints covering 3,437 residential properties of which 1,643 were single family residences and 1,794 were multi-family residences within the CDBG eligible deteriorating and deteriorated areas.</li></ul>
Homeless Services	<ul style="list-style-type: none"><li>• Provided assistance to 802 individuals through street outreach, homeless prevention, rapid re-housing, and emergency shelter managed by the City of Santa Ana and four subrecipients.</li></ul>
COVID-19 Response	<ul style="list-style-type: none"><li>• On April 21, the City of Santa Ana amended the 2019 Annual Action Plan to include special CDBG and ESG allocations from the CARES Act to target the impact of the COVID-19 pandemic in the City of Santa Ana.</li><li>• Activities included launching an emergency rental relief fund, allocating funding to increase the prevalence of COVID-19 testing within the City, supporting food banks and food delivery services for seniors, and supporting small businesses impacted by COVID-19.</li></ul>

The draft CAPER reflects numbers that were available in the HUD system as of October 1, 2020 and reflects all accomplishment data for the program year. The CAPER is due to HUD no later than December 27, 2020 and staff must use the information that is currently available.

HUD regulations require that the CAPER be available for a 15-day public review and comment period prior to its submittal. On November 17, 2020, a public notice was published in the Orange County Register, La Opinión, and Nguoi Viet News indicating that the draft CAPER would be available for public review and comment from November 17 through December 1, 2020 and that a Public Hearing would be held on December 1, 2020. The draft CAPER will also be available for public review on the City's website. All comments received in written form and at the Public Hearing will be included in the final document submitted to HUD. Due to the timeframe for submission, the final document may include minor revisions pending final activity and expenditure reports.

#### **FISCAL IMPACT**

There is no fiscal impact associated with this action.

Submitted By: Steven A. Mendoza, Executive Director – Community Development Agency

Exhibit: 1. FY 2019 Draft Consolidated Annual Performance and Evaluation Report

**DRAFT**

**CITY OF SANTA ANA  
CONSOLIDATED ANNUAL  
PERFORMANCE & EVALUATION  
REPORT**



**JULY 1, 2019 – JUNE 30, 2020**



## CR-05 - Goals and Outcomes

### Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

The 2019 CAPER covers the period of July 1, 2019 through June 30, 2020 and reports on completed projects in the 2019 program year. This CAPER is the fifth and last CAPER of the 2015-2019 Consolidated Plan. For the 2019 program year, the City followed its allocation strategy by funding public services, public facilities, affordable housing projects, homeless related projects, and fair housing services to address unmet community needs. The City conducted a 15-day public review and comment period and held a public hearing on December 1, 2020 to obtain further public comment on this CAPER. Below summarize the accomplishments of the following priority needs.

**Affordable Housing Opportunities**- Efforts to increase affordable housing include committing HOME, CDBG, Project-Based Vouchers, Inclusionary Housing, and Housing Successor Agency funds for homebuyer assistance, new construction and rehabilitation of affordable housing. Projects completed this year include the construction of a 75-unit affordable permanent supportive housing project with wrap around supportive services for HUD-Veteran Affairs Supportive Housing (VASH) eligible homeless veterans at the Santa Ana Veterans Village of which 3 units are HOME-assisted units. Two First Time Homebuyer loans were funded. The accomplishment data also includes 10 rental rehabilitation activities that were funded in FY2018, but were completed in FY2019.

**Code Enforcement** - Community preservation efforts continue in deteriorated and deteriorating areas to preserve the City's aging housing stock. In FY2019, Code Enforcement staff responded to 4,857 complaints covering 3,437 residential properties of which 1,643 were single family residences and 1,794 were multi-family residences within the CDBG eligible deteriorating and deteriorated areas.

**Economic Development** - CDBG funds were allocated to provide technical support and grants to microenterprise startup businesses. This supplements the City's economic development efforts that includes workforce development and business attraction and retention. 48 businesses were assisted through this program in FY2019.

**Homeless Activities** - Emergency Solutions Grant funding was used to reduce homelessness in the City by funding homeless service providers for homeless prevention, data services, rapid re-housing, shelter and outreach and engagement.

**Public Facilities/Infrastructure** - A total of five capital improvement project were completed including street improvements in the Henninger Neighborhood, improvements to the Thornton Park Parking Lot, upgrades to the Senior Center HVAC system, and installation of ADA compliant

# EXHIBIT 1

curb ramps and bathrooms in facilities across the City. Multiple public facility and improvement projects are underway across the City.

**Public Service Programs** - Public Services funded by the City during the report period were aimed at assisting low to moderate-income households. A total of 20 activities were funded to assist homeless, seniors, youth and families through a variety of programs.

**Support of Fair Housing** - To affirmatively further Fair Housing, the City continues to provide CDBG funds to Orange County Fair Housing Council.

**COVID-19 Response** – On April 21, the City of Santa Ana amended the 2019 Annual Action Plan to include special CDBG and ESG allocations from the CARES Act to target the impact of the COVID-19 pandemic in the City of Santa Ana. Activities included launching an emergency rental relief fund, allocating funding to increase the prevalence of COVID-19 testing within the City, supporting food banks and food delivery services for seniors, and supporting small businesses impacted by COVID-19.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**  
Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Administration	Administration	CDBG: \$1,080,230 HOME: \$170,425	Other	Other	5	5	100%	2	2	100%
Affordable Housing Opportunities	Affordable Housing	CDBG: \$635,000 HOME: \$	Rental units constructed	Household Housing Unit	24	16	67%	10	3	30%
			Rental units rehabilitated	Household Housing Unit	36	56	155%	2	10	500%

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# EXHIBIT 1

			Homeowner Housing Rehabilitated	Household Housing Unit	65	16	25%	7	0	0%
			Direct Financial Assistance to Homebuyers	Households Assisted	30	4	13%	2	2	100%
			Tenant-based rental assistance / Rapid Rehousing	Households Assisted	100	0	0%	n/a	n/a	n/a
			Housing Code Enforcement/F oreclosed Property Care	Household Housing Unit	23,000	6,653	29%	3,000	3,437	115%
Code Enforcement	Affordable Housing	CDBG: \$790,664	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1,000	1,519	152%	1,000	1,519	152%
COVID19 Pandemic	Affordable Housing Homeless Non-Housing Community Development	CDBG-CV: \$3,374,017 ESG-CV: \$1,727,403	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	300	300	100%	300	300	100%
			Businesses assisted	Businesses Assisted	100	100	100%	100	100	100%
			Other	Other	1	1	100%	1	1	100%

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# EXHIBIT 1

Economic Development Activities	Non-Housing Community Development	CDBG: \$72,926	Businesses assisted	Businesses Assisted	60	51	85%	12	48	400%
Homeless Activities	Homeless	ESG: \$493,582	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	470	340	72%	28	51	182%
			Homeless Person Overnight Shelter	Persons Assisted	4,320	5,845	135%	400	516	129%
			Homelessness Prevention	Persons Assisted	1015	675	67%	25	48	192%
			Street Outreach	Persons Assisted	12,250	5,361	45%	200	187	94%
			Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	78590		0	78590	75A-8
Public Facilities/Infrastructure	Non-Housing Community Development	CDBG: \$5,316,530								
Public Service Programs	Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$872,543	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	20,000	37,986	190%	8,000	35,497	444%



			Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	200	0	0%	0	0	0%
Support Fair Housing	Non-Housing Community Development	CDBG: \$60,000	Other	Other	5	5	100%	1	1	100%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The City allocated HUD funds to meet the high priority needs identified in the Consolidated Plan and Annual Action Plan. The following lists specific accomplishments for the Program Year 2019-2020 that demonstrate the use of funds to meet high priority needs.

**CDBG Program**

1. Code Enforcement – The City continued funding this program to preserve and maintain older residential neighborhoods. The program resulted in inspecting 3,437 housing units in CDBG eligible neighborhoods.
2. Public Facilities - A total of five capital improvement project were completed including street improvements in the Henninger Neighborhood, improvements to the Thornton Park parking lot, upgrades to the Senior Center HVAC system, and installation of ADA compliant curb ramps and bathrooms in facilities across the City. Multiple public facility and improvement projects are underway across the City.
3. Public Services - The City provided CDBG funds to 20 public service activities, benefiting 35,497 residents in the City of Santa Ana.
4. Housing – The City allocated CDBG funds to the single and multi-family Rehabilitation Programs as well as the first-time homebuyer program. The first-time homebuyer program provide assistance to two households. Leveraging current and prior year allocations, the multi-family

rehabilitation program committed \$1,687,047 to support the rehabilitation of affordable rental units in the North Harbor Village.

5. Planning and Administration – Funding was used to ensure compliant and efficient management of the CDBG program. The City allocated \$60,000 CDBG funds to Orange County Fair Housing Council for fair housing programs and services.

#### HOME Program

The City allocated funds for the construction of construction of a 75-unit affordable permanent supportive housing project with wrap-around supportive services for HUD-Veterans Affairs Supportive Housing (VASH) eligible homeless veterans (Heroes' Landing) of which 3 units are HOME-assisted units. This project was completed in June 2020. The City provided assistance for the rehabilitation of ten housing units which was funded in FY2018, but completed in FY2019.

ESG Program - Homeless Services - The City allocated ESG funds to 4 nonprofits to provide homeless related services to the homeless population benefiting 802 individuals.



**CR-10 - Racial and Ethnic composition of families assisted**

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME	ESG
White	4,491	1	610
Black or African American	49	0	85
Asian	213	3	18
American Indian or American Native	48	0	44
Native Hawaiian or Other Pacific Islander	15	0	12
Other/ Multi-Racial	2,393	8	33
<b>Total</b>	<b>7,209</b>	<b>12</b>	<b>802</b>
Hispanic	5,777	7	479
Not Hispanic	1,432	5	323

**Table 2 – Table of assistance to racial and ethnic populations by source of funds**

**CR-15 - Resources and Investments 91.520(a)**

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	8,327,893	\$7,940,036
HOME	public - federal	5,275,849	\$426,822
ESG	public - federal	493,582	\$449,179
CDBG-CV	public - federal	3,374,017	\$845,751
ESG-CV	public - federal	1,727,403	\$10,590

**Table 3 - Resources Made Available**

Narrative

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Citywide	39	58%	Citywide
Low-and Moderate-Income area	61	42%	Low-and Moderate-Income area

**Table 4 – Identify the geographic distribution and location of investments**

Narrative



**Leveraging**

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	\$0
2. Match contributed during current Federal fiscal year	\$0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$0
4. Match liability for current Federal fiscal year	\$0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$0

**Table 5 – Fiscal Year Summary - HOME Match Report**

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period					
Balance on hand at begin-ning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$	
\$332,789	\$694,649	\$181,836	\$0	\$845,602	

Table 7 – Program Income



Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Number	5	0	0	0	0	5
Dollar Amount	\$4,477,303	0	0	0	0	\$4,477,303
Sub-Contracts						
Number	0					
Dollar Amount	0					
	Total	Women Business Enterprises	Male			
Contracts						
Number	5	0	5			
Dollar Amount	\$4,477,303	0	\$4,477,303			
Sub-Contracts						
Number	0					
Dollar Amount	0					

Table 8 - Minority Business and Women Business Enterprises

<b>Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted</b>						
	<b>Total</b>	<b>Minority Property Owners</b>				<b>White Non-Hispanic</b>
		<b>Alaskan Native or American Indian</b>	<b>Asian or Pacific Islander</b>	<b>Black Non-Hispanic</b>	<b>Hispanic</b>	
Number	0					
Dollar Amount	0					

Table 9 – Minority Owners of Rental Property

<b>Relocation and Real Property Acquisition</b> – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired						
Businesses Displaced						
Nonprofit Organizations Displaced						
Households Temporarily Relocated, not Displaced						
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0					
Cost	0					

Table 10 – Relocation and Real Property Acquisition



**CR-20 - Affordable Housing 91.520(b)**

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	75	75
Number of Non-Homeless households to be provided affordable housing units	0	14
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>75</b>	<b>89</b>

**Table 11 – Number of Households**

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	
Number of households supported through The Production of New Units	75	75
Number of households supported through Rehab of Existing Units	0	12
Number of households supported through Acquisition of Existing Units	0	2
<b>Total</b>	<b>75</b>	<b>89</b>

**Table 12 – Number of Households Supported**

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

The City of Santa Ana continues to actively market its CDBG rehabilitation and homebuyer assistance programs and the HOME rehabilitation programs through city publications, city website, and key stakeholders throughout the City.

In June 2020, the Heros Landing development (formerly Veteran's Village) was opened, providing 75 units (71 1-bedroom and 4 2-bedroom) for formerly homeless veterans.

Additionally, two households received homebuyer assistance through the CDBG homebuyer assistance program. In an effort to make this program more viable, the City had recently increased the maximum

amount of assistance from \$40,000 to \$80,000. Additionally, 12 housing units were rehabilitated through HOME funding during the program year.

**Discuss how these outcomes will impact future annual action plans.**

The City will continue to issue RFPs for CDBG and HOME funds to support the development and rehabilitation of affordable multi-family rental housing. Additionally, the City will continue to provide single-family rehabilitation and homebuyer assistance programs.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	0	3
Low-income	2	10
Moderate-income	0	0
<b>Total</b>	<b>2</b>	<b>0</b>

**Table 13 – Number of Households Served**

The above table reflects actual HOME units assisted and does not include the total number of units developed in Heros Landing.



**CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

Santa Ana prioritizes effective, targeted, and safe outreach to individuals experiencing homelessness to support these individuals in identifying resources and establishing pathways to safe and sustainable housing. The City has outreach staff regularly working and interfacing with individuals experiencing homelessness to provide assistance and support in enrolling in shelter and/ or seeking other services. During FY2019, the City of Santa Ana worked towards the following objectives:

1. Prioritized street outreach through Quality of Life Teams
2. Preserved existing and increase the supply of permanent supportive housing
3. Preserved existing and increase the supply of affordable housing
4. Provided housing services and assistance to special needs populations
5. Improved critical services to low-income and special needs populations
6. Coordinated services within the City as well as regionally in collaboration with the Continuum of Care
7. Collaborated with all communities in Orange County to address homelessness with coordinated, regional approaches

**Addressing the emergency shelter and transitional housing needs of homeless persons**

The City of Santa Ana coordinated with Orange County who operates a year-round emergency shelter in the Civic Center of Santa Ana that provides safe sleep and emergency shelter for over 400 individuals each night, and food and supportive services for over 600 individuals on a daily basis. The ESG funded HEART outreach team, City Net and Illumination Foundation organizations provide outreach and engagement services in and around the shelter as well as other locations in the City. The County also ran an emergency cold-weather shelter in Santa Ana during the winter. In addition to these shelters, the City targeted actions to address the needs of individuals who are homeless that includes unaccompanied women, victims of domestic violence, chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. The range of services include emergency shelter, transitional housing and permanent supportive housing. ESG funds provided assistance for street outreach services, homeless prevention and rapid re-housing.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after**

**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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Through the objective summarized above in the Outreach section, the City strives to help individuals and families from becoming homeless. The ESG program funds homelessness prevention programs including utility and security deposit assistance as well as rental assistance. The HEART program, funded by ESG provides bus tickets for individuals interested in returning to their home; often following a release from a correctional facility. Additionally, the County of Orange is equipped to serve people discharged from publicly funded institutions or systems of care such as health care facilities or correction programs.

**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**

The City supported a number of programs to assist low-income individuals and families to avoid becoming homeless, including Section 8 Housing Choice vouchers. Other support services, such as job and training assistance, food assistance, and counseling are also available to help individuals recover from homelessness and to avoid becoming homeless. The City worked closely with the Continuum of Care who provided oversight for the Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT) to prioritize the most vulnerable chronically homeless individuals. Case management services were offered in all programs to help prevent individuals from falling back into homelessness.

**CR-30 - Public Housing 91.220(h); 91.320(j)**

**Actions taken to address the needs of public housing**

N/A – The City does not have any public housing.

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

N/A – The City does not have any public housing.

**Actions taken to provide assistance to troubled PHAs**

N/A – The City's PHA is not designated as troubled.

DRAFT



### **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken 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. 91.220 (j); 91.320 (i)**

The 2015–2019 Consolidated Plan identified several barriers to the development of affordable housing including the following:

- Limited funding sources, financial costs, and the costs of development.
- Market constraints primarily the availability, cost, and competition for land.
- Available land in the City mostly consists of small parcels that must be assembled for significant new construction projects. Relocation costs and housing replacement requirements for redeveloping improved properties also presents barriers to the development of affordable housing.
- The region's rents have continued to increase. Higher rents limited the ability of some lower income households to obtain decent and affordable housing. Households with no or poor credit history are severely impacted.

In an effort to mitigate these barriers, Santa Ana undertook the following actions during the report period:

- Continued to enforce the City's inclusionary housing ordinance in which new residential projects that meet the specified criteria must provide: 1) if the new residential project consists of units for sale, then a minimum of 15% of the total number of units in the project shall be sold or rented to low income households; 2) If the new residential project consist of rental units, a minimum of 15% of the units shall be rented to low income households, or 10% rented to very low income households; or 3) the developer may elect to satisfy these requirements for the project by payment of a fee in lieu of constructing some or all of the affordable units on-site.

### **Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

Based on the 2019 Point in Time Count and Survey, there are 6,860 individuals experiencing homelessness in the County, with 1,769 in the City of Santa Ana. This is an increase of 769 individuals in Santa Ana since the 2017 Point in Time Count. A challenge for Santa Ana is that many individuals experiencing homelessness gravitate to specific cities, one of which is Santa Ana. A goal of the City is to work closely with community and faithbased groups, other municipalities and the County to provide a coordinated and regional effort to address homelessness throughout the County. In addition, several programs were funded by HOME, CDBG and ESG to assist underserved individuals. The number of persons assisted during the report period is highlighted throughout this report.

### **Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

Lead-paint hazards are typically found in buildings constructed prior to 1978; the year lead based paint was banned in the United States. Until 2012, children were identified as having a blood lead "level of

concern” if blood tests resulted in 10 or more micrograms of lead per deciliter. Experts now use a reference level of 5 micrograms per deciliter to identify children with blood levels that are much higher than most children’s levels. Although many children remain at risk exposure to harmful lead levels (i.e., blood lead levels greater than the CDC recommended level of 5 micrograms of lead per deciliter of blood), the CDC reported a decline in blood levels in children age five and younger, largely a result of the phase-out of leaded gasoline and efforts by federal, state, and local agencies to limit lead paint hazards in housing.

#### **Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

Santa Ana’s anti-poverty strategy includes expanding housing opportunities and support services for low-income residents, and coordinating public and private resources to address their specific needs. Services and activities supported by the City included:

- Housing rehabilitation, rental assistance, and creation of new affordable housing opportunities via new construction and acquisition/rehabilitation activities
- Homeless assistance including prevention activities, emergency shelter, transitional housing, and access to permanent housing opportunities; appropriate support services were blended with these activities
- Public facility improvements to improve the overall infrastructure of the City, but more specifically for older and/or lower income neighborhoods
- Job training, job-search skills and job placement to provide those living in poverty with new employment opportunities that pay higher wages
- Youth recreation and diversion services to provide youth living in poverty with alternatives to gang and crime activities

#### **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

The large number of non-profit organizations serving low-income communities in Santa Ana is both an asset and a challenge. With a long history of serving the community, the sheer number of non-profits leads to increased competition for limited resources. Conversely, the benefits of a rich variety of social service organizations often translates to more community-based and culturally competent services for low-income residents. In response to this, the City worked closely with local institutions to initiate programs that link economic incentives with neighborhood and community development objectives. These efforts included building relationships with neighborhood associations, community-based lending agencies, nonprofits, and educational institutions. The City also supported programs aimed at enhancing coordination among various City departments. Examples of actions undertaken during the report period to overcome gaps and enhance coordination included the following:

- The City’s Workforce Development Board played a key role in developing employment opportunities for lower income Santa Ana residents. The WDB is comprised of various community leaders representing private employment, education, social services and



government. This diversity in the board's representation ensures that the community's workforce needs are identified and addressed through a variety of public and private resources. This advisory board also brings key community contacts together resulting in enhanced coordination of program delivery and resource utilization.

- The City participated in several homeless forums and committees. Specifically, the City served as the Chair for the Orange County Continuum of Care Board and participated in several committees including the Housing Opportunity Committee, the Emergency Shelter Committee and the Data and Performance Committee. The City also served on the Leadership Council for the United to End Homelessness campaign empowered by the United Way and participated on the Executive Committee. Through this participation, the City can ensure that barriers to housing and the needs of the homeless are identified and addressed through the coordinated regional implementation of limited funding and resources.
- The City sought to encourage home ownership opportunities to promote neighborhood stability. With a high median purchase price of homes, homeownership remains a challenge for households earning less than 80% of county median income. Recent increases in housing costs have exacerbated this situation.
- Neighborhood residents were encouraged to participate in the preparation and implementation of neighborhood assessments and plans, and were kept informed on homelessness issues. Santa Ana's Neighborhood Initiatives Program provided the means to facilitate this participation. This coordination included working with a variety of city departments, public utilities, property owners, tenants, nonprofit agencies and the school district.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

As in past years, Santa Ana made an effort to leverage federal funds with local and state funds to increase and preserve the City's supply of affordable rental housing. After the dissolution of Redevelopment Agencies in California, obtaining affordable housing resources has become more challenging; however, the City continues to seek resources that can be used to further affordable housing opportunities. Several affordable housing projects are moving forward currently in the City and two projects for individuals/veterans experiencing homelessness are in the pipeline. These are examples of how the City is coordinating with private developers and social service agencies to create affordable housing opportunities in Santa Ana.

The City's owner-occupied housing rehabilitation programs have been instrumental in preserving housing units occupied by lower income households. Furthermore, homeownership opportunities for low- and moderate-income homebuyers were available via the City's participation in the City's Down Payment Assistance Program. The City worked closely with Habitat for Humanity in completing the last phase of the scattered site project where single family homes were developed to be sold at affordable price and to restrict to income qualified households for a period of at least 45 years. Additionally, the Santa Ana Housing Authority provided rental assistance vouchers to very-low income households.



Participants in the Housing Authority's Family Self-Sufficiency (FSS) program were also referred to classes (available in English, Spanish and Vietnamese) on how to prepare for homeownership.

City staff met regularly with public and private organizations to coordinate various efforts. The City's relationship with nonprofit organizations in the community allowed for an integrated approach for funding requests from local, state and federal agencies. The City worked with nonprofits as they applied for funds for activities consistent with the objectives in the Consolidated Plan. The City also communicated with various institutions to facilitate the exchange of information and to develop strategies to provide benefits and housing services.

Homeless needs and priorities continue to be identified through the County's CoC system. The City consults with the County and local ESG entitlement grantees in regard to the use of new ESG funds. On-going meetings are held to coordinate the development of eligibility criteria, performance standards and outcome measurements, as well as to establish funding, policies, and procedures for the operation and administration of the Homeless Management Information System (HMIS).

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

A Regional Analysis of Impediments (AI) that covers program years 2015-2016 through 2019-2020 identified impediments to fair housing choice on a regional basis. It outlines strategies for regional partners to address identified fair housing impediments. In order to overcome impediments to fair housing choice identified in the regional AI, during the 2019-2020 reporting period the City of Santa Ana provided funding to the Fair Housing Council of Orange County for fair housing education, landlord/tenant counseling and enforcement services to combat housing discrimination and city administrative support for the residents of the City of Santa Ana. Funds went toward administrative/program staff and service contracts.

**CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

To ensure program compliance, all CDBG, HOME and ESG activities are reviewed for eligibility prior to having funds committed. Activities by subrecipients are monitored through quarterly desk audits of invoices, a review of the subrecipient's Single Audits, and a risk assessment is conducted to identify high risk activities to perform on-site monitoring. Activities by City departments are monitored through a review of quarterly reports, inspection of completed projects, and review of procurement or other pertinent documentation prior to authorizing project delivery payments. A comprehensive HOME project-monitoring plan has been developed and implemented by the City. For rental projects, this plan calls for a regular review of project finances, tenant eligibility, ongoing HOME program compliance, and Housing Quality Standards (HQS) compliance. An annual recertification of CHDOs has also been implemented. The City is required to report HOME resources awarded to Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) via contracts and subcontracts in the CAPER. In addition, CDBG requires that an effort be made to award agreements to MBE/WBE. Procurement advertisements state that MBE and WBE firms are encouraged to apply.

**Citizen Participation Plan 91.105(d); 91.115(d)**

The City published a notice in the general circulation of papers in English, Spanish and Vietnamese that its CAPER was available for review for public comment. The CAPER was made available for review at the Office of the Clerk of the Council, Community Development Agency 6th Floor Reception Area, and on the City's website. There was a 15-day public comment period prior to the submission of the CAPER to HUD. In addition, a public hearing was held by the Community Redevelopment and Housing Commission and at the City Council meeting to obtain public comments, with the City Council authorizing the submission of the report to HUD.

In preparation for the 2020 Consolidated Plan, the City updated its Citizen Participation Plan to ensure ongoing compliance with program requirements and allowing residents and stakeholders adequate opportunity to participate in the design and implementation of HUD-funded programs.

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The City published a notice in the general circulation of papers in English, Spanish and Vietnamese that its CAPER was available for review for public comment. The CAPER was made available for review at the Office of the Clerk of the Council, Community Development Agency 6th Floor Reception Area, and on the City's website. There was a 15-day public comment period prior to the submission of the CAPER to HUD. In addition, a public hearing was held by the Community Redevelopment and Housing Commission

and at the City Council meeting to obtain public comments, with the City Council authorizing the submission of the report to HUD.

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**CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

The City of Santa Ana amended its 2019 Annual Action Plan on April, 21, 2020 for the inclusion of the CDBG-CV and ESG-CV grant programs, authorized by the CARES Act, to prevent, prepare for, and respond to coronavirus.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No.

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**CR-50 - HOME 91.520(d)**

**Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations**

*Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.*

The City of Santa Ana conducts onsite inspections of HOME-assisted rental units during the required affordability period to determine compliance with HUD property standards in accordance with 24 CFR 92.251. HOME-assisted rental projects with one to four units are inspected every three years, projects with five to 25 units are inspected every two years, and projects with 26 or more units are inspected annually. For the 2019-2020 fiscal year, xxx units out of xxx units were inspected. Of those units inspected, a total of xxx units had deficiencies observed, of which xxx units corrected the deficiencies at re-inspection. Issues detected during the inspections included general deferred maintenance repairs to the unit exteriors.

**Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units.**  
**92.351(b)**

The City's affirmative marketing procedures and requirements apply to rental and homebuyer projects containing 5 or more HOME or CDBG-assisted housing. These procedures and requirements do not apply to families with Section 8 tenant-based rental housing assistance or families with tenant-based rental assistance provided with HOME funds. The procedures include:

Methods to inform the public about Federal fair housing laws:

- The City displays the Equal Housing logo or slogan in housing-related press releases and solicitations for owners, and on the website page for the City's Housing and Neighborhood Development Division.
- The City requests the County of Orange to include information on the City's HOME and CDBG-assisted rental units in its countywide Affordable Housing List maintained by the County.

Requirements and practices owners must adhere to:

- Owners must display the Equal Housing Opportunity logo or slogan in all correspondence with current or potential tenants, on lease agreements, and display the fair housing poster in their leasing offices, and develop written procedures for selecting tenants.
- The City required owners of City HOME- and CDBG-assisted rental units to continuously review the demographic makeup of their tenants. If and when such review indicated that their tenants no longer reflected the City's minority population, they were required to inform the City of that fact and request City review and approval for the steps they took to correct that deficiency.

- Compliance with the City's affirmative marketing requirements and procedures will be made an obligation of all rental property owners receiving HOME or CDBG assistance from the City of Santa Ana, and will be enforceable by means of appropriate actions described in loan documents recorded through the County of Orange.

**Record keeping:**

- The City will require owners of its HOME- and CDBG- assisted rental units covered under this marketing plan to make an annual report to the City detailing the steps they have taken to comply with this Program. They will also be required to report on the ethnicity of their tenants, as well as rents, income levels, and other household characteristics. Reports will be made on a form that is acceptable to the City of Santa Ana, and that will enable the City to capture the data it needs to evaluate owner compliance with this Program.
- The City will maintain records on owner reports and its evaluation of those reports for a period of not less than ten years after expiration of the affordability period required by applicable HUD regulations.

**Annual assessment:**

- Upon receipt of owner reports, the City will evaluate the ethnic and racial characteristics of tenants being served to determine if they reflect the City's housing market. If they do not, the City will direct the owner to take further affirmative marketing steps to correct the imbalance. The City will track and evaluate the steps taken to insure they have the desired effect.

**Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics**

N/A

**Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)**

The City coordinates HOME funding and activities with other federal, state, and local affordable housing resources to maximize the assistance provided in the City and construct and/ or rehabilitate affordable housing throughout the City.



**CR-60 - ESG 91.520(g) (ESG Recipients only)**ESG Supplement to the CAPER in *e-snaps***For Paperwork Reduction Act****1. Recipient Information—All Recipients Complete****Basic Grant Information**

<b>Recipient Name</b>	SANTA ANA
<b>Organizational DUNS Number</b>	083153247
<b>EIN/TIN Number</b>	956000785
<b>Identify the Field Office</b>	LOS ANGELES
<b>Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance</b>	

**ESG Contact Name**

<b>Prefix</b>	Mr
<b>First Name</b>	Judson
<b>Middle Name</b>	
<b>Last Name</b>	Brown
<b>Suffix</b>	
<b>Title</b>	Housing Division Manager

**ESG Contact Address**

<b>Street Address 1</b>	20 Civic Center Plaza, M-26
<b>Street Address 2</b>	0
<b>City</b>	Santa Ana
<b>State</b>	CA
<b>ZIP Code</b>	92701-
<b>Phone Number</b>	7146672241
<b>Extension</b>	0
<b>Fax Number</b>	7146476549
<b>Email Address</b>	jbrown@santa-ana.org

**ESG Secondary Contact**

<b>Prefix</b>	Ms
<b>First Name</b>	Mikelle
<b>Last Name</b>	Daily
<b>Suffix</b>	0
<b>Title</b>	Community Development Analyst
<b>Phone Number</b>	7146672256

CAPER

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Extension 0  
 Email Address jbrown@santa-ana.org

## 2. Reporting Period—All Recipients Complete

Program Year Start Date 07/01/2019  
 Program Year End Date 06/30/2020

### 3a. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name: 2-1-1 Orange County  
 City: Santa Ana  
 State: CA  
 Zip Code: 92705  
 DUNS Number: 884339003  
 Is subrecipient a victim services provider: No  
 Subrecipient Organization Type: Nonprofit  
 ESG Subgrant or Contract Award Amount: \$20,750

Subrecipient or Contractor Name: Wise Place  
 City: Santa Ana  
 State: CA  
 Zip Code: 92706  
 DUNS Number: 002322894  
 Is subrecipient a victim services provider: No  
 Subrecipient Organization Type: Nonprofit  
 ESG Subgrant or Contract Award Amount: \$31,128

Subrecipient or Contractor Name: Interval House  
 City: Long Beach  
 State: CA  
 Zip Code: 90803  
 DUNS Number: 113510176  
 Is subrecipient a victim services provider: Yes  
 Subrecipient Organization Type: Nonprofit  
 ESG Subgrant or Contract Award Amount: 36,315

**Subrecipient or Contractor Name:** Mercy House Transitional Living Center  
**City:** Santa Ana  
**State:** CA  
**Zip Code:** 92702  
**DUNS Number:** 879797165  
**Is subrecipient a victim services provider:** No  
**Subrecipient Organization Type:** Nonprofit  
**ESG Subgrant or Contract Award Amount:** 316,491

**Subrecipient or Contractor Name:** Santa Ana  
**City:** Santa Ana  
**State:** CA  
**Zip Code:** 92701  
**DUNS Number:** 083153247  
**Is subrecipient a victim services provider:** No  
**Subrecipient Organization Type:** Unit of Government  
**ESG Subgrant or Contract Award Amount:** 88,898

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**CR-65 - Persons Assisted**

See Appendix 1: Sage ESG CAPER Report.

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**CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes****10. Shelter Utilization**

Number of New Units – Rehabbed	0
Number of New Units – Conversion	0
Total Number of bed - nighths available	60,365
Total Number of bed - nights provided	0
Capacity Utilization	0

**Table 24 – Shelter Capacity****11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)**

City staff along with other the cities of Anaheim, Garden Grove and the County of Orange have formed the Orange County ESG Collaborative to discuss policies and procedures, how best to allocate ESG funds, as well as a variety of program and homeless issues. The City of Santa Ana along with this Collaborative continues to use mutually agreed upon forms including: intake forms, client participation agreements, checklists for monitoring and evaluating project and agency performance, and reimbursement forms for purposes of consistency and streamlining the process for all applicable parties. Staff consults with the CoC on a regular basis, attends numerous meetings and is involved in the Continuum of Care.

**CR-75 – Expenditures**

See Appendix 1: Sage ESG CAPER Report.

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