



Third Program Year 2013 DRAFT CAPER

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

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

GENERAL

Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the third year.

Program Year 3 CAPER "Executive Summary" response:

The Consolidated Annual Performance and Evaluation Report (CAPER) summarizes the progress made by the City of San Marcos in executing housing and community development activities during the Fiscal Year (FY) 2013/2014 that were identified in the 2013 Action Plan and the 2011-2013 Consolidated Plan (Con Plan). The Con Plan is the City's strategic plan which details how the City expends both Federal (CDBG/HOME), State and City funds to increase the supply of affordable housing and improve the quality of life primarily for the City's extremely low-, low- and moderate-income residents. This CAPER is the last program year of the 2011-2013 Con Plan.

The CAPER contains a description of accomplishments and an evaluation of overall progress toward long-term goals established in the Con Plan and demonstrates how the City expended Community Development Block Grant (CDBG) and HOME Investment and Partnership (HOME) program funds. Financial and specific project reports are provided as exhibits through the Integrated Disbursement and Information Systems (IDIS), the software used by the Department of Housing and Urban Development (HUD).

The City of San Marcos continues to lament the loss of key redevelopment funds that were taken by the State in 2011. The loss of redevelopment funding impacts the City's ability to build affordable housing and infrastructure projects that improve our low-and moderate-income communities.

The City of San Marcos receives federal grant funding as an entitlement jurisdiction for the CDBG Program and has a remaining balance of HOME funds which are administered by the San Diego County HOME Consortium. The City is responsible for the planning, administration, and implementation of projects funded with CDBG funds and for the planning and implementation of the programs using HOME funds. The City is required to report to HUD on its accomplishments at the end of every

program year. This CAPER covers the activities carried out during the 2013 Action Plan for the period July 1, 2013 to June 30, 2014. This period corresponds with the City's FY 2013/2014, but is also referred to by HUD as Program Year 2013.

In FY 2013/2014 the City of San Marcos received \$596,407 in CDBG funds and \$118,694 in HOME funds. Depending on timing and status of current projects, CDBG and HOME fund allocations are spent from prior years though the current year funding. See Table 1 for funding detail. All CDBG funded projects are approved by the San Marcos City Council and the U.S. Department of Housing and Urban Development. The most significant accomplishments in FY 2013/2014 were:

- Completed the construction of Connors Park (CDBG and other grant funds)
- Completed the Montiel Park Enhancement project (CDBG)
- Committed approximately \$8,806,130 million for future affordable housing development (Affordable Housing funds)
- Assisted 438 homeless persons with winter shelter needs through participation in the North San Diego County Alliance for Regional Solutions (City funds)
- Provided assistance for eight first-time home buyer loans (CalHOME funds)
- Provided assistance for nine home rehabilitation loans (HOME funds)
- Assisted 38 San Marcos residents with fair housing issues (CDBG funds)
- Assisted 3,042 residents with information on basic needs, such as housing, food and utility assistance (CDBG funds)
- Assisted approximately 349 San Marcos families with the County of San Diego's Section 8 Rental Assistance (U.S. Dept of HUD funds)

The San Marcos City Council approved a substantial amendment to the 2012/2013 Action Plan to reallocate \$220,000 from the Americans With Disabilities (ADA) Improvements to Public Facilities project to the Connors Park Improvement project on October 13, 2013. The substantial amendment did not deplete funds for ADA improvements because there was a remaining balance from FY 2011/2012 action plan funding.

General Questions

Program Year 3 "General Questions" Response:

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
 - b. Provide a breakdown of the Community Planning and Development (CPD) formula grant funds spent on grant activities for each goal and objective.
 - c. If applicable, explain why progress was not made towards meeting the goals and objectives.
2. Describe the manner in which the recipient would change its program as a result of its experiences.
3. Affirmatively Furthering Fair Housing:
 - a. Provide a summary of impediments to fair housing choice.
 - b. Identify actions taken to overcome effects of impediments identified.
4. Describe other actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.
5. Leveraging Resources

- a. Identify progress in obtaining “other” public and private resources to address needs.
- b. How Federal resources from HUD leveraged other public and private resources.
- c. How matching requirements were satisfied.

Assessment of One-Year Goals and Objectives

- 1a. The City of San Marcos has achieved all of its FY 2013/2014 Action Plan goals with the exception of the Starstone/La Rosa Drainage Improvements project and the Saturday VIBE project. In FY 2013/2014, the City also completed two projects from 2012/2013 AAP, the Montiel Park Improvements project and the Bradley Park Master Plan project.

Following is a summary of City’s housing achievements in 2013/2014:

- Affordable Housing Development –The City committed approximately \$8,806,130 million in housing funds for the development of two mixed use affordable housing developments, Promenade at Creekside (Phase 1) and Eastgate.
- Homeowner Rehabilitation Program - The City’s low-income home rehabilitation program provided assistance for nine home rehabilitation projects for a total of \$320,430.
- Homeless Assistance - During 2013/2014, the City contributed \$65,000 of City Housing In-Lieu funding towards the support of four different homeless emergency winter shelter programs. This assistance was provided by partnering with the North San Diego County Alliance for Regional Solutions, which operates a total of six shelters throughout the region. 438 unique individuals were assisted in these six shelters. City staff also continues to participate in the Regional Continuum of Care Council of San Diego.
- Section 8 Rental Assistance – The County of San Diego, as the City’s Housing Authority, administers the Section 8 Rental Assistance program. Through December 2013, 349 San Marcos families were provided Section 8 Rental Assistance. This number represents 168 elderly, 326 small families, and 23 large families.
- Fair Housing - Assisted 33 San Marcos residents with fair housing issues and conducted limited testing for racial discrimination. No disparate treatment and/or terms in rental housing were noted at any of the sites tested.
- Down Payment Assistance Program – The City restarted its First-Time Homebuyer Downpayment Assistance Program due to the \$652,200 in grant funds received from CalHOME. In FY 2013/2014, the City provided 8 down payment assistance loans for a total of \$380,499 in down payment assistance to low-income individuals.

Following is a summary of the non-housing community development accomplishments in 2013/2014:

- Non-Profit Coordination – The City assisted 211 San Diego with operating funds to provide assistance with financial, food, physical health, community

development, and housing needs. There were 3,042 calls from San Marcos residents identifying 4,457 call needs during the reporting period of July 1, 2013 through June 30, 2014. In FY 2013/2014, 34% of callers were seeking help with basic needs. This is down 3% from FY 2012/13. The most requested needs for San Marcos residents were, on average as follows: 15% of the callers were seeking housing assistance; 11% seeking utility assistance; and 7% were seeking assistance with food.

- San Marcos Elementary (Connors) Park Improvements - Connors Park was completed and had its grand opening on April 2014. This project was a collaboration with the San Marcos Independent School District. CDBG funds were leveraged with a \$3.8 million grant to fund park construction.
- ADA Improvements to City Facilities – The City of San Marcos installed two accessible swings in City Parks and an audible pedestrian signal.

1b. See Table 1. for the breakdown of CDBG, HOME and City funds expended in 2013/2014 for the benefit of our low-and moderate residents.

Table 1.
Community Planning and Development Expenditures FY 2012/13

CDBG Funds	Amount
Connors Park Improvements	339,624
Montiel Park Expansion (2012 Funding)	111,435
Bradley Park Master Plan (2012 Funding)	8,059
Starstone/La Rosa Drainage Improvements	3,900
Fair Housing Services	21,630
Fair Housing Testing	6,000
Non-Profit Coordination - 211 San Diego	16,600
ADA Transition Plan/ADA Improvements (2011 Funding)	12,688
CDBG Program Administration	115,143
Total CDBG Funds Expended	\$635,079
HOME Funds	
Home Rehabilitation Loan Program	\$320,430
HOME Program Administration	\$3,626
Total HOME Funds Expended	\$324,056
Total CDBG/HOME Funds Expended	\$324,056
CalHOME Funds	
Down Payment Assistance Program	\$380,499
Total CalHOME Funds	\$ 380,499
City Funds	
Affordable Housing Construction	\$8,806,130
Homeless Shelter Support	\$ 65,000
Total Other Funding	\$8,871,130
Total Community Planning and Development Funding	\$10,210,764

Progress Towards Meeting Goals

1c. The City of San Marcos has made progress towards the City's Con Plan goals and objectives, especially toward enhancing a suitable living environment through accessibility and sustainability. The City expended a total of \$10,210,764 to improve the quality of life for our extremely low-, low-, and moderate-income residents. The City has not completed the Starstone/La Rosa Drainage Improvements. This project was funded in FY 2013/2014 and is going out to bid in the Fall of 2014. Due to staff changes, the City did not conduct a Saturday VIBE in 2013/2014 but will plan Saturday VIBE events in 2014/2015.

Program Changes

2. The City does not plan any major changes in the CDBG program as a result of its experiences; however, the City Council approved a substantial amendment to the FY 2012/2013 AAP in FY 2013/2014. The substantial amendment was approved on October 8, 2013 to reallocate \$100,000 from the infeasible Bradley Park Improvements project to the Montiel Park Improvements project.

Fair Housing

3a-b. In accordance with the Con Plan submittal regulations of HUD, the City participated in a regional effort involving all 19 jurisdictions in San Diego County to update the San Diego Regional Analysis of Impediments to Fair Housing Choice (AI). This analysis identified constraints to reducing discrimination based on: race, color, national origin, ancestry, religion, gender, familial status (presence of children), physical or mental disability, age, sexual orientation, source of income, marital status, medical condition, or any other arbitrary factor. The AI serves as a working document to eliminate identified impediments to fair housing choice in San Marcos and throughout San Diego County.

The City has addressed all of the impediments that were specific to the City of San Marcos from the 2010-2015 Regional Analysis of Impediments (AI) to Fair Housing Choice and the 2005-2010 AI in the General Plan Update which was approved on February 14, 2012 and the Zoning Ordinance Update which was approved on October 23, 2012.

The 2005 impediments addressed in the 2012 Zoning Ordinance Update were: 1) The definition of family is revised to meet federal standards and not impede fair housing choice, 2) The Pyramid Zoning provision does not exist in revised ordinance, 3) Transitional housing was and will remain by right in multi-family zones, emergency shelters will be recommended to be allowed by right in the industrial zone, and 4) the Zoning Ordinance Update includes a Reasonable Accommodation provision, section 20.440.

The 2010 impediments addressed in the 2012 Zoning Ordinance Update were: 1) The City of San Marcos does not specify density bonus provisions that are in compliance with State law, 2) The San Marcos Zoning Ordinance does not explicitly accommodate manufactured homes in single-family residential zoning districts as required by State law, 3) San Marcos has no provisions in its Zoning Ordinance for residential care facilities serving six or fewer clients but is home to a number of residential care facilities. The Zoning Ordinance also does not provide for large residential care facilities serving seven or more residents, 4) The City of San Marcos does not provide for transitional housing, supportive housing and SRO, which can

limit the housing choices of special needs groups such as homeless individuals and families.

Following is a summary of the impediments for the San Diego County region identified in the 2010-2015 San Diego Regional AI:

- Lack of availability of outreach and educational materials throughout portions of the San Diego region.
- Many small property owners lack knowledge of fair housing laws and landlord rights and responsibilities.
- There is an underrepresentation among certain minority groups in the homebuyer market and observed disparity in loan approval rates.
- There are recurring rental/home market application denials due to credit history and financial management factors.
- Discrimination against persons with disabilities and based upon national origin or familial status is persistent and increasing.
- There are significant patterns of racial and ethnic concentration within all jurisdictions of the County of San Diego.
- There is an overconcentration of Section 8 Voucher use in specific geographic areas.
- The availability of accessible housing for persons with disabilities is limited.
- There is no Universal Design Ordinance.
- Lead-based paint hazards often disproportionately affect minorities and families with children.
- Collaboration among jurisdictions and fair housing service providers in addressing service gaps needs improvement.
- Inconsistent tracking of fair housing data makes comparison and trend analysis difficult.
- There are disparities in providing high-quality fair housing services across the region.
- There is a need for proactive testing audits for discrimination in the housing market, rather than relying on complaint-driven testing.
- Substandard housing conditions tend to impact minority households disproportionately.
- Additional funds for fair housing service providers to conduct fair housing testing services are needed.

The City is an active member of the San Diego Regional Alliance for Affirmatively Furthering Fair Housing and City staff serves as its Treasurer. The San Diego Regional Alliance for Fair Housing (SDRAFFH), formerly the Fair Housing Resource Board, disseminates information about fair housing rights and responsibilities and promotes fair housing choice in the region. The jurisdictions who are members of the SDRAFFH are planning the production of the 2016-2021 AI.

The City of San Marcos collaborates with the SDRAFFH to address the regional impediments and has implemented steps to address the regional impediments in the City of San Marcos. The creation of the SDRAFFH's website helps to address the first impediment listed regarding lack of outreach. The City of San Marcos has been conducting proactive testing for discrimination in housing choice every two years and conducts testing follow up, if necessary, the year no testing is planned. The City has produced more affordable housing in the region, second only to the City of San Diego, to address the impediment of substandard housing conditions impacting minority households disproportionately.

The City of San Marcos contracts with North County Lifeline for fair housing services and testing. This contract is administered by the Housing and Neighborhood Services Division. During FY 2013/2014, North County Lifeline assisted 33 residents with fair housing issues, of those 33 residents, 27 were low-to moderate-income residents (17 extremely low-income, 9 very low-income, and 1 moderate-income). The City did affirmatively further fair housing in FY 2013/2014 through the following activities:

- Conducted ten tests at five apartment communities to detect discriminatory business practices on the basis of race. No disparate treatment or disparate terms in rental housing were found at any of the five apartment communities.
- Conducted 11 fair housing workshops for landlords, property managers, realtors and community groups. A total of 325 persons attended the 11 workshops.
- Conducted annual Crime Free Multi-Housing Workshop on November 19, 2013. The workshop includes a presentation on fair housing laws, tenant application and screening. 65 apartment managers and maintenance staff attended the workshop.
- Hosted a first-time homebuyer education class. Content included teaching buyers to be aware of potential discriminatory practices and to contact the City's fair housing service provider if they detect any discrimination or fair housing choice violations.
- Participated in Fair Housing Month in April and issued a proclamation declaring April 2014 as Fair Housing Month in San Marcos.
- Distributed fair housing pamphlets in Spanish and English to tenants and landlords, and made these materials available for general distribution at City facilities, neighborhood watch meetings, community resource centers located in low-income neighborhoods, and at the City's mobilehome parks that are covered by the City's space rent stabilization ordinance.
- Assisted in the launch of the SDRAFFH's first website in April 2014.

Other Actions to Meet Underserved Needs

4. The City conducted the following activities to address obstacles to meeting underserved needs:

- Homeless - During FY 2013/2014 the City of San Marcos contributed \$65,000 of City funding towards the support of four different homeless emergency winter shelter programs. This assistance was provided by partnering with the North San Diego County Alliance for Regional Solutions, which operates a total of six shelters throughout the North County. These six shelters assisted 438 unique individuals by providing cold weather shelter throughout the winter. Of the 438 people assisted, 9 (2% of the total) homeless individuals identified themselves as being from San Marcos. City staff also participates in the Regional Continuum of Care Council of San Diego.
- Regional Homeless Alliance – During the past year the City has participated in the "Alliance for Regional Solutions" which was founded to develop a regional solution to homelessness. The goal of the Alliance is to develop a system of shelters that provides homeless individuals and families in north San Diego County with a safe haven during the winter months while also assisting them to move towards self-sufficiency. The Alliance is a partnership of over 30 North County non-profit human service agencies working collaboratively with the nine North County Cities

and key public policy makers to ensure that emerging human needs in the region are justly met.

- 211 San Diego – The City assisted 211 San Diego with operating funds to provide assistance with financial, food, physical health, community development, and housing needs. There were 3,042 calls from San Marcos residents identifying 4,457 call needs during the reporting period of July 1, 2013 through June 30, 2014. In FY 2013/2014, 34% of callers were seeking help with basic needs. This is down 3% from FY 2012/13. The most requested needs for San Marcos residents were, on average as follows: 15% of the callers were seeking housing assistance; 11% seeking utility assistance; and 7% were seeking assistance with food.
- San Marcos Community Foundation – In FY 2013/2014, the San Marcos Community Foundation awarded \$42,588 to underserved populations in San Marcos. See Table 2 for award detail. The Foundation offers mini grants up to \$1,500 and regular endowment grants from \$1,500 to \$10,000 to address the needs of the underserved populations in San Marcos. They include low-income, frail elderly, persons with disabilities, and veterans. In addition to funding underserved population, the Foundation provides funds for arts and educational opportunities for San Marcos residents.

Table 2.
San Marcos Community Foundation Awards FY 2013/2014

Organization	Award	Underserved Population
Meals-on-Wheels Greater San Diego	\$1,500	Seniors
TERI, Inc	\$1,500	Persons With Disabilities
Boys and Girls Club of San Marcos	\$4,339	Low-Income Students
Casa de Amparo	\$2,000	At Risk Youth
North County Health Services	\$3,780	Low Income Persons
Alvin Dunn Elementary School	\$1,469	Low-Income Students
Just in Time for Foster Youth	\$5,000	Foster Youth
Meals-on-Wheels Greater San Diego	\$7,000	Seniors
Fan of the Feather	\$1,500	Veterans
San Marcos Unified School District	\$5,000	Low-Income Students
Solutions for Change	\$7,000	Family Homeless
Tender Loving Canines Assistance Dogs	\$2,000	Persons With Disabilities
Interfaith Community Services	\$1,500	Seniors
Meals-on-Wheels Greater San Diego	\$500	Seniors
Total Awards to Underserved Populations	\$42,588	

Leveraging Resources

5a. The City seeks partnerships with non-profit housing developers to provide gap financing for the construction of affordable housing units for low-income residents. In FY 2013/2014, the City has committed approximately \$8.8 million in City funds for future affordable housing development. The City collaborates with a number of affordable housing developers and service providers to accommodate the housing needs of San Marcos residents. The following are housing developers the City collaborated with in FY 2013/2014.

- Affirmed Housing Group
- Hitzke Development Corporation
- National Community Renaissance (National CORE)
- Opportune Companies
- Orange Housing Development Corporation

The City routinely seeks federal and state grants for projects that are outside the General fund budget. The City has been awarded several federal and state grants that are currently being leveraged with other funds for the construction of street, park and sidewalk improvements.

5b. The City of San Marcos has leveraged CDBG funds to provide funding for the San Marcos (Connors) Park and Montiel Park Improvements. CDBG funding was used for the design of Connors Park and the City obtained additional grant funding for the construction.

5c. The City of San Marcos provided match funds in FY 2013/2014 for the Connors Park Improvement project.

Managing the Process

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

Program Year 3 CAPER "Managing the Process" response:

1. The City Council approved the 2011-2013 Con Plan for Housing and Community Development on May 10, 2011. The Con Plan served as guidance for the FY 2013/2014 Action Plan. The City utilized the Con Plan Management Process (CPMP) tool for the FY 2013/2014 Action Plan to ensure that all submittal requirements have been met. This is the last program year of the 2011-2013 Con Plan.

The City of San Marcos is an entitlement city and serves as the lead agency in overseeing the development and administration of CDBG program and the County of San Diego has served as the lead agency for the administration of HOME. The Housing and Neighborhood Services Division (HANS) of the City Manager's Department is responsible for the administration, planning, and execution of CDBG funding. The division is also responsible for HOME program administration. FY 2013/2014 is the last year the City of San Marcos will receive funding from the HOME program through the County of San Diego HOME consortium. The County of San Diego will be pooling the HOME Investment Partnership funds for the purpose of a county-wide first-time homebuyer program. The County of San Diego also serves as the lead agency responsible for the administration and disbursement of Section 8

rental assistance funds to San Marcos residents. The HANS Division collaborated with other departments within the City to facilitate the goals and objects of the Action Plan as well as the Con Plan. Other divisions include: Real Property Services, Finance, Engineering, Community Services, and Public Works.

The City participates in the San Diego County Regional CDBG Coordinator's Group quarterly meetings with other entitlement jurisdictions to discuss program activities and compliance issues. This provides an excellent opportunity to learn what other jurisdictions are planning, discuss program compliance, learn best practices and receive input on programs the City of San Marcos has planned. In conjunction with the regional CDBG Coordinator's meeting, the City attends the quarterly San Diego Regional Alliance for Fair Housing (SDRAFFH), formerly the Fair Housing Resource Board. The City also participates in bi-annual HOME Consortium meetings to ensure compliance with HOME program rules and regulations.

City staff utilizes the various training tools and classes that HUD provides to ensure planning and program compliance, such as both online and in person training courses, IDIS bulletins, and the HOMEfires newsletter.

Citizen Participation

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

Program Year 3 CAPER "Citizen Participation" response:

1. To date, no comments were received for the CAPER. The City of San Marcos held three public hearings during FY 2013/2014. Two were to gather public input for the 2013/2014 Action Plan, held on April 9, 2013 and May 14, 2013, and one was for a substantial amendments to the FY 2012/2013 AAP. Public notices were published in both English and Spanish newspapers.
2. The draft FY 2013/2014 CAPER includes a summary budget showing federal, state and local funds available for Community Planning & Development use during FY 2013/2014.

Institutional Structure

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

Actions Taken to Overcome Gaps and Enhance Coordination

Program Year 3 CAPER "Institutional Structure" response:

1. The Housing and Neighborhood Services (HANS) division of the City Manager's department attempts to overcome gaps by enhancing the coordination of service provision to the City's extremely low-, low-and moderate-income residents among City divisions and departments. CDBG staff provides information services to City staff and elected officials who need information about local nonprofit agencies and organizations. The City promotes 211 San Diego in our City's newsletter and on the City's website. To enhance coordination of crime prevention activities, the City participates in a multi-agency crime task force. The City has also enlisted the Crime Prevention staff to assist in obtaining feedback from our low-and moderate-income residents about CDBG spending priorities and to inform these residents about the services that are available to low- and moderate-income residents.

As previously stated, the City participates in the San Diego County Regional CDBG Coordinator's Group quarterly meetings with other entitlement jurisdictions to discuss program activities and compliance issues. In conjunction with the regional CDBG Coordinator's meeting, the City attends the quarterly Fair Housing Resource Board meetings. The City also participates in bi-annual HOME Consortium meetings to ensure compliance with HOME program rules and regulations. The City will continue to improve the institutional structure as needed to ensure that all funds are being used in the most effect way possible and that the largest number of extremely low-, low-and moderate-income residents benefit from the limited amount of funds available.

Monitoring

1. Describe how and the frequency with which you monitored your activities.
2. Describe the results of your monitoring including any improvements.
3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
 - d. Indicate any activities falling behind schedule.
 - e. Describe how activities and strategies made an impact on identified needs.
 - f. Identify indicators that would best describe the results.
 - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
 - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
 - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Monitoring Process, Frequency and Results

Program Year 3 CAPER "Monitoring" response:

1. Monitoring of CDBG subrecipients is directed toward program, financial, and regulatory performance. It is the goal of the Housing and Neighborhood Services Division to ensure that HOME and CDBG funds were used appropriately and that all requirements were met. The City has very few sub-recipients using CDBG funding. This enables the City to better evaluate projects using CDBG funds to ensure full compliance with HUD regulations. For City Capital Improvement Projects using CDBG funds, monitoring is performed throughout the life of the project. The City also monitors the two recipients of CDBG funds for public services. Monitoring strategies include, telephone calls, annual review of financial records, quarterly agency performance reports, and technical assistance.

2. CDBG staffed conducted monitoring visits with the two recipients of CDBG funds. Both monitoring visits resulted in no findings and proof of program compliance was demonstrated. The Housing and Neighborhood Division has improved communication and coordination with our Engineering Department to monitor the timely implementation of capital improvement projects using CDBG funds and to ensure full compliance with all HUD regulations.

3a – i. North County Lifeline and 211 San Diego have used CDBG funds to help solve issues our low- and moderate-income residents have with access to fair housing services and access to community service referral information. The City used CDBG funds to complete the construction of Connors Park and Montiel Park Improvements, install accessible swings in the two City parks and improve access to crosswalks used by persons with disabilities. These public improvements enhanced the quality of life for the City's low- and moderate-income residents. The City does not use CDBG funds for economic activities, however, we continue to research using CDBG funds for this purpose. As previously stated, the Starstone/La Rosa Drainage Improvement project and the Saturday VIBE project have not been completed. The Starstone/La Rosa project will go out to bid in the Fall of 2014 and the Saturday VIBE program has been delayed due to a staffing change. The City held a public hearing on October 8, 2013 for a substantial amendment to the City's FY 2012/13 Action Plan. The purpose of the amendment was to reallocate funds from the ADA Improvements Project to the Connors Park Improvements projects. The San Diego Region is experiencing a slow and stagnant recovery from the Great Recession. Federal spending cuts have impacted the San Diego region more than others due to the large amount of military and defense related industries located here. This lack of robust economic activity presents a significant obstacle to meeting underserved needs. The City continues to pursue funds from other sources to leverage its CDBG funds to meet underserved needs. Refer to the "Other Actions to Meet Underserved Needs" for a description of other funds obtained and programs implemented by the City or its partners for housing, homeless and community development activities. The City has been able to leverage funds to achieve our Con Plan goals this year; however, lack of funding sources continues to curtail the City's affordable housing construction goals. The City will continue to seek other funding sources to build affordable housing.

Lead-based Paint

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

Program Year 3 CAPER Lead-based Paint response:

1. San Marcos is committed to reducing the hazards of lead-based paints. All housing programs include a component of lead-based paint abatement and procedures should a hazard be identified. As part of the City's home rehabilitation loan program, lead-based paint abatement inspections are conducted on all homes constructed before 1978 or if the hazard was identified. City building inspectors monitor housing units that apply for a permit for construction or remodeling, which may contain lead-based paint and other lead hazards. A City building inspector inspects the homes funded under the homeowner rehabilitation program. Code enforcement officers are taught to identify lead-based paint hazards as part of their on-going code enforcement activities.

Housing Needs

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

Program Year 3 CAPER Housing Needs response:

1. With the loss of redevelopment funds, the City's affordable housing production efforts have been curtailed. The City uses HOME funds for the rehabilitation of existing housing units. The City has an Inclusionary Housing Ordinance which was established in May 2000 and requires the inclusion of housing affordable to extremely-low, very-low, low- and moderate-income households within a private sector housing project. This ordinance helps the City meet its housing needs for low and moderate income households.

In FY 2013/2014, the City's has accomplished the following objectives:

- Provided assistance for nine homeowner rehabilitation loans
- Provided assistance for eight first-time homebuyer loans
- Committed a total of \$8.8 million for the production of future affordable housing units

The City currently has 3,174 (11% of housing stock) long-term deed restricted affordable housing units.

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.
3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

Progress Evaluation

Program Year 3 CAPER "Specific Housing Objectives" response:

1. In the FY 2013/2014 Action Plan, the City had established the following specific housing objectives:

- Provide substantial housing rehabilitation assistance to low-moderate income homeowners
- Assist low-moderate income first time homebuyers with the purchase of a home
- Provide 34 City-owned affordable housing units

The actual accomplishments for the period were as follows:

- Provided substantial housing rehabilitation assistance to nine low-moderate income homeowners
- Provided assistance for eight first-time homebuyer loans
- Provided 34 City-owned affordable housing rental-units

The City Housing Element was certified by the California Department of Housing and Community Development in July 2013. The 2013-2021 Housing Element, which includes the State-mandated affordable housing construction goals, provides the City with a coordinated and comprehensive strategy for promoting the production of safe, decent and affordable housing for all residents.

Overall, the housing element assesses the existing and projected housing needs of all community economic segments, while identifying areas that could accommodate new housing development. Additionally, the housing element presents goals, policies and implementation programs for the preservation, improvement and development of housing in the City of San Marcos. The City continues to strive to meet its State-mandated affordable housing goals by seeking partnerships with affordable housing developers.

2. The City uses the County-administered Section 8 Rental Assistance program to assist very low-income households to ensure that they do not spend more than 30% of their income housing.

3. The City deals with the "worst-case" housing needs and the housing needs of persons with disabilities through the County-administered Section 8 Rental Assistance Program. As previously listed, the Section 8 program assisted 349 families this year. The City also committed \$8.6 million in affordable housing funds for development of two mixed use affordable housing developments, Promenade at Creekside and Eastgate apartments, for a total of 145 units. The City uses its homeowner rehabilitation program to assist persons with disabilities with the removal of architectural barriers that might prevent them from remaining in their homes. The City also distributes information on the City's affordable apartments at the City Hall Information Desk and posts this information on the City's website, www.san-marcos.net.

Public Housing Strategy

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

Program Year 3 CAPER "Public Housing Strategy" response:

1. The City of San Marcos does not have a public housing agency, however, the City owns 34 units of affordable “public” housing located in four properties in San Marcos. There are an additional 37 units of farmworker housing in San Marcos, which are owned by the County of San Diego.

Barriers to Affordable Housing

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

Program Year 3 CAPER “Barriers to Affordable Housing” response:

1. The San Marcos City Council has a strong philosophical commitment to produce housing for all. Unfortunately, the primary barrier to affordable housing is the high cost of housing in Southern California and the loss of RDA financing for affordable housing projects. The loss of the San Marcos RDA continues to impair the production of affordable housing in San Marcos. This year the City was able to commit \$8.6 million to affordable housing projects because the State Department of Finance issued a Finding of Completion on two obligated projects. A number of private sector factors, which the City has no control over, contribute to the high cost of housing and affect the availability of affordable housing: land costs, construction costs, and financing. The cost of land is a major impediment to production of affordable housing. Land costs are influenced by many variables, including scarcity and developable density (both of which are indirectly controlled through governmental land use regulations), location, unique features, site constraints and the availability of public utilities. Construction costs are difficult to predict given the cyclical fluctuations in demand and supply that in large part are created by fluctuations in the state and national economies. The availability of financing affects a person’s ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. Lower-income households, particularly very low-income households, have the lowest loan approval rates and highest denial rates.

To preserve the City’s affordable housing units, the City has a balance of HOME funds that are used for home rehabilitation loans for low- and moderate-income residents. The City will continue to seek grant funds to continue the home rehabilitation loan program.

The adoption of the City’s Revised General Plan and Zoning Ordinance has lifted all of the jurisdictional impediments to fair housing in San Marcos and allows for a variety of housing types for all economic segments of the community.

Home prices in San Diego have been increasing and the average home price is still out of reach for low-income residents. In June 2014, the North San Diego County median price for a home was \$505,000. This is up almost 9% from last year. To eliminate barriers to affordable housing, during the last reporting period the City has:

- Provided 34 City-owned affordable housing rental-units
- Rehabilitated nine homes with the City’s Home Rehabilitation Loan program and have five in various stages of the program
- Provided assistance for eight first-time home buyer loans

- Committed a total of \$8.6 million on property acquisition for “gap financing” for the construction of 145 units of affordable housing
- Participated in regional planning efforts to improve housing, transportation and economic development opportunities
- Provided lists of the City’s affordable housing communities to interested individuals
- Required housing developers in San Marcos to provide 15% of new units to be affordable

HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
 - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.
2. HOME Match Report
 - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Con Plan program year.
3. HOME MBE and WBE Report
 - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women’s Business Enterprises (WBEs).
4. Assessments
 - a. Detail results of on-site inspections of rental housing.
 - b. Describe the HOME jurisdiction’s affirmative marketing actions.
 - c. Describe outreach to minority and women owned businesses.

Program Year 3 CAPER “HOME/ADDI” response:

1. The City used \$320,430 in HOME funds to assist nine low-income, homeowners with the substantial rehabilitation of their home.
2. The City had \$8.6 million eligible for HOME match during FY 2013/2014.
3. The City contracted with one Women’s Business Enterprise (WBE) who is also a Minority Business Enterprise (MBE) during this reporting period.
- 4a. The City does not use HOME funds for rental housing production. 4b/c. Not applicable. The City does not market HOME assisted housing.

HOMELESS

Homeless Needs

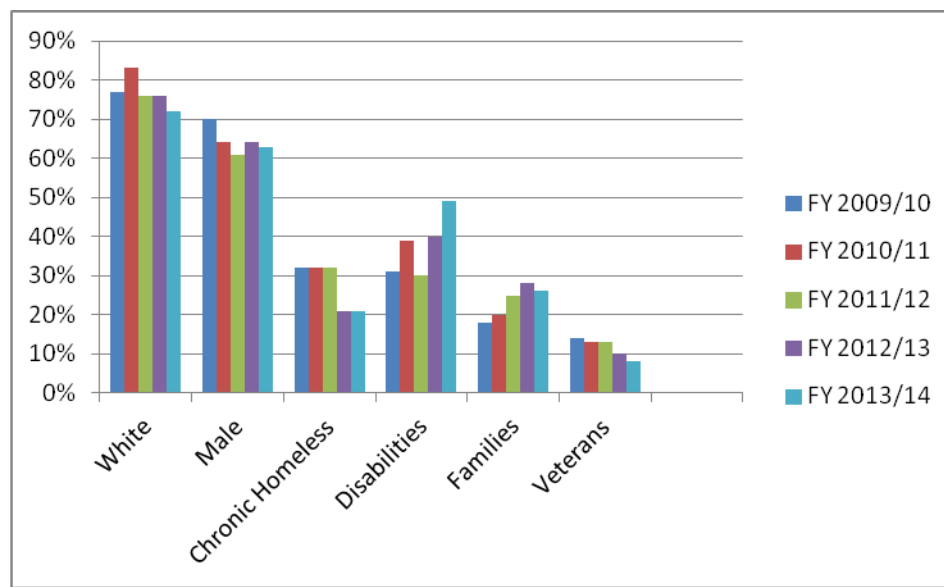
1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new Federal resources obtained from Homeless SuperNOFA.

Program Year 3 CAPER "Homeless Needs" response:

1. As previously stated, the City of San Marcos has taken the following actions to address the needs of homeless persons.

Shelter and Continuum of Care- During FY 2013/2014 the City of San Marcos contributed \$65,000 of City funding towards the direct financial support of four homeless emergency winter shelters. The four shelters are part of the six homeless shelters provided by the Alliance for Regional Solutions network and combined, provided a total of 18,683 available bed nights. For a year to year comparison, see the Table 3 below.

**Table 3.
Homeless Shelter Populations FY 2009 – FY 2014**



A total of 438 people were assisted by providing cold weather shelter and case management throughout the winter of 2013/2014. Of the total 438 individuals, the following information is provided: they used 18,683 bed nights; the average stay in a shelter was 44 nights; 63% were men; 21% considered themselves chronically homeless; 49% had some type of disability (up 9% from last year); 26% entered the shelter as a part of family; 8% were veterans; and 21% (down 9% from last year) of the people assisted stated the primary reason for their homelessness was caused by unemployment or loss of a job. According to the Alliance for Regional Solutions, which operates the six shelters, 2% of the 438 homeless individuals claimed San Marcos as their city of last residence. The City is a member of the Regional Continuum of Care Council of San Diego. The Regional Continuum of Care Council (RCCC) is a regional planning group for homeless providers throughout the City and County of San Diego. This Continuum of Care (CoC) provides advocacy, information, and planning for homeless issues throughout the region, as well as applies to HUD for homeless funding under the annual SuperNOFA.

The Regional Task Force on the Homeless (RTFH), which runs the Homeless Management Information System (HMIS) for the CoC, also administers the Point in Time (PIT) Count –an annual physical count of homelessness required by HUD. With

numbers derived from the PIT Count, the RTFH provides the region with homeless statistics and a profile of homelessness. According to the San Diego Regional Task Force on the Homeless (RTFH), as of January 2014, the City of San Marcos Homeless Street Count was 6 persons, down from 18 the previous year. Annually the RTFH conducts the Point-in-Time Count to identify the number of homeless both sheltered and unsheltered in San Diego County. The 6 individuals counted were all in the unsheltered category.

Regional Homeless Alliance –The City has participated in the “Alliance for Regional Solutions” which was founded to develop a regional solution to homelessness. The Alliance developed a system of shelters that provided homeless individuals and families in north San Diego County with a safe haven during the winter months while also assisting them to move towards self-sufficiency. The Alliance is a partnership of over thirty North County human service agencies working collaboratively with key public policy makers and nine North San Diego County cities to ensure that emerging human needs in the region are justly met.

2. An identified regional gap in housing appears as persons or families are ready to move from transitional housing to independent, self-sufficient living but are unable to do so due to the lack of affordable rental housing for such families. While the head of household is working and there is income for the family, the high cost of rent can prevent families from moving out, resulting also in a backlog of homeless or near homeless persons and families from moving into transitional housing. To address this issue, San Marcos has produced more affordable housing in the region than any other City except for the City of San Diego. San Marcos currently has over 3,100 affordable housing units, of which 1,922 are rental housing units. Of the 1,922 affordable rental units, 50% are set-aside for person making less than 50% of the Area Medium Income. The City is committed to continuing to produce additional affordable housing in an effort to combat homelessness.

3. Not applicable, the City of San Marcos does not receive direct funding from the Homeless SuperNOFA. However, the San Diego Regional Task Force on the Homeless (RTFH) applies to HUD for homeless funding for the region under the annual SuperNOFA.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 3 CAPER “Specific Housing Prevention Elements” response:

The City of San Marcos has provided a substantial amount of affordable housing for low- and moderate-income residents. It is the City’s position that the number one reason for people to become “situationally” homeless is the high cost of housing in San Diego County. By providing affordable housing to those most at risk of becoming homeless, the City is helping to alleviate homelessness.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

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

Program Year 3 CAPER "Non-Homeless Special Needs" response:

1. The City's strategy to provide assistance to the special needs population in the City is:
 - a. Assist housing developers to develop independent living and supportive housing opportunities for low-income persons with disabilities. The City will support the development of permanent supportive housing for persons with disabilities and special needs. Strategies to complete this objective include the sighting of group homes for persons with disabilities and/or special needs in residential areas throughout the City. The City did not site any new group homes last year. The City is host to Fraternity House which is one of only two Residential Care Facilities for the Chronically-Ill in San Diego County. Founded in 1988, Fraternity House provides transitional, long-term or hospice care to persons with HIV/AIDS. Fraternity House has eight beds and is located in San Marcos. The other facility in the County, Michaelle House has twelve beds and is located in Vista. Fraternity Housing is dedicated to serving individuals living with HIV/AIDS, regardless of ability to pay. They provide housing, nutritious home cooked meals, 24-hour care, assistance with complex medication regimens, coordination of appointments, transportation and recreation.
 - b. To the greatest extent feasible, construct or modify assisted housing units to comply with the Americans with Disabilities Act in all new construction and rehabilitation projects of 11 or more units assisted with state or federal funds. The City has incorporated requirements for 5 percent of the multifamily units be made accessible for persons with physical disabilities.
 - c. Assist organizations that provide programs and services to persons with disabilities that enable them to live independent lives. This includes agencies that provide transportation and food services to special needs populations.

Emergency Shelter Grants (ESG)

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).
2. Assessment of Relationship of ESG Funds to Goals and Objectives
 - a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Con Plan.
 - b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.
3. Matching Resources
 - a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff

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

4. State Method of Distribution
 - a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.
5. Activity and Beneficiary Data
 - a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
 - b. Homeless Discharge Coordination
 - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.
 - c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

Program Year 3 CAPER "ESG" response:

Not applicable, the City does not receive ESG funding.

COMMUNITY DEVELOPMENT

Community Development

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
 - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Con Plan, particularly the highest priority activities.
 - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
 - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.
2. Changes in Program Objectives
 - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.
3. Assessment of Efforts in Carrying Out Planned Actions
 - a. Indicate how grantee pursued all resources indicated in the Con Plan.
 - b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
 - c. Indicate how grantee did not hinder Con Plan implementation by action or willful inaction.
4. For Funds Not Used for National Objectives
 - a. Indicate how use of CDBG funds did not meet national objectives.
 - b. Indicate how did not comply with overall benefit certification.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
 - a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
 - b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
 - c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.
6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
 - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
 - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
 - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.
7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
 - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.
8. Program income received
 - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
 - b. Detail the amount repaid on each float-funded activity.
 - c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
 - d. Detail the amount of income received from the sale of property by parcel.
9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
 - a. The activity name and number as shown in IDIS;
 - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - c. The amount returned to line-of-credit or program account; and
 - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.
10. Loans and other receivables
 - a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.

- b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
 - c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
 - d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
 - e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.
11. Lump sum agreements
- a. Provide the name of the financial institution.
 - b. Provide the date the funds were deposited.
 - c. Provide the date the use of funds commenced.
 - d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.
12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
- a. Identify the type of program and number of projects/units completed for each program.
 - b. Provide the total CDBG funds involved in the program.
 - c. Detail other public and private funds involved in the project.
13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies
- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

Relationship of CDBG Funds to Goals and Objectives

Program Year 3 CAPER “Community Development” response:

1a. All of the CDBG-funded activities must address one of the three National Objectives identified in the City’s 2011-2013 Con Plan and the FY 2013/2014 Action Plan. The City of San Marcos allocates the majority of its CDBG funds to the objective of creating a suitable living environment, with the intended outcome of increased availability/accessibility for the City’s extremely low-, low-to moderate-income population. The City Council sets priorities for funding through their process of allocating funds for each program year, with the priority given to non-housing community development projects.

1b. The City has made progress toward meeting its goal of providing affordable housing for the past several years and is still second in the County in the production of affordable units, although the City does not use CDBG funds for affordable housing creation.

1c. Approximately 80% of the City’s CDBG FY 2013/14 fund allocation was used for activities that benefited extremely low-income, low-income, and moderate-income

persons. All of the CIP projects utilizing CDBG funds are located in income-qualified Census Tracts. The other 20% was used for the administration of the CDBG and home rehabilitation loan programs.

Program Changes

2a. There are no major changes in program activities planned however, the loss of redevelopment funding and the continued decline in CDBG funds will result in the City reducing the amount of community development projects constructed.

Assessment of Efforts Carrying Out Planned Actions

3a. In FY 2013/2014, the City leveraged CDBG funds with funds from other federal, state, and local sources. Refer to the "Other Actions Taken to Meet Underserved Needs" section for a description of those sources and the programs that they funded. The FY 2013/2014 Action Plan included two Capital Improvement Projects (CIPs), Connors Park Improvements and the Starstone/La Rosa Drainage Improvements project as non-housing community development goals. The Connors Park Improvements project was completed this year along with the Montiel Park Improvements Project from the FY 2012/2013 Action Plan. The FY 2013/2014 Action plan listed the goal of expending CDBG funds on program administration, fair housing, and a contract with 211 San Diego to provide community resource information. The City has expended CDBG funds for program administration, fair housing and operating funds for 211 San Diego.

3b. The 2011-2013 Con Plan served as a guide to ensure the projects, programs and activities conducted using CDBG and HOME funds are consistent with the HUD-reported goals and objectives.

3c. As previously stated, the City of San Marcos has made progress towards the implementation of all CDBG and HOME funded activities as reported in the City's 2011-2013 Con Plan.

4a. As previously stated, all CDBG and HOME funded activities were used to meet one of the three national objectives.

4b. All funded activities met the overall benefit certification requirements.

5a-c. The City of San Marcos did not have any activities that required anti-displacement or relocation during the past FY.

6a-c. The City of San Marcos did not have any activities that were related to low/mod job activities during the past FY.

7a. The City of San Marcos did not have any activity that fell into the low/mod limited clientele this past FY.

8a-d. The City of San Marcos did not have any program income this past FY.

9a-d. The City of San Marcos did not have any prior period adjustments this past FY.

10a-e. The City of San Marcos did not have any loans or other receivables this past FY.

11. The City of San Marcos did not have any lump sum agreements this past FY.
- 12a. The City has a low-to moderate-income homeowner rehabilitation program for both manufactured homeowners and single-family homeowners. Nine low-income households were assisted.
- 12b. CDBG funds are used for administrative costs of the Home Rehabilitation Program.
- 12c. The City's Home Rehabilitation Program is solely funded by HOME funds, however, as previously stated; CDBG funds the majority of the administrative costs.
- 13a. The City of San Marcos did not have any Neighborhood Revitalization Strategy areas this past FY.

Antipoverty Strategy

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

Program Year 3 CAPER "Antipoverty Strategy" response:

Solving the problem of poverty involves a number of economic, social, institutional and policy issues that are well beyond the City's jurisdiction. Promoting community development with the City's Capital Improvement Projects and increasing the amount of affordable housing available for extremely low-income households (0-30% of Area Median Income) are the City's programs to help alleviate poverty. The City's antipoverty strategy of providing safe, affordable housing continues to assist in reducing the number of poverty level families in San Marcos. By providing safe, affordable housing for those on a limited income, those families will be able to live in an environment where no more than 30% of their limited income is spent on housing. In addition, the City requires that affordable housing developments provide programs (e.g. after school, computer labs, budgeting and language classes) to assist residents in excelling in both school and the work environment. These affordable housing developments thus assist families in moving up the economic ladder by providing the tools that add in their success.

Specific HOPWA Objectives

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
 - a. That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;
 - b. That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;
 - c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies

- to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
 - d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
 - e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
 - f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.
2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
- a. Grantee Narrative
 - i. Grantee and Community Overview
 - (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
 - (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
 - (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
 - (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
 - (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
 - (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.
 - ii. Project Accomplishment Overview
 - (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
 - (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
 - (3) A brief description of any unique supportive service or other service delivery models or efforts
 - (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.
 - iii. Barriers or Trends Overview
 - (1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement

- (2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
 - (3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years
- b. Accomplishment Data
 - i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
 - ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

Program Year 3 CAPER Specific HOPWA Objectives response:

The City of San Marcos does not receive HOPWA funds.

OTHER NARRATIVE

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

Program Year 3 CAPER Other Narrative response:

The City included a four page report from 211 San Diego on the needs of San Marcos residents from FY 2013/2014.