



PY 2024/2025 ANNUAL ACTION PLAN

FOR

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FUNDING PROGRAMS

CITY OF SAN MARCOS

May 2024



Revision Number	Upload Date
1	March 22, 2024
2	April 17, 2024
3	April 19, 2024

Executive Summary

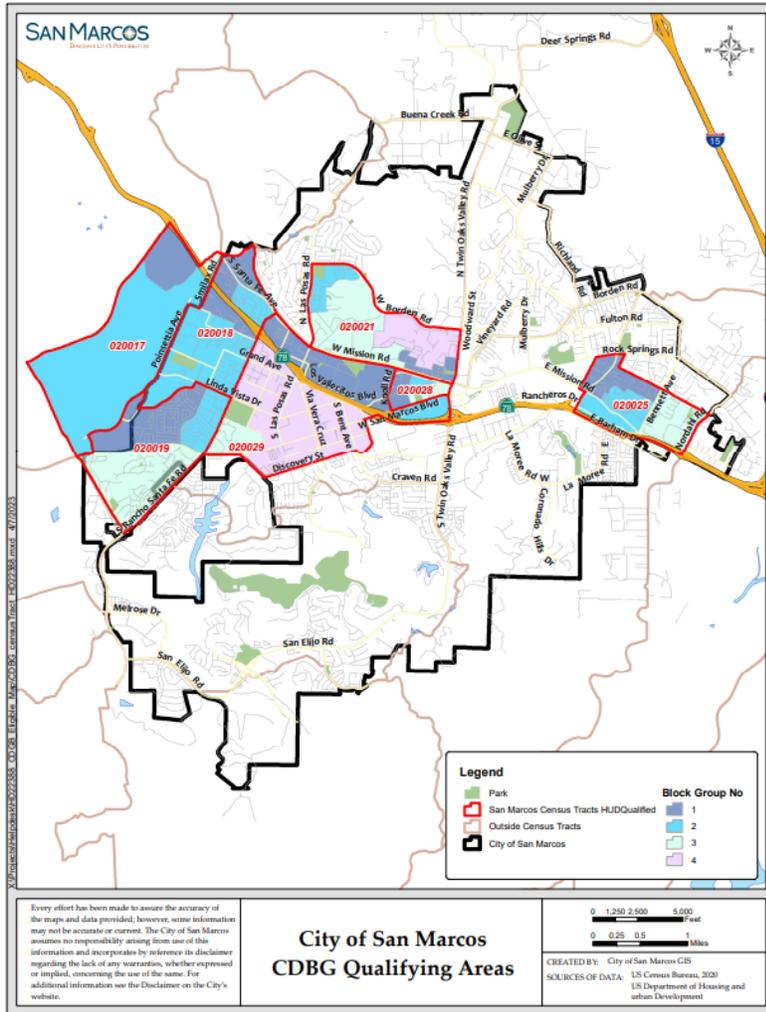
AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The City of San Marcos (“City”) is in the central North County region in San Diego County and is bounded by the cities of Escondido to the east and Vista to the west. The City was incorporated in 1963 and covers 24 square miles. San Marcos has an estimated population of 94,833 (U.S Census, 2020) which represents a 13.2% increase since 2010. Residents benefit from being in North County’s educational hub, having an excellent transportation network, diverse housing, job centers, and exceptional community recreation programs. A map showing the census tracts located in the city has been attached.

The Program Year (PY) 2024/2025 Annual Action Plan (AAP) represents the fifth and final year of the City’s five-year 2020-2024 Consolidated Plan (ConPlan) for the City’s Fiscal Years 2021–2025. The ConPlan is a planning document submitted to the U.S. Department of Housing and Urban Development (HUD) for entitlement jurisdictions funded by the Community Development Block Grant (CDBG) program.

The AAP serves as the City of San Marcos’ application to HUD for CDBG entitlement grant funds. The AAP identifies the proposed programs and projects to be funded during HUD’s Program Year (PY) 2024/2025, which corresponds to the City’s Fiscal Year (FY) 2024/2025. This plan identifies the funding available and how the City will leverage the funds to improve the quality of life for the City’s low- and moderate-income (LMI) residents. HUD defines LMI residents as persons living in the city earning at or below 80% of the San Diego County MSA’s median income.



2. Summarize the objectives and outcomes identified in the Plan

The authorizing statute of the CDBG program requires that each activity funded in the AAP, except for program administration and planning activities, must meet one of three national objectives which are:

- Benefit to low- and moderate- income (LMI) persons;
- Aid in the prevention or elimination of slums or blight; and
- Meet a need having a particular urgency (referred to as urgent need).

The Following are the City's objectives and outcomes for the CDBG PY 2024/2025:

- Community Facilities – Public Infrastructure/Capital Improvements
 - HUD CPD Objective – Create Suitable Living Environments

- HUD CPD Outcome – Availability/Accessibility
 - Improvements to Public infrastructure, Parks, and Community Facilities
- Nonprofit Coordination – Public Services
 - HUD CPD Objective – Create Suitable Living Environments, Decent Housing
 - HUD CPD Outcome – Availability/Accessibility
 - Support community services providers assisting low- and moderate-income persons/households
 - Mandated Affirmatively Furthering Fair Housing program
 - Fair Housing Services
 - Fair Housing Testing
 - Fair Housing Outreach
- Program Administration – Planning, Reporting, and Compliance

3. Evaluation of past performance

The City has made progress in meeting the goals of the ConPlan and the PY 2023/2024 Annual Action Plan by funding capital improvement projects, public services, and fair housing services. Following is a summary of the activities performed to support the four goals listed in the current ConPlan:

1) Community Facilities – Public Infrastructure/Capital Improvement – Create Suitable Living Environment

Prior year funding was reserved for the completion of Richar Park, phase two, but the project itself was delayed. Thankfully, city staff plan to complete the entire project, which will add amenities to a park in one of the lowest-income areas of San Marcos, in PY 2024-25. Since prior year funding is available to allocate to this project, new funds from the 2024-2025 CDBG allocation should not be needed.

2) Affirmatively Furthering Fair Housing – Decent Housing

As of July 28, 2020, the City has a five-year contract with Legal Aid. Legal Aid affirmatively furthers fair housing by providing education and outreach to residents and housing providers, assistance with submitting fair housing complaints to HUD, housing legal services, and tenant/landlord mediation.

City Staff are active members of the San Diego Regional Alliance for Fair Housing (SDRAFFH). The SDRAFFH works to ensure that all residents in the San Diego region have equal access to housing and to address the findings in the San Diego Analysis of Impediments to Fair Housing

(AI). It is comprised of fair housing service providers, enforcement agencies, and local government entities. The regional efforts combat housing discrimination and the City’s production of affordable apartment communities that foster a “housing for all” approach.

3) Non-Profit Coordination – Create Suitable Living Environment

In PY 2023-24, the City contracted with six organizations that are actively involved in supporting low- and moderate-income persons in San Marcos. These public service providers included: Boys & Girls Club San Marcos, Casa de Amparo, ElderHelp, Lifeline Community Services, Meals on Wheels, and Project Next (formerly known as the San Marcos Promise). Each organization is on track to meet project goals and objectives, culminating in substantial support for low- and moderate-income persons/households throughout San Marcos.

4. Summary of Citizen Participation Process and consultation process

In the development of the 2024-2025 AAP, a Community Needs Survey was published in English and Spanish to collect input from San Marcos residents, business owners/employees serving San Marcos, and representatives from agencies serving San Marcos residents. The survey was published online and sent directly to community stakeholders, public service providers, and printed for completion at local outreach events.

Following the needs assessment, staff published an online application for public service providers and received thirteen (13) project applications for consideration in the 2024-2025 AAP. Combined, the total amount requested from all 13 providers is significantly higher than the funds available for public services. Staff utilized a scoring evaluation matrix developed with HUD-required threshold criteria, a quantitative ranking metric, and incorporated the results of the Community Needs Assessment to determine funding recommendations.

Legal notices were published in two local newspapers to give ample notice for the 30-day AAP public comment period. The first draft of the 2024-2025 was published on the city’s website prior to the first public hearing. Public hearings were conducted during the regular City Council meetings held on March 26 and April 23 to allow for additional public comment.

City staff were active at local events promoting the CDBG program and inviting public review and input, including food pantry outreach with the San Marcos Unified School District and representation at community events like the Spring Fling hosted by the San Marcos Chamber of Commerce.

5. Summary of public comments

The Community Needs Survey yielded 289 responses ranking the highest needs as follows: community services and community facilities, followed by affordable housing and then economic development. Other notable citywide responses, not directly tied to LMI communities, included transportation/public transit, public safety, traffic mitigation and road/street maintenance.

Public comments will be added to the document upon closure of the public comment period.

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

A summary of rejected comments, if any, will be included upon the closure of the public comment period.

7. Summary

After a review of the CDBG program it was determined that the City has the continuing capacity to effectively administer the CDBG program, the activities undertaken are consistent with the City's HUD approved ConPlan, and the City continues to make progress towards meeting its housing and community development goals. Although the City does not use CDBG funds to provide housing, the City has been helping low- and moderate-income residents obtain housing through the production of affordable housing units since 1994. For additional information on the City's performance, please see the City's Consolidated Annual Performance Report which is posted on the City's webpage.

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

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

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SAN MARCOS	Administrative Services

Table 1 – Responsible Agencies

Narrative

The City of San Marcos is the lead agency responsible for the preparation and administration of the ConPlan, corresponding Annual Plans, Consolidated Annual Performance Evaluation Report, and the execution of the CDBG program. The County of San Diego is the lead agency for HOME funding and the City is a member of the County of San Diego’s HOME consortium. The Housing Authority of the County of San Diego (HASCD) serves as the City’s public housing agency and administers the Section 8 rental assistance program for San Marcos residents. The implementation of activities funded by the CDBG program may include consultation with City Administration, Finance, Community Services, Development Services, Economic Development, and Public Works.

Consolidated Plan Public Contact Information

Quinton Hufferd
Management Analyst, Housing and
Neighborhood Services
City of San Marcos
1 Civic Center Drive
San Marcos, CA 92069 2918
(760) 744-1050 x 3124
qhufferd@san-marcos.net

Sylvia Solis Daniels
Housing and Neighborhood Services Manager
City of San Marcos
1 Civic Center Drive
San Marcos, CA 92069 2918
(760) 744-1050 x 3124
sdaniels@san-marcos.net

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

1. Introduction

The City consulted with the Housing Authority of the County of San Diego, San Diego Regional Continuum of Care Council, the Alliance for Regional Solutions, and several social service agencies during the development of the Annual Action Plan.

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

The Housing Authority of the County of San Diego (HACSD) serves as the City’s public housing agency. The City of San Marcos does not operate its own public housing agency. The County actively consults and interacts throughout the year with the Regional Task Force on the Homeless (RTFH), which serves as the local Continuum of Care (CoC); stakeholders; the public; and other governmental entities when developing its policies, procedures, programs and strategic goals. Additionally, HACSD is a department within the County’s Health and Human Services Agency (HHS), which provides vital health and social services to over 3.3 million residents. As matrix organization, the Agency is made up of Service Departments that develop services and policies governing HHS programs and Regional Operations (Regions) that deploy customer service processes throughout the county and convene community leaders. Service Departments include Aging and Independent Services, Behavioral Health Services, Child Welfare Services, Public Health Services, and Self-Sufficiency Services. There are six regions with three regional directors overseeing operations/service delivery and community input. HCDS communicates and coordinates with Agency Service Departments and the Regions on a regular basis.

The City consulted with the County of San Diego on affordable housing resources and community needs including the digital divide and resiliency to natural hazards. To address the digital divide, County provides data from the Federal Communications Commission (FCC) regarding the number of broadband internet service providers in San Diego County and the US Census Bureau’s American Community Survey to determine the number of households with and without internet access. This information is available to developers and may be considered during the approval process for new housing developments and redevelopment projects. Many of the housing projects recently built or are in the process of being built in the City include an after-school center which includes free access to the internet. The City also provides internet access at its after-school care programs located in its Community Centers.

The City worked closely with the San Diego County Fire Authority, San Diego County Department of Environmental Health, and other jurisdictional Fire Departments when

developing hazard mitigation plans to address resiliency to natural hazards requirements. The City's Fire Department provides emergency response, paramedic, and ambulance services to the City and under a cooperative agreement to other cities as needed. The City is also an active member of the Regional Emergency Operations Center that coordinates a regional response to emergencies throughout the County of San Diego and to other counties as needed.

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

The San Diego Regional Continuum of Care Council (RCCC) is large cooperative community group consisting of representatives of the 18 cities within the County, nonprofit service providers, and other interested parties. The RCCC has identified the Regional Task Force on the Homeless to serve as the lead agency responsible for identifying gaps in homeless services, establishing funding priorities, and pursuing an overall systemic approach to addressing homelessness. The consensus approach from service providers is to emphasize prevention of homelessness first, then transitional housing and support services for individuals and families, and finally support for chronically homeless individuals. Facilities in proximity to San Marcos serving persons experiencing homelessness include the Fraternity House which provides permanent supportive housing for persons with HIV/AIDS, the Brother Benno Foundation which provides transitional housing for men in recovery from substance abuse, the Women's Resource Center which provides emergency safe shelter for victims of domestic violence, and Casa de Amparo which provides housing for children and youth removed from their homes by Child Protective Services and transitional housing for former foster kids ages 18 to 25 years. Interfaith Shelter Network also provides a number of services to the homeless including a year-round shelter and transitional shelter beds for veterans and seniors.

The City is also an active member of the Alliance for Regional Solutions (Alliance). The Alliance was founded in 2006, through the efforts of local government officials and nonprofit leaders to fund a winter shelter for persons and families experiencing homelessness across North County. As a result, the Winter Shelter Network was created, which has since expanded to include shelters in Carlsbad, Vista, Oceanside, Escondido, as well as a rotating shelter operated through the Interfaith Shelter Network. With this initial success, collaboration and cooperation among agencies increased across the region and the Alliance was able to tackle supportive services issues. They now provide year-round bridge housing services, operating shelters 365 days a year in Carlsbad, Escondido, and Vista, two winter shelters serving the North County Coastal and Inland communities and provide supportive services such as workforce development.

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

The City of San Marcos doesn't receive ESG funds. The County of San Diego receives ESG funds. Consultation takes place with participation of County officials, staff serving on the RCCC Governance Board, and RCCC. County personnel involved in the RCCC participate in setting local priorities, reviewing and rating proposals, certifying need, and the annual review of ESG programs.

2. Agencies, groups, organizations and others who participated in the process and consultations

Sort	Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?
1	Legal Aid Society of San Diego	Service-Fair Housing	Housing Needs Assessment, Public Housing Needs, Homeless Needs – Families with children, Affirmatively Furthering Fair Housing	Support AFFH strategies and provide insight on housing, homelessness prevention, and unsheltered community needs.
2	Alliance for Regional Solutions	Services – Housing, Services – Children, Services-Persons with Disabilities, Services-homeless, Services-Health, Services-Education, Services-Employment, Neighborhood Organization	Public Housing Needs, Homeless Needs - Chronically homeless, Homeless Needs - Families with children, Homelessness Needs – Veterans, Homelessness Needs - Unaccompanied youth, Homelessness Strategy, Anti-poverty Strategy	The Alliance for Regional Solutions provides a network of shelter resources for unsheltered individuals, families and children. They provide first-hand experience in working with the most vulnerable populations in our community ranging from victims of domestic violence to unsheltered seniors.
3	COUNTY OF SAN DIEGO HCD	PHA, Other government – County	Housing Need Assessment, Public Housing Needs. Homeless Needs - Chronically homeless, Homeless Needs - Families with children, Homelessness Needs – Veterans, Homelessness Needs - Unaccompanied youth, Homelessness Strategy, Non-Homeless Special Needs	The County of San Diego provides a broader outlook on Countywide housing needs for our community. The County's housing resources supplement the local work done in San Marcos and can provide greater insight on trends in the housing market, housing vouchers and affordable housing development.

4	San Marcos Unified School District	Services-Education, Publicly Funded Institution/System of Care, Other-School District	Housing Need Assessment, Market Analysis	The San Marcos Unified School District provides insight on the health and well-being of low- and moderate-income persons and households within the City of San Marcos. City staff engaged the public to for participation in the Community Needs Assessment for the Annual Action Plan via local outreach and food pantry services in one of the designated LMI areas.
5	Boys and Girls Club	Services-Children, Services-Education, Child Welfare Agency, Neighborhood Organization	Anti-poverty Strategy	Provided insight and information on youth and family needs within our community. Provided information on educational system and identified gaps in youth and family services
6	Casa de Amparo	Housing, Services-Children, Services-Victims of Domestic Violence, Services – Victims, Child Welfare Agency, Neighborhood Organization	Homelessness Needs - Unaccompanied youth	Casa de Amparo provided input and identified further needs for foster youth resources.
7	National CORE - Hope Through Housing Foundation	Housing, Regional organization	Public Housing Needs	National CORE & Hope Through Housing are local housing partners that provide insight on the housing needs of our community.

8	INTERFAITH COMMUNITY SERVICES	Services – Housing, Services-Children, Services-Elderly Persons, Services-Persons with Disabilities, Services-Persons with HIV/AIDS, Services-Victims of Domestic Violence, Services-homeless, Services-Health, Services-Education, Services-Employment, Services – Victims, Neighborhood Organization	Housing Need Assessment, Public Housing Needs, Homeless Needs - Chronically homeless, Homeless Needs - Families with children, Homelessness Needs - Veterans, Homelessness Needs - Unaccompanied youth, Homelessness Strategy	Interfaith Community Services provides input on a broad spectrum of resources needed for our unsheltered community, identifies gaps in services and funding for vulnerable populations in our community.
9	North County Lifeline	Services-Children, Services-homeless, Services-Education, Services-Employment, Regional organization	Anti-poverty Strategy	North County Lifeline provides input on resources needed for youth and families, including transition aged youth exiting the foster care system.
10	True Care	Health Agency, Regional organization, Neighborhood Organization	Other-Healthcare	True Care provides input on the health needs of our community.

Table 2 – Agencies, groups, organizations who participated

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

No agency or organization was excluded from providing input on the Annual Action Plan.

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

Sort	Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
1	Continuum of Care	Alliance for Regional Solutions	Aligns with the strategic plan goal of decent housing; the Alliance for Regional Solutions works to end homelessness across North County San Diego.
2	SD Regional Analysis- Impediments to Fair Housing	City of San Diego	Aligns with the strategic plan goal of affirmatively further fair housing choice; the AI details the impediments for the City and the region.
3	City of San Marcos General Plan	City of San Marcos	Aligns with the strategic plan goal of improving the quality of life for the City's LMI residents; the General Plan Update addresses a wide range of issues that affect San Marcos such as the physical development of the City and economic and social concerns that can affect the overall quality of life.
4	City's Master Plan of Drainage	City of San Marcos	Aligns with the goal of decent housing and improving the quality of life for the City's LMI residents. To reduce risk associated with developing in hazard areas, projects are evaluated using the City's Master Plan of Drainage.
5	Flood Damage Prevention Ordinance	City of San Marcos	Aligns with the goal of decent housing and improving the quality of life for the City's LMI residents. To reduce risk associated with developing in hazard areas, projects are required to comply with the City's Flood Damage Prevention Ordinance.
6	FEMA Flood Insurance Studies	FEMA	Aligns with the goal of decent housing and improving the quality of life for the City's LMI residents. When considering CIP projects and to reduce risk associated with developing in hazard areas, projects are evaluated using the FEMA Flood Insurance Studies.
7	2021-2029 Housing Element	City of San Marcos	Aligns with the goal of decent housing, improving the quality of life for the City's LMI residents and affirmatively further fair housing choice. The plan includes community input regarding housing issues and priorities, detailed analysis of existing conditions, City Plans and programs, and the inclusion of new policies to support State mandated housing goals.

Table 3 - Other local / regional / federal planning efforts

Narrative

The City of San Marcos participates in several working groups that are comprised of public/private agencies to enhance regional coordination on a variety of issues in San Diego County for the implementation of the Annual Action Plan. These groups include the Alliance for Regional Solutions, the San Diego Regional Continuum of Care Council (RCCC), North County Food Policy Council, San Diego Regional Alliance for Fair Housing (SDRAFFH), San Diego Association of Government's (SANDAG's) Regional Planning Technical Group, SANDAG's Regional Housing Working Group, SANDAG's Cities/Counties Transportation Advisory Committee (CTAC), North County Comprehensive Gang Initiative (NCCGI) Steering Committee, San Diego North Economic Development, the 78 Corridor Cities Working Group and the San Diego County's CDBG Coordinator's Group.

AP-12 Participation - 91.401, 91.105, 91.200(c)

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

In the development of the 2024-2025 AAP, a Community Needs Survey was published in English and Spanish to collect input from San Marcos residents, business owners/employees serving San Marcos, and representatives from agencies serving San Marcos residents. The survey was published online and sent directly to community stakeholders, public service providers, and printed for completion at local outreach events. The survey yielded 289 responses ranking the highest needs as follows: community services and community facilities, followed by affordable housing and then economic development. Other notable citywide responses, not directly tied to LMI communities, included transportation/public transit, public safety, traffic mitigation and road/street maintenance. Typically, the most critical needs related to housing are outside the scope of services provided by the City of San Marcos under its CDBG program, however, the City has been helping low and moderate income residents obtain housing through the production of affordable housing units since 1994 and works with the County of San Diego, the City's housing authority, to provide Section 8 vouchers to low-income residents.

Following the needs assessment, staff published an online application for public service providers and received thirteen (13) project applications for consideration in the 2024-2025 AAP. Combined, the total amount requested from all 13 providers is significantly higher than the funds available for public services. Staff utilized a scoring evaluation matrix developed with HUD-required threshold criteria, a quantitative ranking metric, and incorporated the results of the Community Needs Assessment to determine funding recommendations.

Citizen Participation Outreach

Sort	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Internet Outreach	Non-targeted/broad community; other-public service providers	Online Community Needs Survey provided to recognized public service partners, community stakeholders, and broad community at-large.	Community needs ranking, housing, community services/facilities, economic development plus opportunity for additional input	This survey was promoted citywide and thus several comments were not accepted into the Annual Action Plan since they were not specific to the LMI areas and clientele that would be most impacted by CDBG planning and funding.	https://forms.office.com/g/gATC02Ga4K
2	Other-Outreach Event	Other-Residents of LMI communities	Printed survey distributed at food pantry outreach events to gather targeted input from predominantly non-English speaking, LMI community	Community needs ranking, housing, community services/facilities, economic development plus opportunity for additional input	None	
3	Newspaper Ad	Non-targeted/broad community	Legal notice advertising the 2024-2025 AAP public review and comment period published in Union Tribune and Hispanos Unidos published on March 16, 2024	N/A	N/A	

Sort	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Hearing #1	Non-targeted/broad community	Mayor, City Councilmembers, City Staff, estimated 30 individuals from the Public.	Mayor, City Councilmembers posed questions about the planned uses of CDBG funding in 2024-25. City Staff provided answers/updates. No other public comment received.	N/A	https://sanmarcos.granicus.com/MediaPlayer.php?view_id=3&clip_id=958
5	Other-Outreach Event	Non-targeted/broad community	Housing & Neighborhood Services participated in a street fair event to promote housing resources and invite participation in the public comment period for the AAP 2024-25. No public comment was received for CDBG at the event. Eight individuals signed up for e-News alerts for Housing & Neighborhood Services, which would include CDBG updates.	Some individuals requested information about affordable housing developments and housing resources in San Marcos; City Staff provided an updated contact sheet. Another few individuals carried on in-depth conversations about the ways the City of San Marcos is supporting LMI communities and has invested significantly in the affordable housing stock within the City.	None	N/A
6	Newspaper Ad	Non-targeted/broad community	Legal notice advertising the conclusion of 2024-2025 AAP public review and comment period published in Union Tribune and Hispanos Unidos on April 13, 2024	N/A	N/A	

Sort	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
7	Public Hearing #2	Non-targeted/broad community	Public Hearing before the City Council on April 24, 2024 to receive comments on the final 2024-2025 Annual Action Plan prior to adoption and submission to HUD.	Information to be added following the Public Hearing.	Information to be added following the Public Hearing.	www.san-marcos.net

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

Staff proposes projects and funding recommendations using the prior year allocation of \$710,208 in CDBG funds as HUD has not yet announced the 2024-2025 allocations. Prior year unspent resources will be reserved for Capital Improvement—Community Facilities and may return to City Council via substantial amendment. If the allocation amount is adjusted by HUD, the City will adjust the AAP to match its actual allocation amount upon written notice from HUD.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public-Federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	710,208*	0	1,245,279** PY 2018: 30,877.85 PY 2019: 4,324.48 PY 2021: 105,278.93 PY 2022: 643,162.85 PY 2023: 461,636.00	1,955,487 ***	0	This Annual Action Plan is the fifth and final year of a five-year planning cycle.

Table 5 - Expected Resources – Priority Table

* Annual allocation is an estimate based on prior year allocation; this number may be adjusted when final allocation has been determined by HUD.

** Prior Year Unspent Resources to be reserved for Capital Improvement—Community Facilities and may require substantial amendment approved by City Council prior to reallocation

*** Of the PY 2024-2025 total available, \$1,706,914 will be reserved for Capital Improvement—Community Facilities

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

The CDBG program does not have a match requirement. If the City has identified capital improvement project funding that can be leveraged with CDBG funds, priority for allocating CDBG funding is given to projects located within an approved HUD qualifying census tract and/or census block group. Capital Improvement Project priorities are assigned based on several factors including, environment issues that threaten life or property, the amount of other funding leveraged to complete the project, budget prioritization of Capital Improvement Projects, the total number of residents benefited, the need for improved access, phase of improvement project, needs assessment results, and other important needs of the community. Priorities for CIP projects are approved by the City Council during the annual budget approval process for a five-year period.

Since the loss of redevelopment funds, the City continues to seek partnerships with non-profit affordable housing developers to provide gap financing for the construction of new affordable units. The City uses San Marcos Successor Housing Agency funds to meet access to affordable housing goals.

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

The City as Successor Housing Agency to the former Redevelopment Agency (RDA) has a number of vacant properties that may be used to support additional affordable housing projects over the next five years. These properties were purchased using former RDA low- and moderate-income housing funds. These properties must be used to further the goal of the development of additional affordable housing units.

Discussion

The City expects that \$1,955,487 (estimate from prior allocation; may change once HUD provides final 2024-25 allocation amount) will be available to aid with basic needs, fair housing services, improvements to community facilities and public infrastructure, accessibility improvements, and program administration.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Non-Profit Coordination	2020	2024	Non-Homeless Special Needs	N/A	Public Services Affirmatively Furthering Fair Housing	CDBG: \$106,531	3 – Public Service activities other than Low/Moderate Income Housing Benefit 663 Persons assisted
2	Community Facilities	2022	2023	Non-Housing Community Development	N/A	Public Infrastructure; Community Facilities	CDBG: \$461,636	1 – Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit 1380 Persons assisted
3	Program Administration	2020	2024	Program Administration and Fair housing	N/A	Public Infrastructure and Facilities Improvements Services for LMI & Special Needs populations	CDBG: \$142,041 (20% annual allocation)	3 – Public Service activities other than Low/Moderate Income Housing Benefit 1 Persons assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Non-Profit Coordination
	Goal Description	Provide a suitable living environment by helping with basic needs and economic development. Public Service providers will coordinate the following resources for 663 low to moderate income and/or disabled persons/families. A portion of Public Service funding will be utilized for Affirmatively Furthering Fair Housing through Legal Aid Society of San Diego.
2	Goal Name	Community Facilities
	Goal Description	Create suitable living environments by providing access to parks, community centers, and recreation facilities. Improvements to parks, community centers, and recreation facilities in CDBG income-qualified census tracts. <ul style="list-style-type: none"> • Prior year funding dedicated to the planning and completion of Richmar Park, phase 2. • Unspent prior year funds and new allocation will be reserved for planning/pre-construction/future construction of COSM Senior Activity Center HVAC system, enabling the facility as a dedicated cool zone.
3	Goal Name	Program Administration
	Goal Description	Support general CDBG administration and operation costs associated with the City's housing programs. A portion of Public Service funding will be utilized for Affirmatively Furthering Fair Housing through Legal Aid Society of San Diego.

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

More than 1000 affordable units of extremely low-income, low-income, and moderate-income family housing are provided in the City of San Marcos with RDA funds.

AP-35 Projects - 91.420, 91.220(d)

Introduction

Staff proposes projects and funding recommendations using the prior year allocation of \$710,208 as HUD has not yet announced the 2024-2025 allocations. Prior year funds have been reserved for Capital Improvement—Community Facilities in FY2024-2025. Prior year unspent funds that require substantial amendment will be brought before City Council for approval. General allocations will include Non-Profit Coordination, Affirmatively Furthering Fair Housing, Program Administration, and Community Facilities.

#	Project Name
1	Non-Profit Coordination
2	Program Administration
3	Community Facilities

Table 7 – Project Information

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

In the development of the 2024-2025 AAP, a Community Needs Survey was published in English and Spanish to collect input from San Marcos residents, business owners/employees serving San Marcos, and representatives from agencies serving San Marcos residents. The survey was published online and sent directly to community stakeholders, public service providers, and printed for completion at local outreach events. The survey yielded 289 responses ranking the highest needs as follows: community services and community facilities, followed by affordable housing and then economic development. Other notable citywide responses, not directly tied to LMI communities, included transportation/public transit, public safety, traffic mitigation and road/street maintenance.

Following the needs assessment, staff published an online application for public service providers and received thirteen (13) project applications for consideration in the 2024-2025 AAP. Combined, the total amount requested from all 13 providers is significantly higher than the funds available for public services. Staff utilized a scoring evaluation matrix developed with HUD-required threshold criteria, a quantitative ranking metric, and incorporated the results of the Community Needs Assessment to determine funding recommendations.

AP-38 Project Summary

1	Project Name	Non-Profit Coordination
	Target Area	Citywide
	Goals Supported	Non-Profit Coordination
	Needs Addressed	Public Services
	Funding	CDBG: \$106,531
	Description	Public Service programs will provide a spectrum of care under the following categories: youth camp, nutritional meals, services and housing resources for seniors, and victim advocacy resources; fair housing education and services.
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	663 low and moderate income persons/families
	Location Description	No target areas have been defined for the Annual Action Plan
	Planned Activities	<p><u>Summer Youth Camp</u></p> <ul style="list-style-type: none"> • 150 low-income youth will take part in a multi-week Summer Day Camp hosted by the Boys & Girls Club San Marcos <p><u>Senior Nutrition Program</u></p> <ul style="list-style-type: none"> • 200 seniors will directly benefit from a Senior Nutrition Program through the City of San Marcos Parks and Recreation Department <p><u>Latino Victim Advocacy</u></p> <ul style="list-style-type: none"> • 20 low and moderate income San Marcos residents will benefit from victim advocacy resources through Community Resource Center <p><u>Housing Placement Assistance for Seniors</u></p> <ul style="list-style-type: none"> • 80 low income and/or disabled seniors will receive housing placement assistance through Elderhelp

		<p><u>Meal Delivery for Seniors</u></p> <ul style="list-style-type: none"> 153 seniors will receive nutritional meals delivered to homebound, food insecure seniors through Meals on Wheels <p><u>Affirmatively Furthering Fair Housing</u></p> <ul style="list-style-type: none"> 60 low and moderate income persons/families assisted with education and outreach to residents and housing providers, assistance with submitting fair housing complaints to HUD, housing legal services, and tenant/landlord mediation through Legal Aid Society San Diego
2	Project Name	Program Administration
	Target Area	Citywide
	Goals Supported	Non-Profit Coordination Public Infrastructure Affirmatively Further Fair Housing Community Facilities
	Needs Addressed	Fair Housing and Services Public Infrastructure Public Services Community Facilities
	Funding	CDBG: \$142,041.60
	Description	Provide the necessary administration and planning activities to develop and implement both the home and CDBG programs. Program administration activities include preparing CDBG program budgets, reports, monitoring program activities for progress and compliance with program requirements, holding pre-bid meetings for CDBG funded projects, attending fair housing workshops and meetings, and conducting hearings for residents and local officials to provide information.
	Target Date	06/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	1
	Location Description	Citywide

	Planned Activities	Program Administration of CDBG activities, monitoring, and reporting.
3	Project Name	Community Facilities
	Target Area	Citywide
	Goals Supported	Community Facilities
	Needs Addressed	Public Infrastructure Community Facilities
	Funding	CDBG: \$461,635
	Description	Staff has identified a priority community facility need at the Senior Activity Center. The center needs new HVAC system. CDBG funds will be committed to the project over multiple years to complete the project and positively affect the lives of seniors throughout San Marcos. Project details will be provided as they become available while internal staff coordinate on the project. Prior year funds totaling \$1,245,279 will be allocated to the Community Facilities 2020-24 Consolidated Plan goal, which includes Richmar Park, Ph 2, in FY2024-2025.
	Target Date	06/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	Low to moderate income seniors
	Location Description	City of San Marcos Senior Activity Center
	Planned Activities	Community Facility and infrastructure improvements

AP-50 Geographic Distribution - 91.420, 91.220(f)

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

The City of San Marcos is located at the northern section of San Diego County. It has a population of 94,833 residents and is approximately 24 square miles. The community is diversely comprised of Hispanic, Black, White, American Indian, Asian, Native Hawaiian and other Asian Pacific Islanders, and multi-racial residents, as indicated in the 2020 Census. The U.S. Census estimates 36.84% of households in San Marcos are limited English speaking households. The City is bisected with Highway 78 and is home to several educational institutions including California State University of San Marcos, Palomar College, and University of Saint Katherine. The City was formerly known for its agricultural history with some of the nation's largest poultry farms and dairy farms.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of San Marcos will not be allocating funding on a geographic basis.

Discussion

When the City identifies capital improvement project funding that can be leveraged with CDBG funds, priority for allocating CDBG funding is given to projects located within an approved HUD qualifying census tract and/or census block group. Capital Improvement Project priorities are assigned based on several factors including, environment issues that threaten life or property, the amount of other funding leveraged to complete the project, budget prioritization of Capital Improvement Projects, the total number of residents benefited, the need for improved access, phase of improvement project, needs assessment results and other important needs of the community. Priorities for CIP projects are addressed by the San Marcos City Council in the budget approval process each fiscal year (July 1-June 30).

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City of San Marcos is in collaboration with the San Diego Regional Alliance for Fair Housing (SDRAFFH) to facilitate the recommendations and guidance identified in the Analysis of Impediments to Fair Housing Choice (AI), which was developed in coordination with all 18 jurisdictions within the County of San Diego. Land use controls, site improvement requirements, building codes, fees, and other local programs to improve the overall quality of housing are constraints to housing development. These issues were explored in the development of the City's 2021-2029 Housing Element. These barriers are being further reviewed by the City of San Marcos as part of our Housing Element Update, the City of San Marcos is focused on the development of affordable housing and has one of the most robust portfolios of multifamily affordable developments in northern San Diego County.

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

Actions by the City can have an impact on the price and availability of housing in San Marcos. Land use controls, site improvement requirements, building codes, fees, and other local programs intended to improve the overall quality of housing may serve as a constraint to affordable housing development.

These governmental constraints can limit the operations of the public, private, and nonprofit sectors, making it difficult to meet the demand for affordable housing and limiting supply in a region. To ameliorate the negative effects of public sector policies, the City has an Inclusionary Housing Ordinance, which requires all new residential developments of two units or more to provide 15% affordable housing or pay an Inclusionary affordable housing fee. The City's Zoning Ordinance update in 2017 addressed several jurisdiction-specific impediments to eliminate the negative effects of public policies that serve as barriers to affordable housing.

Discussion

The City will continue to work with other agencies, including the San Diego Regional Alliance for Fair Housing, to review its policies and procedures and make necessary changes required to remove barriers to affordable housing.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

The City will continue to work with private developers, non-profit firms, and other public agencies to remove obstacles to meeting underserved needs of its low- and moderate-income residents.

Actions planned to address obstacles to meeting underserved needs

The City will continue to partner with housing developers to create more affordable housing, to provide San Marcos residents with public service resources for basic needs, to fund homeless support services through the Alliance for Regional Solutions, to construct ADA Improvements to assist our residents with severe disabilities, improve community facilities to provide access to low-and moderate-income residents, and provide housing legal assistance by affirmatively furthering fair housing. The primary obstacle in meeting the underserved needs is the continued lack of available federal, state and local funding for community development and housing activities, including public services and other programs. Local jurisdictions whose primary mission is to provide social services, such as the County of San Diego, do not receive enough federal funding to meet the overwhelming need for Section 8 Rental Assistance.

The City will continue to work with the San Marcos Community Foundation, which awards grant funds for activities that directly assist San Marcos residents, with a focus on meeting unmet needs. In Southern California, the continued high cost of living, housing costs for both rental and ownership and the elimination of state redevelopment agency (RDA) funds combine to create a major obstacle in providing affordable housing. The City plans to continue to hold annual social service provider meetings in San Marcos to help with solutions to meet underserved needs.

Actions planned to foster and maintain affordable housing

Cuts in Federal and State funding have reduced the City's ability to create additional affordable housing. The City partners with affordable housing developers and uses Successor Housing Agency funds as gap funding to create affordable housing. In PY 2023/2024, the City plans to contribute \$4.6 million to the production of affordable housing. The City also has an Inclusionary

Housing Ordinance to foster development of affordable housing.

The Inclusionary Housing Ordinance requires all developers of new for sale housing units to either provide 15% of those units at affordable prices or pay an in-lieu fee. The City has an inspection program to maintain affordable housing units constructed. The affordable housing inspection program ensures that over 2,000 units of affordable rental housing, with income restrictions obtained through regulatory agreements, are maintained in a clean and safe condition and that the incomes of those families living in the over 20 different communities are verified as meeting the limits required by the funding source that help build the units. The City's Housing Element was adopted in 2021. The housing element provides long range policy direction consistent with the General Plan.

Actions planned to reduce lead-based paint hazards

San Marcos is committed to reducing the hazards of lead-based paints in compliance with lead-based paint reduction requirements in all housing activities covered by Sections 1012 and 1013 of the Residential Lead- Based Paint Hazard Reduction Act of 1992, as well as the Lead-Safe Housing Rule under 24 CFR Part 35. All housing programs include a component of lead-based paint abatement including procedures if lead-based paint is 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. Any property built prior to 1978 must undergo lead paint testing and, if lead hazards are found, those hazards must be eliminated as a requirement for participation in the programs. 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.

Actions planned to reduce the number of poverty-level families

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 are able to live in an environment where no more than 30% of their limited income is spent on housing. In addition, the City provides that affordable housing developments provide programs (e.g. after school, computer labs, budgeting, language classes) to assist residents in excelling in both school and work environments. These affordable housing developments thus assist families in moving up the

economic ladder by providing tools that add in their success.

Actions planned to develop institutional structure

The City of San Marcos participates in several working groups that are comprised of public/private agencies to enhance regional coordination on a variety of issues in San Diego County. These groups include the Alliance for Regional Solutions, San Diego Regional Continuum of Care Council (RCCC), San Diego Regional Alliance for Fair Housing (SDRAFFH), North County Food Policy Council, San Diego Association of Government's (SANDAG's) Regional Planning Technical Group, SANDAG's Regional Housing Working Group, SANDAG's Cities/Counties Transportation Advisory Committee (CTAC), North County Comprehensive Gang Initiative (NCCGI) Steering Committee, San Diego North Economic Development, the 78 Corridor Cities Working Group, and the San Diego County's CDBG Coordinator's Group. Staff provides information services to the public seeking information about local nonprofit agencies and organizations. Staff participated in HUD webinars and virtual meetings to stay current with HUD program requirements and attended the HUD All Grantee Meeting for the Los Angeles office. The City participates in the San Diego County Regional CDBG Coordinator's Group quarterly meeting with other entitlement jurisdictions to discuss program activities and program compliance. Staff also attends the San Diego Regional Alliance for Fair Housing (SDRAFFH) meetings. The City is continuously working on improving the institutional structure to ensure that all CDBG funds are being used in the most effective way possible given funding constraints.

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

The County of San Diego Housing and Community Development (HCDS) serves as the City's public housing agency. HCDS plays a significant role in addressing regional housing and homeless issues. HCDS participates in intergovernmental activities that include the Regional Task Force on Homelessness, City/County Reinvestment Task Force, San Diego Regional Alliance For Fair Housing, Regional Affirmatively Furthering Fair Housing (AFFH) (formerly Assessment of Impediments to Fair Housing Choice), Joint City/County HIV Housing Committee, HIV Planning Council, Urban County CDBG Program, CoC Governance Board, CoC general membership, CoC Governance sub-committee, 25 Cities Leadership and Design Team and the HOME Consortium. HCDS will continue to work with partner agencies to address regional issues. The City meets annually with social service agencies providing services to

low- and moderate-income residents. The meetings are open to all interested parties and well-attended.

Discussion

In the development of the 2024-2025 AAP, a Community Needs Survey was published in English and Spanish to collect input from San Marcos residents, business owners/employees serving San Marcos, and representatives from agencies serving San Marcos residents. The survey was published online and sent directly to community stakeholders, public service providers, and printed for completion at local outreach events. The City uses this opportunity to promote the San Marcos Community Foundation grant process. These meetings have improved communication between agencies and a greater understanding of what services each agency can provide and allows new staff members of participating agencies to quickly make connections with others through the informal networking of these meetings.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

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

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

Total Program Income

Other CDBG Requirements

1. The amount of urgent need activities

Discussion

The City of San Marcos does not currently manage any activities or projects with an Urgent Needs National Objective.