



**FY 2022-23 DRAFT CONSOLIDATED ANNUAL
PERFORMANCE
AND EVALUATION REPORT (CAPER)**

**This document is available for public review and comment from
Monday, September 11, 2023 – Monday, September 25, 2023. To
submit questions or comments, please contact Nicole Piano-Jones at
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Attachment A – Public Noticing

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CR-05 - Goals and Outcomes

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

The Consolidated Annual Performance and Evaluation Report (CAPER) provides information on Carlsbad's first year of progress towards meeting objectives established in the city's FY 2020-25 Consolidated Plan. For the FY 2022-23 program year the city received an annual CDBG allocation of \$501,113.

The city funded five public services (Brother Benno, Catholic Charities, Community Resource Center, Interfaith Community Services, Woman's Resource Center), and fair housing services (Legal Aid Society of San Diego) resulting to-date assistance to approximately 1,066 Carlsbad residents. The city also expended its CDBG funds from capital improvements and affordable housing activities, resulting in assistance to 8 lower-income homebuyer households, and 24 youth.

In Jan. 2023, the city amended the FY 2022-23 Annual Action Plan to award and allocate \$877,620 in program income and unexpended funds. All the accomplishments in FY 2022-23 align with the following priorities for the FY 2020-25 Consolidated Plan: to increase the supply of affordable housing units; provide supportive services for the homeless, lower-income residents, and persons with special needs; improve and provide facilities to serve lower-income persons; and provide fair housing services to residents.

The city has made positive progress in meeting goals and objectives for FY 2022-23 in the areas of homeless prevention and supportive services, and affordable housing. The city expected to serve approximately 672 residents during FY 2022-23 however actual reporting shows the city serving 1,202 Carlsbad residents.

The city's affordable housing accomplishments have not yet been reported due to the activity not being completed. However, the city has made progress in the activity by hiring a real estate consultant to assist in the resale of these affordable homes. During FY 2022-23, the city acquired four affordable housing units, of which three were sold to qualifying low-income homebuyers. An additional five affordable units were resold to qualified low-income homebuyers during FY 2022-23. The city anticipates all remaining properties will be sold during FY 2023-24.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

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

As defined by the Carlsbad Consolidated Plan, the highest priorities for FY 2022-23 are:

- Increase the supply of affordable housing units

- Provide supportive services for the homeless, lower-income residents, and persons with special needs

The city's addresses the two highest priorities by focusing and allocating the highest amount of funds to the development of affordable housing and to supportive services for the homeless.

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

Goal	Category	Source / Amount	Indicator	Unit of Measure	FY 2020-25		%	FY 2022-23		%
					Expected	Actual		Expected	Actual	
Administration	Administration	CDBG: \$177,222	Other	Other	1	1	100%	1	1	100%
Increase & preserve affordable housing	Affordable Housing	CDBG: \$728,818	Other	Other	1	8	800%	1	8	100%
Prevent & reduce homelessness	Homeless	CDBG: \$87,068	Homeless/ Overnight Shelter	Persons Assisted	68	216	320%	70	72	103%
Prevent & reduce homelessness	Homeless	CDBG: \$121,117	Homelessness Prevention	Persons Assisted	3,600	3,265	90%	318	1,001	320%
Provide Fair Housing	Non-Housing Community Development	CDBG: \$42,083	Public service Low/Mod Income Housing	Households Assisted	1,500	306	20%	146	99	68%
Supportive Services - LMI/Special Needs	Non-Homeless Special Needs	CDBG: \$0	Public service non-Low/Mod Income Housing	Persons Assisted	3,600	1,373	38%	0	0	100%
Improve Facilities	Non-Housing Community Development	CDBG: \$190,000	Other	Persons Assisted	500	206	50%	32	24	80%

CR-10 - Racial and Ethnic composition of families assisted

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

	CDBG
White	702
Black or African American	137
Asian	27
American Indian or American Native	22
Native Hawaiian or Other Pacific Islander	8
Other/Multi-Racial	306
Total	
Hispanic	397
Not Hispanic	805

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

Narrative

A total of 1,202 unduplicated Carlsbad individuals/households were assisted with CDBG funded projects during FY 2022-23. Of the total assisted households, 58.4% percent were White, 11.4% percent were Black or African American, 2.2% percent were Asian, and 0.7% percent were Native Hawaiian or Other Pacific Islander. Approximately 33% of the total assisted households were Hispanic.

Other races that were reported on but not included in this report are American Indian/Alaskan Native, Asian and White, Black/African American and White, American Indian/Alaskan Native and Black, and Other/Multi-Racial. In the category of Other/Multi-racial the city served approximately 306 Carlsbad residents (25.5%) of the total assisted.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	\$501,113	\$52,472.33
CDBG – Program Income	public - federal	\$877,620	\$1,022,849.54
CDBG – Prior years	Public – federal	\$672,583.56	\$672,583.56

Table 3 - Resources Made Available

Narrative

During FY 2022-23, \$501,113 was made available for administrative/planning activities, public services, facility improvement projects, and development of affordable housing. A total \$877,620 was available during FY 2022-23 in program income, and unexpended prior year funds, all of which was expended.

Since the start of the fiscal year \$1,747,905.43 has been drawn in IDIS, which includes \$1,437,583.96 in 2022 program income, \$414,734.42 in prior year program income, and \$257,849.14 in prior year entitlement funds.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
citywide benefit			citywide benefit

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City of Carlsbad does not have a specific geographic area designated to receive CDBG funds and no specific Target Area has been designated.

Leveraging

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

In Carlsbad, the CDBG program does not have a matching requirement. The city's policy is to leverage, to the maximum extent feasible, the use of funds available in the development of affordable housing and the maintenance and preservation of existing housing throughout the entire city. The city continues to support the use of CDBG and local Affordable Housing Trust funds for "gap financing" by private and non-profit entities in their efforts to develop affordable housing. All CDBG program funds are leveraged with other sources of income, such as other federal, state, local and private funds. For organizations that are allocated CDBG funds, these funds do not cover all of the organization's program costs and are leveraged with other sources to operate their programs.

Any costs related to the administration of the CDBG program, in excess of the amount provided through the entitlement grant, are covered by the approved Housing Services General Fund operational budget.

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CR-20 - Affordable Housing 91.520(b)

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

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	1	8
Number of Special-Needs households to be provided affordable housing units	0	0
Total	1	8

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	35	50
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	0	75
Number of households supported through Acquisition of Existing Units	0	0
Total	35	125

Table 6 – Number of Households Supported

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

Due to limited CDBG resources, lack of direct HOME funding, and soaring land costs; the city is unable to increase its goals for new affordable housing through the use of CDBG funds. The problem in the acquisition of resale affordable homes is that its dependent on private decisions of homeowners to sell their properties. Homeowners will delay the process for reasons that are beyond the city's reasonable control therefore delaying the use of CDBG funds and outcomes. The city continues to diligently identify affordable units to purchase to meet the strategic plan goal.

Discuss how these outcomes will impact future annual action plans.

Due to the slower and sometimes inconsistency of the acquisition of the affordable resale program, the city will continue to creatively strategize on ways to leverage CDBG funds mixed with a variety of different funding sources for future needs.

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

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	487	0
Low-income	545	0

Moderate-income	84	0
Total	1,116	0

Table 7 – Number of Households Served

Narrative Information

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

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through: Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Carlsbad continues to participate as an active member of the Alliance for Regional Solutions which focuses on creating solutions for the Northern San Diego County homeless population and coordinates the winter shelters within the region which operate December 1 through April 1. During FY 2022-23, the Carlsbad City Council awarded \$25,000 from the local Carlsbad Housing Trust Fund to support the Regional Shelter System. From a regional standpoint, this contribution supports services such as, but not limited to: transportation for shelter residents, providing on-site psychiatric assessments, services targeting chronically homeless, and implementing further best practices on a region-wide basis. Going forward, this winter shelter system will move towards a full bridge housing system in which many of the shelters will operate year-round with no closures.

Addressing the emergency shelter and transitional housing needs of homeless persons

La Posada de Guadalupe (men's only shelter) located in Carlsbad is a year-round permanent shelter, operated by Catholic Charities. During FY 2022-23 Catholic Charities was awarded \$86,610 in CDBG funds to assist with operations of the shelter for short term (maximum of 60 days) housing and individualized case management services. Additionally, Catholic Charities was awarded FY 2022-23 CDBG funds to make needed shelter improvements, such as updating the controlled access system and addressing the retention/stormwater system to prevent flooding issues. La Posada de Guadalupe is also transitional and seasonal housing opportunity for local farmworkers.

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

The city is committed to using its CDBG funds to assist low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions). This past year the city funded the Brother Benno's Service Center, WRC, CRC, and Interfaith all social services that help extremely low-income families from becoming homeless. These service providers offer case management, basic needs, shelter, transportation, food services, among other things; and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that

individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

During FY 2022-23, the city awarded CDBG funds to Catholic Charities for pre-development costs of the La Posada Homeless Shelter expansion project. This project will expand the capacity of the shelter and allow separation in order to serve women and families. Additionally, in FY 2021-22 the city allocated CDBG funds to assist in the acquisition of property for development of the Windsor Pointe Apartments. This project is to help homeless persons especially chronically homeless individuals and families, those with mental illnesses and veterans.

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

Actions taken to address the needs of public housing.

The City of Carlsbad has a Public Housing Authority (PHA) which administers the Section 8 Housing Choice Voucher Program; however, the city does not have any Public Housing units.

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

This does not apply as the City of Carlsbad does not have Public Housing.

The city does have a Section 8 representative on it's Housing Commission to provide feedback on housing programs and initiatives. The city also outreaches to Section 8 clients to promote affordable homeownership opportunities and education.

Actions taken to provide assistance to troubled PHAs.

The City of Carlsbad Housing Authority is not a troubled PHA.

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

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Carlsbad continues to experience barriers to affordable housing as identified in the most recent Consolidated Plan, including constraints, market conditions, limited land, lack of funding resources, and skyrocketing construction costs. Market conditions, land, and construction costs in California are not controlled by the city. However, the city does have the ability to introduce actions to minimize the influence of governmental constraints on affordable housing, including monitoring local ordinances for negative impacts and streamlining processes. The city continues to monitor existing polices and ordinances to determine if they need to be modified, and sections of the Zoning Code will continue to be reviewed annually as a community development effort.

In FY 2019-20, the city amended its Inclusionary Housing and Density Bonus ordinances to reflect recent changes in state law aimed at increasing the production of affordable housing. In FY 2022-23 the state approved the city new housing plan identifying strategies and programs focused on conserving and improving existing affordable housing, maximizing housing opportunities, assisting in the provision of affordable housing, removing governmental and other constraints to housing investment; and promoting fair and equal housing opportunities.

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

The city participates in a regional Analysis of Impediments to Fair Housing Choice (AI). The impediments identified as part of the AI are obstacles the city must overcome to provide for its residents during the FY 2020-25 program years. The city along with the SDRAFFH work collaboratively to report on the progress that is being made towards the goals and objectives of the AI and to continuously work year-round to provide fair housing education, outreach, and testing around the region.

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

HUD requires that all CDBG and HOME funded activities be in compliance with HUD's regulations regarding lead-based paint. In accordance with program requirements, the City of Carlsbad continues to provide all households receiving or being assisted with federal funds with information regarding the hazards of lead-based paint, treatment for lead poisoning, precautionary measures to avoid lead poisoning and the advisability and availability of blood screening for lead poisoning. Informational brochures are available to the public and available online.

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

The city assists in reducing the number of persons living below poverty level by providing funds to organizations that assist with job skill training and educational resources to assist in obtaining employment opportunities. The city also has implemented an economic development strategy for retention and attraction, specifically designed to maintain current employers and corporate offices in

Carlsbad as well as attract new companies to help our community flourish for years to come. Funded with general and CDBG funds, the City operates a Hiring Center (located in the Carlsbad Service Center at 5731 Palmer Way Suite A, Carlsbad, CA) in Carlsbad to help persons obtain employment.

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

The CDBG program is managed and implemented by the Housing & Homeless Services Department. The department is responsible for coordinating efforts with the San Diego HOME Consortium and the San Diego Regional Alliance for Fair Housing. Staff also oversees the Citizens' Advisory Committee which makes funding recommendations to the Carlsbad City Council for CDBG funding allocations.

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

Regionally, the city participates in the County of San Diego HOME Consortium, which includes the County of San Diego and five other jurisdictions (Encinitas, San Marcos, Vista, Santee, and La Mesa). Members of the Consortium meet quarterly to discuss funding strategies and coordination of activities. However, in light of the HOME ruling in 2013, the city no longer receives direct funding for HOME. The city continues to participate in the San Diego HOME Consortium which enables Carlsbad residents to utilize HOME programs administered and implemented by the County of San Diego.

The city has actively committed to participating regionally and will continue to do so for the health of our program. During FY 2022-23, Carlsbad staff participated in the following:

- Alliance for Regional Solutions
- Community Development Block Grant Administrators
- San Diego Regional Alliance for Fair Housing (SDRAFFH)

Carlsbad Housing Authority staff members actively network and share information with other Housing Authorities in San Diego County as well as the following:

- National Association of Housing and Redevelopment Officials (NAHRO)
- Housing Authority Association of Southern California (HAASC)
- Southern California Housing Finance Officers Association (SCHFOA)

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

As an entitlement jurisdiction, Carlsbad must report efforts to affirmatively further fair housing choice by completing the Analysis of Impediments to Fair Housing Choice (AI). The AI is a review of impediments or barriers that affect the rights of fair housing choice. The report provides a demographic profile of the County, assesses housing needs specific to income groups, and evaluates housing opportunities available for all residents. The AI also analyzes both private market and public sector conditions that may limit or impede access to housing availability for all segments of the population. While this report assesses the nature and extent of housing discrimination, it also focuses on developing solutions to mitigate such impediments. The most recent AI for FY 2020-25 was completed on a regional level with participation from jurisdictions throughout the County of San Diego with lead coordination through the San Diego

Regional Alliance for Fair Housing (SDRAFFH). The Regional Alliance for Fair Housing is a coalition of fair housing organizations, community-based groups, concerned citizens, representatives of the housing industry, and government agencies working toward the goal of affirmatory furthering fair housing.

Specifically, the City of Carlsbad commits to affirmatively further fair housing by contracting for fair housing services annually with Legal Aid Society of San Diego and testing to determine the level of fair housing discrimination in Carlsbad. Fair housing services include outreach and education, tenant/landlord mediation, and assistance with filing complaints to HUD.

In FY 2022-23:

The city, in partnership with the SDRAFFH, hosted a Fair Housing Conference. This conference was held over a two-days and offered a variety of sessions. Additionally, the city's fair housing provider, Legal Aid Society, offered virtual training to housing providers and city staff on fair housing basics, tenant and landlord protections, and changes to state and local laws. Lastly, Legal Aid Society performed three paired tests at locations across the City of Carlsbad. The protected class was Source of Income. Majority of the properties at which tests were performed did not show disparate treatment among the testers, although one property would benefit from additional outreach and education regarding source of income, especially related to rental assistance.

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CR-40 - Monitoring 91.220 and 91.230

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

Monitoring provides staff an opportunity to meet with our subrecipients and share any new federal guidance or regulations which benefit us all. Monitoring is directed toward the program goals, financial, and regulatory performances. Each subrecipient receiving CDBG dollars is monitored at least once every two years by Carlsbad staff. Furthermore, staff collects quarterly reports and invoices to ensure program goals and timeliness of expenditures are on target. Lastly, staff monitoring visits are done to ensure that subrecipients comply with all regulations related to administrative, financial, and programmatic operations including Davis-Bacon prevailing wage regulations and to ensure their performance objectives and budget are on schedule.

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

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

For the FY 2022-23 CAPER, the city provided residents, stakeholders, and public service organizations with an opportunity to provide written comments. The public was notified of the public review and comment period through the city's website available for download (www.carlsbadca.gov). The noticed was published in the San Diego Union Tribune and/or the Coast News. City staff will continue to solicit feedback and offer opportunities for participation from citizens throughout the year. All comments will be accepted and reviewed.

CR-45 - CDBG 91.520(c)

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

The city has not made any changes in program objectives.

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

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-45 - CDBG 91.520(c)

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

The city has not made any changes in program objectives.

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

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

The City does not have any Brownfields Economic Development Initiative grants.

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