



FY 2019-2020

DRAFT Consolidated Annual Performance and Evaluation Report

Carlsbad, CA

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Table of Contents

CR-05, Goals and Outcomes – 91.520(a) 3

CR-10, Racial and Ethnic composition of (person/household/families) assisted 6

CR-15, Resources and Investments 91.520(a) 7

CR-20, Affordable Housing 91.520(b) 9

CR-25, Homeless and Other Speical Needs 91.220(d, e); 91.320(d, e); 91.520(c) 13

CR-30, Public Housing 91.220(h); 91.320(j) 14

CR-35, Other actions 91.220(j)-(k); 91.320(i)-(j) 15

CR-40, Monitoring 91.220 (d, e); 91.520(c) 18

CR-45, CDBG 91.520(c) 18

Attachment A - Analysis of Impediments Progress Report

Attachment B – IDIS Reports:

- PR01 Grants and Program Income
- PR02 List of Activities
- PR26 Financial Summary

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 fifth and final year of progress towards meeting objectives established in the city's FY 2015-2020 Consolidated Plan. For the FY 2019-20 program year the city received an annual CDBG allocation of \$565,819.

The city funded six public services (Brother Benno, Catholic Charities, Community Resource Center, Interfaith Community Services, Meals on Wheels, Woman's Resource Center), two facility improvement projects (Casa de Amparo and Catholic Charities), and fair housing services (Legal Aid Society of San Diego) resulting to-date assistance to approximately 1,547 Carlsbad residents. The city expended funds from its Affordable Housing activity for the acquisition of three affordable housing units. Once these housing units are resold to a low income household the activity will be considered complete meeting a national objective. Accomplishments for the Affordable Housing activity will be reported at a future time.

The city amended the plan twice during the 2019-20 program year. Amendment no. 1 was approved on Jan. 28, 2020 for appropriation of the city's program income for the development of affordable housing thereby increasing the Carlsbad Affordable Housing activity by \$500,000. And, amendment no. 2 was approved on May 5, 2020 to include one new activity (the expansion of La Posada Homeless Shelter in the amount of \$58,000) and appropriation of funds for the public service providers to assist in COVID relief efforts. Funds allocated to service providers for COVID relief have not all been expended thus are not included in this report but will be reported at a future time.

All the accomplishments in FY 2019-20 align with the following priorities for the FY 2015-2020 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.

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)

The city has made positive progress in meeting goals and objectives for the FY 2019-20 program year in the areas of fair housing, supportive services, and facility improvements. In these areas the city has either come close to or exceeded the goals for the year. In comparison to the anticipated goals and objectives for five years, the total accomplishments for facility improvements have fallen behind. This is due to overstated accomplishments anticipated for the ADA improvements for FY 2015-16 and FY 2016-17 in the Barrio area of Carlsbad.

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 purchasing housing units and saving them from reverting back to market rate. Once these units are resold to low income families meeting a HUD national objective, accomplishments will be reported consistent with the year the activity will be completed.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Planning and Administration	Administration	CDBG: \$90,419	Other	Other	N/A	N/A	N/A	N/A	N/A	N/A
Fair Housing	Non-Homeless Special Needs	CDBG: \$22,744	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	450	527	100.00%	100	93	93.00%
Affordable Housing	Affordable Housing	CDBG: \$772,784	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	20	0	0.00%	1	0	0.00%
Improve Facilities	Non-Housing Community Development	CDBG: \$153,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	37,715	7,904	20.95%	78	201	100.00%
Supportive Services	Homeless Non-Homeless Special Needs	CDBG: \$202,220	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	15,000	17,795	100.00%	2,800	1,253	44.75%

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

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

As defined by the Carlsbad Consolidated Plan, the highest priorities for FY 2015-2020 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 funds to the development of affordable housing then to supportive services providing assistance to the homeless and special needs population. The Carlsbad City Council has approved for staff to purchase existing affordable units as they become available on the market with CDBG funds, and by doing so, this would keep the units available for low income families in perpetuity. Additionally, the city has allocated additional funds to further support the homeless and special needs populations with the second amendment to the plan.

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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	942
Black/African American	184
Asian	18
American Indian/Alaskan Native	11
Native Hawaiian/Other Pacific Islander	7
American Indian/Alaskan Native and White	3
Asian and White	7
Black/African American and White	13
American Indian/Alaskan Native and Black	0
Other/Multi-Racial	362
Total	1,547
Hispanic	259
Not Hispanic	1,288

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

A total of 1,547 up-duplicated individuals/households were assisted with CDBG funded projects during FY 2019-20. Of the total assisted households, approximately 60.89% percent were White, 11.89% percent were Black or African American, 1% percent were Asian, and 23.4% were Other/Multi-Racial. Approximately 16.74% of the total assisted households were Hispanic.

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	\$1,292,193.31	\$1,054,029.72

Table 3 - Resources Made Available

During the FY 2019 program year \$1,292,193.31 was made available for administrative/planning activities, public services, facility improvement projects, and development of affordable housing.

The city's annual entitlement for FY 2019-20 was \$565,819. Carried forward from the prior year balance was \$46,026.31. Mid-year the city approved an additional appropriation of \$500,000 from the city's program income and late in the year the city approved another appropriation of program income of \$175,348 to assist in the planning for the expansion of the La Posada Homeless Shelter and for COVID relief. A non-substantial amendment of \$5,000 was programmed to the 6218 Liberty Place activity to cover basic housing expenses.

Since the start of the fiscal year approximately \$1,054,029.72 has been expended on projects and activities.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
N/A	N/A	N/A	

Table 4 – Identify the geographic distribution and location of investments

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	0
Number of special-needs households to be provided affordable housing units	0	0
Total	1	0

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through rental assistance	25 households	35 Households
Number of households supported through the production of new units	0	0
Number of households supported through the rehab of existing units	0	0
Number of households supported through the acquisition of existing units	1	0
Total	25	35

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 city does however have a goal to increase the supply of affordable housing units with 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 goals. 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.

In March of 2018, the City Council approved a Substantial Amendment which stated that all future received Program Income would be allocated to the use of purchasing existing affordable housing units.

Carlsbad continues to look to leverage funds and combine CDBG funding with local Housing Trust Fund money and/or other funds to produce future housing, acquisition, and rehabilitation projects.

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	1,335	0
Very Low	73	0
Low-income	51	0
Other	88	0
Total		0

Table 7 – Number of Households Served

The need for more affordable housing in Carlsbad for residents with low to moderate income is great and far exceeds the plans for future development within the city limits. Throughout much of the region and country, household incomes have not kept pace with the rising cost of housing.

The city continues to creatively strategize on ways to leverage CDBG funds mixed with a variety of different funding sources for future needs. The City of Carlsbad has the following resources for the creation and maintenance of affordable housing:

Inclusionary Housing Ordinance- The City of Carlsbad has several programs which have been designed to increase affordable housing opportunities for lower income households. The signature program is Carlsbad's mandatory inclusionary housing program. This program requires housing developers to provide 15 percent of their total units as affordable to low income households. Since this requirement was set forth by ordinance in 1993 and recently revised, the city has experienced the successful construction of over 2,200 units of housing affordable to low, very low and extremely low income households.

HOME Program- The County of San Diego, lead agency for the HOME Consortium, offers a Down Payment and Assistance Program for low-income first-time homebuyers. The program provides simple interest loans, up to \$70,000 to qualified households. The program has home

value restrictions (currently \$390,000), which is typically lower than market prices in Carlsbad making it a challenge for eligible homebuyers to locally find a home. However, eligible Carlsbad resident are encouraged to participate in this program but that may mean individuals might find it necessary to move outside of the Carlsbad city limits to find an appropriately priced home to purchase.

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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 2019-20, 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 2019-20 Catholic Charities was awarded \$20,000 in CDBG funds to assist with programs at this shelter for short term (maximum of 60 days) housing and individualized case management services. La Posada de Guadalupe is also transitional and seasonal housing opportunity for local farmworkers.

In May 2020 the City Council approved an additional allocation of \$54,848 to cover increased shelter operation expenses due to COVID-19 plus another \$58,000 to cover planning and engineering fees to assist in the expansion of its shelter to add more beds.

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

Interfaith Community Services was awarded \$19,872 for FY2019-20 to assist with programs to aid in the prevention and elimination of homelessness. Interfaith Community Services program includes case management, counseling services, food assistance, employment preparation, rental vouchers, and emergency shelter support. An additional allocation of \$40,000 was

approved by the City Council in May 2020 to supplement the current rental assistance program to assist residents impacted by COVID.

This past year, the city also funded Brother Benno's Service Center via \$15,000 in CDBG funding. Brother Benno's, operating in the neighboring jurisdiction of Oceanside, is a homeless service center which provides services to families such as case management, employment preparation, food assistance, emergency shelter support, furnishings for new homes, and clothing for families. Brother Benno received an additional \$7,500 in May 2020 to assist in increases food security to the most vulnerable and special needs populations impacted by COVID.

Women's Resource Center, based out of Oceanside, is another public service agency which received CDBG funding in the amount of \$10,000 to assist in their domestic violence shelter for families. This shelter is one of the few in the region that accepts families while providing case management and shelter for a maximum of two years. Residents of this shelter are encouraged to obtain jobs, further their education, and heal their family relationships during their stay. The Women's Resource Center received an additional allocation of \$5,000 in May 2020 to assist in the COVID relief efforts.

Casa de Amparo is a public service agency which received CDBG funding (\$95,000) in public facility improvements to expand their Teen Wellness Center. This center is also the only shelter between Los Angeles and the U.S-Mexico border that accepts and assists individuals that have aged out of the foster system and who need additional focused care. This center provides safety and housing for all individuals of domestic abuse and victims of sex trafficking as well as education, counseling, and vocational training.

The Community Resource Center is a public service agency which received CDBG funding in the amount of \$10,000 for services to assist families and victims of domestic violence with case management, employment preparation, food assistance, emergency rental assistance and other basic needs. In May 2020 the organization received an additional allocation of \$5,000 to supplement the current program and provide additional assistance to residents affected by COVID.

Meals-on-Wheels is a meal delivery service that delivers food to low income and homebound seniors. Meals are provided on a sliding scale and heavily discounted price. Meals-on-Wheels was award \$10,000 for the FY 2019-20 for the purchase of food and packaging. An additional \$5,000 was awarded in May 2020 to assist in increasing food security during COVID.

All of the above organizations help low-income individuals and families avoid becoming homeless. These organizations have and continue to receive assistance from the city to address housing, health, social services, employment, education, and youth needs.

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 for residents.

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.

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 governmental 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. The city does have the ability to introduce actions to minimize the influence of governmental constraints on affordable housing, however, including monitoring local ordinances for negative impacts and streamlining processes. The city continues to monitor existing policies 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.

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. The city has reported progress towards the impediments addressed in the FY 2020 AI in the attached Fair Housing Progress Report.

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, 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. Although funded with general funds rather than 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 Housing Services within the Community Development Department. The Housing Services Division is responsible for coordinating efforts with the San Diego HOME Consortium and the San Diego Regional Alliance for Fair Housing. Housing Services 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 2019-20, 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 affirmatively 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 FY2019-20:

The city in partnership with the SDRAFFH was able to provide a virtual Fair Housing Conference titled "Fair Housing in the Digital Age" that was held on Tuesday, May 19, 2020 from 1:00pm-4:00pm featuring keynote speaker Lisa Rice, President and CEO of the National Fair Housing Alliance.

On May 20, 2020 Legal Aid Society provided a virtual training to housing providers and city staff on fair housing basics, tenant and landlord protections, and recent changes to the law due to the pandemic.

In FY 2019 Carlsbad tested for disability only focused on emotional support animal denials. There were five test that were tested once. Of the five sites tested, one showed unequal treatment. The city's fair housing provider Legal Aid Society of San Diego plans to re-test where discrimination was found to determine whether further enforcement is needed. Due to the current pandemic testing has been delayed.

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 2019-20 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). A second notice was published in the San Diego Tribune. 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.

N/A

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

No, the city does not receive BEDI grants

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

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