

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
 (CCR Title 25 §6202 )

Jurisdiction City of Escondido  
 Reporting Period 1/1/2017 - 12/31/2017

**Table A**  
**Annual Building Activity Report Summary - New Construction**  
**Very Low-, Low-, and Mixed-Income Multifamily Projects**

Housing Development Information							Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions		
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income			See Instructions	See Instructions	
Veterans' Village	5+	R	29	19			48	48	Other	Reg Agmt	
Solutions for Change	5+	R	17	15		1	33	33	RDA, TCAC	Reg Agmt	
(9) Total of <b>Moderate and Above Moderate</b> from Table A3			5	409							
(10) Total by income Table A/A3			46	34	5	410	Total:	495			
(11) Total <b>Extremely Low-Income</b> Units*			17								

\* Note: These fields are voluntary

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**Table A2**  
**Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	0	0	0	

\* Note: This field is voluntary

**Table A3**  
**Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for <b>Moderate</b>	0	0	0	5	0	5	
No. of Units Permitted for <b>Above Moderate</b>	233	0	176	0		409	

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**Table B**

**Regional Housing Needs Allocation Progress**

**Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2013	2014	2015	2016	2017	2018	2019	2020		Total Units to Date (all years)	Total Remaining RHNA by Income Level
<b>Income Level</b>	RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8			
Very Low	Deed Restricted	1,042	7	0	0	0	46				53	989
	Non-deed restricted											
Low	Deed Restricted	791	28	0	11	0	34				73	717
	Non-deed restricted		1								1	
Moderate	Deed Restricted	733	0	0	0	0					0	727
	Non-deed restricted					1	5				6	
Above Moderate		1,609	108	56	7	163	410				744	865
Total RHNA by COG. Enter allocation number:		4,175										
Total Units ▶ ▶ ▶			144	56	18	164	495				877	3,298
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

Jurisdiction City of Escondido

Reporting Period 1/1/17-12/31/17

**Table C**  
**Program Implementation Status**

Program Description (By Housing Element Program Names)		Housing Programs Progress Report - Government Code Section 65583 Describe progress of all programs including progress in removing regulatory barriers.	
Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-17
1.1: Project Development Create increased supply of affordable housing units for lower income households, including those households with extremely low incomes. Every effort will be made to accomplish this through redevelopment and acquisition/rehabilitation.	<b>Anticipated impact: Increased supply of rental units for extremely low-, very low- and low-income residents 300 units</b>	Ongoing	The City recently contracted with both Community HousingWorks and Solutions for Change to develop affordable rental projects consisting of acquisition/rehabilitation of existing units (CHW) and new construction (Solutions for Change). The CHW project was completed in April 2017, and consists of 11 HOME affordable units out of 200 total affordable units in the project. Solutions for Change completed construction of a new, affordable rental project consisting of 33 units (32 affordable) in July 2017. 32 new affordable units were completed in 2017.
1.2: Lot Consolidation Encourage consolidation of small lots to utilize land more efficiently and facilitate the development of mixed use and affordable multi-family developments	<b>Anticipated impact: Facilitate development as envisioned in the General Plan.</b>	Ongoing	A ministerial process is utilized for basic lot consolidation. The City continues to encourage consolidation of lots to facilitate mixed-use and affordable developments.
1.3 Infill New Construction Support new construction of homeownership and rental units and redevelopment/revitalization on infill sites. The City also encourages recycling and revitalizing of sites for a variety of housing types and income levels.	<b>Anticipated impact: New housing opportunities for homeownership and rental for low- and moderate-income households.</b>	Ongoing	Solutions for Change completed construction on an affordable rental project of 33 units on an infill site on South Escondido Boulevard, in July 2017.

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-17
<p>1.4 City-owned Sites Facilitate the redevelopment/development of affordable housing on City-owned sites</p>	<p><b>Anticipated impact: Sites for affordable housing.</b> Use City-ownership as a potential inducement for rehabilitation of more affordable housing</p>	<p>Ongoing</p>	<p>The Housing and Neighborhood Services Division, the Engineering Services Department and the City's Real Property Agent continue to review City-owned properties when they become available as potential sites for redevelopment as affordable housing.</p>
<p>1.5 Density Bonus Amend Density Bonus Ordinance to be consistent with State law</p>	<p><b>Anticipated impact: Additional housing opportunities for low- and moderate-income households.</b></p>	<p>0-3 years from HE adoption</p>	<p>City Planning staff completed an amendment to the Zoning Code in May 2017 to modify the Density Bonus provisions so they are in conformance with State law.</p>
<p>2.1 Housing Rehabilitation: Renter Occupied Continue to explore potential rental rehabilitation programs</p>	<p><b>Anticipated impact: Increase rental rehabilitation for lower income households (25 units).</b></p>	<p>Ongoing</p>	<p>Staff will continue to explore funding opportunities for a new renter-occupied rehabilitation program. Funding from a CalHOME grant allowed the City to re-establish an owner-occupied rehabilitation program for low-income households in single-family residences and mobilehomes in 2015. 4 loans were funded in 2016. One loan was funded in 2017, prior to the program ending in September 2017.</p>
<p>2.2 Acquisition/Rehabilitation Continue to explore ways to encourage the recycling of deteriorated and older structures for affordable housing opportunities</p>	<p><b>Anticipated impact: Additional affordable housing opportunities for lower income households. (200 Units)</b></p>	<p>Ongoing</p>	<p>Recycling of existing, dilapidated structures continues to be a priority in Escondido. An RFP was sent out in August 2014 for affordable housing developers, which resulted in contracts with two developers who developed affordable rental projects consisting of acquisition/rehabilitation of existing units. Community HousingWorks completed 11 units within a 200-unit development in 2017, and Urban Housing Communities rehabilitated a 44-unit development, which was completed in 2015. Interfaith Community Services responded to an RFP in 2017 and is in the process of completing acquisition/rehabilitation of an existing 4-unit residential project for affordable units.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-17
<p>2.3 Focus on Neighborhoods Collaborate with departments to channel resources and efforts into improvement of neighborhood quality of life, including code enforcement, housing rehabilitation and capital improvements.</p>	<p><b>Anticipated impact: The concentration of City resources to one neighborhood and the opportunity for significant community impact both in physical improvement and improvement in quality of life for neighborhood residents. (Low- and moderate-income categories).</b> Continue collaborative efforts through funding resources, policies and community outreach.</p>	<p>Ongoing</p>	<p>Currently there are 18 recognized neighborhood groups. Project NEAT was started in 2010 to assist residents in solving their own neighborhood problems at a neighborhood (rather than Code Enforcement) level, such as maintenance, graffiti, minor repairs and trash. This effort utilizes Community Development Block Grant (CDBG) funding.</p> <p>The joint efforts to combine resources in targeted neighborhoods, including CDBG funding, grants, and outside financing, will continue, including coordination of public improvements with proposed affordable developments, and neighborhood oriented clean-up projects. Neighborhood collaboration also will be coordinated with the Police Department and other City Departments through the Neighborhood Transformation Project (NTP).</p> <p>In 2017 the City Council approved the 2017-2018 City Council Action Plan, which includes a Neighborhood Improvement element. This element includes strategies for improving aging neighborhoods, including increasing code enforcement activity, addressing issues related to homelessness, improving neighborhood appearance, improving traffic flow, developing more recreation opportunities for youth, and improving park, public works and library facilities.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-17
<p>2.4 Preservation of at-Risk Housing Continue to explore means to continue housing affordability for lower income households that would be impacted by the conversion of subsidized projects to market-rate housing</p>	<p><b>Anticipated impact: Continued affordability of subsidized housing developments.</b></p> <p>If owner wishes to sell, contact potential buyers who would want to extend affordability and, if unsuccessful, follow-up with Section 8 and relocation potential</p>	Ongoing	<p>The City will continue to monitor at-risk units, particularly those identified in the Housing Element. This effort is ongoing. The City worked with Community HousingWorks to preserve the affordability of 200 units in Cypress Cove (now Manzanita) while extending affordability on 11 of the units using HOME funds. No at-risk units were lost in 2017.</p>
<p>3.1: First-Time Homebuyer/Home Entry Loan Program (HELP) Provide low-interest loans to lower income households for closing costs and down payment, of lesser of 5% of purchase price or \$25,000, using federal HOME loans.</p>	<p><b>Anticipated impact: Increased homeownership opportunities for lower income households (150 households).</b></p>	Ongoing	<p>0 HELP loans funded during 2017 0 HELP loans funded during 2016 4 HELP loans funded during 2015 2 HELP loans funded during 2014 <u>3 HELP loans funded during 2013</u> <b>9 Total</b></p> <p>In December 2017, Housing and Neighborhood Services staff met with local real estate professionals to discuss possible impediments to FTHB loans and possible solutions.</p>
<p>3.2 First-Time Homebuyer/Mortgage Credit Certificates Provide mortgage credit certificates to first-time homebuyers to reduce federal income taxes and more easily qualify for a loan.</p>	<p><b>Anticipated impact: Additional homeownership opportunities for low- and moderate-income households (20 households).</b></p>	Ongoing	<p>Although MCCs will remain available to Escondido residents, the local MCC administrator retired and MCCs will not be reported locally after 2014.</p>

Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-17
<p>3.3 Rental Subsidy Provide households with affordable rents through rent subsidy programs for households with incomes not exceeding 50% of the Area Median Income.</p>	<p>Collaborate with HUD (and the Housing Authority of San Diego County) toward the provision of Section 8 Rental Subsidy to households earning 50% or less of the median income</p> <p>Provide rental subsidy to low-income seniors and persons with disabilities in mobilehomes parks and apartments</p> <p><b>Anticipated impact: Rental Assistance for very low-income households, 1,200 households, with Housing Choice Vouchers. 110 very low income senior/disabled households for rent subsidies</b></p>	<p>Ongoing</p>	<p>Ongoing. During 2017, 1,066 Escondido households were assisted with a Section 8 Rental Subsidy (Housing Choice Voucher). An additional 10,046 are on the wait list in Escondido.</p> <p>During 2016, 26 senior households (or persons with a disability) in mobilehome parks, and another 11 in apartments, for a total of 37, were receiving a monthly rental subsidy while waiting for HUD Section 8 eligibility. Eligibility for the Rental Subsidy program was tightened in 2012 due to the loss of redevelopment funds. Continuation of the program in the future is uncertain.</p>
<p>3.4 Mobilehome Park Conversion Provide technical assistance to mobilehome resident groups in the conversion of existing parks to resident ownership</p>	<p><b>Anticipated impact: Continued mobilehome resident ownership opportunities for lower income residents.</b> Continue to work with City policies and procedures to assist in conversion</p>	<p>Ongoing</p>	<p>The City continues to provide technical assistance to mobilehome parks considering conversions to resident ownership. No recent conversions have been requested. The City continues to manage the remaining city-owned spaces in Escondido Views (5 lots) and Mountain Shadows (23 lots).</p>
<p>3.5 Mobilehome Rent Review Rent review via the Rent Review Board of applications for increases in mobilehome parks</p>	<p><b>Anticipated impact: Stabilized rents for mobilehome residents, many of whom are lower income.</b></p>	<p>Ongoing</p>	<p>During 2017, four short-form rent review hearings and no long-form rent review hearing were held. Average monthly increases approved for short form applications ranged from \$6.79 to \$14.30.</p>



Name of Program:	Objective	Timeframe in H.E.	Status of Program Implementation as of 12-31-17
<p>3.6: Fair Housing Actively engage in furthering fair housing for all residents through specific education outreach and monitoring activities</p>	<p><b>Anticipated impact: Continued enforcement of the Fair Housing Plan which will prevent discrimination in housing and disputes between landlords and tenants</b></p>	<p>Ongoing</p>	<p>In 2017 the City contracted with the Legal Aid Society of San Diego, Inc. to provide fair housing services to Escondido residents, including counseling, mediation in landlord/tenant disputes, and bilingual assistance.</p> <p>City staff continues to disperse information at public counters, review potential impediments to fair housing, and meet with other jurisdictions to discuss and address potential regional impediments. The City of Escondido has been working collaboratively with other jurisdictions in the San Diego County region to address the requirements for Affirmatively Furthering Fair Housing. Following HUD's current requirements, an Analysis of Impediments (AI) will be completed for the region.</p>
<p>4.1 Emergency Shelters Amend the Zoning Code to permit emergency shelters by right, consistent with State law.</p>	<p><b>Anticipated impact: Provision of shelter for families/individuals with special needs. Consistency with state law.</b></p>	<p>Within one year of Housing Element adoption</p>	<p>The City's Emergency Shelter Overlay, in compliance with State law, was approved by the City Council on October 23, 2013. Although staff was asked to re-evaluate the location and size of the Overlay in 2015, the City Council left the overlay unchanged and the City is in compliance. A year round shelter operated by Interfaith Community Services currently operates outside the Overlay area.</p>
<p>4.2: Transitional/Supportive Housing Amend the Zoning Code to differentiate transitional/supportive housing operated as group quarters versus a regular housing development. Uses will be permitted where housing is otherwise permitted.</p>	<p><b>Anticipated impact: Increased housing opportunities for special needs persons.</b></p>	<p>0-3 years from HE adoption</p>	<p>An amendment to the Zoning Code to define transitional and supportive units as specified in State law, and to permit them where residential units are otherwise permitted, was completed in June 2017.</p>
<p>4.3: Senior Housing Ordinance Amend the Zoning Code to permit senior housing by right where housing is permitted.</p>	<p><b>Anticipated impact: Increased housing opportunities for seniors</b></p>	<p>0-3 years from HE adoption</p>	<p>An amendment to the Zoning Code to permit senior housing by right where housing is permitted, was completed in June 2017.</p>

<p>4.4: Monitoring of Growth Management Measure Periodically monitor and evaluate Proposition S for its impacts on the cost, supply and timing of affordable housing. Analyze the ability to accommodate the city's regional housing need, constraints on supply and affordability of housing.</p>	<p><b>Anticipated impact: Increased public awareness of the City's housing needs and obligations under state law.</b></p>	<p>Ongoing</p>	<p>The Housing Element shows that the City's RHNA can be accommodated. In 2017 it does not appear that existence of Proposition "S" discouraged or prevented construction of market or affordable units. City will continue to monitor RHNA progress annually to determine whether growth management policies impact the city's ability to accommodate the affordable housing need.</p>
<p><b>Name of Program:</b></p>	<p><b>Objective</b></p>	<p><b>Timeframe in H.E.</b></p>	<p><b>Status of Program Implementation as of 12-31-17</b></p>
<p>5.1: Affordable Housing Financing Continue to pursue a variety of funding sources to support affordable housing in the community.</p>	<p><b>Anticipated impact: Acquisition, rehabilitation, preservation or construction of affordable housing for lower and moderate income households.</b></p>	<p>Ongoing</p>	<p>Staff continues to pursue all available opportunities to utilize additional funding sources for potential projects and programs, including tax credits and grants.</p>
<p>5.2: Housing Information and Referral Update public information in many formats identifying the City's housing programs and provide opportunities to market those programs.</p>	<p><b>Anticipated impact: More effective and targeted housing programs (especially for lower income households).</b></p>	<p>Ongoing</p>	<p>Housing program and project information is updated as needed and is distributed via a variety of avenues, such as the City website, brochures, mailers, referral cards and at City Hall. The city website was updated in late 2010 and again at the beginning of 2018. Updates to the website are ongoing as needed. In 2016 the Housing and Neighborhood Services Divisions were merged into the Housing and Neighborhood Services Division under the Housing and Neighborhood Services Manager. This allows for streamlined assistance to the public. Staff continues to seek additional ways to distribute information to the public.</p>

**CONSTRAINTS**

The 2013-2020 Housing Element listed the following governmental constraints. The specific issue, page number, action and status are listed below.

<b>Issue</b>	<b>Page #</b>	<b>Action</b>	<b>Status</b>
<b>Land Use Controls</b> Residential designations, specific plans, growth management controls, overlay zones/districts, and the density bonus ordinance	IV-67	Evaluate land use issues for direct impact on provision of housing for all economic sectors of the community.	The City's General Plan comprehensive update was completed in 2012, including increasing densities with a new Urban V designation and introducing minimum floor densities in some urban areas. The Downtown Specific Plan was updated in 2013, including increasing residential densities (up to 100 du/ac) in the downtown core, which should lead to an increase in production of multi-family units. The City is currently working with a consultant to update the South Escondido Boulevard Area Plan, which will incorporate smart growth principles, allowing additional opportunities for mixed-use and transit oriented development. The Plan is anticipated to be completed in early 2018.
<b>Residential Development Standards</b>	IV-76	Evaluate residential development standards to ensure they are not unreasonably limiting the number of units that may be constructed.	Development standards and parcel requirements offer flexibility to encourage development. With the adoption of the revised density bonus and residential incentive ordinance in 2017 more flexibility will be available to affordable housing developers. In 2017 standards for developing Accessory Dwelling Units were modified and brought into compliance with the State. During 2017 many other sections of the Zoning Code were updated for consistency with state law. Development standards will continue to be reviewed as needed.

<p><b>Provision for a Variety of Housing Opportunities</b></p>	<p>IV-80</p>	<p>A jurisdiction must encourage the development of a variety of housing types for all economic segments of the population.</p>	<p>The General Plan calls for establishing a minimum density for each district, to promote efficient use of land. The Escondido Zoning Code has provisions for ADUs, mobilehomes, multi-family dwellings, and residential care facilities. Also, SROs and farmworker housing. In 2013, the City approved a zoning overlay where emergency shelters are permitted by right, in accordance with state law. Similar code amendments were completed in 2017 for transitional/supportive housing and some clean-up language for senior housing. There are no other known policies or regulations that constrain development of housing for persons with disabilities.</p>
<p><b>Development Conditions and Fees</b> Fees and exactions to process permits and provide services and facilities can be a constraint to the development of housing due to the additional cost borne by developers.</p>	<p>IV-90</p>	<p>The City periodically reviews fees to ensure they reflect current impacts and necessary impacts.</p>	<p>Escondido's residential development fees have been reviewed and have not been found to act as a constraint to the development of housing. They are lower than those of many other north county cities. The development fees will continue to be reviewed periodically and modified as needed.</p>
<p><b>On- and Off-Site Improvements</b> Existing infrastructure, development standards for new infrastructure, requirements for on-and off-site improvements.</p>	<p>IV-92</p>	<p>Requirements for on- and off-site improvements vary depending on the presence of existing improvements, as well as the size and nature of the proposed development.</p>	<p>Requirements are reviewed as necessary.</p>
<p><b>Building Codes and Enforcement</b></p>	<p>IV-94</p>	<p>The 2016 California Building Codes and Green Building Standards Code have been adopted by the City.</p>	<p>The City has no local ability to waive provisions of State building codes. However, there is an appeal process to challenge interpretations of the building code requirements.</p>
<p><b>Permits and Processing Times</b> Certainty and consistency in permit processing procedures and reasonable processing times to ensure that developers are not discouraged.</p>	<p>IV-95</p>	<p>The existing design review and conditional use permit processes have been streamlined, and do not serve to constrain housing development.</p>	<p>The City continues to explore ways to streamline processing of applications and reduce fees for affordable, fair market and mixed use housing. During the current HE cycle the Design Review Board was consolidated into the Planning Commission in an effort to streamline processing. Other options to streamline development are being reviewed.</p>