I. Introduction

This report has been prepared pursuant to the requirements of Government Code Section 65400 (Appendix A). Guidance for preparation of the report is provided by the Governor's Office of Planning and Research (OPR). The report discusses what was implemented during the 12-month reporting period and provides a means to determine if changes are needed in the plan or its implementation programs. The General Plan Annual Progress Report was received by the Planning Commission at their meeting on March 13, 2018 and the City Council at their meeting on March 21, 2018.

Table of Contents:

1. Introduction p.1
2. Purpose of the General Plan p.2
3. Status of the Adopted Elements p.2
4. Progress in the General Plan’s Implementation p.4
5. Degree to which the General Plan complies with the Adopted Office of Planning and Research (OPR) Guidelines p.19
6. Plans, Projects, and Accomplishments p.20
7. Conclusion p.21
II. Purpose of the General Plan

The General Plan is mandated by California Government Code Section 65300, which requires each city and county to adopt a comprehensive plan for the physical development of the jurisdiction. It addresses land use, transportation routes, population growth, open space, resource preservation and utilization, air and water quality, noise, safety issues and other related physical, social and economic development factors. Through the identification of goals, objectives, and policies, a General Plan creates a strategy framework for implementation. In addition to serving as a basis for local decision making, the General Plan establishes a clear set of development rules for citizens, developers, decision-makers, neighboring cities and counties, and provides the community with an opportunity to participate in the planning and decision-making process.

III. Status of the Adopted Elements

State law requires that general plans include seven (7) elements which must cover the following topics: Land Use, Circulation, Housing, Safety, Noise, Conservation, and Open Space. The elements may be combined or renamed, but basic requirements must be included. The City of Escondido General Plan has ten (10) chapters. The relationship between the seven elements and the chapters provided in the City of Escondido General Plan is described in more detail in Appendix B.

State law does not provide a mandatory minimum timeframe for revisions of elements, except for a Housing Element. State requirements for Housing Elements are more detailed and specific than for the other portions of a General Plan, and Housing Elements are updated every eight (8) years according to a schedule set by the State. Other elements may be updated less frequently and typically have a 15 to 20-year horizon. None of the General Plan elements were amended during the 2017 calendar year.

City Council Action Plan

The City Council puts together an Action Plan that helps advance the goals, policies, and/or implementation measures contained in the general plan. The Action Plan represents the City Council’s collective vision for Escondido’s future and the key activities that will be used to achieve that vision. It is developed biannually following a workshop in which key policy interests are identified and discussed by the City Council, city staff, and the public. This keeps relevant General Plan policy-related issues, such as financial stability, economic development, image and appearance on the forefront and relevant for systematic implementation through Action Plan direction on Capital Improvement Plan, economic development planning, municipal administrative services, maintenance and operations, etc.

General Plan Update Work Program

Escondido’s General Plan was comprehensively updated in 2012. General Plans that have not been revised within the past five (5) years are not necessarily legally inadequate. In fact, the adopted General Plan continues to serve as a relevant and useful document to guide the use of public and private lands within the community.
The CA Supreme Court has stated that local governments have an implied duty to keep their plans current (*DeVita v. County of Napa, 9 cal. 4th 763 (1995)*), so there is a need to systematically look ahead and plan on how the City will keep the General Plan document up to date. It will need to adequately address and respond to emerging land use activities, use of space, multi-modal trends, regulations, and other matters that affect the City's desirability to live, work, and play. As aforementioned, most of the elements typically have a 15 to 20-year horizon, excepting the Housing Element. The following schedule proposes when the next suggested update would occur, ensuring continuous improvement to the City's land use and regulatory framework.

<table>
<thead>
<tr>
<th>General Plan Element</th>
<th>Last Update</th>
<th>Next Suggested Update</th>
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<tbody>
<tr>
<td>Mobility and Infrastructure</td>
<td>2012</td>
<td>2018-2020</td>
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<tr>
<td>Housing*</td>
<td>2012</td>
<td>2019-2021</td>
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<td>Land Use and Community Form*</td>
<td>2012</td>
<td>2023-2025</td>
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<td>Community Protection*</td>
<td>2012</td>
<td>2023-2025</td>
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<td>Resource and Conservation*</td>
<td>2012</td>
<td>2023-2025</td>
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<td>Economic Prosperity</td>
<td>2012</td>
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<td>Growth Management</td>
<td>2012</td>
<td>2026-2027</td>
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<td>Community Health and Services</td>
<td>2012</td>
<td>2029-2030</td>
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<tr>
<td>Vision and Purpose</td>
<td>2012</td>
<td>---as needed---</td>
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<tr>
<td>Implementation Program</td>
<td>2012</td>
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</tbody>
</table>

* State law requires certain information be included in General Plan elements at the time a jurisdiction next revises a Housing Element. This invariably involves land use-related policies. Furthermore, Government Code Section 65302 requires all cities and counties to amend the safety and conservation elements of their General Plan to include analysis and policies regarding hazard information upon the next revision of the Housing Element, which is scheduled to cover the 2021-2028 planning period. For this reason, these elements have been grouped together or sequenced in a logical manner to ensure that the City’s policy framework is updated in a timely manner to continue to guide growth and development in a beneficial direction, while satisfying all state mandates.
IV. Progress in the General Plan's Implementation

Generally, all of the existing parcels of land that have been developed have been purposed with land uses consistent with the General Plan. Residential land use currently accounts for 70.8 percent of all land area in the City, more than any other land use. Commercial, office, and industrial uses account for approximately 5.7 percent of total land area in the City. Public lands and open spaces accounts for 15.1 percent of the total land area in the City, which are generally dispersed throughout the City. Most of the streets and highways described in the General Plan are developed to their planned capacity, or have capacity to be fully implemented in time. Some of the roadways could be downgraded and repurposed to achieve other General Plan objectives. The entire infrastructure needed to serve the planned land uses is in place with sufficient capacity to accommodate the planned land uses and population, except for localized drainage and/or outfall-related issues.

A. Land Use and Community Form

The Land Use Element is one of seven elements required by state law to be included in California General Plans. The Element guides the desired pattern of growth, development, and change in the community. The purpose is to ensure that a balance of residential, employment, commercial, recreational, civic/cultural and open space land uses are provided at appropriate intensities, locations and combinations to enhance community sustainability. Goals identified in the Land Use / Community Form Element foster Escondido's role as an urban center. The Plan emphasizes the revitalization of the downtown area and established neighborhoods, promotes economic development in the form of attractive, sustainable, economically viable industrial and commercial areas, and concentrates high intensity activities in the urban core. Topics or policy issue areas covered in the Land Use and Community Form Element include the following:

- Community Character
- Land Use Zoning
- Residential Development
- Residential Clustering
- Planned Development
- Mixed Use Overlay Zones
- Commercial Land Uses
- Office Land Use
- Industrial Land Use
- Specific Plan Area Land Use
- Open Space/Park Land Use
- Public Facility Overlay
- Tribal Area Land Use
- Development Agreements
- Annexation
- General Plan Review and Amendments
- Environmental Review
Indicators and General Plan Implementation (2017)

- 47,274 total housing units – 23,369 were detached single-family homes
  - 45,217 total housing units occupied
  - 2,057 vacant (or 4.4 percent prevailing vacancy rate, a year-over decrease of 0.2 percent from 2016)

- Major pipeline projects (initiated, in progress, or completed during the reporting period)
  - 2,301 new single-family and multi-family units
  - 173,500 square feet of new retail commercial space
  - 86,000 square feet of new medical office space
  - 240,000 square feet of new industrial space and an additional 10 new industrial lots
  - 697 new hotel units (keys)
  - Major pipeline projects are listed in Appendix C

- Approved and/or processed planning projects or administrative activities:
  - 4 Adjustment Plats
  - 2 Administrative Adjustments
  - 66 Certificates of Appropriateness
  - 5 Certificates of Compliance
  - 2 Comprehensive Sign Programs
  - 2 CUP – Minor
  - 1 CUP – Major
  - 4 Daley Ranch mitigation bank credit purchases
  - 23 Design Review
  - 7 Local Register listings
  - 9 Mills Act
  - 3 Minor Development Applications
  - 3 ND/MNDs adopted
  - 1 FEIR and 4 DEIRs
  - 5 Addendums adopted
  - 3 Master and/or Precise Plans
  - 10 Plot Plan – Minor
  - 4 Plot Plan – Major
  - 2 General Plan/Rezone (The Villages - Escondido Country Club Specific Plan; and Urban V, R-5 Rezoning)
  - 1 Second Unit (Accessory Dwelling Unit)
  - 102 Sign permits
  - 115 Temporary Banners
  - 20 Temporary Use Permits
    - 5 Tentative Parcel Maps
  - 1 Tentative Subdivision Map
  - 7 Zoning Code Amendments
  - 31 Zoning Consistency Letters

- No annexations approved by LAFCO.
- 3,567 total building permits issued in 2017:
  - This is a year-over decrease of 1.1 percent from 3,606 permits issued in 2016
- A two year-over decrease of 1.5 percent from 2015, when 3,624 permits were issued
- A three year-over increase of 34.5 percent from 2014, when 2,652 permits were issued
- Building permits issued:
  - 236 new single-family homes. (81 homes were issued in 2016, a year-over increase of 191 percent)
  - 224 new multi-family homes (88 units were issued in 2016, a year-over increase of 154 percent)
  - 16 new commercial structures
  - 2 new industrial buildings
- 3,242 code enforcement cases received:
  - 48 average number of days that code enforcement cases were open
  - 3,406 code enforcement cases were received in 2016. This is a year-over decrease of 4.8 percent.
  - 2,709 code enforcement cases were received in 2015. This is a two year-over increase of 19.7 percent
- 6,723 total code enforcement inspections performed
  - 651 graffiti removal requests open and closed, a year-over increase of 29.2 percent (504 in 2016)
  - 72 code enforcement parking citations, a year-over decrease of 40.9 percent (122 in 2016)
- Working Together to Get to Yes: Approved Zoning code amendments to create a Zoning Administrator to change review authorities for lower-level review processes and different permit types.
- Completed phase 2 of outreach related to the South Center City Specific Plan.
- Finished updating local codes to respond to changes in State law (e.g. electric vehicles, density bonus, and accessory dwelling units).
- Amended Zoning Ordinance to establish new zones for Urban V.
- Finished the work program for the Villages – Escondido Country Club Project proposal.
- Released the DEIR for the Safari Highlands Ranch and DEIR for Bear Valley Parkway.
- Established an annual code clean-up work program to ensure the Zoning Code is internally consistent and serves as an effective regulatory tool for decision-making bodies, City staff, and the public. The first batch of code amendments was presented to the Planning Commission for their review and consideration on January 9, 2018.
- Initiated the Climate Action Plan Update.

**Anticipated Implementation Activities (0-3 Years):**

1. Amend Article 47 to include appropriate features, thresholds, and objectives that reduce environmental impacts when considering pedestrian or transit-oriented development.
3. Amend Zoning Ordinance to include the implementation of smart growth principles.
4. Amend the Zoning Ordinance to address mini- or self-storage facilities
5. Prepare a mobilehome park study.
6. Establish opportunities to implement the Mixed Use Overlay of the East Valley Parkway Target Area (underway).
8. Update the Sign Ordinance (underway).

B. Mobility and Infrastructure

The Circulation Element is one of seven mandated elements that each local government must maintain in its General Plan. The Circulation Element must include the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, and other local public utilities and facilities. Circulation and utility improvements must also correlate with the land use-related policies. The purpose is to identify the types, locations and extent of existing and proposed transportation and utility facilities, and to establish goals and guiding policies for implementing improvements necessary to serve existing and future residents. The element introduces planning tools essential for achieving the community’s transportation and utility goals and policies with the intent of providing a sustainable system to serve residents and businesses. Topics or policy issue areas covered in the Mobility and Infrastructure Element include the following:

- Regional Transportation Planning
- Complete Streets
- Pedestrian Network
- Bicycle Network
- Transit System
- Transportation Demand Management
- Street Network
- Parking
- Traffic Calming
- Goods and Services Transport
- Aviation
- Water System
- Wastewater System
- Storm Drainage
- Solid Waste and Recycling
- Energy
- Telecommunications

Indicators and General Plan Implementation (2017)

- Commute Travel:
  - 78.2 percent of commuters drove alone
  - 11.2 percent of commuters carpooled
  - 2.7 percent of commuters walked or used a bicycle
  - 2.0 percent used public transportation
- Mean travel time to work – 27.1 minutes. An increase of 1.0 minutes from 2016.
- 39.1 percent of workers had three or more vehicles available.
- 94 lane miles of streets resurfaced, a year-over increase of 42.2 percent (67 lane miles resurfaced in 2016).
• 114 street trees replaced.
• Installed 44 new LED street lights and converted 22 existing lights to LED in five neighborhood areas.
• 0.83 miles of sidewalks replaced.
• 5.6 miles of bike lanes added.
• 26 pedestrian lamps installed.
• Adopted standards for telecommunications for the public right-of-way.
• Completed design and bid for Missing Link Bike Path.
• Secured funding to construct improvements to close gaps on 5.9-mile Escondido Creek Trail and build safe routes to school project for Juniper Elementary School.
• Completed design and started construction of widening of East Valley Parkway from Beven Road to northerly city limits.
• Water-related:
  - 15,866 acre feet produced (34 percent local and 66 imported)
  - 12,772 acre feet to Escondido Water District and 3,094 acre feet to VID
• Recycle water-related:
  - 3,409 acre feet produced and 3,154 acre feet sold to Escondido, Rincon, and Palomar Energy Plant
• Wastewater-related:
  - Influent – 4,672 MG
  - Effluent – 3,339 MG
  - Outfall capacity – 20.15
  - Plant capacity – 18 MGD
  - We are at 45.4 percent of our outfall capacity
• A $2,000,000 IRWM Grant was awarded for our Recycled Water Membrane Filtration Reverse Osmosis (MFRO) Project. However, no money was received from this Grant in 2017.
• No money was received from Prop 1E Grant for our Lake Wohlford Dam project during 2017.
• Water-related infrastructure:
  - Cemetery Area Waterline Replacement of approximately 13,000 feet of deteriorated water lines ranging in size from 8 inch to 24 inch. Construction completed in September 2017.
  - Escondido-Vista Water Treatment Plant Disinfection & Electrical System Upgrades. Replace the existing disinfection system at the Water Treatment Plant with a new onsite sodium hypochlorite generation disinfection system, upgrade the chlorine dioxide system, and upgrade the 35-year old plant electrical systems. Currently in construction.
  - Vista Verde Reservoir – Phase 2. Construct two pre-stressed concrete reservoirs, valve structure, associated piping, site improvements, demolition of the existing Vista Verde Reservoir and salvage the temporary bolted steel tank. Currently in construction.
  - Modifications to A-3 and A-11 Reservoirs currently in design.
  - Emergency Treated Water Connection. Adding a treated water connection from the San Diego County Water Authority treated water pipeline for use in
the event that there is an emergency that limits or eliminates the ability of the Water Treatment Plant to produce treated water. Currently in design.

- **Lindley Reservoir Replacement.** Replace the existing 2 MG steel reservoir constructed in 1950 with two 1.5 MG pre-stressed concrete reservoirs. Currently in design.

- **Obtained appraisals for easements across private parcels for the San Pasqual Undergrounding Project (Escondido Canal through the San Pasqual Reservation as per the Settlement Agreement with the Indian Bands).**

- **Final EIR was released for the Wohlford Dam Replacement Project.**

- **Wastewater-related infrastructure:**
  - **Hale Avenue Resource Recovery Facility (HARRF).** Work includes modifying the primary sedimentation tanks, replacing the sludge and scum collection system, replacing the odor control facility, and replacing the grit storage facility. All projects are currently in construction.

  - **Sewer line realignments and extensions.** The construction of sewer mains and manholes from Sewer Lift Station 9 southeast to Felicita Road; from Sewer Lift Station 6 south along Felicita Road to Via Rancho Parkway; then continuing southeast to Sewer Lift Station 1; was completed in December 2017. Completed design and advertised for bids for a brine pipeline from Broadway to Harmony Grove Road.

  - **Recycled water.** Currently in design on a pipeline from Citrus Avenue and Escondido Creek to the agricultural area of Cloverdale and Mountain View; converting the existing Hogback Reservoir to recycled water and constructing a new potable water reservoir; a 10 MG emergency storage pond; and pipelines to distribute the recycled water to agricultural users.

  - **Membrane Filtration Reverse Osmosis Facility (MFRO).** Design of a MFRO facility and pump station to improve recycled water quality for agricultural uses.

**Anticipated Implementation Activities (0-3 Years):**

1. Update and integrate our existing Bikeway Master Plan and Trails Master Plan with a Pedestrian Master Plan, prepared as a Complete Active Transportation Strategy for the city.

2. Prepare a streetscape plan for Grand Avenue (underway).


4. Develop and implement a Transportation Demand Management Program.

5. Define Urban Code Area for establishing traffic Levels of Service areas.
C. **Housing**

The Housing Element assesses the housing needs of all economic segments of the City of Escondido. In addition, the Housing Element defines the goals and policies that will guide the City’s approach to resolving those needs and recommends a set of programs that would implement policies over the next few years. Topics or issue areas covered in the Housing Element include the following:

- Plan for quality, managed, and sustainable growth
- Provide a range of housing opportunities
- Enhance the quality of housing and preserve character

**Indicators and General Plan Implementation (2017)**

- The primary existing housing type in the City was single-family homes detached homes (23,369 total housing units).
- There are 3,184 attached single-family homes.
- Two-family and multi-family condominiums, townhomes, and apartments comprised 17,353 total housing units.
- 3,343 total mobilehomes.
- 5.0 median rooms per housing unit, citywide.
- 48.9 percent of all housing is owner-occupied.
- The average size of an owner-occupied unit – 3.11 persons per household.
- The average size of a renter occupied unit – 3.42 persons.
- Vacancy rates:
  - The homeowner vacancy rate is 0.9 percent, which is a year-over decrease of 0.3 percent (1.2 percent in 2016).
  - The rental vacancy rate is 4.6 percent. (4.7 percent in 2016.)
- 495 permits issued in 2017 for new housing units, including 233 single-family units, 5 second dwelling units, and additionally 38 new mobilehomes were set up.
- Two affordable residential developments were completed:
  - A new 33-unit rental project, and
  - Acquisition/rehabilitation of a 200-unit affordable rental project (11 units using City HOME funds)
- 4-unit building acquired and being rehabilitated for housing for formerly homeless.
- Veterans Village rental project under construction (48 new affordable units)
- One loan funded in a new, owner-occupied rehabilitation program for low-income households, funded from a CalHOME grant
- 37 very-low income seniors and disabled households were assisted in mobilehomes and apartments with a monthly rental subsidy while waiting for HUD Section 8 eligibility
- During 2017, 1,066 Escondido residents received Housing Choice Vouchers (Section 8) from the Housing Authority of San Diego County.
  - There are 10,046 households on the wait list.
- The City conducted 4 mobilehome rent control hearings (all short form)
• In 2017, 18 neighborhood groups were supported, including neighborhood clean-ups, neighborhood leadership forum meetings, and participation of multiple departments at neighborhood group meetings. City staff also led a Neighborhood Leadership Training Academy with 20 lower and moderate-income residents, which helps prepare them to be leaders in their communities.

• In FY 2017-18 the City received $1,588,664 in CDBG funds. $270,200 supported public service and fair housing activities supporting the six local CDBG priorities: Youth, Economic Development, Seniors, Neighborhood Revitalization, Homelessness and ADA Improvements.

• Updated the Zoning Code to address recent changes to State Density Bonus Law, Accessory Dwelling Unit Law, and adopted by-right transitional housing in residential zones.

**Anticipated Implementation Activities (0-3 Years):**

1. Prepare and implement 5-Year Consolidated Action Plans and/or Annual Action Plans.

**D. Community Health and Services**

The Community Health and Services Element establishes policies that influence good land use planning in order to enhance community health and welfare. Policies supporting access to healthy foods, availability of parks, recreational opportunities, libraries and cultural services, as well as promoting educational advancement and civic engagement all aim to improve economic, physical, and social conditions. The Community Health and Services Element promotes a community-based and private sector approach for establishing a sustainable and healthy community. Topics or issue areas covered in the Community Health and Services Element include the following:

• Health and Wellness
• Parks and Recreation
• Library Services
• Cultural Enrichment
• Schools and Education
• Civic Engagement
• Childcare
• Older Adult, Disabled, and Disadvantaged

**Indicators and General Plan Implementation (2017)**

• Median age – 34.0 years
• The population number that is is 65 years and older – 18,462 (12.2 percent).
• The number of children ≤ 18 years old in households – 39,163 (25.9 percent).
• 180 school days in 2017-2018 (Escondido Union School District).
- The City’s first four-year university, John Paul the Great Catholic University, completed its fourth full year of operation.
- Public Art funds were utilized for ongoing maintenance/refurbishment and repairs of Queen Califia, the sculpture garden in Kit Carson Park, and the Pillars of the Community on Escondido Boulevard.
- The City used $161,600 in State Department of Housing and Community Development Parks Program to improve parks and community centers in low income, park-deficient neighborhoods.
- The State Department of Housing and Community Development Parks Program awarded $1,207,600 in grant funds to the City to improve parks and community centers in low-income, park deficient neighborhoods.
- 6,556.3 acres of parkland.
- 4 new upgraded parks or facilities:
  - Park Avenue Community Center (PACC) upgrades,
  - Jim Stone Pool replaster and new mechanical building
  - Grove Park Playground (repairs)
  - Westside Park Playground (repairs)
- 429 recreational programs, which is a year-over decrease of 49.1 percent (844 recreational programs in 2016):
  - 2,928 total students participating
  - 1,304 participants in the youth soccer program
  - 6 youth soccer, pop Warner, and baseball leagues with 3,637 participants.
  - 224 adult softball teams with 2,688 participants
  - 12 soccer tournaments (youth and adult) with 22,300 participants
  - 7 softball tournaments with 16,700 participants
  - 8,647 participants/visits at the skate park
  - 56 adult hockey teams with 672 participants
- No. of new miles of public trails in 2017 – none
- New improvements to libraries in 2017:
  - Reconfigured Pioneer Room’s public reading room to create exhibition space
  - Updated technology in Library Board Room to facilitate meetings, trainings, conference participation, and interviews
  - Rearranged layout of the circulating materials in the Library to move high-circulating DVDs and Print New Releases closer to the front lobby resulting in the creation of space for additional seating and collaboration; improved marketability; and increased visibility over high-theft items
  - Updated layout of Children’s Room to add shelving for additional circulating materials and create separate, dedicated spaces for study/homework as well as quiet play
- Library technology:
  - 141,325 wireless internet sessions in the library
  - 184,069 website hits
- Library circulation:
- 464,073 items circulated
- 30,881 check outs of digital media (eBooks, eAudiobooks, etc.)

- **Library programs:**
  - 125 children’s programs: 4,740 attending
  - 72 adult programs (includes Pioneer Room and Literacy): 2,668 attending
  - 40 teen programs: 540 attending
  - 12 family programs: 1,373 attending

- **Childcare programs:**
  - Number of Day Camp programs conducted – 16
  - Pre-school programs – 98
  - After School programs (City) – 3
  - After School Education and Safety (ASES), EUSD programs – 10

- **Elderly/disabled/disadvantaged programs:**
  - 63 programs for seniors
  - 21,335 meals served to seniors
  - 10,750 rides provided to seniors from home to the Park Avenue Community Center (PACC) to eat and enjoy the programs

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**Anticipated Implementation Activities (0-3 Years):**

1. Conduct a study to determine the feasibility of a park development fee structure.
2. Update the master plan of trails to include Pedestrian Master Plan elements through a Complete Active Transportation Strategy.
3. Various neighborhood improvement initiatives, as established by the City Council Work Plan from time to time.
5. Complete new Washington Park improvements (planning and design underway).

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**E. Community Protection**

Escondido’s Community Protection Element addresses such issues as flood and fire hazards, geologic and seismic activity, and hazardous materials. Sections regarding Emergency Preparedness, Police and Fire service are also included. The Element also includes a section addressing Noise, which is a required component for General Plans. The purpose of the Community Protection Element is to identify and address the most relevant public safety issues affecting the community. In addition, the Element offers possible solutions and establishes standards and policies for proactively addressing threats to life and property. Topics or issue areas covered in the Community Protection Element include the following:

- Disaster Preparedness and Emergency Response
- Fire Protection
- Police Services
- Code Enforcement Policies
- Noise
- Flood Protection
- Solis and Seismicity
- Hazardous Materials

**Indicators and General Plan Implementation (2017)**

- No. of calls for service in 2017:
  - 53,696 service calls
  - 45,064 9-1-1 calls
  - 115,699 total police calls for service, which is a year-over increase of 10.6 percent (104,579 in 2016)
- No. of parking citations in 2017 - 6,256
- No. of reported accidents (by type):
  - 724 injury collisions
  - 9 fatal collisions
  - 309 non-injury collisions
- No. of noise complaints received/closed in 2016 - 1,660
- No. of arrests (felony, misdemeanor) in 2017: 5,866, which is a year-over increase of 9.8 percent (5,342 in 2016)
  - 1,472 felony arrests
  - 4,135 misdemeanor arrests
  - 259 other detentions
- No. of police officers – 161 (includes the addition of 2 OTS grant funded positions)
- In 2017, the Police Department used approximately $625,000 in grant funds to purchase equipment and increase community safety through proactive police operations.
- Major fire hazard events in 2017:
  - Moto Forza – commercial structure fire
  - Mattress Production Business - commercial structure fire
  - Hacienda Motel - commercial structure fire
  - Escondido Country Club – large structure fire
- No. of fire stations – 7
- No. of Fire Department personnel
  - 87 Firefighters
  - 18 Non-Safety Paramedics
  - 6 Chief Officers
  - 1 Fire Marshal
  - 4 Prevention Officers
  - 1 Emergency Preparedness Manager
  - 4 Administrative Staff
- No. of Firetrucks:
  - 7 Type 1 Frontline Fire Engines
  - 3 Type 1 Reserve Engines
  - 4 Type 3 Brush Engines
  - 1 Type 6 Brush Engine
  - 1 Frontline Truck
  - 1 Reserve Truck
- 5 Frontline Ambulances
- 4 Reserve Ambulances
- Average response time of Fire Department: 5 minutes and 15 seconds in 2017 (6 minutes and 29 seconds in 2016).
- Met Quality of Life Standard Goal 91 percent of the time

**Anticipated Implementation Activities (0-3 Years):**

1. Various public safety initiatives, as established by the City Council Work Plan from time to time.

**F. Resource Conservation**

Escondido’s Resource Conservation Element satisfies state requirements for the Open Space and Conservation Elements as stated in the Government Code. Community Goals and Objectives call for creating an aesthetically pleasing environment, as well as conserving Escondido’s natural and scenic resources. The Element’s purpose is to identify areas for conserving open space as well as other important resources including air and water quality, cultural, agricultural, mineral and energy resources, as well as protecting hillside and ridgeline view corridors with particular emphasis on ridgelines, unique landforms and visual gateways. Topics or issue areas covered in the Resource Conservation Element include the following:

- Biological and Open Space
- Trails
- Visual Resources
- Agricultural Resources
- Historical Resources
- Water Resources and Quality
- Air Quality and Climate Protection

**Indicators and General Plan Implementation (2017)**

- 989 new solar PV units installed
- The Spruce Street Channel Project proceeded to 90% design, and received a $258,000 grant from Proposition 1 Bond Funding via the Integrated Regional Water Management program.
- Initiated engineering design of potential Alternative Compliance program project (Rincon Villa Drive).
- The City completed the Escondido Creek Hydromodification Exemption Analysis which supports redevelopment in areas draining directly to concrete channel, reducing project costs without negative erosional impacts to the Creek. The report underwent a public participation process and is attached to the Carlsbad WQIP Annual Report submitted January 30, 2018.
- City staff recorded visual observations at 106 major storm drain outfalls and analyzed water quality at 6 sites, twice in FY 2016-17
- Swept 10,028 miles of streets, removing 2,621 tons of material before it reached storm drains. The Public Works Department initiated a process to update this program with a GIS-based routing system in future Fiscal Years.
- Inspected 3,054 storm drain inlets for accumulated debris and trash. Performed 212 cleanouts of storm drains, removing 284 tons of debris form the MS4. The Public Works Department and Utilities/Environmental Programs Division reviewed several years of inspection and cleanout data to update inlet inspection prioritization to allow for focused efforts on the MS4 facilities with the most accumulated debris and/or with inlet filters/baskets requiring increased maintenance frequencies. This re-prioritization was completed in the GIS layer and will be in effect in FY2017-18.
- Cleaned 10.9 miles of open channel, removing 478 tons of invasive plants, trash and debris, and mobilized sediment prior to discharge to natural areas.
- The Escondido City Council approved funding for a Corrugated Metal Pipe (CMP) Condition Survey for 20 miles of CMP storm drains. This new strategy will be included in future JRMIP and WQIP updates. CMP has an approximate lifespan of 50 years and a majority of this pipeline is beyond its service life. Failures can cause public safety concerns (sinkholes) as well as water quality concerns from suspended metal, CMP coatings, and sediment. Proactively rehabilitating or replacing CMP with more durable storm drain pipes will improve water quality and riparian habitat downstream. The Survey is expected to be complete in December 2017 and budget for the most urgent repairs is secured for FY 2017-18 budget. CMP repairs will be prioritized for funding based on pipe condition and size and planned to be budgeted as part of CIP projects in future fiscal years.
- A pilot program installing 31 trash full capture device systems within appropriate inlets upstream of the Spruce Street Channel Improvement Project was bid, budgeted, and planned for August of 2017. This included the development of City design and installation standards.
- In FY 2016-17, the Utilities Department completed 167 classroom and camp presentations to 3,890 elementary school students throughout Escondido.
- In FY 2016-17, the Public Works Recycling Division led 61 events reaching approximately 2,500 residents. Notably, the City sponsors electronic and household hazardous waste events twice a month, reaching approximately 200 people a month. The City also hosted and promoted 4 used oil events, 4 compost workshops (with 45 total attendees), and two volunteer cleanups at Lake Dixon with 160 volunteers last year. Finally, the We Clean Escondido program supports approximately 10 neighborhood cleanup groups with an average of 3-5 volunteers per group, gathering approximately 2 bags of trash for monthly cleanups removing litter before it reaches the MS4.

**Anticipated Implementation Activities (0-3 Years):**

1. Prepare a Master Plan that identifies gateways and visual quality guidelines
2. Conduct a study to determine the feasibility of expanding the city’s recycling program
G. Growth Management

The purpose of the Growth Management Element is to establish policies for balancing the timing of infrastructure improvements with current and anticipated demands for service through the adoption of specific implementation techniques. A goal of growth management is to phase capital facility improvements concurrent with population growth so that new development does not compound existing service shortfalls, or result in critical infrastructure deficiencies. Effective growth management also establishes parameters for periodically monitoring the impacts that growth has on the community and defines the methods by which impacts are addressed, allowing decision makers to efficiently prioritize capital improvements. Topics or issue areas covered in the Resource Conservation Element include the following:

- Quality of Life Thresholds
- Public Facility Master Plans
- Public Facility Financing
- Public Facility Phasing
- Public Facility Deficiencies
- Growth Management Monitoring

**Indicators and General Plan Implementation (2017)**

- Total population – 151,613
  - Population increase from 2015 – 1.0 percent
  - Population increase from 2010 – 5.4 percent
- Total fees collected through building permits
  - Parkland fees – $952,504, a year-over increase from $247,740 in 2016
  - Traffic fees – $400,185, a year-over increase from $308,417 in 2016
  - Sewer fees – $2,002,397, a year-over increase from $503,166 in 2016
  - Water fees – $2,722,530, a year-over increase from $892,543 in 2016
- Monitored and reported on the performance of development activity
- Working with LAFCO to complete a Sphere of Influence Update and MSR to confirm properties appropriate to re-zone
- City Council established a target Reserve balance of 25 percent
- Various fiscal impact initiatives, as established by the City Council Work Plan from time to time.

**Anticipated Implementation Activities (0-3 Years):**

1. Prepare an Annexation Procedures Manual
2. Monitor Growth Management Measure
H. Economic Prosperity

The purpose of the Economic Prosperity Element is to establish policies that promote the long-term vitality of Escondido’s local economy by developing and guiding employment and business opportunities and encouraging appropriate economic and business development in the city. Policies in this element promote a sustainable local economy to benefit current and future generations without compromising resources, and are intended to favorably influence the balance between employment and housing. Topics or issue areas covered in the Resource Conservation Element include the following:

- Employment Acreage
- Wage and Job/Housing
- Small Business
- Twenty-First Century Industries
- Tourism and Recreation
- Existing Economic Districts
- Marketing and Image
- Long-Term Economic Wellbeing
- Minimizing Infrastructure Impediments
- Strengthening Workforce Qualifications
- City Leadership
- Economic Development Monitoring

Indicators and General Plan Implementation (2017)

- Civilian employed population – 68,645, a year over increase of 3.7 percent (66,225 in 2016)
  - Service occupations – 16,883 (24.6 percent)
  - Sales and office – 16,286 (23.7 percent)
  - Management/business sector – 7,348 (10.7 percent)
  - Education – 2,800 (4.1 percent)
  - Healthcare practitioner – 2,606 (3.8 percent)
- Major pipeline projects (initiated, in progress, or completed during the reporting period)
  - 2,301 new single-family and multi-family units
  - 173,500 square feet of new retail commercial space
  - 86,000 square feet of new medical office space
  - 240,000 square feet of new industrial space and an additional 10 new industrial lots
  - 697 new hotel units (keys)
- Grand total receipts for all business license accounts - $1,913,790.27, which is a year-over increase of 7.9 percent ($1,772,260.51 in 2016)
- Evaluated the Enhanced Infrastructure Financing District as a tool to finance infrastructure projects. Determined that an EIFD tool could be useful, but is a long-term option and would not be established at this time.
- Distributed the mural policy to all downtown businesses as a way to encourage more business-related murals.
- The Palomar Hospital downtown Escondido site recently sold to development firm Integral. It is anticipated to be a multi-family residential project with some supportive
commercial uses, and should significantly increase the customer base for Downtown Escondido businesses.

- Continued implementing the Working Together to Get to Yes initiative
- Continued to build on the momentum of the Innovate 78 regional economic development initiative focused on business retention expansion and attraction along the 78 Corridor and strategies to expedite permit processing and improve overall customer service.
- Held the City of Escondido’s fourth annual Business Walk, visiting and surveying 50 businesses to determine their level of satisfaction with doing business in Escondido. Overwhelmingly, the businesses surveyed plan to stay and grow in Escondido.

Anticipated Implementation Activities (0-3 Years):

1. Economic Development strategies and tactics as outlined in the City’s updated comprehensive economic development strategy.
2. Economic Development strategies and tactics as outlined in the City Council Action Plan every two years.
3. Continuation of the Innovate 78 initiative with new focus on the 78 Corridor’s startup ecosystem, entrepreneurship and talent pipeline development.
4. Partnership with the San Diego Regional EDC on a regional strategy for economic inclusion.

V. Degree to which the General Plan complies with the Adopted Office of Planning and Research (OPR) Guidelines

The Governor’s Office of Planning and Research (OPR) is responsible for updating the resources for drafting and amending a general plan. OPR also monitors general plan implementation with annual progress reports from cities and counties, and grants general plan extensions for qualified cities and counties. OPR adopted General Plan Guidelines (GPG) in 2003 for use by local jurisdictions in the preparation of their general plans. Also, a December 2010 GPG update to the guidelines provided guidance on how to address the Complete Streets Act and modify the Circulation Element to plan for a balanced, multimodal transportation network. It is important to note that the Guidelines are permissive, not mandatory.

Staff has prepared an analysis of the Escondido General Plan compared to the general criteria included in State law, along with an evaluation of the degree to which the Escondido General Plan complies with the OPR Guidelines.

The GPG contain ten chapters and three appendices of requirements and references, in the following basic areas:

1. General Plan Basics: The General Plan generally complies with the basic requirements in that it is comprehensive, internally consistent, and has a long-term perspective.

2. Sustainable Development and Environmental Justice: The General Plan complies with guidelines for sustainable development and environmental justice. General plan policies and
programs generally discuss inclusive public participation, social and economic well-being, jobs/housing balance, managed and balanced growth, livable communities and quality of life, and responsible resource conservation.

3. **Preparing and Amending the General Plan:** The City complied with the Guidelines in the preparation and adoption of the General Plan (2012) and continues to comply with the Guidelines, CEQA, and the Government Code in the processing of any General Plan amendments.

4. **Required Elements:** The General Plan contains all of the required elements (Appendix B).

5. **Format and Element Integration:** The format of the General Plan complies with the Guidelines in that all of the required elements are present and no one element takes precedence over any other (equal legal status). The document is posted on the City's website and available for public review at City Hall and the Library.

6. **Optional Elements:** The General Plan includes optional elements that are either individual sections or are consolidated with other elements.

7. **CEQA and the General Plan:** The General Plan preparation, adoption, and amendments comply with all requirements of the California Environmental Quality Act.

8. **Public Participation:** The preparation, adoption, and administration of the General Plan all include public participation, to the extent required by the General Plan Guidelines, CEQA, and the Government Code.

9. **Implementing the General Plan:** To date, the implementation of the General Plan has complied with all applicable Guideline requirements, including consistency with zoning, subdivisions, redevelopment, building code administration, financing mechanisms, and the preparation of this Annual Progress Report.

10. **Special General Plan Considerations:** The General Plan preparation and administration comply with the applicable Acts.

OPR has been engaged in a thorough update of the GPG. The new GPG will include resources, data, tools, and model policies to help cities and counties update their General Plans. A public draft of the update to the GPG for the State of California is available at the link below. Future amendment to elements of the General Plan will follow the framework of the GPC, as amended.

[https://www.opr.ca.gov/s_generalplanguidelines.php](https://www.opr.ca.gov/s_generalplanguidelines.php)

**VI. Plans, Projects, and Accomplishments**

The Planning and Building Divisions processed a variety of planning permits during 2016, including conditional use permits (CUP), subdivision map requests, and associated environmental reviews. The breakdown in applications received is as follows:
- 4 Adjustment Plats
- 2 Administrative Adjustments
- 66 Certificates of Appropriateness
- 5 Certificates of Compliance
- 2 Comprehensive Sign Programs
- 2 CUP – Minor
- 1 CUP – Major
- 4 Daley Ranch mitigation bank credit purchases
- 23 Design Review
- 7 Local Register listings
- 9 Mills Act
- 3 Minor Development Applications
- 3 ND/MNDs adopted
- 1 FEIR and 4 DEIRs
- 5 Addendums adopted
- 3 Master and/or Precise Plans
- 10 Plot Plan – Minor
- 4 Plot Plan – Major
- 2 General Plan/Rezone (The Villages - Escondido Country Club Specific Plan; and Urban V, R-5 Rezoning)
- 1 Second Unit (Accessory Dwelling Unit)
- 102 Sign permits
- 115 Temporary Banners
- 20 Temporary Use Permits
  - 5 Tentative Parcel Maps
- 1 Tentative Subdivision Map
- 7 Zoning Code Amendments
- 31 Zoning Consistency Letters

Progress in meeting the City's Share of Regional Housing Needs Government Code Section 65400(a)(2)(B) provides: "The Housing Element portion of the Annual Progress Report shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development ..." The tables provided in Appendix D demonstrates the progress made in meeting the City's share of regional housing needs. HCD requires a report format that consists of six Excel spreadsheets. Therefore, Appendix D also addresses the progress in meeting housing goals and objectives specified in the Housing Element, adopted in 2012.

**VII. Conclusion**

The General Plan is the City's guiding vision. Upkeep and maintenance of the General Plan is a continuous process. As noted in this Annual Progress Report, the City implements the General Plan's vision on a day-to-day basis, in its many planning projects, and strives to include the public in the decision-making process.
Government Code Section 65400

a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

A) The status of the plan and progress in its implementation.

B) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583. The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development pursuant to the rulemaking provisions of the Administrative Procedure Act (Chapter 3. 5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2). Prior to and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government's compliance with the deadlines in its housing element. That report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.

C) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

b) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.
APPENDIX B
GENERAL PLAN RELATIONSHIP TO STATE LAW REQUIREMENTS
State law requires that general plans include seven elements. The elements may be combined or renamed, but basic requirements must be included. Elements for other topics of local concern may also be included. The relationship between State mandated elements and the Escondido General Plan are illustrated below.

<table>
<thead>
<tr>
<th>Mandatory Element</th>
<th>Escondido General Plan</th>
<th>Element Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use</td>
<td>Land Use and Community Form</td>
<td>Designates the proposed distribution and location of the uses of land for housing, business, industry, open space, and other categories of public and private land use activities.</td>
</tr>
<tr>
<td>Circulation</td>
<td>Mobility and Infrastructure</td>
<td>Specifies the general location of existing and proposed major thoroughfares, transportation routes, and other local public utilities and facilities.</td>
</tr>
<tr>
<td>Conservation</td>
<td>Resource and Conservation</td>
<td>Addresses the conservation, development, and utilization of natural resources including water and its hydraulic force, soils, rivers and other waters, wildlife, minerals, and other natural resources.</td>
</tr>
<tr>
<td>Open Space</td>
<td>Resource and Conservation</td>
<td>Addresses the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life.</td>
</tr>
<tr>
<td>Safety</td>
<td>Community Protection</td>
<td>Identifies variety of risks and hazards. This includes any unreasonable risks associated with the effects of seismically induced surface rupture and tsunami, slope instabilities, flooding, and fire hazards.</td>
</tr>
<tr>
<td>Noise</td>
<td>Community Protection</td>
<td>Identifies noise problems and analyzes current and projected noise levels for highways, roadways, transit systems, and</td>
</tr>
<tr>
<td>Housing</td>
<td>Community Health and Services</td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>--------------------------------</td>
<td></td>
</tr>
<tr>
<td>Optional Element</td>
<td>Optional Element</td>
<td></td>
</tr>
<tr>
<td>Optional Element</td>
<td>Optional Element</td>
<td></td>
</tr>
</tbody>
</table>

**Housing**

Develops a plan to meet current and future housing needs of all people within the community, regardless of socio-economic status.

**Community Health and Services**

Develops a policy framework for recreational services, library services, schools and education, cultural enrichment, and public health and wellbeing.

**Growth Management**

Develops quality of life standards and establishing public facility planning strategies.

**Economic Prosperity**

Provides a policy framework to promote the City’s long-term viability and to advance the City’s position as a “economic hub” with employment and business opportunities.
APPENDIX C
PIPELINE PROJECTS

Pipeline Project Map:

https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/DevelopmentActivity/MajorDevelopmentActivity20171218.pdf

Pipeline Project List:

https://www.escondido.org/Data/Sites/1/media/PDFs/Planning/DevelopmentActivity/MajorDevelopmentProjectTracking20171218.pdf
### Table A

**Annual Building Activity Report Summary - New Construction**

**Very Low-, Low-, and Mixed-Income Multifamily Projects**

<table>
<thead>
<tr>
<th>Project Identifier (may be APN No., project name or address)</th>
<th>Unit Category</th>
<th>Tenure</th>
<th>Affordability by Household Incomes</th>
<th>Total Units per Project</th>
<th>Est. # Infill Units*</th>
<th>Housing with Financial Assistance and/or Deed Restrictions</th>
<th>Housing without Financial Assistance or Deed Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veterans' Village</td>
<td>5+</td>
<td>R</td>
<td>Very Low-Income</td>
<td>29</td>
<td>48</td>
<td>Other</td>
<td>Reg Agmt</td>
</tr>
<tr>
<td>Solutions for Change</td>
<td>5+</td>
<td>R</td>
<td>Low-Income</td>
<td>19</td>
<td></td>
<td>RDA, TCAC</td>
<td>Reg Agmt</td>
</tr>
</tbody>
</table>

(9) Total of Moderate and Above Moderate from Table A3 5 409

(10) Total by income Table A/A3 46 34 5 410 Total: 495

(11) Total Extremely Low-Income Units* 17

* Note: These fields are voluntary
ANNUAL ELEMENT PROGRESS REPORT  
Housing Element Implementation  
(CCR Title 25 §6202 )

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

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

<table>
<thead>
<tr>
<th>Activity Type</th>
<th>Affordability by Household Incomes</th>
<th></th>
<th></th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Extremely Low-Income</td>
<td>Very Low-Income</td>
<td>Low-Income</td>
<td>UNITS</td>
</tr>
<tr>
<td>(1) Rehabilitation Activity</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(2) Preservation of Units At-Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(3) Acquisition of Units</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>(5) Total Units by Income</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

* 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)

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

(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
### ANNUAL ELEMENT PROGRESS REPORT

**Housing Element Implementation**

(CCR Title 25 §6202 )

**Jurisdiction**
City of Escondido

**Reporting Period**
1/1/2017 - 12/31/2017

#### Table B

**Regional Housing Needs Allocation Progress**

**Permitted Units Issued by Affordability**

<table>
<thead>
<tr>
<th>Income Level</th>
<th>RHNA Allocation by Income Level</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Total Units to Date (all years)</th>
<th>Total Remaining RHNA by Income Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>Deed Restricted</td>
<td>1,042</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>46</td>
<td></td>
<td></td>
<td>53</td>
<td>989</td>
</tr>
<tr>
<td></td>
<td>Non-deed Restricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>Deed Restricted</td>
<td>791</td>
<td>28</td>
<td>0</td>
<td>11</td>
<td>0</td>
<td>34</td>
<td></td>
<td></td>
<td>73</td>
<td>717</td>
</tr>
<tr>
<td></td>
<td>Non-deed Restricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moderate</td>
<td>Deed Restricted</td>
<td>733</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>727</td>
</tr>
<tr>
<td></td>
<td>Non-deed Restricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above Moderate</td>
<td>Deed Restricted</td>
<td>1,609</td>
<td>108</td>
<td>56</td>
<td>7</td>
<td>163</td>
<td>410</td>
<td></td>
<td></td>
<td>744</td>
<td>865</td>
</tr>
<tr>
<td></td>
<td>Non-deed Restricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total RHNA by COG:</td>
<td>Enter allocation number:</td>
<td>4,175</td>
<td>144</td>
<td>56</td>
<td>18</td>
<td>164</td>
<td>495</td>
<td></td>
<td></td>
<td>877</td>
<td>3,298</td>
</tr>
</tbody>
</table>

Note: units serving extremely low-income households are included in the very low-income permitted units totals.
<table>
<thead>
<tr>
<th>Program Description (By Housing Element Program Names)</th>
<th>Name of Program:</th>
<th>Objective</th>
<th>Timeframe in H.E.</th>
<th>Status of Program Implementation as of 12-31-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1: Project Development</td>
<td>1.1: Project Development</td>
<td>Anticipated impact: Increased supply of rental units for extremely low-, very low- and low-income residents 300 units</td>
<td>Ongoing</td>
<td>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.</td>
</tr>
<tr>
<td>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.</td>
<td>1.2: Lot Consolidation</td>
<td>Anticipated impact: Facilitate development as envisioned in the General Plan.</td>
<td>Ongoing</td>
<td>A ministerial process is utilized for basic lot consolidation. The City continues to encourage consolidation of lots to facilitate mixed-use and affordable developments.</td>
</tr>
<tr>
<td>Encourage consolidation of small lots to utilize land more efficiently and facilitate the development of mixed use and affordable multi-family developments</td>
<td>1.3 Infill New Construction</td>
<td>Anticipated impact: New housing opportunities for homeownership and rental for low- and moderate-income households.</td>
<td>Ongoing</td>
<td>Solutions for Change completed construction on an affordable rental project of 33 units on an infill site on South Escondido Boulevard, in July 2017.</td>
</tr>
<tr>
<td>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.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name of Program:</td>
<td>Objective</td>
<td>Timeframe in H.E.</td>
<td>Status of Program Implementation as of 12-31-17</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------</td>
<td>------------------</td>
<td>-----------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>1.4 City-owned Sites</td>
<td>Facilitate the redevelopment/development of affordable housing on City-owned sites</td>
<td><strong>Anticipated impact:</strong> Sites for affordable housing. Use City-ownership as a potential inducement for rehabilitation of more affordable housing</td>
<td>Ongoing</td>
<td>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.</td>
</tr>
<tr>
<td>1.5 Density Bonus</td>
<td>Amend Density Bonus Ordinance to be consistent with State law</td>
<td><strong>Anticipated impact:</strong> Additional housing opportunities for low- and moderate-income households.</td>
<td>0-3 years from HE adoption</td>
<td>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.</td>
</tr>
<tr>
<td>2.1 Housing Rehabilitation: Renter Occupied</td>
<td>Continue to explore potential rental rehabilitation programs</td>
<td><strong>Anticipated impact:</strong> Increase rental rehabilitation for lower income households (25 units).</td>
<td>Ongoing</td>
<td>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 mobile homes in 2015. 4 loans were funded in 2016. One loan was funded in 2017, prior to the program ending in September 2017.</td>
</tr>
<tr>
<td>2.2 Acquisition/Rehabilitation</td>
<td>Continue to explore ways to encourage the recycling of deteriorated and older structures for affordable housing opportunities</td>
<td><strong>Anticipated impact:</strong> Additional affordable housing opportunities for lower income households. (200 Units)</td>
<td>Ongoing</td>
<td>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.</td>
</tr>
<tr>
<td>Name of Program: 2.3 Focus on Neighborhoods</td>
<td>Objective</td>
<td>Timeframe in H.E.</td>
<td>Status of Program Implementation as of 12-31-17</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>-----------</td>
<td>-----------------</td>
<td>-----------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Collaborate with departments to channel resources and efforts into improvement of neighborhood quality of life, including code enforcement, housing rehabilitation and capital improvements.</td>
<td><strong>Anticipated impact:</strong> 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). Continue collaborative efforts through funding resources, policies and community outreach.</td>
<td>Ongoing</td>
<td>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. 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). 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.</td>
<td></td>
</tr>
<tr>
<td>Name of Program:</td>
<td>Objective</td>
<td>Timeframe in H.E.</td>
<td>Status of Program Implementation as of 12-31-17</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------</td>
<td>------------------</td>
<td>-----------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>
| 2.4 Preservation of at-Risk Housing | **Anticipated impact:** Continued affordability of subsidized housing developments.  
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 | Ongoing | 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. |
| 3.1: First-Time Homebuyer/Home Entry Loan Program (HELP) | **Anticipated impact:** Increased homeownership opportunities for lower income households (150 households). | Ongoing | 0 HELP loans funded during 2017  
4 HELP loans funded during 2016  
2 HELP loans funded during 2015  
3 HELP loans funded during 2014  
**9 Total**  
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>| 3.2 First-Time Homebuyer/Mortgage Credit Certificates | <strong>Anticipated impact:</strong> Additional homeownership opportunities for low- and moderate-income households (20 households). | Ongoing | Although MCCs will remain available to Escondido residents, the local MCC administrator retired and MCCs will not be reported locally after 2014. |</p>
<table>
<thead>
<tr>
<th>Name of Program:</th>
<th>Objective</th>
<th>Timeframe in H.E.</th>
<th>Status of Program Implementation as of 12-31-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.3 Rental Subsidy</td>
<td>Provide households with affordable rents through rent subsidy programs for households with incomes not exceeding 50% of the Area Median Income.</td>
<td>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. Provide rental subsidy to low-income seniors and persons with disabilities in mobilehomes parks and apartments. <strong>Anticipated impact:</strong> Rental Assistance for very low-income households, 1,200 households, with Housing Choice Vouchers. 110 very low income senior/disabled households for rent subsidies.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>3.4 Mobilehome Park Conversion</td>
<td>Provide technical assistance to mobilehome resident groups in the conversion of existing parks to resident ownership.</td>
<td><strong>Anticipated impact:</strong> Continued mobilehome resident ownership opportunities for lower income residents. Continue to work with City policies and procedures to assist in conversion.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>3.5 Mobilehome Rent Review</td>
<td>Rent review via the Rent Review Board of applications for increases in mobilehome parks.</td>
<td><strong>Anticipated impact:</strong> Stabilized rents for mobilehome residents, many of whom are lower income.</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Name of Program:</td>
<td>Objective</td>
<td>Timeframe in H.E.</td>
<td>Status of Program Implementation as of 12-31-17</td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------</td>
<td>------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>3.6: Fair Housing</td>
<td>Anticipated impact: Continued enforcement of the Fair Housing Plan which will prevent discrimination in housing and disputes between landlords and tenants</td>
<td>Ongoing</td>
<td>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. 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.</td>
</tr>
<tr>
<td>4.1 Emergency Shelters</td>
<td>Anticipated impact: Provision of shelter for families/individuals with special needs. Consistency with state law.</td>
<td>Within one year of Housing Element adoption</td>
<td>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.</td>
</tr>
<tr>
<td>4.2: Transitional/Supportive Housing</td>
<td>Anticipated impact: Increased housing opportunities for special needs persons.</td>
<td>0-3 years from HE adoption</td>
<td>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.</td>
</tr>
<tr>
<td>4.3: Senior Housing Ordinance</td>
<td>Anticipated impact: Increased housing opportunities for seniors</td>
<td>0-3 years from HE adoption</td>
<td>An amendment to the Zoning Code to permit senior housing by right where housing is permitted, was completed in June 2017.</td>
</tr>
</tbody>
</table>
**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.

<table>
<thead>
<tr>
<th>Name of Program:</th>
<th>Objective</th>
<th>Timeframe in H.E.</th>
<th>Status of Program Implementation as of 12-31-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1: Affordable Housing Financing</td>
<td><strong>Anticipated impact:</strong> Increased public awareness of the City's housing needs and obligations under state law.</td>
<td>Ongoing</td>
<td>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.</td>
</tr>
<tr>
<td>5.2: Housing Information and Referral</td>
<td><strong>Anticipated impact:</strong> More effective and targeted housing programs (especially for lower income households).</td>
<td>Ongoing</td>
<td>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.</td>
</tr>
</tbody>
</table>

**Anticipated impact:**  
Increased public awareness of the City’s housing needs and obligations under state law.
The 2013-2020 Housing Element listed the following governmental constraints. The specific issue, page number, action and status are listed below.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Page #</th>
<th>Action</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use Controls</td>
<td>IV-67</td>
<td>Evaluate land use issues for direct impact on provision of housing for all economic sectors of the community.</td>
<td>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.</td>
</tr>
<tr>
<td>Residential Development Standards</td>
<td>IV-76</td>
<td>Evaluate residential development standards to ensure they are not unreasonably limiting the number of units that may be constructed.</td>
<td>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.</td>
</tr>
<tr>
<td>Provision for a Variety of Housing Opportunities</td>
<td>IV-80</td>
<td>A jurisdiction must encourage the development of a variety of housing types for all economic segments of the population.</td>
<td>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.</td>
</tr>
<tr>
<td>Development Conditions and Fees</td>
<td>IV-90</td>
<td>The City periodically reviews fees to ensure they reflect current impacts and necessary impacts.</td>
<td>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.</td>
</tr>
<tr>
<td>On- and Off-Site Improvements</td>
<td>IV-92</td>
<td>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.</td>
<td>Requirements are reviewed as necessary.</td>
</tr>
<tr>
<td>Building Codes and Enforcement</td>
<td>IV-94</td>
<td>The 2016 California Building Codes and Green Building Standards Code have been adopted by the City.</td>
<td>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.</td>
</tr>
<tr>
<td>Permits and Processing Times</td>
<td>IV-95</td>
<td>The existing design review and conditional use permit processes have been streamlined, and do not serve to constrain housing development.</td>
<td>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.</td>
</tr>
</tbody>
</table>
The dissolution of the California redevelopment agencies in 2012 resulted in a dramatic change to property tax finance. It eliminated the major source of local publically generated dollars earmarked for affordable housing.

The City of Escondido established a Successor Housing Agency (“SHA”) to the City of Escondido Community Development Commission (“CDC”) on January 25, 2012 by the adoption of Resolution No. 2012-16. The majority of the SHA’s assets were transferred from the CDC when it dissolved pursuant to the Dissolution Act (enacted by Assembly Bills x1 26 and 1484). All “rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the agency, excluding any amount in the Low and Moderate Income Housing Fund” were transferred from the CDC to the SHA. The transferred assets consisted of loans made to the CDC and land owned by the CDC. Proceeds from these assets will be deposited into the Low and Moderate Income Housing Asset Fund (“Affordable Housing Fund”).

On January 1, 2014, Senate Bill 341 (“SB 341”) became effective. Senate Bill 341 (chapter 796, Statutes of 2013) previously amended Health and Safety Code (“HSC”) Section 34176 to address particular provisions and functions relating to former “redevelopment agencies” and new “housing successor” entities allowed to elect and assume particular functions of redevelopment agencies (RDAs) dissolved in 2012. SB 341 eliminated the former redevelopment agency annual report requirement due to both the Department of Housing and Community Development (“HCD”) and State Controller while RDAs were active. All successor housing entities are now required to comply with different annual report requirements. In accordance with HSC Section 34176.1(f), specific data must now be reported annually for the Affordable Housing Fund. Senate Bill 107 (chapter 325, Statutes of 2015, effective January 2016) amended HSC Section 34176.1(f) to add a new reporting item and revise one reporting item.

1. The amount the city, county, or city and county received pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.

2. The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for other items listed on the Recognized Obligation Payment Schedule, and other amounts deposited.
The SHA deposited $2,986,488 into the Affordable Housing Fund during fiscal year 2016-17. This consisted of rents, promissory note and loan repayments, reimbursements and interest income.

Revenue Source

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escondido Views/Mountain Shadows Rents</td>
<td>$183,248</td>
</tr>
<tr>
<td>Former CDC Promissory Note Repayments</td>
<td>$1,265,009</td>
</tr>
<tr>
<td>SERAF Repayment</td>
<td>$1,333,226</td>
</tr>
<tr>
<td>Sale of Real Property</td>
<td>$91,300</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$86,720</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>$26,985</td>
</tr>
</tbody>
</table>

| Total Revenue Source                        | $2,986,488 |

3. A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.

<table>
<thead>
<tr>
<th>Low and Moderate Housing Funds (as of July 1, 2017)</th>
<th>$42,726,338</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Held for Resale</td>
<td>($2,091,616)</td>
</tr>
<tr>
<td>Loans Receivable</td>
<td>($36,308,492)</td>
</tr>
<tr>
<td>Available Funds</td>
<td>$4,326,230</td>
</tr>
</tbody>
</table>

4. A description of expenditures from the fund by category, including, but not limited to, expenditures:

   (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a),
   (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and
   (C) for the development of housing pursuant to paragraph (3) of subdivision (a).

The SHA spent $2,091,724 in FY 2016-17.

| Administrative Expenses                        | $456,857   |
| Homeless Prevention and Rapid Rehousing        | $5,904     |
| Development of Housing                         | $1,628,963 |
|                                                  | $2,091,724 |
### 5
As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.

#### Real Property
- Individual mobile home lots at Mountain Shadows and Escondido Views
- And property located at 542 W 3rd Avenue & 201 N Pine Street ($2,091,616)

#### Loans Receivable
- Developer loans and homeowner loans ($36,308,492)

### 6
A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.

N/A – no transfers made.

### 7
A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project.

The Successor Housing Agency does not receive or hold property tax revenue pursuant to the ROPS.

### 8
For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.

All real property was acquired prior to February 1, 2012. The Successor Housing Agency must initiate development activities on property acquired by the former redevelopment agency within five years after the Department of Finance confirmed the property as a housing asset (February 15, 2018).

### 9
A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include a report posted on its Internet Web Site the implementation plans of the former redevelopment agency.
The City of Escondido, as the housing successor agency of the Community Development Commission of the City of Escondido, has no unmet obligations pursuant to Section 33413.

### Section 10

The information required by subparagraph (B) of paragraph (3) of subdivision (a).

Not applicable until 2019.

### Section 11

The percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.

26% of the affordable units developed in the past 10 years (7/1/2007 – 6/30/2017) by the former redevelopment agency (Community Development Commission of the City of Escondido), housing successor agency, and the City of Escondido (predominantly using federal HOME funds) have been restricted to seniors (130 of 502 units).

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Afford. Housing Agreement Date</th>
<th>Number of Units</th>
<th>Age Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Crossings</td>
<td>05/01/2010</td>
<td>55</td>
<td>None</td>
</tr>
<tr>
<td>Windsor Gardens</td>
<td>11/18/2010</td>
<td>130</td>
<td>62+</td>
</tr>
<tr>
<td>Avocado Court</td>
<td>03/07/2012</td>
<td>36</td>
<td>None</td>
</tr>
<tr>
<td>Crossings @ Escondido Manor</td>
<td>04/15/2015</td>
<td>44</td>
<td>None</td>
</tr>
<tr>
<td>Cypress Cove</td>
<td>08/06/2015</td>
<td>200</td>
<td>None</td>
</tr>
<tr>
<td>Solutions Escondido</td>
<td>12/17/2015</td>
<td>33</td>
<td>None</td>
</tr>
<tr>
<td>557-563 Aster Place</td>
<td>6/8/2017</td>
<td>4</td>
<td>None</td>
</tr>
</tbody>
</table>

### Section 12

The amount of any excess surplus, the amount of time that the successor agency has had excess surplus and the housing successor's plan for eliminating the excess surplus.

None.

### Section 13

An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and
Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following:

(A) The number of those units

(B) In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.

(C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency’s investment of moneys from the Low and Moderate Income Housing Fund

(D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

See attached Successor Housing Agency Homeownership Inventory.
## SUCCESSOR HOUSING AGENCY HOMEOWNERSHIP INVENTORY

### 1121 FTHB LOANS (>80% AMI)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>02/2012 through 06/2016</th>
<th>07/2016 through 06/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Loans Issued</td>
<td>Paid in Full</td>
</tr>
<tr>
<td>1992-93</td>
<td>0</td>
<td>178,050</td>
</tr>
<tr>
<td>1996-97</td>
<td>1</td>
<td>216,000</td>
</tr>
<tr>
<td>2000-01</td>
<td>0</td>
<td>276,000</td>
</tr>
<tr>
<td>2001-02</td>
<td>1</td>
<td>90,000</td>
</tr>
<tr>
<td>2002-03</td>
<td>2</td>
<td>290,000</td>
</tr>
<tr>
<td>2003-04</td>
<td>1</td>
<td>150,000</td>
</tr>
<tr>
<td>2004-05</td>
<td>1</td>
<td>50,000</td>
</tr>
<tr>
<td>2005-06</td>
<td>1</td>
<td>50,000</td>
</tr>
<tr>
<td>2006-07</td>
<td>5</td>
<td>400,000</td>
</tr>
<tr>
<td>2007-08</td>
<td>31</td>
<td>1,350,000</td>
</tr>
<tr>
<td>2008-09</td>
<td>38</td>
<td>1,352,365</td>
</tr>
<tr>
<td>2009-10</td>
<td>26</td>
<td>840,732</td>
</tr>
<tr>
<td>2010-11</td>
<td>16</td>
<td>634,605</td>
</tr>
<tr>
<td>2011-12</td>
<td>14</td>
<td>412,753</td>
</tr>
<tr>
<td>Totals</td>
<td>508</td>
<td>6,530,505</td>
</tr>
</tbody>
</table>

---

### 1106 FTHB LOANS (<80% AMI)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>02/2012 through 06/2016</th>
<th>07/2016 through 06/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Loans Issued</td>
<td>Paid in Full</td>
</tr>
<tr>
<td>1996-97</td>
<td>1</td>
<td>51,310</td>
</tr>
<tr>
<td>2008-09</td>
<td>12</td>
<td>375,000</td>
</tr>
<tr>
<td></td>
<td>426,310</td>
<td>(48,310)</td>
</tr>
</tbody>
</table>

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### 1131 ESC VIEWS/MTN SHADOW LOTS

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>02/2012 through 06/2016</th>
<th>07/2016 through 06/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Loans Issued</td>
<td>Paid in Full</td>
</tr>
<tr>
<td>2002-03</td>
<td>2</td>
<td>380,536</td>
</tr>
<tr>
<td>2003-04</td>
<td>7</td>
<td>946,833</td>
</tr>
<tr>
<td>2004-05</td>
<td>3</td>
<td>422,024</td>
</tr>
<tr>
<td></td>
<td>1,749,393</td>
<td>(913,357)</td>
</tr>
</tbody>
</table>

---

### 1102 MTN SHADOWS MPROP LOANS

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>02/2012 through 06/2016</th>
<th>07/2016 through 06/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Loans Issued</td>
<td>Paid in Full</td>
</tr>
<tr>
<td>1991-1994</td>
<td>8</td>
<td>1,164,676</td>
</tr>
<tr>
<td></td>
<td>1,164,676</td>
<td>(856,606)</td>
</tr>
</tbody>
</table>

---

**Totals:** 2,224,376

**137**

---

**203,000**

---

**641,951**

---

**185,648**

---
### 1101 ESCONDIDO MPROP LOANS

**Loans Closed Prior to Feb 2012**

<table>
<thead>
<tr>
<th>Years</th>
<th>Loans Issued</th>
<th>Paid in Full</th>
<th>Voided</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-1994</td>
<td>1,335,678</td>
<td>69</td>
<td>43</td>
<td>(854,671)</td>
<td>5</td>
<td>(67,251)</td>
<td>1</td>
<td>(1,244)</td>
<td>7</td>
<td>(164,028)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005-06</td>
<td>1,335,678</td>
<td>0</td>
<td>5</td>
<td>(67,251)</td>
<td>1</td>
<td>(1,244)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>(19,033)</td>
<td>0</td>
</tr>
</tbody>
</table>

**Loans Closed FY 2016/17**

<table>
<thead>
<tr>
<th>Years</th>
<th>Loans Issued</th>
<th>Paid in Full</th>
<th>Voided</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>2,995</td>
<td>0</td>
<td>5</td>
<td>(67,251)</td>
<td>1</td>
<td>(1,244)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>(19,033)</td>
<td>0</td>
</tr>
</tbody>
</table>

### 1127 RANCHO ESCONDIDO MPROP LOANS

<table>
<thead>
<tr>
<th>Years</th>
<th>Loans Issued</th>
<th>Paid in Full</th>
<th>Voided</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>355,224</td>
<td>32</td>
<td>25</td>
<td>(276,614)</td>
<td>5</td>
<td>(51,973)</td>
<td>1</td>
<td>(4,302)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1104/1103 REHAB LOANS (SINGLE FAMILY/MOBILEHOME)

<table>
<thead>
<tr>
<th>Years</th>
<th>Loans Issued</th>
<th>Paid in Full</th>
<th>Voided</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
<th>Paid in Full</th>
<th>Foreclosure</th>
<th>Short-Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991-92</td>
<td>1,848,894</td>
<td>66</td>
<td>50</td>
<td>(311,079)</td>
<td>7</td>
<td>(31,924)</td>
<td>1</td>
<td>(434)</td>
<td>1</td>
<td>(4,500)</td>
<td></td>
</tr>
</tbody>
</table>

### Totals

<table>
<thead>
<tr>
<th></th>
<th>7,714,963</th>
<th>3</th>
<th>4</th>
<th>(3,671,941)</th>
<th>7</th>
<th>(74,022)</th>
<th>201,706</th>
<th>(17,866)</th>
<th>(674,263)</th>
<th>(286,249)</th>
<th>(70,901)</th>
<th>(260,207)</th>
<th>(4,952)</th>
</tr>
</thead>
</table>
INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENTS
AND ON INTERNAL CONTROL OVER COMPLIANCE

To the Honorable Mayor and Members of the City Council
of the City of Escondido
Escondido, California

We have audited the City of Escondido Housing Successor’s (the “Housing Successor”) compliance with the type of compliance requirements described in the California Health and Safety Code Section 34176.1 – Excess/Surplus Calculation applicable to California Housing Successor Agencies for the year ended June 30, 2017.

Management’s Responsibility

Management is responsible for compliance with the California Health and Safety Code Section 34176.1 – Excess/Surplus Calculation, applicable to California Housing Successor Agencies.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Housing Successor’s compliance with the California Health and Safety Code Section 34176.1 – Excess/Surplus Calculation, applicable to California Housing Successor Agencies. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred above that could have a direct and material effect on the Housing Successor occurred. An audit includes examining, on a test basis, evidence about the Housing Successor’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Housing Successor. However, our audit does not provide a legal determination of the Housing Successor’s compliance with those requirements.

Opinion

In our opinion, the Housing Successor complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Housing Successor for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the Housing Successor is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Successor’s internal control over compliance with the types of requirements that could have a direct and material effect on the Housing Successor to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal controls over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.
Accordingly, we do not express an opinion on the effectiveness of the Housing Successor’s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance of California Health and Safety Code Section 34176.1 – Excess/Surplus Calculation, applicable to California Housing Successor Agencies, on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of California Health and Safety Code Section 34176.1 – Excess/Surplus Calculation, applicable to California Housing Successor Agencies will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Excess/Surplus Calculation

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Escondido as of and for the year ended June 30, 2017, and have issued our report thereon dated December 27, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying excess/surplus calculation is presented for purposes of additional analysis only and is not a required part of the financial statements. Such information is the responsibility of management and was derived from the financial statements. The excess/surplus calculation has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of California Health and Safety Code Section 34176.1 – Excess/Surplus Calculation applicable to California Housing Successor Agencies. Accordingly, this communication is not suitable for any other purpose.

San Diego, California
December 27, 2017
## City of Escondido Housing Successor Agency
### Excess/Surplus Calculation
#### For the Fiscal Year Ended June 30, 2017

<table>
<thead>
<tr>
<th></th>
<th>Low and Moderate Housing Funds</th>
<th>Low and Moderate Housing Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All Project Areas</td>
<td>All Project Areas</td>
</tr>
<tr>
<td></td>
<td>July 1, 2016</td>
<td>July 1, 2017</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 Amount</th>
<th>2017 Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Fund Balance</td>
<td>$42,596,115</td>
<td>$42,726,338</td>
</tr>
<tr>
<td>Less unavailable amounts:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land held for resale</td>
<td>$(2,127,717)</td>
<td>$(2,091,616)</td>
</tr>
<tr>
<td>Loans receivable</td>
<td>$(36,464,452)</td>
<td>$(36,308,492)</td>
</tr>
<tr>
<td>SERAF loans</td>
<td>$(1,333,226)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$(39,925,395)</td>
<td>$(38,400,108)</td>
</tr>
<tr>
<td>Available Housing Successor Funds</td>
<td>$2,670,720</td>
<td>$4,326,230</td>
</tr>
</tbody>
</table>

#### Limitation (greater of $1,000,000 or four years deposits)

Aggregate amount deposited for last four years:

<table>
<thead>
<tr>
<th>Year</th>
<th>2016 Amount</th>
<th>2017 Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 - 2017</td>
<td></td>
<td>$512,785</td>
</tr>
<tr>
<td>2015 - 2016</td>
<td>620,535</td>
<td>620,535</td>
</tr>
<tr>
<td>2014 - 2015</td>
<td>660,836</td>
<td>660,836</td>
</tr>
<tr>
<td>2013 - 2014</td>
<td>519,146</td>
<td>519,146</td>
</tr>
<tr>
<td>2012 - 2011</td>
<td>1,660,745</td>
<td>1,660,745</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,461,262</strong></td>
<td><strong>$3,974,047</strong></td>
</tr>
</tbody>
</table>

**Base Limitation**

<table>
<thead>
<tr>
<th></th>
<th>2016 Amount</th>
<th>2017 Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Greater amount</strong></td>
<td><strong>$3,461,262</strong></td>
<td><strong>$3,974,047</strong></td>
</tr>
</tbody>
</table>

**Computed Excess/Surplus**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>None</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>