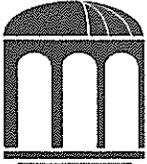


Charles D. Grimm
Director of Planning and Building
Housing Division
(619) 741-4671, FAX (619) 738-4313

February 3, 1995



**CITY OF
ESCONDIDO**
201 NORTH BROADWAY
ESCONDIDO, CA 92025

Cathy Creswell
Housing and Community Development Department
1800 Third Street Room 430
P. O. Box 952053
Sacramento, CA 94252-2053

RECEIVED

FEB 07 1995

RE: Escondido Annual Housing Report

DIV. OF HOUSING
POLICY DEVELOPMENT HCD

Dear Ms. Creswell:

I have enclosed for your records the City of Escondido's Annual Housing Report for Fiscal Year 1993-1994. Pursuant to Section 65400 of the Government Code requires that each jurisdiction provide an annual report to the Office of Planning and Research and the Department of Housing and Community Development on the status and progress in meeting its share of regional housing needs.

The City of Escondido currently has a variety of innovative programs to meet the needs of Escondido residents. The programs discussed in this report demonstrate the leadership and commitment provided by the City to accomplish the goal of providing assistance to low income families while revitalizing the city's neighborhoods.

If you need any further information, please contact me at (619) 741-4841.

Sincerely,

Patricia M. Getzel
Housing Manager

ANLRPT.941

Sid Hollins, Mayor
Jerry C. Harmon
Richard A. Foster
Elmer C. Cameron
Lori Holt Pfeiler



CITY OF ESCONDIDO
City Council

Agenda Item No.: Approved

Date: January 11, 1995

TO: Honorable Mayor and City Councilmembers

FROM: Charles D. Grimm, Director of Planning and Building
Patricia Getzel, Housing Manager

SUBJECT: Annual Housing Report

STAFF RECOMMENDATION:

Authorize submittal of the report to the State Offices of Planning and Research and Housing and Community Development.

FISCAL IMPACT:

None.

ENVIRONMENTAL REVIEW:

The report is considered informational in nature and not subject to CEQA provisions.

BACKGROUND:

Section 65400 of the Government Code requires that each jurisdiction "provide an annual report to the Office of Planning and Research and the Department of Housing and Community Development on the status and progress in meeting its share of regional housing needs." The document accompanying this report summarizes the adopted General Plan Housing Element's goals and objectives and provides an update on the city's progress towards meeting those goals.

Respectfully submitted,

Charles D. Grimm
Director of Planning and Building

Council\94annual.stf

Patricia Getzel
Housing Manager

ATTENTION

FIRST TIME

The City of Escondido is pleased to announce the award of the 1993-94 Best Local Government Award for Housing & Community Development to the City of Escondido. The award is presented to the city for its outstanding performance in providing affordable housing and community development services to its residents.

New tax break proposed

Escondido granted \$1 million

HOUSING: City hailed as winner

New life

City of Escondido

HOUSING ANNUAL REPORT

Fiscal Year 1993 - 1994

RENTALS: Most of the money will go to help poor families buy mobile-home and their own homes

THE BEST DESIGN OF

TIME

Homes



Low-income housing may get big boost



NONPROFIT FEDERATION FOR HOUSING & COMMUNITY DEVELOPMENT

Presents 1992 - 93. Award for

Best Local Government Leadership Park Square

A rose ward to h... "widowers" based Hidden Valley Construction for evidently working out with Millard Loan Services to redevelop Park Square, an apartment complex on Washington Ave. and Hillside. It has become a symbol of the city's core. Park Square is a "Charmington" of Hidden Valley. The city is excited at the prospect of restoring Park Square, which was shut down last year after racking up more than 1,000 non-compliances. In a sweetener for the city, Charmington's company has offered to donate space for a public market in Park Square. The city is excited about the prospect of restoring Park Square.

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INTRODUCTION

The purpose of this report is to summarize FY 93-94 Housing Program accomplishments. This report includes a brief description of housing programs currently being implemented by the City of Escondido. A number of these programs are funded by Tax Increment Set-Aside Funds.

Under the Community Redevelopment Law, not less than 20 percent of redevelopment funds collected are set aside in a low- and moderate-income housing fund. All interest and revenue generated by the fund accrues to the fund. The funds are used to increase, preserve, and/or improve the supply of low- and moderate-income housing within the city limits of Escondido.

Tax Increment Housing Set-Aside Funds provide a unique resource to enhance housing opportunities for low- and moderate-income residents. Unlike funds that may become available from the federal or state governments, there are fewer "external strings" attached and therefore more flexibility to design effective programs to meet local needs.

The Housing Set-Aside Funds also provide an effective means of the City's ability to leverage additional funds. In the past fiscal year, the City has successfully obtained commitments from additional funding sources for a variety of projects. These programs and projects include mobile-home conversion to resident ownership, transitional housing, owner-occupied rehabilitation, and multifamily rental new construction.

The City's housing programs and projects are initially reviewed by the Housing Advisory Commission. These members are appointed to the Commission by the City Council. The Housing Division of the Planning and Building Department implements the majority of the City's housing programs.

The City's housing mission is to expand the stock of affordable housing while preserving the health, safety, and welfare of residents and maintaining the fiscal stability of the City.

The City recognizes the enormous effort and resources necessary to meet the residents' housing needs. This report reflects the efforts of the City policymakers to meet this challenge.

SECTION ONE

CURRENT HOUSING PROGRAMS

FY 93-94 HOUSING PROGRAMS

Owner-Occupied Housing Rehabilitation

Program Description

There are two components of the owner-occupied rehabilitation program—single family and mobilehomes. Both components are funded with Housing Set-Aside Funds.

The following loans comprise the owner-occupant rehabilitation program:

Mobilehome loans are available to owners whose income is at or below 50 percent of the area median. The maximum loan amount is \$6,500. The loan is paid back when the unit is sold or there is a transfer of title to someone other than a surviving spouse.

A low-interest deferred loan of up to \$20,000 is available to owner-occupants of single-family homes whose income is at or below 80 percent of the area median income. An additional \$15,000 may be obtained by those applicants who require connection to the local sewer system. These loans require no payback until title to the property is transferred. The deferred loans accrue simple interest at a rate of three percent regardless of homeowner's income level. Principal and interest will remain fully deferred. Borrowers will be given an option of setting up a voluntary repayment schedule.

Program Accomplishments

During Fiscal Year 1993-94, the rehabilitation of eight single-family homes and three mobilehomes was funded. Thirteen units were completed in FY 1993-94, including two units funded the prior fiscal year.

3. City-owned, nonprofit leased property:

The Housing Division staff reviews requests for rehabilitation work with the Housing Advisory Loan Committee. If rehabilitation work is found to be needed, rental rehabilitation funds may be granted following the maximum dollar amounts.

Maximum Loan/Grant Amounts:

Studio	\$10,000
1 bedroom	\$13,000
2 bedroom	\$15,000
3 or more bedrooms	\$17,000

Loans and/or grants are available on a one-time-only basis.

Program Accomplishments

During Fiscal Year 1993-94, the rehabilitation of four units was funded (and eight units were completed).

Table 2.

	<u>With MCC</u>	<u>Without MCC</u>
Annual Income:	\$30,000	\$30,000
Personal Exemption:	-2,350	-2,350
Interest Deduction	<u>-\$6,400</u>	<u>-\$8,000</u>
	\$21,250	\$19,650
Tax from Table:	3,184	2,944
MCC Credit	<u>1,600</u>	<u>-0-</u>
	\$1,584	\$2,944

*Table 2 shows that the same taxpayer owes \$1,360 less in taxes with an MCC than without one. (\$2,944 - \$1,584 = \$1,360)

Properties eligible for MCC Program include: new or existing single-family homes (which include single-family detached homes), condos, half-plexes, or townhouses. However, duplexes, tri-plexes, and four-plexes do not qualify.

Loans that can be used with MCC include: conventional, fixed-rate or adjustable rate loans, FHA and VA loans, and privately issued loans. However, MCC's are not available with bond-backed loans such as California Housing Finance Agency (CHFA) and Cal Vet loans that carry below market fixed interest rate or within refinance loans.

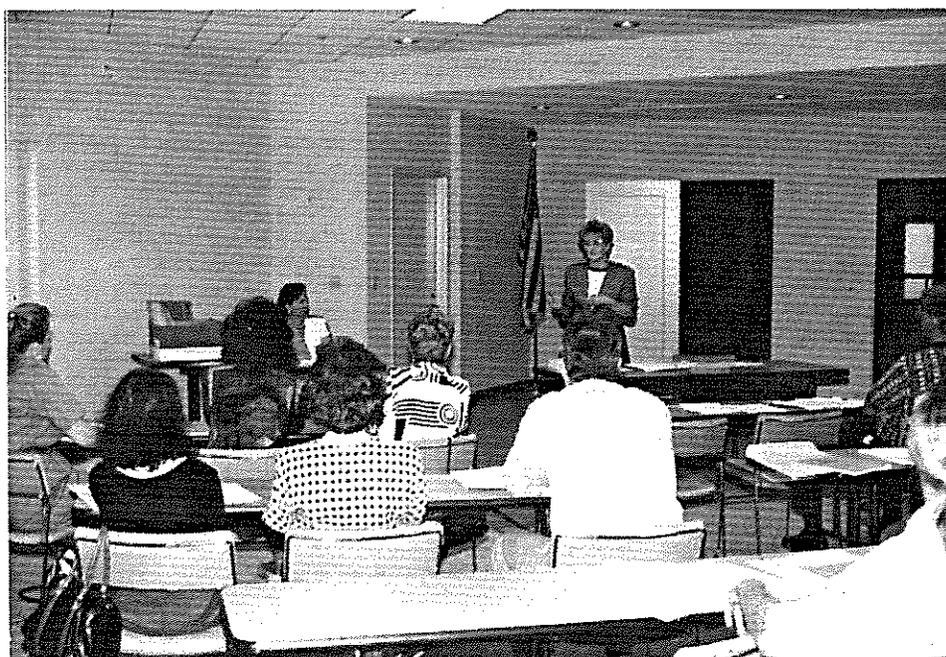
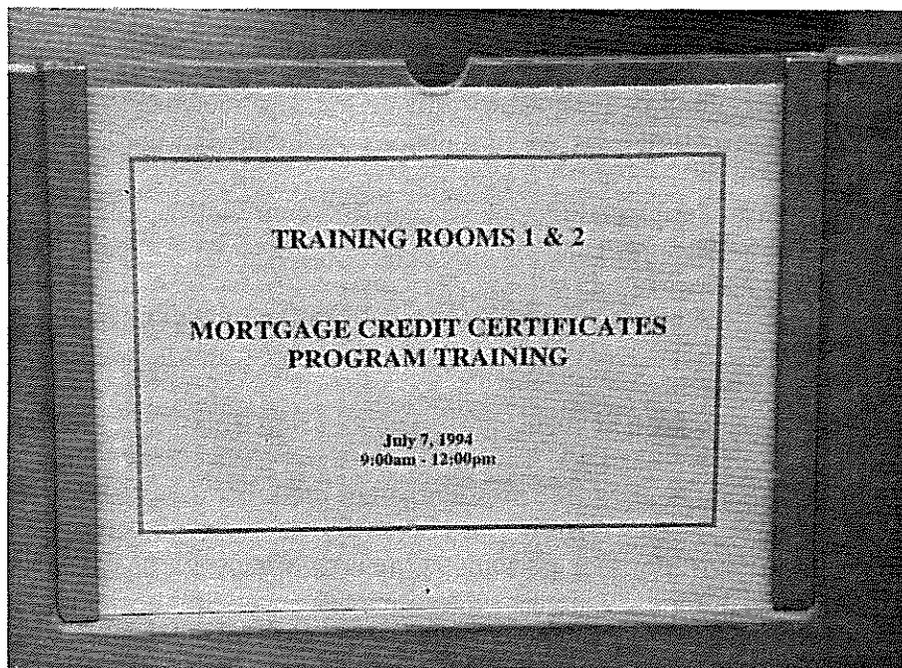
- Maximum Purchase Prices

	<u>Non-Target Area</u>	<u>Target Area</u>
New Units:	\$221,850	\$271,150
Existing Units:	148,230	181,170

- Maximum Income Limits (Median Income = \$43,900)

<u>Household Size</u>	<u>Non-target Area</u>	<u>Target Area</u>	<u>Low-Income Set-Aside</u>
1-2 persons	\$43,900	\$52,680	\$28,100
3+ persons	\$50,485	\$61,460	\$35,100

MCC LENDER TRAINING



Inside training session

Daybreak Grove and Sunrise Place:

North County Housing Foundation began construction of 21 units of housing for families with low incomes in Escondido in the fall of 1992. Daybreak Grove consists of 13 townhouse-style units on Washington Avenue. It was recognized by Time Magazine, in January 1994, as one of the top 10 designs of 1993. The complex features a large multi-use courtyard, including children's play areas and vegetable gardens, surrounded by one-and two-story townhouse units. All parking is at the rear of the site and is accessed by a one-way drive at the site's perimeter. All units have small individual front yards and porches, interior courts, and loft bedrooms.

The other units consist of eight townhouse-style units on Grand Avenue called Sunrise Place. The complex features a landscaped pedestrian "street" along which the two-story row house units are placed. Raised beds for gardening and a protected play yard for children are at the back of the site, well away from the street and parking areas. Units feature front porches facing the pedestrian street, a double height living/dining area and small, private rear yards.

For more details on Daybreak Grove and Sunrise Place, please see the Housing Annual Report for FY 1992-93.

Daybreak Grove



Outside view

Paseo del Prado:

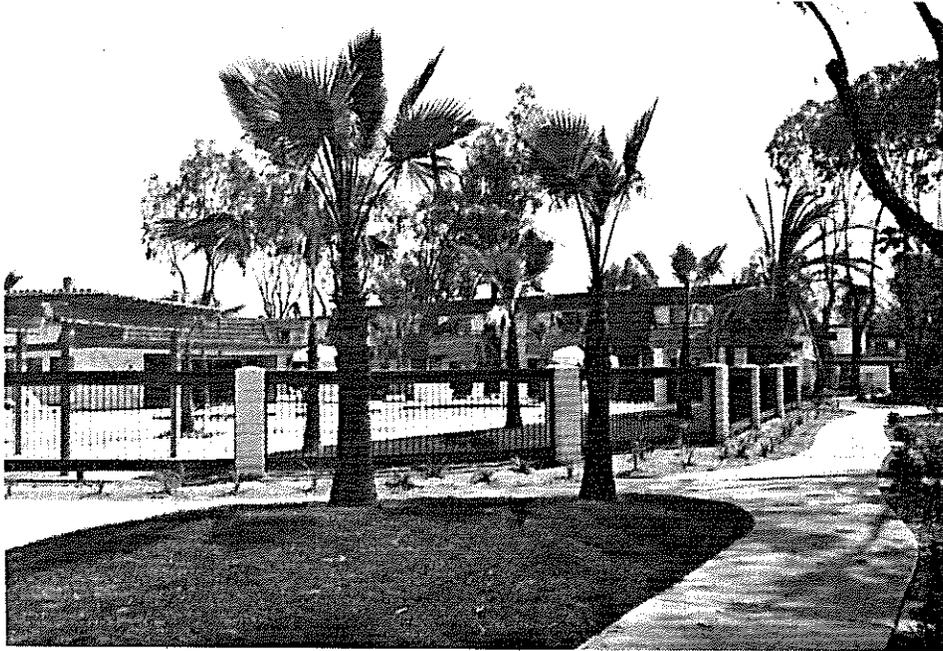
The original complex, Park Square, was boarded up in May 1993 due to over 1,000 code violations. Some of these violations included: sewer problems, rotting flooring, leaky plumbing that caused flooding, faulty electrical wiring, holes in the ceiling, and broken windows. The new Paseo del Prado complex is made up of nine two-story structures with 78-units, a recreation room, laundry room and swimming pool. There are also five carport parking structures on the property. The primary goal of the project was to revitalize the neighborhood and refurbish the 78 Park Square Apartments. Secondary goal was to provide affordable rental housing units and other social support programs within the project.

- Location: 1635 East Washington
- Number of units: 78
- Parcel size: 3.62 acres
- Type of units:
23 - 2BR/1BA
29 - 2BR/2BA
26 - 3BR/2.5BA

The Paseo del Prado complex opened in April 1994 and features: an Escondido Police Neighborhood Community Center, and educational programs are offered to children of residents with the cooperation of the Escondido City School District. Also featured is La Vida Buena - Escondido Health Center's newest service that offers programs to residents which promotes physical activity and better nutrition. A full time manager, security patrol, and maintenance worker are also present in the complex, as well as an education director to arrange special children's programs. In October 1993 the City approved a \$1.6 million loan guarantee for the project.

*For further details please see news articles dated and 4/9/94 in the report.

PASEO DEL PRADO - after rehabilitation



Swimming pool (and courtyard)



Neighborhood Police Center

Mountain Shadows Board Meeting



Residents attending the meeting



Meeting in progress

right-of-way project needs implementation. When Housing Set-Aside Fund monies are used for early acquisition, the Housing Fund will be reimbursed for the full initial cost of the property, plus any out-of-pocket expenses for maintenance and physical improvements. Further, the Housing Fund shall be reimbursed for lost annual interest earnings at a rate based on the City's portfolio rate during that period. The property agent shall approach owners who meet certain criteria. The agent will notify the Planning Department and the Housing Division of whether a review should begin based on the willingness of the owner to sell.

Program Accomplishments

No new transitional housing units were acquired this year. In prior years, thirty seven units were created at six sites. These units are monitored annually.



**Las Casitas: A transitional housing project owned by
North County Housing Foundation**

FY 93-94 HOUSING PROGRAMS

Home Funded Projects

Program Description:

The HOME Investment Partnership Program is a federal housing program which allocates funds by formula directly to state and local governments to undertake affordable housing projects consistent with an approved Comprehensive Housing Affordability Strategy (CHAS).

Among the purposes of the HOME program are: the promotion of partnerships between local government and nonprofit organizations, and the expansion of the capacity of nonprofit organizations to develop and manage affordable housing. To assist in achieving these purposes, participating jurisdictions (PJs) are required to set aside at least 15% of their HOME funds for investment in affordable housing to be developed, sponsored and/or owned by Community Housing Development Organizations (CHDOs).

Also under the HOME program, funding is provided from the Federal Department of Housing and Urban Development through specified recipients to conduct the following activities: (1) new construction, (2) acquisition, (3) rehabilitation, and (4) tenant-based rental assistance.

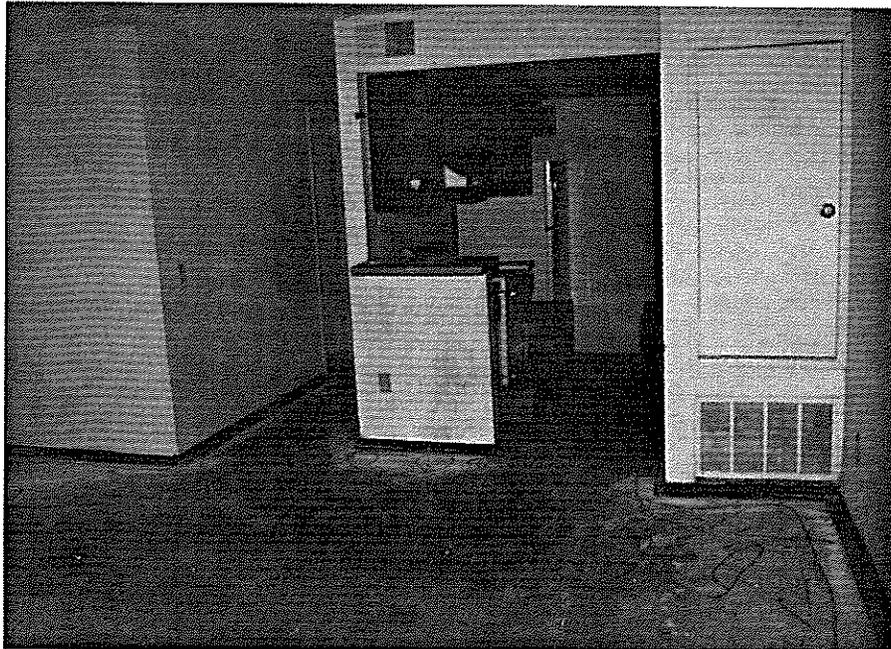
Program Accomplishments:

- In March of 1993, Escondido was awarded \$1,000,000 in HOME program funds (FY 92 - 1st round) from the State Department of Housing and Community Development. The funding was allocated for acquisition and rehabilitation of an 8-unit rental project; tenant-based rental assistance program administered by the San Diego County Housing Authority; and acquisition and rehabilitation of a 16-unit rental project to be organized as a limited-equity cooperative.
- In December of 1993, the City was awarded FY 93 - 2nd round HOME program funds in the amount of \$997,500 from the State. The funding was specifically allocated for acquisition, rehabilitation and/or new construction program.
- Under FY 93 HOME funds, North County Housing Foundation (NCHF) has proposed a new construction, multi-family development that will be organized as a limited-equity cooperative. This project is proposed to serve low-income households whose incomes are at or below 60% of the area median income.
- The Housing Division will also be working with the Neighborhood and Organizational Development Department to better coordinate the use of HOME and CDBG funds beginning in FY 1995.
- The City of Escondido has also been officially designated as a participating jurisdiction under the Federal HOME Program, as of March of 1994.

15TH AVENUE CO-OP



Outside view of the complex to be rehabilitated

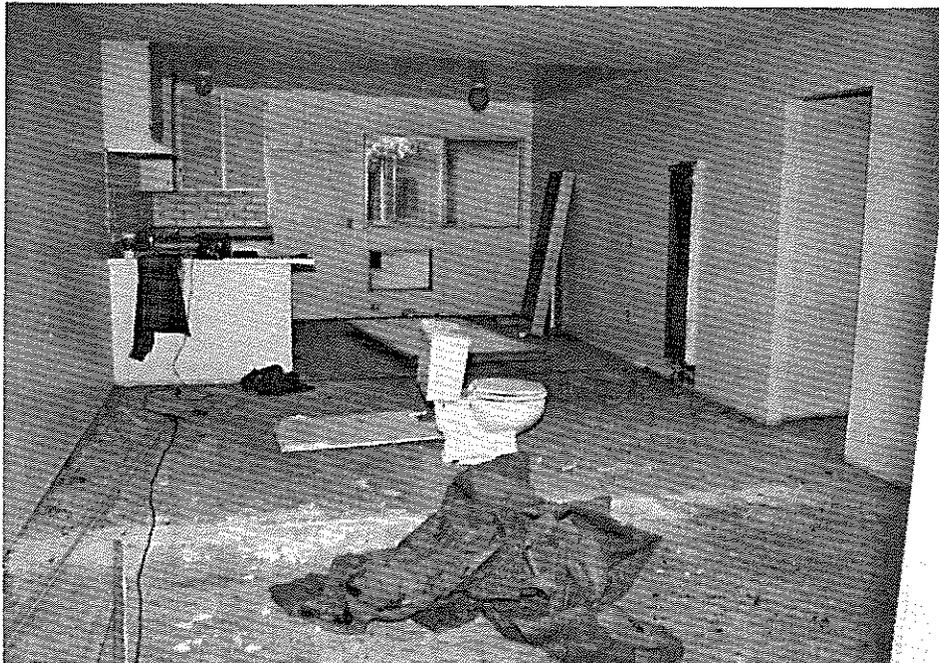


Inside view of a unit - the kitchen area

516-524 and 526-532 Aster Street



Outside of the unit



Inside the unit - beginning of rehabilitation

Partnerships with Local Lenders

The City's housing programs could not be effective without the participation of many of the community's lenders.

The following lenders have participated in City programs:

- Mortgage Credit Certificate Program:

Commonwealth United Mortgage, Household Bank, First California Mortgage, Priority One Mortgage, American Residential, Countrywide Funding Corporation, Medallion Mortgage Company, Guild Mortgage Company, California Federal Bank, FSB, Weyerhaeuser Mortgage Company, Plaza Mortgage, Southern California Savings, Cal Coast Mortgage Corporation, Mesa Mortgage Company, SCME, Mortgage Bankers, Inc., North American Mortgage Corporation, Ryland Mortgage Company, Trust One Mortgage Banker, Colonial Bancorp.

- Mobile Home Park Conversion Program:

First Interstate Bank, Palomar Savings and Loan Association

- Daybreak Grove and Sunrise Place:

Bank of America (construction financing), Citibank (permanent lender)

- 15th Avenue Co-Op:

Federal Home Loan Bank, Bank of America (Community Development Bank)

- Aster Street:

Palomar Savings and Loan, Federal Home Loan Bank

- Paseo del Prado:

First Pacific Bank

FY 93-94 HOUSING PROGRAMS

"Glimmers of Hope"

Often in the effort to have an effective program we forget that we are dealing with real people, with real problems. These are people who have their basic need in life threatened - the roof over their heads. We have stories of three such families who, by using our programs, were able to see a glimmer of hope in their life. Their real names have been withheld to maintain confidentiality.

ances, which were limping along, replaced. At 83 years old, Mrs. Jones even worked a couple of hours each day to supplement her income. Her total yearly income of less than \$7,000 was still not enough to get the needed work done.

The Housing Division provided Mrs. Jones with a low interest deferred payment to fix up her home. Thanks to the rehabilitation program, she now has a sound roof over her head, a new garage door that she doesn't have to struggle with, new exterior and interior paint, energy efficient appliances, a security screen door and other miscellaneous items.

When asked "do you feel that the program helped you?" Mrs. Jones replied, "Most certainly. I could never have done any of the necessary repairs or improvements on my low income." She also commented, "I liked the freedom I was given to choose the contractor. I am also grateful that I don't have to worry about making a monthly payment on the loan."

The contractor and the workers on the job came to call Mrs. Jones "Grandma". Now, months after the job has been completed, the contractor and some of the workers stop by to see her and help her out with small jobs around the house.

SECTION TWO

PROGRESS TOWARD HOUSING ELEMENT GOALS

PROGRESS TOWARD HOUSING ELEMENT GOALS*

a. Construction Programs

Program 1.1: Project Development: (Continuing Program)

Action: This program will create an increased supply of low-cost units for low-income households. Project Development Fund would be made available for loans to increase the supply of low-cost rental units. A portion of the fund would be made available for grants. The Project Development Fund could be used for a wide variety of uses, including but not limited to:

- technical assistance, design and finance services and consultation, and administrative costs for eligible non-profits;
- mortgage subsidies for new construction or rehabilitation of eligible multifamily units;
- construction financing for new units;
- acquisition of rental easements in existing or proposed projects;
- acquisition of housing units for the preservation of units; and
- administrative costs for housing assistance groups or organizations when such a loan or grant will substantially increase the recipient's access to housing funds elsewhere.

Determination of categories of highest need for proposed project will be determined by the CDC. The potential categories could include small families, seniors, and special needs groups.

Anticipated Impact: Increased supply of rental units for very-low-income and low-income residents. (100 units)

Progress to Date: In January 1994, City Council approved the development of 190 units of family rental housing. This project will be developed by Affirmed Construction.

*State law now requires local jurisdiction to report annually on the progress toward Housing Element goals. This is a review of the third year progress toward the five year anticipated impact.

Anticipated Impact: Construction of homeless shelter

Progress to Date: A state shelter grant continues to be used as funding for Las Casitas. Various Social Service agencies continue to receive funding for existing shelters.

Program 1.5: Inclusionary Zoning (New Program)

Action: If established, the City would enact an inclusionary zoning program that would require provisions for affordable housing as part of any residential development that reaches defined thresholds. This program would include provisions for percentage set-asides, in lieu of fees, thresholds, and targeted clientele.

Anticipated Impact: Substantial increase in the supply of low- and moderate- income housing. (300 units)

Progress to Date: This program has been postponed.

Program 1.6: Mortgage Credit Certificates (New Program)

Action: This program would involve the cooperation of the City and local and regional real estate concerns in a partnership to provide affordable housing to home buyers. By providing mortgage certificates that would provide beneficial financial arrangements, home ownership opportunities would be increased.

Anticipated Impact: Additional home ownership opportunities for moderate income households.

Progress to Date: As of June 1994, 25 households have been assisted.

Progress to Date: The Housing Division is still renewing several properties with the Public Works Department as potential first time home buyer lots.

Program 1.10: Density Bonus (New Program) Staff Report

Action: The City would provide a bonus in the form of a density increase of 25 percent above the land use designation or other financial incentives or waivers of equal value if the proposed project provides units for affordable housing. The program would respond to the requirements of the State Law (AB 2511).

Anticipated Impact: Additional housing opportunities for low- and moderate-income households.

Progress to Date: The program was approved with Ordinance 92-19, Density Bonus and revised with Ordinance 92-42, Second Dwelling Units. Staff is in the process of reviewing existing ordinances.

b. Rehabilitation

Program 2.1: Housing Rehabilitation: Owner-Occupied (Continuing Program)

Action: Since 1980, the City of Escondido has contracted with the San Diego County Housing Authority for the residential rehabilitation program. Community Development Block Grant (CDBG) funds have been used over the years for the residential rehabilitation program. The rehabilitation program will now be funded from the tax increment set-aside funds.

Anticipated Impact: Rehabilitation of units for very-low-income and low-income households (160 units).

Progress to Date: During FY 93-94, 8 single-family homes were funded. Three mobile homes were also funded during the fiscal year.

Progress to Date: Paseo del Prado opened in April 1994. The 78-unit complex for low-income families was originally boarded up in May 1993, due to over 1,000 code violations.

Program 2.4: Focus on Neighborhoods Program (New Program)

Action: The City of Escondido has available, through various local and state funds, the ability to target these funds in a coordinated manner to one geographic area of the City. The City would study a plan that would target neighborhoods for this program. Resources that could be used to identify a selected neighborhood could include pro-active code enforcement, housing rehabilitation - both owner and renter occupied - and use of CDBG funds for either capital improvements (i.e., sidewalks) and/or child care facilities. In addition, land use policies or ordinances could be reviewed to explore means of providing community revitalization. This neighborhood project could be a source of feedback to City Council for further expansion of programs into other neighborhoods.

Anticipated Impact: The concentration of City resources to one neighborhood and the opportunity for significant community impact both in physical improvement and improvement in quality of life for neighborhood residents. (Low- and moderate-income categories).

Progress to Date: The Neighborhood Improvement Team (NIT) is still meeting. They are continuing their efforts by looking at neighborhoods which have problems such as gang violence, transients, drug dealing and general deterioration. NIT is also still coordinating efforts for neighborhood improvements with property owners, residents, interested agencies and City staff.

c. Conservation

Program 3.1: Transitional Housing/Project Development (Continuing Program)

Action: Transitional housing would provide shelter for households for up to six months for a nominal cost to the tenant.

Program 3.3: Relocation Assistance/Cost Recovery (Continuing Program)

Action: Any low-income tenant within the city limits of Escondido who is displaced by code enforcement action is eligible for relocation assistance. The fund has an allocation of \$200,000 which will be replenished by expenses collected under the Cost Recovery Ordinance. These costs will be recovered from the property owners for costs incurred as a result of relocating tenants due to code enforcement action.

Eligible costs for tenants include: cleaning security deposits, first month's rent, storage units and moving costs. To reduce administration costs, the city may guarantee a security deposit or first month's rent to landlords instead of drawing funds directly out of the account.

The Relocation Assistance Program parallels the eligibility costs and household income restrictions of the Emergency Rental Assistance Program.

Anticipated Impact: Fund provides relocation assistance for up to approximately 125 low-income families displaced by code enforcement action.

Progress to Date: This program is currently inactive.

Program 3.4: Mobile Home Park Conversion (Continuing Program)

Action: The City has adopted a procedure by ordinance to assist occupants involved in conversion of mobile home parks. The assistance consists of loans to very low-, low- and moderate- income residents to purchase the lots at the mobile home parks in which they reside.

Anticipated Impact: Continued mobile home ownership opportunities for very-low-income and low-income residents.

Progress to Date: Approximately 194 residents have been assisted (possibly more very low to moderate income buyers may have been assisted by private financing. The City does not have access to this information).

d. Administrative Programs

Program 4.1: Fair Housing (Continuing Program)

Action: The City of Escondido has an existing Fair Housing Plan staff. Heartland Human Relations Association is involved in additional Fair Housing programs to educate property owners and managers in the area of Fair Housing, and are making themselves available to answer calls and assist people concerned with fair housing issues.

Anticipated Impact: Continuing enforcement of Fair Housing Plan which will prevent discrimination in housing.

Progress to Date: The City of Escondido contracted with Heartland Human Relations during FY 92-93 to provide comprehensive fair housing services. Additionally, staff negotiated a contract with Heartland Human Relations to expand the program during FY 93-94 to include landlord/tenant counseling. Also, Community Development Block Grant (CDBG) funds will be used to hire a part-time bilingual counselor/mediator who will be located in City Hall.

Program 4.2: Code Revisions: Nonconforming Use Ordinance (Continuing Program)

Action: An amendment to the City's Nonconforming Use Ordinance, Article 1084, permits alteration and improvement of residences used for low-income housing without limitation as to the cost of such alteration or improvement. Previously, alterations and improvements could not exceed the amount equal to the assessed value of the building being repaired without causing the residence to lose its nonconforming use status, thereby becoming an illegal structure. The owners wishing to take advantage of this amendment should be required to record a use restriction against the property, requiring that it be used for low-income use for state period (10 or 15 years).

Anticipated Impact: Continued occupancy of low-income units.

Progress to Date: Ordinance in effect.

Program 4.6: Land-Use Policies (Continuing Program)

Action: Staff recommends to continue that the City's land use policies, including the General Plan Housing Element and the Growth Management Plan, coordination between the public and private sectors to meet housing goals. The Housing Advisory Commission (HAC) will review revisions to land use policies to ensure Housing Element goals are being considered.

Anticipated Impact: Better coordination and consistency of plan elements. (all income categories).

Progress to Date: The Citywide Facilities Plan was adopted by the City Council on April 6, 1994.

Program 4.7: Landlord/Tenant Assistance (Continuing Program)

Action: City staff will continue to develop a joint work program with local agencies and organizations. A landlord/tenant assistance program will be further developed.

Anticipated Impact: Establishment of landlord/tenant assistance program which will assist in resolving landlord/tenant disagreements (very-low-income and low-income renters).

Progress to Date: During FY 93-94, the City contracted with Heartland Human Relations to provide a landlord/tenant counselor in City Hall that is available to speak with anyone in the community, in person or over the phone, free of charge. Funds are provided through Community Development Block Grant (CDBG).

Program 4.8: Congregate Care (Continuing Program)

Action: The City staff will continue to use the Conditional Use Permit to process requests for congregate care facilities through the Conditional Use Permit (CUP) process. This action will provide the opportunity to construct new facilities as the market demands.

Anticipated Impact: Continued development of congregate care facilities (seniors, all income categories).

Program 4.11: Ordinance Review (New Program)

Action: The City staff would review various housing and housing related ordinances for impacts on housing element (ESP low- and moderate-income housing). These actions could include processing and impact fees, historic preservation, accessory units and senior housing.

Anticipated Impact: Removal of governmental constraints (very-low-income and low-income units).

Progress to Date: As of June 30, 1994 the Housing and Planning Divisions have been working to update the City's Density Bonus Ordinance which is expected to be considered by the City Council in late 1994.

Housing Element Goals And Objectives

	1991	1992	1993	1994	1995	Total	Very Low	Low	Mod	Any/ All
c) Conservation										
3.1 Transitional Housing/Project Development		48 beds				48 beds	X	X		
*3.2 Rental Subsidy							X	X		
3.3 Relocation Assistance/Cost Recovery	25 families	125 families	X	X						
*3.4 Mobile home Park Conversion							X	X		
*3.5 Mobile home Rent Review										X
3.6 Existing Subsidized Housing Development Assistance						376 units	X	X		
d) Administration Programs										
*4.1 Fair Housing										X
*4.2 Code Revisions								X		
4.3 Sr. Housing Enforcement						1,923 units				X
*4.4 Information and Referral										X
*4.5 Housing Element Update										X
*4.6 Land-Use Policies										X
*4.7 Landlord/Tenant										X
*4.8 Congregate Care										X
*4.9 Regional Planning										X
*4.10 Non-Profit Support							X	X		
*4.11 Ordinance Review							X	X		

*No specific numbers adopted for these categories.

SECTION THREE

HOUSING DATA

**FISCAL YEAR 93-94
Profile Of Assisted Households**

OWNER-OCCUPIED HOUSING REHABILITATION PROGRAM								
Total Households	Very Low Income	Low Income	Moderate Income	Small Family	Large Family	Elderly Household	Ethnicity	Female Head of Household
11	7	4	0	4	1	6	9 Caucasian 2 Hispanic	7
RENTAL REHABILITATION								
Total Households	Very Low Income	Low Income	Moderate Income	Small Family	Large Family	Elderly Household	Ethnicity	Female Head of Household
4	1	2	1	2	0	2	2Caucasian 2Hispanic	3
FIRST TIME HOMEBUYER PROGRAM / MORTGAGE CREDIT CERTIFICATE PROGRAM (MCC's)								
Total Households	Very Low Income	Low Income	Moderate Income	Small Family	Large Family	Elderly Household	Ethnicity	Female Head of Household
25			25	22	3		16 Caucasian 9 Hispanic 3 Black 1 Asian 1 Other	7
MOBILE HOME PARK CONVERSION ASSISTANCE								
Total Households	Very Low Income	Low Income	Moderate Income	Small Family	Large Family	Elderly Household	Ethnicity	Female Head of Household
33*	14	18	1	14	4	14	22 Caucasian 5 Hispanic	1
TRANSITIONAL HOUSING								
Total Households	Very Low Income	Low Income	Moderate Income	Small Family	Large Family	Elderly Household	Ethnicity	Female Head of Household
817	722	87	18	177	16	3	633 Caucasian 116 Hispanic 76 Black 8 Asian 24 Nat. Amer. 7 other	194

Very low income = 50% of the county median income

Low income = below 80% of the median Moderate income = 80-120% of moderate income

*cash lot purchase

Total households may be represented in more than one statistical group.

**Fair Share by Jurisdiction
Regional Housing Needs Statement
San Diego Region
1991-1996**

<u>Jurisdiction</u>	Existing "Fair Share" (Percent)	Existing "Fair Share" (Households)	Growth "Fair Share" (Percent)	Growth "Fair Share" (Households)	Total "Fair Share" (Percent)	Total "Fair Share" (Households)	Five-Year Goals
Carlsbad ¹	5.1	8,227	6.2	773	5.2	9,000	1,125
Chula Vista	4.9	7,905	4.5	561	4.9	8,466	1,058
Coronado	1.2	1,936	1.1	137	1.2	2,073	259
Del Mar	0.3	484	0.3	37	0.3	521	65
El Cajon	2.2	3,549	1.7	212	2.2	3,761	470
Encinitas	2.5	4,033	2.2	274	2.5	4,307	538
Escondido	3.9	6,291	3.8	474	3.9	6,765	846
Imperial Beach	0.2	323	0.1	12	0.2	335	42
La Mesa	2.1	3,388	1.8	224	2.1	3,612	452
Lemon Grove	0.8	1,291	0.8	100	0.8	1,391	174
National City	0.2	323	-0.3	(-37)	0.2	298	37
Oceanside	4.4	7,098	5.1	636	4.4	7,734	967
Poway	2.6	4,194	2.6	324	2.6	4,518	565
San Diego	43.0	69,368	41.4	5161	42.9	74,529	9,316
San Marcos	2.4	3,872	2.8	349	2.4	4,221	528
Santee	3.0	4,840	3.2	399	3.0	5,239	655
Solana Beach	0.9	1,452	0.8	100	0.9	1,552	194
Vista	2.1	3,388	2.2	274	2.1	3,662	458
Unincorporated	18.2	29,360	19.8	2,468	18.3	31,828	3,979
Regional Total		(161,320)		(12,467)		(173,787)	(21,728)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)

Column 1: From Table 59, Column 6

Column 2: Column 1 x Control Total: 161,320 (From Existing Need for All Housing Assistance Plans in San Diego Region)

Column 3: From Table 60

Column 4: Column 3 x Control Total: 12,467 (Existing Need (161,320) ÷ Existing Occupied 876,717 = (.184) x Household Growth 1989 to 1995 (81,306) x 5 Years ÷ 6 Years for 5 Year Total = 67,755)

Column 5: Column 2 + Column 4 ÷ Regional Total: 173,787 (161,320 + 12,467)

Column 6: Column 2 + Column 4

Column 7: Column 6 x 2.5% Per Year (Good Faith Effort)

Source: SANDAG Housing Needs Statement Tables

¹Carlsbad accepted fair share as interim goal.

PROFILE OF PARTICIPANTS - SECTION 8

**For the period ending June 30, 1994
as reported by
County of San Diego Department of Housing and Community Development**

LOCATION	ELDERLY	SMALL FAMILY	LARGE FAMILY	TOTAL
Escondido	454	283	141	878

LOCATION	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	TOTAL
Escondido	13	441	283	112	27	2	878

PROFILE OF APPLICANTS - SECTION 8

**For the period ending June 30, 1994
as reported by
County of San Diego Department of Housing and Community Development**

LOCATION	DISABLED	ELDERLY	FAMILY	TOTAL
Escondido	338	577	2,090	3,005

SECTION FOUR

NEWSPAPER ARTICLES

Housing co-op hailed as winner

■ **PROJECT:** A remodeled apartment complex in Escondido will give some people their first taste of home ownership

JONATHAN HELLER / *Times Advocate*

ESCONDIDO — A ramshackle apartment building on West 15th Avenue that was in foreclosure will become the county's first cooperative-housing project, in which residents will own a "share" of the complex.

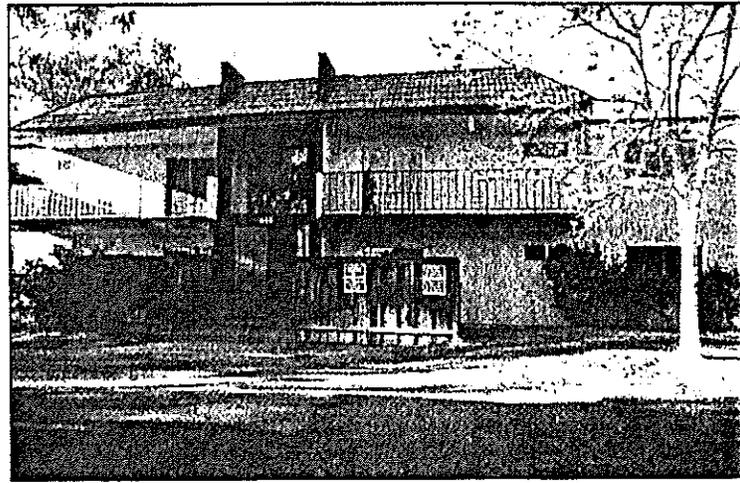
The residences are being billed as a cut above an average rental unit. Seen as a halfway step toward home

ownership, the project will allow people to experience life as a mortgage holder, except with a smaller degree of financial responsibility.

While co-ops are common on the East Coast and gaining popularity in Northern California, they are relatively unknown in this region.

The North County Housing Foundation has formed a limited-equity cooperative to help low- and moderate-income families to own the building in which they live. The co-op will be available to families making up to \$21,000 a year; roughly half

Please see **HOUSING, A2** ▶



LILLIAN KOSSACOFF BARRETT / *Times Advocate*

Residents soon will be able to buy shares of this 14-year-old, 16-unit apartment building on West 15th Avenue in Escondido.

HOUSING: Co-op hailed as winner

Continued from A1

the county's median income.

The cooperative has been named the 15th Avenue Housing Corp. Residents can purchase "shares" of the corporation and move in for extremely low down payments — \$800 to \$1,500, depending on the size of the unit — and pay low monthly carrying charges. Those charges will range from \$415 a month for one-bedroom units to \$600 for four bedrooms.

The housing foundation is renovating the 14-year-old apartment building at 444 W. 15th Ave., which went into foreclosure in March.

"It's a slum," said Director Amy Rowland of the nearly vacant building.

Rowland said the 16 apartments will be reconfigured to eliminate the main, central corridor which runs the length of the building. Each unit will have a separate entrance facing the outside, more storage area and washer and dryer hookups. Some units will have small back yards.

"It will be like a new building,"

Rowland said.

Construction is slated for completion by next August. Meanwhile, the housing foundation will start holding community meetings next month to generate interest.

The foundation closed escrow on the place Dec. 13.

The \$1.2 million project is being funded by a variety of sources:

- \$625,000 from Savings Association Mortgage Co., Inc., Local Initiatives Support Corp. and Bank of America Community Development Bank.

- \$405,000 from a state housing grant given to the city of Escondido.

- \$160,000 from the city.
- \$30,000 from the North County Housing Foundation.

Pat Getzel, the city's housing manager, said the project would remove a blighted property, revitalize the surrounding neighborhood and provide much-needed affordable housing.

"This is what I like to think of as a triple-win situation," Getzel said.

Escondido OKs loan for low-income apartments

*190-unit complex seen
for site near downtown*

By RAY HUARD
Staff Writer

ESCONDIDO — An \$800,000 loan was unanimously approved by the City Council yesterday for Affirmed Construction, which proposes to build a \$15 million low-income apartment complex north of downtown.

The loan for the 190-apartment complex at 1301 Morning View Drive is contingent on a city-imposed condition that Affirmed Construction qualify for \$650,000 in federal tax credits.

The builder also must work with the city Community Services Department to develop a child-care program and other social services at the complex, which will be called The Terraces.

The city loan would come from federal housing money and would not affect the city's operating budget, said Charles Grimm, the city's planning and building director.

"This is the first major (low-income) project of this size since the 1970s," said city housing manager Patricia Getzél.

The council in September rejected a larger version of the project, which had been estimated to cost \$17 million. Neighbors and several council members said that plan would have put too many units on the 12.2-acre site, which is on the west side of Morning View between El Norte Parkway and Lincoln Avenue.

The council in January approved the current plan, which will have 13 separate apartment buildings, down from the 15

Continued from B-1

first proposed.

Rents in the complex would range from \$391 for a one-bedroom apartment to \$682 a month for four-bedroom apartment, said Jim Silverwood, president of Affirmed Construction.

"It's a project for families, which is the greatest need here and in San Diego County, Silverwood said.

Such housing is needed, housing officials said. A 21-unit complex built by the North County Housing Foundation last year had a waiting list of more than 200 families.

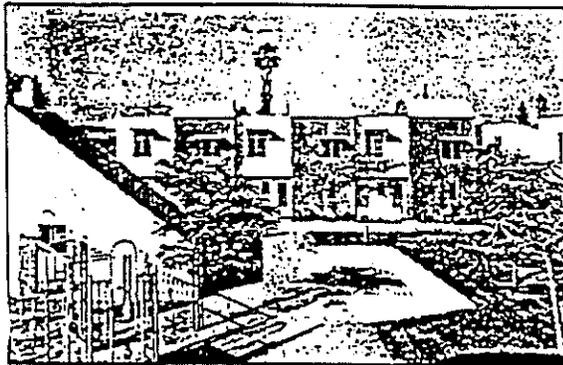
To qualify as low income under federal guidelines, a family of four could have an income of up to \$30,000, while a single person could have an income of up to \$18,000, Silverwood said.

See Loan on Page B-4

Developments draw low-income families

Two recently completed townhouse-style developments in Escondido are now home to 21 low-income families who, on average, earn no more than \$12,000 a year.

The developments, which have won awards for Davids Killory's architectural design, offer two- and three-bedroom apartments with



rents ranging from \$275 to \$300 for very low-income families and from \$450 to \$500 for low-income households.

So popular has the housing been that 200 are on a waiting list.

The project, located on two sites on Grand and Washington avenues, was developed by a partnership

Davids Killory's Daybreak Grove

of the non-profit corporation North County Housing Foundation and the California Equity Fund, which invests corporate dollars in low-income housing developments through the use of tax credits.

The \$2.6 million project was funded through a broad combination of low-interest loans and grants from the city of Escondido's community development commission, San Diego Community Foundation, Local Initiatives Support Corp. and the state's rental-housing construction program. Federal community development block grant money also was pumped into the project.

— Lori Weisberg

**For further information on Escondido's Housing Programs,
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