

ATTACHMENT 1

Jurisdiction	Escondido	
Reporting Year	2023	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	04/30/2021 - 04/30/2029

**ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation**

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
Please contact HCD if your data is different than the material supplied here

Table B														
Regional Housing Needs Allocation Progress														
Permitted Units Issued by Affordability														
		1	2										3	4
Income Level		RHNA Allocation by Income Level	Projection Period - 06/30/2020-04/29/2021	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	1,864	-	25	-	-	-	-	-	-	-	-	107	1,757
	Non-Deed Restricted		13	2	25	42	-	-	-	-	-	-		
Low	Deed Restricted	1,249	-	25	10	-	-	-	-	-	-	-	114	1,135
	Non-Deed Restricted		3	13	29	34	-	-	-	-	-	-		
Moderate	Deed Restricted	1,527	-	-	-	-	-	-	-	-	-	-	76	1,451
	Non-Deed Restricted		36	16	13	11	-	-	-	-	-	-		
Above Moderate		4,967	382	168	154	521	-	-	-	-	-	-	1,225	3,742
Total RHNA		9,607												
Total Units			434	249	231	608	-	-	-	-	-	-	1,522	8,085
Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).														
		5											6	7
		Extremely low-income Need		2021	2022	2023	2024	2025	2026	2027	2028	2029	Total Units to Date	Total Units Remaining
Extremely Low-Income Units*		932		-	5	18	-	-	-	-	-	-	23	909

*Extremely low-income housing need determined pursuant to Government Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.
 Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).
 Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.
 Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Jurisdiction	Escondido		
Reporting Year	2023	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
<p>1.1 Sites Inventory and NoNet Loss/Replacement Housing Monitoring.</p>	<p>New housing opportunities for homeownership and rental for all households by supporting construction of new housing for homeownership and rental units on vacant and nonvacant sites identified in the sites inventory.</p>	<p style="text-align: center;">Ongoing</p>	<p>1. In 2023 the City of Escondido developed and implemented a procedure to track No Net Loss and Replacement Requirement (AB 1397 and SB 166). The No Net Loss process tracks unit count and income/affordability assumed on parcels in SSI; actual units constructed and income/affordability, and net change in capacity and RHNA on a monthly basis. For the SB 166 Replacement Requirement, a secondary process for tracking has been implemented through the City's Cityworks software. Planners register the number of units demolished on an ongoing basis.</p> <p>2. The East Valley Specific Plan was adopted July 19, 2023. The plan rezoned approximately 191 acres into mixed use, residential, commercial and open space uses to provide wholelistic housing opportunities for Escodido Residents.</p> <p>3. As of 2023, a Sites Inventory has been published on the City's webpage.</p> <p>4. In 2024, planning staff will amend the Zoning Code to require replacement of existing deed restricted or occupied units by lower income households as a condition of project approval, pursuant to AB 139. Even though there is no ordinance a place at the local level, City staff defer to state regulation.</p>

<p>1.2 Density Transfer Programs</p>	<p>Efficient use of land resources by increasing the residential capacity of a project. The program ensures that capacity in the Downtown and East Valley will never be lost if a property is developed with fewer residential units allowed by the zoning.</p>	<p>2023</p>	<p>Completed and Under Implementation.</p> <p>The City maintains a Density Transfer Program for the Downtown and East Valley Specific Planning areas. The Downtown Specific Plan established a density transfer program under Resolution No. 2019-69 and the East Valley program was established last July (2023) through Ordinance No. 2023-10, which included the EVSP Density Transfer Program. The City has developed administrative mechanisms and processes to implement a density transfer program to ensure no loss of potential units within the planning areas occurs as described in the respective specific plans. City staff continue to communicate this program and the available units to developers, property owners, and interested parties.</p>
<p>1.3 By-Right Approval of Projects with 20% Affordable Units on "Reuse" Sites and Sites Rezoned</p>	<p>Facilitate housing development for lower income households by allowing for by-right approval of housing development that includes 20% of the units as housing affordable to lower income households in line with AB 1397.</p>	<p>Within 1-year of Housing Element Adoption</p>	<p>Not yet Started.</p> <p>The City worked on Housing Element certification for a majority of 2023. On December 12, 2023, the City received HCD Housing Element certification. Now that the document is in substantial compliance with state law, the City will begin implementation of programs which include developing and adopting a by-right ordinance.</p>
<p>1.4 City-Owned Sites</p>	<p>Facilitate the redevelopment/development of affordable housing on City-owned sites.</p>	<p>Annually</p>	<p>Underway.</p> <p>The City's current policies are aligned with state's requirements for the Surplus Land Act. Currently, the City's Real Property Division is experiencing staff turnover. Once a new point of contact is assigned, the City will continue coordination and inventory of potential Surplus Land Act sites, which is the first step in facilitating redevelopment of City-owned sites. There is only one City-owned site of the SSI which is under review by the City's Real Property Division for consideration of redevelopment.</p>

<p>1.5 Lot Consolidation</p>	<p>Efficient use of land resources through consolidation of small lots to achieve economies of scale and offer opportunity for improved site design and amenities.</p>	<p>Ongoing and action in 2023</p>	<p>Underway.</p> <ol style="list-style-type: none"> 1. As part of the Housing Element Update, the City included a Sites Inventory to facilitate development. This SSI is on the City's website in table format. The City is currently working with our internal GIS department to create a web-app of the City's SSI, which includes sites identified for consolidation. 2. City staff continue to assist developers with identification of parcels for consolidation and partnership opportunities between interested property owners, as available. 3. The City continues to use a streamlined process for lot consolidation purposes. 4. The City anticipates a zoning ordinance update that will include incentives for lot consolidation by mid 2025.
<p>1.6 Density Bonus</p>	<p>Facilitate affordable housing development.</p>	<p>2022</p>	<p>Completed. The City amended the Density Bonus ordinance in 2021 and 2022 to comply with AB 2345.</p>
<p>1.7 Removal of Constraints to Development</p>	<p>Facilitate housing development by removing potential constraints to development.</p>	<p>2021-2022</p>	<p>Underway.</p> <p>The City adopted modifications to the City's Downtown Specific Plan to allow ground floor residential uses in areas where previously they were prohibited by a mandatory commercial component for mixed-use development. In 2023, the City began working with SANDAG's Housing Acceleration Program Technical Assistance to develop objective design standards and a procedure to qualify projects under SB 35. Coordination will continue throughout 2024 to ensure that the new standards are effective in supporting new housing and reducing development constraints.</p>

<p>1.8 Monitoring of Growth Management Measure</p>	<p>Increased public awareness of the City's housing needs and obligations under State law.</p>	<p>Ongoing</p>	<p>Underway. The City continues to monitor Proposition S and potential impacts to development in the City</p>
<p>2.1 Accessory Dwelling Units</p>	<p>Additional housing opportunities for lower and moderate income households through ADU construction.</p>	<p>Throughout planning period, as well as actions in 2022.</p>	<p>Underway.</p> <ol style="list-style-type: none"> 1. The City is finalizing consultant procurement to develop 6 pre-approved ADU floor and architectural plans. With the reallocation of LEAP funding, the City will develop a public-facing ADU guide that will empower residents and facilitate the permitting and construction process of ADU's within the City. Community outreach and engagement to raise awareness will also be included. 2. ADU submittals are continuing to increase annually. Staff continues to facilitate ADU submittals through personal interactions with the public and developer community. The City's ADU ordinance was updated in 2021 and 2022 to ensure compliance with State Law and consistency with the Escondido Zoning Code. 3. An ADU ordinance allowing religious institutions to construct ADUs has yet to be developed. 4. The City monitors ADU construction annually and monthly as a part of the RHNA tracking process. Trends during the 6th cycle thus far show the City is on track to meeting its 360 ADU estimate, with over 200 ADUs issued building permits in the planning period so far.

<p>2.2 First-Time Homebuyer Assistance</p>	<p>Additional housing opportunities for lower income households by helping at least one household annually (8 over the planning period).</p>	<p>Ongoing/annually</p>	<p>Ongoing.</p> <p>The City of Escondido's First-time Homebuyer program served one individual for the 2023 calendar year.</p> <p>Housing and Neighborhood Services staff continues to provide information about the First-time Home Buyer program to residents. Although there is public interest in the program, San Diego's exorbitant housing prices and increasing interest rates make it impossible for individuals to afford a home. HUD's maximum purchase price limits also prevent individuals from pursuing home purchases. The median list price of a home in Escondido, according to Zillow, is \$860,833 which is almost \$184,833 more than the maximum purchase price set by HUD, \$676,000.</p> <p>City staff are currently experiencing gridlock in administering the First-time Homebuyer Program since families that meet the program's income limits are not able to afford a monthly mortgage, typically around \$8,000 a month.</p>
<p>2.3 Essential Middle Income Rental Housing Program</p>	<p>Additional housing opportunities for lower and moderate income household.</p>	<p>Ongoing</p>	<p>Underway.</p> <p>In 2023, the City did not receive inquiries to convert properties to affordable housing.</p>
<p>2.4 Housing Choice Vouchers</p>	<p>Rental Assistance for extremely low /very low income households – 1,000 households with Housing Choice Vouchers; 30 senior/disabled households for rent sub</p>	<p>Ongoing</p>	<p>Underway.</p> <p>In 2023, 829 Escondido residents received Housing Choice Vouchers from the San Diego County Housing Authority. There are 4,370 households on the wait list.</p> <p>The City continues to market the Housing Choice Voucher Program and other rental assistance programs on the City's website and public counters.</p> <p>The City continues to assist 19 seniors with an ongoing rent subsidy ranging from \$75 - \$125 per month. All rent subsidy awardees are on the waiting list for Section 8 vouchers.</p>

<p>2.5 Mobile Home Park Conversion</p>	<p>Housing stabilization and home ownership opportunities for lower and moderate income households</p>	<p>Ongoing/annually</p>	<p>Underway.</p> <p>No mobile home park conversions occurred in 2023. No city-sponsored workshops or technical assistance was provided to the residents to meet this goal.</p>
<p>2.6 Mobile Home Rent Review</p>	<p>Stabilized rents for mobile home residents, many of whom are lower income.</p>	<p>Ongoing</p>	<p>Underway.</p> <p>The City continues to review and process applications in adherence with local and State law.</p> <p>In 2023, 4 short/ 2 long applications were presented to the Rent Review Board.</p>
<p>2.7 Special Needs Housing</p>	<p>Increased housing opportunities for households with special needs.</p>	<p>2022</p>	<p>Underway.</p> <p>In 2023, the City began collaboration with SANDAG's Housing Acceleration Program Technical Assistance to develop Zoning Code amendments that will address provisions of special needs housing including transitional housing, emergency shelters, employee housing, reasonable accommodation for persons with disabilities, residential care facilities, and manufactured homes. The City received draft language for modification of the City's Zoning Code related to these areas and is in process of reviewing said proposed modifications from the TA support. The City anticipates a code amendment by EOY 2024.</p>
<p>2.8 Affordable Housing Development</p>	<p>Acquisition, rehabilitation, preservation, or construction of affordable housing for lower and moderate income households.</p>	<p>Annually</p>	<p>Underway.</p> <p>1.The construction of 10 new affordable homeownership units at less than 80% AMI located at 245 E. El Norte Parkway, Escondido, CA is underway and expected to be finalized in April 30, 2024.</p> <p>2.In 2023, the City completed Valley Senior Village, a 50-unit multifamily development for seniors 62+. Valley Senior Village will provide 24 units for individuals experiencing homelessness and 25 units for 30-60% AMI using recycled RDA Funds. One unit will be reserved for the onsite manager.</p>

<p>2.9 Inclusionary Housing Assessment (not yet adopted)</p>	<p>Education of City Officials and general public on inclusionary housing mechanisms; potential adoption on an inclusionary housing ordinance.</p>	<p>2022 and prior to 7th cycle</p>	<p>Not yet Started</p> <p>Program 2.9 requires the City to conduct a Residential Sector Feasibility Study (RSFS) in the event affordable units are not numerically on track with projected RHNA allocations after two consecutive APR years. The City's 2023 APR numbers have shown that permitted low and very low-income units are comparatively lower than above moderate developments, triggering Program 2.9's requirement to conduct an RSFS. In the next 12-18 months the City will work toward identifying funding and procuring a consultant to lead the RSFS. Results will help the City meet all of the 6th cycle housing element's RHNA allocations.</p>
<p>2.10 SB 9 Ordinance</p>	<p>Increase housing opportunities and densities throughout the City's low density residential zones.</p>	<p>2022</p>	<p>Completed and Under Implementation.</p> <p>In 2023, the City adopted an SB 9 ordinance. Since, the adopted of the local ordinance, the City has received two requests for urban lot splits, both of which are currently in the review process. We have yet to receive any SB 9 requests for two-family unit developments. If SB 9 family unit subdivisions are requested, the City will monitor affordability. The City receives numerous inquiries on two-family unit development and anticipates further growth of such requests in CY 2024.</p>
<p>3.1 Housing Rehabilitation</p>	<p>Improved housing conditions for lower income households.</p>	<p>Annually</p>	<p>Not yet implemented.</p> <p>No housing rehabilitation programs were initiated by the City in the 2023 FY.</p>

<p>3.2 Focus on Neighborhoods</p>	<p>A place-based strategy for neighborhood improvements and the opportunity for significant community impact both in physical improvement and improvement in quality of life for neighborhood residents.</p>	<p>Annually</p>	<p>Underway.</p> <p>In 2023, The City of Escondido approved 4 CDBG neighborhood improvement projects within Disadvantaged Communities. Projects include: (1) multiple community clean ups, (2) upgrades to light fixtures in Old Escondido, (3) graffiti eradication, and (4) upgrades to the Washington Pool at Washington Park. Additionally, the City funded a splash pad in at Grove Park. The City continues to implement the second phase of the Old Escondido Neighborhood Lighting project through CDBG funds.</p> <p>In 2023, the City leveraged CDBG-CV funds to develop a Request for Proposal (RFP) for homeless prevention and utility assistance. In 2024, Housing and Neighborhood Services staff will work with FORWARD, the contract awardee, to implement both programs.</p> <p>In the calendar year 2023, project NEAT worked on 131 cases total and referred 17 cases to the City's Code Compliance Division for enforcement.</p> <p>Housing and Neighborhood Services staff continues to work with the engineering department on the safe routes to school program. In the 2024 calendar year, staff will explore the possibility of providing sidewalks for residents from the South Tulip Neighborhood (CT 205.03) since there are safety concerns for children who walk to Felicita Elementary School.</p>
<p>3.3 Preservation of At-Risk Housing</p>	<p>Continued affordability of subsidized housing developments.</p>	<p>Annually</p>	<p>Underway.</p> <p>City staff are working on an agreement with Community Housing Works, the nonprofit that administers Escondido's Daybreak and Sunrise multifamily properties, to extend the affordability of 29 units for another 45-years. A new agreement is expected to be issued in 2024.</p>

<p>3.4 Fair Housing</p>	<p>The City will undertake a series of actions to affirmatively further fair housing.</p>	<p>Various implementation dates, including annually.</p>	<p>Underway.</p> <p>In April of 2023, a total of two fair housing workshops were conducted, one in English and one in Spanish. Legal Aid held a staff training in March of 2023 and hosted quarterly virtual webinars throughout the year. All of the items listed within Program 3.4 that relate to Legal Aid's testing, reporting, and monitoring were incorporated into the City's 2023 contract with Legal Aid and were fulfilled by Legal Aid in the 2023 CY. The City will continue to require such contract such requirements with Legal Aid.</p> <p>The EVSP was successfully adopted in July 2023.</p> <p>Pedestrian signals at Tulip and Quince Street crossings were installed successfully in 2023.</p> <p>All Creek Trail Corssing Improvements between Hickory and Harding occurred in 2023.</p> <p>The City was awarded grant funding totaling approximately \$600,000 dollars for the purposes of an Urban Forestry Management Program, with a Notice to Proceed anticipated in April 2024.</p> <p>The Escondido Creek Trail project continues to progress and received environmental clearance in 2023. Construction is anticipated to begin in 2024.</p> <p>Due to continued and increased turnover experienced in the Housing, Planning, and Real Property divisions during 2023, the City has faced extreme challenges in conducting events such as those related to outreach and certain code amendments that require expertise. The City continues to face a structural financial deficit that impedes fiscal resources that can be leveraged for housing element implementation. However, the City does continue to leverage available, low-to-no-cost resources as available, such as the SANDAG HAP TA and pursue grant funding as capacity allows.</p>
--------------------------------	---	--	--