

City of Oceanside, California  
Neighborhood Services Department – Housing Division

**CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT  
Program Year 2021**

**INTRODUCTION**

The Consolidated Annual Performance and Evaluation Report (CAPER) describes all of the housing and community development activities to which the City of Oceanside allocated Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) program funds during Program Year 2021, the second year of the 2020-24 Consolidated Plan for Housing and Community Development. The U.S. Department of Housing and Urban Development (HUD) manages these programs and distributes funds to the states and eligible local jurisdictions based upon an annual appropriation from Congress. The CAPER includes an evaluation of how well the City did in fulfilling the objectives of the five-year Consolidated Plan for Housing and Community Development through the activities of the annual Action Plan. The City must submit the CAPER to HUD ninety days after the close of the CDBG program year (September 28, 2022). Part 1 of the CAPER provided a response to HUD regulatory requirements for reporting program performance and accomplishment.

Part 1 of the CAPER is organized in accordance with the objectives listed in the City's CDBG 2021-22 Action Plan, which in turn is based on the 2020-24 Consolidated Plan for the City. The City's Action Plan address each of the eight Consolidated Plan objectives with specific activities, and performance is measured against the anticipated outcomes for the activities. The eight categories are Program Administration, Housing Rehabilitation, Affordable HOME Housing, Public Facilities and Infrastructure, Code Enforcement, Public Services, Fair Housing, and Section 108 Loan Repayment. In addition, similar activities funded from other sources are described. The financial assistance and program achievements are summarized below each objective.

The City Council of the City of Oceanside approved on August 5, 2020 the Consolidated Plan for Housing and Community Development for the period of July 1, 2020 to June 30, 25. The City is required to develop an annual Action Plan that describes the activities to be carried out during the program year that will address the objectives identified in the Consolidated Plan. The City Council approved the 2021-22 Action Plan and it was submitted for review to the U.S. Department of Housing and Urban Development (HUD) Los Angeles Field Office.

The Annual Action Plan also lists other federal, state, and local resources anticipated being available to support affordable housing and community development activities within the City of Oceanside during the program year. The City uses its resources to leverage additional funding from private and public sources to achieve the goals and objectives outlined in the Consolidated Plan. The CAPER reports on how the City used these additional resources during the program year toward meeting the objectives in the consolidated plan and specific strategies of the Action Plan.

Due to the impacts of the on-going COVID-19 Pandemic and variants new funding has been allocated from the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Due to timing considerations all CARES funds are connected to project year (PY) 2019. HUD has allocated Oceanside a combined total of \$2,023,189 in CDBG-CV funding to assist in Preparing, Preventing, or Responding to COVID-19 impacts. All reportable actions are connected to the 2015-20 Consolidated Plan and 2019-20 annual Action Plan.

The City had \$29,722,352 (see page 4 below) available for programs and projects, with most funds dedicated to providing affordable housing in the City. Statistical and financial reports required by HUD are included as attachments to the narrative documents.

## **NATIONAL OBJECTIVES**

The statutes for the Consolidated Plan set forth three basic goals – the National Objectives - against which the plan and the jurisdiction's performance under the plan will be evaluated by HUD. Each jurisdiction's plan must establish how it will pursue these goals for all community development and housing programs, and how these programs and activities will serve low- and moderate-income individuals, families and neighborhoods. Program goals are:

### **1. Decent Housing** - - which includes:

- assisting homeless persons obtain affordable housing;
- assisting persons at risk of becoming homeless;
- retention of affordable housing stock;
- increase the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;
- increasing the supply of supportive housing which includes structural features and services to enable persons with special needs including persons with HIV/AIDS to live in dignity and independence; and
- providing affordable housing that is accessible to job opportunities.

### **2. A Suitable Living Environment** - - which includes:

- improving the safety and livability of neighborhoods;
- increasing access to public and private facilities and services, including services for children, youth and seniors, and health and wellness programs;
- reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods;
- restoring and preserving properties of special historic, architectural, or aesthetic value; and
- conservation of energy resources.

### **3. Expanded Economic Opportunities** - - which includes:

- job creation and retention;

- establishment, stabilization and expansion of small businesses (including micro-businesses);
- the provision of public services concerned with employment;
- the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;
- availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices;
- access to capital and credit for development activities that promote the long-term economic and social viability of the community; and
- empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

#### **4. Coronavirus Aid, Relief and Economic Security Act (CARES Act)**

- Prepare to assist low- and moderate-income residents impacted by COVID-19
- Prevent to assist low- and moderate-income residents impacted by COVID-19
- Respond to assist low- and moderate-income residents impacted by COVID-19

This 2021-22 Action Plan for the City of Oceanside addressed these three statutory program goals with local goals, objectives, strategies/activities and anticipated outcomes. The following criteria were taken into consideration for setting priorities:

- The extent to which a particular objective meets needs as identified in the Needs Assessment section of this Consolidated Plan;
- The extent to which the City's resources including federal, state and local funds will be available to address the identified needs and related objectives;
- For housing objectives, the degree to which an objective would assist the City to meet its Fair Share of the Regional Housing Need;
- For homeless objectives, the degree to which an objective would provide services to families at risk of homelessness or homeless.

The City of Oceanside will particularly support projects and activities that address the national goals with specific local goals:

- For Decent Housing, the City looks for projects and activities that address the regional plan for affordable housing, the recommendations in the Affordable Housing Strategy identified in the Oceanside Housing Element 2013-2020, and the regional plan to eliminate chronic homelessness.
- For a Suitable Living Environment, the City will look for projects and activities that provide services to the neediest persons in the community, strengthen family life for low- and moderate-income families and households, and that support positive youth development.

- For Expanded Economic Opportunity, the City will look for projects and activities that improve conditions and offer opportunity for the “working poor” and for persons who have lost jobs in the recession.

The City of Oceanside also looks for projects and activities that support in some way the City’s Vision Statement:

*The City of Oceanside will be a safe, culturally diverse community that empowers its citizens to provide an environment that promotes economic development, supports quality education, fosters the cultural arts and preserves its natural resources.*

The City of Oceanside has adopted an outcome performance measurement system for the CDBG and HOME Programs that meet or exceed HUD requirements, and has revised subrecipient reporting forms to fulfill HUD requirements for performance measurement. The City strives to score in the top 25<sup>th</sup> percentile in all HUD reports, including the HOME Snapshot and Dashboard reports, and to become an outstanding performer in HUD scoring of the Consolidated Annual Performance Evaluation Report.

### **Summary of Resources 2021-22**

#### **1. Community Development Block Grant**

a. CDBG Entitlement for 2021-22	\$1,375,537
a. Program Income 2021-22 (Rehabilitation & MHS loan repayment)	<u>\$82,126</u>
	\$1,457,663

#### **2. Affordable Housing Development**

a. HOME Entitlement for 2021-22	\$620,399
b. CalHome re-use funds	\$196,955
c. Redevelopment (Low-Mod housing)	\$299,476
d. Inclusionary Fees	\$1,432,763
e. Mortgage Revenue Bond Fees	<u>\$136,010</u>
	\$2,685,603

#### **3. Other HUD, Federal & State Funding**

a. Section 8 Rental Assistance (estimated)	\$23,342,135
c. Family Self-Sufficiency (FSS) Coordinator grant	\$72,000
e. Supportive Housing Program (SHP) - WRC	<u>\$145,091</u>
	\$23,559,226

<b>Total Funds</b>	<b>\$27,702,492</b>
--------------------	---------------------

**PROJECTS, OBJECTIVES, ACTIVITIES AND OUTCOMES**  
**as reported to**  
**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

The City reports to the U.S. Department of Housing and Urban Development (HUD) as to how the City uses CDBG, HOME and other federal, State and local funds to address the local objectives listed in the 2020-24 Consolidated Plan and annual Action Plan. The HUD online reporting system (IDIS) uses a combination of projects and activities for reporting. The listing below of the City's projects for Program Year (PY) 2021 (FY 2021-22) includes the regulation citation (CFR) and HUD code, related objective(s), the specific activities that will be funded, the source of funds, (CDBG, HOME or other) for the activities and the outcome statement and performance measurement report for individual activities. Additional and more detailed information is available in the IDIS reports attached to this CAPER, including the PR03 Summary of Activities, PR06 Summary of Consolidated Plan Projects and PR23 Summary of Accomplishments.

The City will submit to HUD for approval any substantial amendments to the Consolidated Plan and the PY 2021 Action Plan after approval by the City Council. This includes any changes to the use of HOME or CDBG as shown in the Action Plan. The only change in PY 2021 was required in the notification the City was awarded \$2,248,491 in HOME-ARP allocation. The Amendment to the 2021-22 Annual Action Plan allocated these funds to the 60 unit Greenbrier Village Affordable Apartments. In this CAPER, each objective is listed followed by the proposed activities and available resources for the 2020-24 program year. The CAPER then shows how resources were used, the number of persons or households that were served, and program achievements.

Coronavirus Pandemic

Activities in the last two years have continued to be significantly impacted by the Coronavirus pandemic and shifting of operations. Depending upon the nature of the activity operational hours were reduced or shut down as dictated by the State and local health mandates. All programs including city operations have been impacted and changed by the coronavirus and the impacts continued into the 2021-22 fiscal year.

CARES Act – CDBG-CV

To address impacts to the community due to the economic shut-down the city amended its 2019-20 Annual Action Plan to address the need for virtual hearings, new HUD funding (CDBG-CV & CDBG-CV3), and various waivers on HUD programming). Activities funded to address COVID-19 impacts are identified in the 2021-22 CAPER; but persons served is not part of the 2021-22 CAPER Report.

**IDIS PROJECT LISTINGS**

Following is the list of City projects described in the 2020-24 Consolidated Plan and designated in the HUD online reporting system (IDIS), together with the related objective(s), the specific activities that were funded in program year 2021, and the source of those funds (CDBG, HOME, ADDI, ESG or other). The actual outcome measurement is shown for individual activities. More detail on each activity is reported

in the IDIS PR03 Report. The City of Oceanside has eight projects; each project can have multiple activities.

The eight projects are:

1. Program Administration

a. Objective: Planning and Administration & Funding

- i. Housing & Development - \$149,871
- ii. Fair Housing - \$20,000
- iii. Grants Administration - \$102,667
- iv. HOME Administration - \$62,040

b. Outcome Measurement: N/A

c. Accomplishments:

- i. Finalized the development of the HOME funded Tenant-Based Rental Assistance program, selected community partner, entered into contract to implement the TBRA program
  - 77 applications are incomplete
  - 99 applicants are ineligible
  - 9 applicants are disqualified
  - 67 applicants seen by Case Managers
  - 38 No show
  - 32 meet phase one income eligibility criteria (ICS documentation completed & paystubs collected)
  - 32 clients passed phase two eligibility (TBRA program & Rental subsidy documentation)
  - 29 unit inspections completed
  - 32 vouchers issued
  - 18 Housing Assistance Payment (HAP) contracts signed
  - 2 meetings scheduled with landlord & tenant for HAP execution next week
  - 9 payments completed for June housing assistance
- ii. Worked with the Neighborly software for loan management & housing rehabilitation cloud-based software vendor. Program went live for housing rehab and CDBG subrecipient processing.
- iii. Implemented the final COVID related relief programs.
  1. Food Distributions (families & seniors)
  2. Hotel/Motel Vouchers w/ case management
  3. PPE for non-profits
- iv. Processed nine internal and external agreements, implemented annual activities, and monitored activities both remotely and in-person.

2. Housing Rehabilitation: Due to the Coronavirus Pandemic, our housing rehabilitation operations have been significantly impacted. The majority of the residents applying for these programs make up a big percentage of the city of Oceanside's vulnerable population. The Coronavirus Pandemic has primarily affected the low to moderate income, elderly, and racial/ethnic minority groups. The Mobile home Rehabilitation

Improvement grant program, along with the Single-family Rehabilitation Grant Program seem to identify with a majority of these classes. With new pandemic inspection protocols, strong rise in the cost of construction materials, and a shortage of general construction laborers, the program has languished.

1. Single-family Rehabilitation Loans

- a. Objective: Provide low-interest loans to low-income homeowners to rehabilitate their homes.
- b. Outcome Measurement: Create decent housing with improved or new affordability; no single-family rehabilitation loans were made
- c. Funding: CDBG – \$67,000
- a. Accomplishment: Due to the Coronavirus Pandemic housing operations have not been very strong. Within the last year, housing market sellers were able to sell homes in need of repair for a great profit without the need to repair them and a long list of buyers willing to overlook home inspections and could easily close escrow. As home prices are now starting to come down, buyers are starting to ask for concessions. Homeowners are now looking to make repairs to their home. The program has struggled to find adequate construction contractors that are able to meet the labor shortages that seem to plague every industry. Construction material cost have also increased 31.3 percent from early 2020 to early 2022, just to add to the overall cost of residential construction increases.

In the past six months staff received 11 inquiries; eight potential applicants were pre-screened for eligibility but neither of these households met the equity criteria to support a loan. Three potential borrowers are in process to possibly receive a loan. The program just started in person outreach and promotion of the Rehabilitation Loan program through community and public events due to the gradual return to normal activities from Coronavirus Pandemic. We continue to receive inquiries and anticipate numbers to improve as the Pandemic eases and as staff are able to get out to community events to promote the program.

2. Mobile home Rehabilitation and Improvement Grants

- a. Objective: Provide up to \$6,000 grants to low-income mobile home owners to repair and/or improve their mobile homes
- b. Outcome Measurement: Create decent housing with improved or new affordability
- c. Funding: CDBG - \$100,000
- d. Accomplishments: Due to Covid-19 Pandemic, mobile home inspections were carefully ongoing. General construction contractors have had a hard time keeping up with demand as there is a shortage of skilled workers along with many of the construction crews being plagued by the Covid-19 Pandemic. During the last six months of the program year we received 87 inquiries about the program 70 applications were mailed for grant assistance increasing the waiting list to 130 households. However, 15 are in process, of which, 2 additional households completed the process and are to be funded in the

program year. As time permits staff will update the list to eliminate people no longer seeking assistance. Staff has prioritized urgent needs such as leaking roofs, energy efficient retrofit windows, and heating and cooling repairs. Most likely due to the ongoing draught and extreme temperatures we have seen residents having a need to use equipment that rarely needed to be used in the past.

3. Rehabilitation Program Administration and Loan Services

- a. Objective: Planning and administration
- b. Outcome Measurement: n/a
- c. Funding: CDBG - \$33,000
- d. Accomplishment: n/a

3. Affordable HOME Housing

- a. Objective: Assist organizations that provide programs and services to low- and moderate-income persons, families and neighborhoods to acquire, construct, and/or rehabilitate community facilities, service centers, or residential buildings
- b. Outcome Measurement: Create decent housing with improved or new accessibility
- c. Funding: There was no CDBG or HOME funding allocation. Received HOME-ARP funds in the amount of \$2,248,491.
- d. Accomplishment: Issued a Request for Proposals (RFP) for affordable housing development. Working with Greenbrier Village, LP. To develop a 60 unit affordable housing project with 1,300 square feet of commercial/office space, 1,400 square feet of community space, parking and related improvements. Of the 60 unit total, 50 units will be studio units, 9 will be one-bedroom units and one will be a two-bedroom managers unit. All 59 units will be set-aside for residents needing permanent supportive housing and set-aside for residents meeting the 30% area median income requirements.

4. Public Facilities & Infrastructure

- a. Objectives:
  - Construct or renovate public facilities that serve low- and moderate-income individuals, families and neighborhoods, including community centers for senior citizens, youth, and families; neighborhood resource centers; and recreation facilities.
  - Construct or renovate public infrastructure, including streets, sidewalks, lighting and other improvements in low-income neighborhoods
- b. Outcome Measurement: Enhance a suitable living environment through improved or new accessibility
- c. Funding:
  - a. Brooks Street ADA - \$400,000
  - b. Crown Heights Capital Project & ADA - \$734,525
  - c. Libby Lake Park Amenity - \$100,000
- d. Accomplishment:



- a. Brooks Street ADA Improvements (between Mission St and Country Club Ln). Project design completed. CIP process completed – construction to start July 2022 with project completion early fall. Project IDIS activity number 1318 meets National Objective Low-Mod Area and will serve approximately 4,615 persons - \$400,000. Project will be completed in the next fiscal year cycle.
- b. Crown Heights Capital Project & ADA (Starting federal environmental review process. Facility is located on the State and National Historic Registries. In negotiations with the State Historical Office to determine what will be allowed to address the significant building needs.
- c. Libby Lake Park Amenity – determined community interest to change the existing volleyball sand court to a foosball court.

5. Code Enforcement

- a. Objective: Prevent blight in low-income neighborhoods through targeted NRSA areas (Calle Montecito, Crown Heights & Eastside) code enforcement programs in coordination with affordable housing incentives
- b. Outcome Measurement: Enhance suitable living environment through improved or new sustainability in CDBG eligible neighborhoods
- c. Funding & Accomplishment:
  - i. Provided 343 citations in Solid Waste, Vehicle Abatement & Substandard Dwelling, and Graffiti removal. Project IDIS activity number 1335 meets National Objective Low-Mod Area and served 343 persons - \$250,000
  - ii. To be in compliance with HUD guidance regarding Code Enforcement activities in California staff had enacted a transition agreeing to implement CDBG eligible CIP projects and freeing up General Fund to transition the Code Enforcement off the CDBG rolls. The Consolidated Plan outlined the process to reduce CDBG funding for Code Enforcement in Years one and two and eliminate all CDBG funding for Code Enforcement in year three. This is now in place with no CDBG funding for Code Enforcement and any unfunded CDBG dollars are in the CIP Contingency account.

6. Public Service Project has seven activities. These seven activities are either serving low-mod youth, low-mod community households, and seniors.

a. Youth Services

- i. Objective: Assist organizations that provide programs and services for children and youth from low- and moderate-income families to develop positive personal assets, encourage academic achievement, and reduce the risk of juvenile delinquency
- ii. Outcome Measurement: Enhance a suitable living environment through improved or new accessibility
- iii. Funding: CDBG - \$76,124
- iv. Accomplishment: The programs generally provide a Post Survey to document outcomes but due to COVID-19 no surveys were collected. Activities in the latter half of the fiscal year were significantly impacted by

the Coronavirus pandemic. Depending upon the nature of the activity operational hours were reduced or shut down as dictated by the State and local health mandates. All programs including city operations have been impacted by the coronavirus and the impacts continue into the following fiscal year.

	Funded	Youth
Parks & Recreation Teen Program	\$18,600	19
Parks & Recreation Afterschool Program	\$18,200	33
Vista Community Clinic Teen REACH	\$19,662	42
North County Lifeline – CH Youth	<u>\$19,662</u>	<u>97</u>
<b>Total</b>	<b>\$76,124</b>	<b>191</b>

b. Senior and Disabled Services

i. Objectives:

- a. Assist housing developers to develop independent living and supportive housing opportunities for low-income persons with disabilities
- b. Assist housing developers to develop affordable housing for low-income senior citizens
- c. To the greatest extent feasible, construct or modify assisted housing units to comply with the Americans with Disabilities Act
- d. Assist organizations that provide programs and services to senior citizens that enable them to live independent lives
- e. Assist organizations that provide programs and services to persons with disabilities that enable them to live independent lives

ii. Outcome Measurement: Enhance a suitable living environment through improved or new accessibility

iii. Funding: CDBG - \$37,723

iv. Accomplishments: Activities in the latter half of the fiscal year were significantly impacted by the Coronavirus pandemic. Depending upon the nature of the activity operational hours were reduced or shut down as dictated by the State and local health mandates. During the pandemic Club 55's goal shifted to supporting club members. The senior nutrition program converted their congregate clients to receive home delivered meals. All programs including city operations have been impacted by the coronavirus and the impacts continue into the following fiscal year.

	1. Funding	Persons
b. Senior Nutrition Program	\$31,904	618
c. Club 55 Senior Fitness Program	<u>\$14,181</u>	<u>69</u>
v. <b>Total</b>	<b>\$46,085</b>	<b>687</b>

c. Crown Heights / Eastside Community Resource Centers

- i. Support development and growth of the Crown Heights / Eastside neighborhood through the operation of community resource centers to provide implementation of a comprehensive neighborhood revitalization plan

access to information and services for residents, support for neighborhood associations, and a venue for services by nonprofit social service and health organizations, programs for children and youth, and programs aimed at enhancing economic opportunity for adults in the community.

- ii. Outcome Measurement: Enhance a suitable living environment through improved or new sustainability
- iii. Funding: CDBG - \$94,898
- iv. Accomplishments: Served 1,095 (more than three times triple outcomes) Oceanside Residents by providing activities and services at the Crown Heights Resource Center and Eastside Resource Center. Activities in the latter half of the fiscal year were significantly impacted by the Coronavirus pandemic. Depending upon the nature of the activity operational hours were reduced or shut down as dictated by the State and local health mandates. All programs including city operations have been impacted by the coronavirus and the impacts continue into the following fiscal year. The Community Resource Centers were the only locations open to the public during the Pandemic, eight hours per day, five days per week. Community Resource Center staff were able to increase access to services and programming to meet the needs of City's residents. Accomplishments include:
  - a. Due to the COVID-19 pandemic large-scale events were not permissible. Our most attended events were food distributions paired up with VCC, Lived Experiences and BCDI separately. Awareness was spread through calendars but due to the pandemic most participants were unable to be surveyed. However, most reported gratitude and a feeling of well-being since they had access to food during times of financial and health distress.
  - b. Health and fitness activities were limited to focusing on getting residents tested and vaccinated against COVID-19. Due to social distancing guidelines residents were unable to be surveyed at these events. However, VCC staff ensured that residents were aware of their health by doing additional vital services for residents being tested and through the SD County's SAVE program raising awareness on vaccinations, COVID-19 symptoms, and where and how to get vaccinated. Most residents expressed a feeling of safety when vaccinated and tested.
  - c. Due to the COVID-19 pandemic, our campaigns were severely limited. It wasn't until the 4th quarter that the Oceanside Public Library was able to serve the site in person and served on a limited basis. However, once they returned they brought free books, reading campaigns that could be done remotely or in-person within state guidelines. They handed out registration packets for reading campaigns during the 4th quarter but the center was still unable to survey residents due to state guidelines. However, most residents made use of the library's free resources and are interested in participating in future reading campaigns. In addition, the City of Oceanside received CDBG-CV funds in PY 2019, 2020 and was able to use these funds in PY 2021 funds to support a variety of food box

distributions at four Oceanside locations, all of which are neighborhoods with high poverty and very-low to low-income families. Actual COVID-19 numbers assisted are identified in the PY 2020 cycle.

- d. During this past year, Center staff have been able to partner with various organizations, non-profit and for-profit, NCLGBTQ Center, North County Lifeline, Frazier Farms, Costco, Lived Experiences, BCDI and VCC to provide a variety of food distributions throughout the year and especially in areas that were most vulnerable to COVID-19. VCC and OUSD continued to provide summer meals for youth ages 2-18 on a daily basis. The majority of residents have increased access to healthy food with the help of BCDI's Community Roots Farm and VCC increased access to fresh produce.

## 7. Fair Housing

Fair Housing Program – assisted 282 Oceanside households with various fair housing inquiries, provided training to staff, and participated in a virtual fair housing conference. This year, LASSD focused its testing efforts on source of income (a newer California protected status).

- a. NAACP Landlord Eviction Prevention Workshop held on 9/18/2021; North County Veteran Stand Down, in-person event, Staff attended 9/16/2021 and 9/17/2021. LASSD conducted virtual presentation on 11/3/2021.
- b. LASSD distributed 4,032 brochures in English and Spanish.
- c. LASSD provided an outreach table at the John Landes Park Community Outreach on June 25, 2022.
- d. LASSD has developed, maintained, and publicized the LASSD toll free fair housing hotline number (844-449-3500), where the public can receive assistance from 15-person call center.

## 8. Section 108 Loan Repayment

- a. Objective: Payment of principal and interest on twenty-year, \$1.5 million loan through the Section 108 Loan Guarantee Program for Oceanside Fire Department Station 7. Processed annual principal and interest repayment for Section 108 Loan Guarantee Program.
- b. Outcome Measurement: Payment of principal and interest
- c. Funding: CDBG - \$239,723
- d. Accomplishments: n/a

## **Non – HUD Funded Housing Program**

### First-time Homebuyers Program

#### 1. First-time Homebuyers Program

- a. Objective: Assist low-income households to purchase homes through deferred loan and tax credit programs
- b. Outcome Measurement: Create decent housing with improved or new affordability.

- c. Funding: Inclusionary – Moderate-Income Homebuyer Assistance program (Program)
- d. Accomplishments: Developed, marketed, and implemented the pilot Program. On September 9, 2020, City Council authorized \$360,000 in funding from the City's Inclusionary Housing In-lieu Housing fee for a pilot Moderate-Income Homebuyer Assistance program (the "Program"). The Moderate-Income Homebuyer Assistance program aims to assist households up to 115 percent of San Diego area median income (AMI). Housing assistance programs for moderate or middle-income families are often limited and many struggle to purchase that first home and remain in Oceanside or be near their place of employment.

Once advertised, the City received 105 pre-applications for the Program and determined that 72 met the basic eligibility criteria. From those eligible, three families were chosen via a random lottery and were tasked with finding a home within the specified timeline. Of the three families that were selected, two of them were successful in completing a home purchase within the designated three to six month timeline, while the third family was not successful. The third family approached the home buying experience with thoughtfulness and wanting to meet all the family's needs. They lacked the same sense of urgency of purchasing a home of the two other assisted families. By the time, they were willing to sacrifice on items that they had once deemed essential, they had been placed out of the market and no longer able to be competitive. Thus, they were not able to enter into a contract and open escrow for a home purchase.

- e. Funding: CalHome – Reuse dollars
- f. Accomplishment: No CalHome loans were processed in the fiscal year. In PY 2021, the median listing home price in Oceanside, CA was \$829K, trending up 15.9% year-over-year. The year of 2021-22 in the city of Oceanside has proved to be very volatile. In the early months of 2022, Oceanside seen year over year home appreciation reaching almost 28% This has put a very large gap between Calhome program price limits and grant funds needed to assist with a successful closing. After staff analysis, the affordability of these mortgages for low to moderate income borrowers is not feasible. However, in the last 60 days home sales have seen a steady decline in response to the recent sharp surge in interest rates, and pending sales suggest that the market could remain soft for the next few months. As rates continue to stabilize, market volatility should begin to subside and supply conditions further normalize. When home prices come into a range where the affordability for low to moderate income the city of Oceanside is poised to commence our first-time homebuyer grant program.

Before interest rates began to increase the city did continue to see a number of Calhome participants sell their homes or refinanced and consolidated their mortgages. Many took advantage of the low interest rates and the city either processed subordination request for a rate/term first mortgage or a payoff demand to extinguish the city of Oceanside's liens against the property.