



I Executive Summary

As a recipient of federal funds from the U.S. Department of Housing and Urban Development (HUD), the City of Santa Ana is required to prepare and submit a Consolidated Plan at least every five years. This Consolidated Plan document covers the five-year period of fiscal years 2005-2006 through 2009-2010.

Four federal grant programs received by the City of Santa Ana are subject to the Consolidated Plan:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Grant (HOME)
- American Dream Downpayment Initiative (ADDI)
- Emergency Shelter Grant (ESG)
- Housing Opportunities for Persons With AIDS Grant (HOPWA). The HOPWA grant is administered by the City of Santa Ana on behalf of the entire Orange County region.

The Consolidated Plan is a multifaceted document designed to be a collaborative process whereby Santa Ana stakeholders help establish a vision for the improvement of the community and the allocation of federal grant funds. The Consolidated Plan includes:

- An assessment and prioritization of housing and community needs.
- Identification of local, state and federal resources available to meet needs.
- An outline of strategies to address priority needs over a five-year period.
- An action plan with specific one-year goals to address priority needs.

A key element of the Consolidated Plan is the participation of Santa Ana's residents. To ensure the participation of the community's residents an extensive citizen participation process was implemented. Traditional and electronic communication was used to notify the community of ongoing planning efforts. Means of communication included a multi-lingual survey, community workshops, and public hearings; all for the purpose of providing the community opportunities to shape the priorities and strategies of the Consolidated Plan and the City's **vision statement**. This **vision statement** declares the City's purpose is to provide quality service to enhance the safety, livability, and prosperity of the community. To this end, the City will implement programs and activities aimed at establishing a dynamic urban center acclaimed for its investment in its youth, neighborhoods, cultural diversity, economic climate, and quality government services.

Statistics used to prepare the Consolidated Plan are primarily based on the 2000 U.S. Census. Other current data was used if it was available.

SANTA ANA COMMUNITY PROFILE

The City of Santa Ana is approximately 27.3 square miles in size and is Orange County's most populous City with an estimated population of 349,123. It is predicted that Santa Ana will continue to experience growth over the next 25 years to an estimated population of 370,130 by 2030. Santa Ana's residents are young. The average median age in 2000 was 26.5. Approximately 90% of Santa Ana residents

are under the age of 55. Current demographic data estimates that 76% of Santa Ana's residents are of Hispanic/Latino. In terms of race, 42.7% of Santa Ana's residents are White, 1.7% are African American/Black, and 8.8% are Asian. There are 73,002 households in Santa Ana, and when compared to other Orange County communities, Santa Ana has the largest average number of persons per households – 4.55 persons per household. Based on 2000 Census data, approximately 69% of Santa Ana's households would qualify for HUD-funded activities, that is their household incomes is 80% of area median income or less. Also based on 2000 Census data, it is estimated that 19.3% of Santa Ana's residents live at or below the poverty level.

HOUSING AND HOMELESS NEEDS

The 2000 Census estimates there are 12,700 lower income owner households, and 24,300 lower income renter households experiencing a "housing problem." Households experiencing a housing problem are defined by HUD as having annual incomes at or below 80% of area median income, pay more than 30% of monthly income for housing and utilities, and live in overcrowded or substandard housing.

It is conservatively estimated that there are 1,804 homeless individuals in Santa Ana. These individuals require a variety of support and housing services including need assessment, emergency shelter, transitional housing, and access to permanent housing. These services are provided by Santa Ana's continuum of care system, which is sustained by the City's public- and community-based service agencies.

To prepare the Consolidated Plan, the City has also undertaken an assessment of special needs populations including the elderly, frail elderly, disabled, substance addicted, individuals with HIV/AIDS, and assisted housing residents. Additionally, Santa Ana has undertaken an assessment of the housing needs of large families. Based on 2000 Census data, it is estimated that approximately 1,400 Santa Ana

senior households are in need of housing assistance. It is also estimated that 7,500 persons with disabilities need housing assistance, as do 5,000 persons with mental illness and substance addiction. A recent study found that for the most part, the supportive housing needs of individuals with HIV/AIDS are being adequately met; however, there is a need for 100 recovery beds for individuals with HIV/AIDS and mental illness and/or substance addiction. The Housing Authority of the City of Santa Ana provides Housing Choice Vouchers rental assistance to approximately 2,550 households. There are 9,700 households on the Authority's waitlist. Finally, it is estimated that one-third of large households (five or more persons) are paying more than 30% of their monthly income for housing; consequently they need affordable housing opportunities.

HOUSING MARKET ANALYSIS

Based on 2004 data from the State of California, there are 75,006 housing units in Santa Ana – approximately 53% these units are single-family, 41% multi-family, and 5% mobile homes. The 2000 Census reports that 49.3% of Santa Ana's housing units are owner-occupied and 50.7% renter-occupied. The demand for housing in Santa Ana is high as evidenced by increasing home sales prices, and a vacancy rate of 3.4% for the City's rental housing market as of the end of December 2004.

Several housing variables have been evaluated in order to examine the condition of Santa Ana's housing stock. These variables included age, standard condition, and occupancy. Over 50% of Santa Ana's housing stock was constructed between 1960 and 1980. Approximately 31% was constructed prior to 1960. Utilizing various standards, it is evident that a substantial percentage of Santa Ana's housing stock is in substandard condition; however, suitable for rehabilitation. The City's Community Preservation staff estimates 25% of multi-family housing units and 20% of single-family housing units are substandard. Based on 2000 Census data, 61.4% of the City's rental units and 38.9% of owner-occupied housing units were overcrowded. The Census Bureau's occupancy standard allows fewer persons per housing unit

than the State's standard, which must be enforced by the City. Using the mandated State standard, Community Preservation staff estimates 10% to 20% of the City's multi-family and single-family housing stock may be overcrowded.

In early-2004, City personnel estimated the median home sales price for a detached home in Santa Ana at \$413,996. In December 2004, average rent for a two-bedroom, one-bath apartment in Santa Ana was \$1,170 per month.

Since Santa Ana is 98% built out the City must rely on recycling underutilized land and efficiently utilize vacant land to meet the future housing needs of the community. Based on an analysis of vacant and underutilized land suitable for housing development, 1,357 additional housing units could be constructed in Santa Ana.

There are an estimated 248 emergency shelter and 299 transitional housing beds in Santa Ana. These resources are a key element to the City's Continuum of Care system, which also provides access to permanent housing and essential support services. In terms of senior housing, Santa Ana has over 1,800 skill/residential care beds for frail seniors, and numerous senior only housing complexes. Additionally, there are 89 licensed group homes for adults with special needs in the City. As of February 2004, 2,746 households are receiving Housing Choice Voucher rental assistance administered by the Housing Authority of the City of Santa Ana.

As required, the City has analyzed barriers to affordable housing including property tax policies, land use controls, zoning, building codes, fees/charges, and growth limits. Furthermore, assessments of parking, ADA, and environmental factors have also been undertaken. Non-government barriers to affordable housing such as the lack of vacant land, the cost of land, construction, and financing, were also examined.

STRATEGIC PLAN

A primary component of the Consolidated Plan is the Strategic Plan. The Strategic Plan delineates the process the City utilized to prioritize housing and community needs and identifies objectives and activities to address these needs over a five-year period. Objectives to meet the community's HIGH priority needs include the following:

Objective No. 1 - Home Owner Priority Needs

Implement and design programs to expand and preserve the City's supply of **owner-occupied housing** for 568 households – over half of these units will house Lower and Moderate-Income homeowners. Programs and/or activities to be undertaken include new housing construction, housing rehabilitation, and homebuyer assistance.

Objective No. 2 - Renter Housing Priority Needs

Approximately 330 rental-housing units will be added and/or preserved to meet the affordable housing needs of lower income households. Programs and/or activities to be undertaken include new housing construction and housing rehabilitation.

Both single- and multi-family housing objectives will be supported with housing code enforcement efforts that will focus on the elimination of housing conditions that are detrimental to the health and safety of residents and the community.

Objective No. 3 - Homeless Priority Needs

Provide resources in support of a continuum of shelter and service programs to assist approximately 6,750 individuals/families at risk of becoming homeless and individuals/families that are already homeless. As a participating member of the Orange County Continuum of Care Community Forum, the City will focus its limited resources on the gaps identified in the County's homeless housing/service analysis in support of regional efforts to reduce homelessness. To the extent resources are

available, the City will support eviction prevention, emergency/transitional shelter, and supportive service activities.

Objective No. 4 - Special Needs Priority Needs

Provide resources to ensure 6,500 Santa Ana residents with special needs are provided quality services. Special needs populations include of the elderly, frail elderly, and the disabled. To a lesser degree, the service needs of individuals with mental illness and substance addiction may also be served. Special targeted resources will also be utilized to assist an estimated 2,500 Orange County residents living with HIV/AIDS.

The special housing needs of these populations will also be addressed. Blended within the City's housing objectives are activities that will provide new and/or safe and sanitary housing opportunities for seniors and persons with disabilities. Rental assistance and emergency/transitional shelter for individuals/families living HIV/AIDS will also be supported.

Objective 5 through 8 – Community Priority Needs

Rated as a high need by community stakeholders, significant resources will be allocated to improve the City's public facilities and infrastructure - HUD resources will be focused in target areas. Additionally, the social service and economic development needs of the community will be addressed. Over a five-year period, it is estimated that the City will invest public resources to assist 50,000 Santa Ana youth and 20,000 lower income residents. Effort will also be carried out to attract and retain business to Santa Ana and to provide Santa Ana residents with the skills and knowledge needed to compete for high wage industries. Workforce investment resources will be utilized to assist an estimated 2,000 residents enhance their job skills, and various incentives will be offered to businesses to hire these and other community residents. Finally, planning activities will be undertaken to cultivate a suitable environment for Santa Ana's neighborhoods and business. To ensure

taxpayer funds are utilized in a proper and efficient manner, program administration activities will also be undertaken.

2005-2006 ANNUAL ACTION PLAN

The Annual Action Plan outlines the fiscal resources the City anticipates will be available during the 2005-2006 Fiscal Year to implement the objectives of the Consolidated Plan. The Action Plan also provides detailed descriptions of the activities the City will carry out to meet these objectives.

HUD has notified the City it will receive the following grant amounts for Fiscal Year 2005-2006:

- Community Development Block Grant – \$7,910,023
- HOME Investment Partnerships Grant – \$2,611,592
- American Dream Downpayment Initiative - \$62,734
- Emergency Shelter Grant – \$305,875
- Housing Opportunities for Persons With AIDS – \$1,342,000

The City will also use \$795,000 in CDBG and \$200,000 in HOME program income during the 2005-2006 Fiscal Year to support eligible activities. Additionally, an estimated \$6,500,000 in other public and private funds is projected to be available to support eligible activities.

The Action Plan also includes grant application forms and certifications the City must submit in order to receive federal grant funds. Other key elements of the Annual Action Plan include:

- A description of required matching funds and how federal/non-federal funds will be leveraged.
- An Analysis of Impediments to Fair Housing Choice.
- A description of how the City will comply with specific program requirements.
- On going program monitoring efforts.

- Detailed descriptions of each activity proposed for funding and implementation during the fiscal year.

CITIZEN PARTICIPATION PLAN

The Consolidated Plan includes the City's Citizen Participation Plan, which acts as the guide to help ensure the residents of Santa Ana participate in the development of the Consolidated Plan, subsequent annual action plans and program performance. Citizen representation and input has been, and will continue to be an important element in the decision-making process culminating in the adoption of the Consolidated Plan and annual objectives. The Citizen Participation Plan describes the City's process for notifying the public about the Consolidated Plan and Annual Action Plan preparation process, opportunities for participation, and the means by which the City will ensure the input of the community is incorporated into the planning process.

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