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Strategic Plan

The Strategic Plan portion of the Consolidated Plan is intended to be a specific course of action that marshals human, community, physical, and economic resources to respond to community needs. HUD requires that the Strategic Plan outline the general priorities for allocating financial resources geographically within the jurisdiction (or within the region for the HOPWA program) and among priority needs as identified by the community. Specifically, the Strategic Plan must:

- Describe the basis for assigning priorities for each category of priority needs.
- Identify proposed accomplishments the City plans to achieve in quantitative and qualitative measures over a five-year period.
- Identify obstacles to meeting underserved needs.

Federal regulations also require that the Strategic Plan provide a description of the City's strategies for the following:

- Address barriers to affordable housing
- Address lead based paint hazards
- Combat poverty
- Enhance institutional structures
- Enhance coordination
- Implement public housing resident initiatives

Identification of Priority Needs

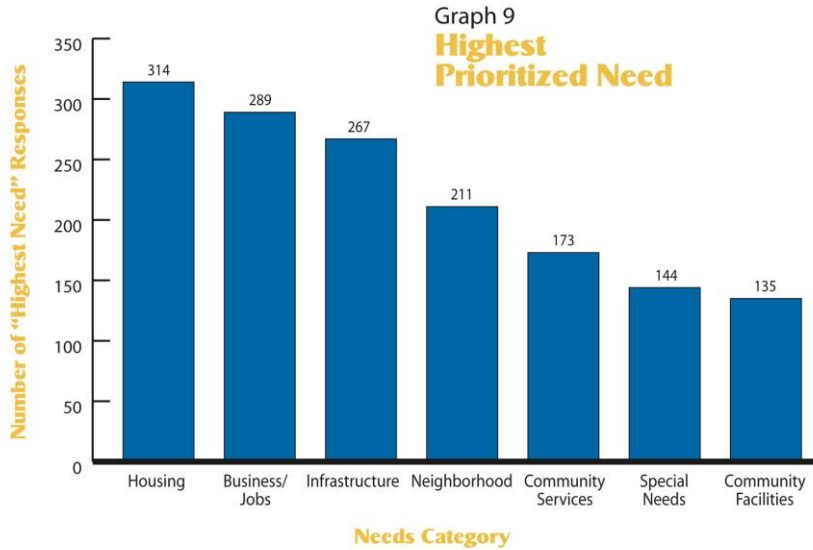
One of the primary purposes of the Strategic Plan is to designate the relative priority of the City's housing and community development needs. The City of Santa Ana relied on its Citizen Participation Plan to encourage and gather the input of the community's residents to establish priorities. The process outlined below served as the framework for identifying housing and community development needs and assigning respective priorities. The priority needs for the HOPWA program were blended into the process; however, due to the regional nature of this program, the Orange County HIV Planning Council served as the primary need identification/program recommendation formulation entity.

A. BASIS FOR DETERMINING PRIORITIES

The process utilized to determine affordable housing, homeless, special need and community development priority needs was facilitated by the following actions:

COMMUNITY SURVEY

A survey of housing and community development needs was distributed to over 14,000 Santa Ana stakeholders (e.g., Santa Ana residents, businesses and service providers) – 1,233 completed surveys were returned. The survey was prepared in English, Spanish and Vietnamese. A series of questions were posed in the survey in an effort to gauge the priority housing and community development needs of Santa Ana's residents. In addition to ascertaining priority housing/community needs for Consolidated Plan purposes, the survey was also used to garner opinions on the priority uses of local redevelopment funds and for establishing housing priorities for the Housing Element. The survey instrument is included in this document as **Exhibit 1** (page 183). **Exhibit 1** also contains a series of graphs and tables that provides overviews of survey results and a summary of survey comments. A synopsis of survey findings is found below in **Graph 9**.



COMMUNITY WORKSHOPS

Three community workshops were held to provide the residents of Santa Ana with a forum to discuss priority housing and community needs and to identify strategies to address these needs.

2005-2009 CONSOLIDATED PLAN	
COMMUNITY WORKSHOP MEETING DATES	
Wednesday	January 13, 2005 6 PM to 8 PM
Wednesday	January 26, 2005 3 PM to 5 PM
Saturday	February 5, 2005 10 AM to 12:00 PM

Display ads were placed in local newspapers in English, Spanish and Vietnamese announcing the date, time and location of the three community workshops. Community workshop meetings were scheduled at different times of the day and also on a weekend date in an effort to provide as many individuals as possible, the opportunity to participate in the Consolidated Plan process. Spanish and Vietnamese language translation services were provided at all three meetings, and childcare services were provided for the Saturday morning meeting. A total of 98 individuals attended these meetings.

A Power Point presentation was utilized at each of these meetings to provide an overview of the purpose of the community stakeholders' input process. This overview included a listing of the components of the Consolidated Plan and key demographic information regarding Santa Ana and the City's housing stock/needs.

Extensive time was also provided for questions and answers. A summary of these comments is included in **Exhibit 2** (page 193). Finally, each workshop concluded with an attendee-participation exercise. A Monopoly® type game board was devised by the City (see **Exhibit 2** page 197). The traditional real estate properties of a Monopoly board were replaced by various housing and community needs. (To the extent possible, game board housing and community needs mirrored the categories/needs listed in the Community Survey.) Attendees were provided with ten \$1,000 “Community Development Dollars,” which they could place on any of the needs on the game board. “Missing Needs” and “Community Comment” cards were also on the game board. CDA staff was responsible for collecting and tallying the amount of “Community Development Dollars” played during each workshop. A graph that summarizes the Communityopoly exercise voting is included in **Exhibit 2**.

It is important to note that open space/parks was not specifically identified on the game board. Numerous members of the community expressed disappointment with this omission in light of their opinion that there is an overall lack of open space/parks throughout the City, but more specifically in the City’s central/downtown neighborhoods.

EXISTING PUBLIC DOCUMENTS

In addition to using the survey and group participation tools described above, City staff also took into consideration key documents with information containing policies and programs that support the strategies and activities of the Consolidated Plan. These documents included the following:

- **The Housing Element** – A State required document that outlines the City’s housing needs and strategies.
- **City of Santa Ana Community Redevelopment Agency 5-year Implementation Plan** – A State required document that outlines the projected uses of local redevelopment funds to eliminate conditions of blight. The plan

includes specific information regarding the utilization of Redevelopment Set-aside funds to renovate and create affordable housing.

- **City of Santa Ana Capital Improvement Plan (FY 04/05 – 10/11)** – This is a 7-year document that outlines anticipated expenditure of funds to improve Santa Ana’s public infrastructure.
- **Orange County HIV/AIDS Housing Plan** – An analysis/report prepared to identify the housing and supportive services needs of Orange County residents with HIV and AIDS.
- **Prior Year Funding and Performance Reports** – Prior year performance reports provided valuable information on past performance and expenditure trends.

COMMENT PERIODS AND PUBLIC HEARINGS

- On March 19, 2005, a notice was published in *The Orange County Register*, *Excelsior* (a Spanish language newspaper), and *Nguoi Viet* (a Vietnamese language newspaper) announcing the availability of the draft 2005-2009 Consolidated Plan for a 30-day public comment period, and the required public hearing. The comment period commenced on March 20, 2005, and ended April 18, 2005 (see *Exhibit 3*).
- The City’s Redevelopment and Housing Commission held a public hearing held on April 19, 2005, to receive additional comments on the draft Consolidated Plan. A summary of comments received by the City during the comment period and the public hearing are also included in *Exhibit 3*.
- On May 2, 2005, the Santa Ana City Council authorized submission of the 2005-2009 Consolidated Plan to HUD. This submission was authorized by a majority vote demonstrating the support of the City Council as to the needs, strategies and activities delineated in the Consolidated Plan and one-year Action Plan.

SYNOPSIS OF PRIORITY DETERMINATION PROCESS

When asked to pick the most important over-arching community need among seven categories, most survey respondents rated housing as the highest need in Santa Ana. **Table 42** provides a summary of the Community Needs survey, and as describe previously, **Exhibit 1** includes a series of additional graphs and tables that provides more detail in terms of specific types of priority needs within each community need category. This detailed information was used to refine/rank the priority needs in this Strategic Plan.

TABLE 42: MOST IMPORTANT NEED PER COMMUNITY NEEDS SURVEY

COMMUNITY NEEDS CATEGORY	NUMBER OF "HIGHEST PRIORITIZED NEED" RESPONSES
Housing	314
Businesses/Jobs	289
Infrastructure	267
Neighborhoods	211
Community Services	173
Special Needs	144
Community Facilities	135

Source: City of Santa Ana CDA

Table 43 provides a summary of votes (i.e., "Community Dollars") cast by attendees during the three community workshops. **Table 43** represents only a portion of the Communityopoly game results, for "Total Votes" represents a cumulative vote total (not individual meeting votes) and only housing/community needs receiving 25 or more votes are listed. **Exhibit 2** provides complete Communityopoly voting results and a table depicting results. This detailed information has been used to refine/rank the priority needs in this Strategic Plan.

TABLE 43: COMMUNITY POLY GAME RESULTS (PARTIAL)

COMMUNITY NEED	TOTAL VOTES
Housing	91
Child Services	90
Homeless Shelters & Services	74
Affordable Rental Housing	69
Youth Services	65
Community Facilities & Services	64
Street & Alley Improvements	58
Code Enforcement	55
Senior Services	48
Libraries	47
Anti-Crime Programs	43
Street Lighting	43
Business and Jobs	43
Health Services	39
Graffiti Removal	39
Training for Unemployed Persons	28
Infrastructure	26

Source: City of Santa Ana CDA

HOUSING AND COMMUNITY DEVELOPMENT STRATEGY

The foundation of a comprehensive housing and community development strategy is a vision or mission statement. As previously indicated, the City of Santa Ana’s **mission statement** asserts, “our purpose is to provide quality service to enhance the safety, livability, and prosperity of our community.” The Strategic Plan proposes strategies and programs that focus on Santa Ana’s mission statement, address community priority needs, and also HUD’s statutory goals. Related to this mission statement are a series of City goals including: 1) ensuring a safe community, 2) provide a catalyst for the positive development of young people, 3) foster neighborhood pride and community understanding, 4) provide and maintain first-rate infrastructure and community facilities, 5) ensure an attractive and well-maintained city, 6) stimulate the growth of arts and cultural opportunities, 7) attract and retain a prosperous business community, and 8) assure high quality services to customers.

Relative priority ranking designation was utilized to determine if activities would be funded in order to address a need. The following priority ranking system was used:

- **High Priority:** Activities to address high priority needs will be funded by the City during the five-year period provided adequate resources are available.
- **Medium Priority:** If funds are available, activities to address medium priority needs may be funded during the five-year period.
- **Low Priority:** The City does not anticipate directly funding activities to low priority needs during the five-year period.
- **No Such Need:** The City finds there is no need or that this need is already substantially addressed.

In addition to assigning relative priority to housing and community needs, HUD has asked communities to implement a performance measurement system that sets qualitative as well as quantitative accomplishments goals. The City has used the following performance management system for this purpose:

- **Priority Need:** The priority needs identified through the citizen participation process listed by categories (e.g., housing, public facilities, public services).
- **Relative Priority:** The relative priority of the housing/community need as determined by the citizen input process.
- **Goals/Objectives:** HUD statutory goals and City strategic goals proposed as solutions to address identified priority needs (e.g., preserve existing housing stock, create new affordable housing opportunities).
- **Activities/Programs:** Actions and/or programs that will be supported by resources to address objectives (e.g., rehabilitation loans, code enforcement).
- **Inputs:** The resources the City of Santa Ana will dedicate to proposed programs (e.g., type of public funds, staff dedicated).
- **Outputs:** The direct product of program activities (e.g., number of loans processed, number of code violations resolved)
- **Outcomes:** The benefit of the program (e.g., increase the percentage of housing units that are standard).

B. STRATEGY TO ADDRESS PRIORITY HOUSING NEEDS

CONSOLIDATED PLAN GOAL #1 – OWNER OCCUPIED HOUSING PRIORITY NEEDS

PRIORITY NEED RATING: HIGH

HUD STATUTORY GOALS:

1. Increase availability of permanent housing in standard condition.
2. Increase availability of permanent housing affordable for Low- and Moderate-Income households

CITY GOAL: Foster neighborhood pride and community understanding.

OBJECTIVES:

1. Create New Affordable Housing Opportunities
2. Increase the Number of Homeowners
3. Preserve the Existing Supply of Ownership Housing

INPUTS:

- Federal - HOME, ADDI, CDBG, Mortgage Credit Certificates
- State - CalHome Program, HELP Program, Mortgage Revenue Bonds
- Local - Redevelopment Tax Increment Set-aside
- Private - Private Party Matching and Leveraging Funds

ACTIVITY/PROGRAM	5-YEAR OUTPUTS ^{1,2}	5-YEAR OUTCOMES
Homeownership Housing New Construction	Construction of 300 New For-Sale Housing Units for the following income categories: <ul style="list-style-type: none"> ▪ <i>Low-Income Households</i> - 15 Units ▪ <i>Moderate-Income Households</i> - 15 Units ▪ <i>Above Moderate-Income Households</i> - 270 Units. Special Need Categories <ul style="list-style-type: none"> ▪ <i>Large Families</i> - 15 Units 	<ol style="list-style-type: none"> 1. Increase the City's supply of new affordable owner-occupied housing units with long-term covenants by 50%. 2. 10% of all new ownership-housing units will remain affordable to households earning no more than 120% of median income for at least 45 years.
Homebuyer Assistance	Assist 35 homebuyers (5 loans & 30 MCCs) for the following income categories: <ul style="list-style-type: none"> ▪ <i>Low-Income Households</i> - 15 units ▪ <i>Moderate-Income Households</i> - 10 units ▪ <i>Above Moderate Income</i> - 10 units 	Provide 35 households with the benefit of homeownership.

ACTIVITY/PROGRAM	5-YEAR OUTPUTS ^{1,2}	5-YEAR OUTCOMES
Owner-Occupied Housing Rehabilitation	Assist 150 owners to rehabilitate their primary residence for the following income categories: <ul style="list-style-type: none"> ▪ <i>Extremely Low-Income Households</i> – 20 units ▪ <i>Very Low-Income Households</i> – 30 units ▪ <i>Low-Income Households</i> – 50 units ▪ <i>Moderate-Income Households</i> – 50 units Special Need Categories <ul style="list-style-type: none"> ▪ <i>Large Families</i> – 10 units 	<ol style="list-style-type: none"> 1. At least 40% of rehab loan will be expended on code related items. 2. Physical safety and comfort will be improved for 150 Low- and Moderate-Income households by improving homes to a level that meets or exceed HUD housing quality standards.
Mobile Home Rehabilitation/Replacement	Rehab or replace 80 mobile home coaches for the following income categories: <ul style="list-style-type: none"> ▪ <i>Extremely Low-Income Households</i> – 10 units ▪ <i>Very Low-Income Households</i> – 60 units ▪ <i>Low-Income Households</i> – 10 units Special Need Categories: <ul style="list-style-type: none"> ▪ <i>Senior Households</i> – 50 units 	<ol style="list-style-type: none"> 1. At least 40% of rehab loan will be expended on code related items. 2. Physical safety and comfort will be improved for 80 Low- and Moderate-Income households by improving homes to a level that meets or exceed HUD housing quality standards.
Owner-Occupied Code Enforcement	<ol style="list-style-type: none"> 1. Inspect 12,500 owner-occupied housing units in the City’s Low- and Moderate-Income Target Area. 2. Prosecute 300 homeowners who fail to correct housing code deficiencies/violations. 	<ol style="list-style-type: none"> 1. Bring 12,500 housing units into compliance with housing code. 2. 100% of cited property owners will be provided with housing rehabilitation program information.
Historic Preservation	Initiate rehabilitation of 3 historically significant residential properties for the following income categories: <i>Moderate-Income Households</i> – 3 units	Extend the useful life of historically significant residential buildings by at least 10 years.

1 “Income Categories” will total “5-Year Outputs.” “Special Need Categories” is only a characteristic of assisted units, not additional assisted units.

2. Definitions of income categories:
 Extremely Low-Income – 0% to 30% of area median income
 Very Low-Income – 31% to 50% of area median income
 Low-Income – 51% to 80% of area median income
 Moderate Income – 81% to 120% of area median income
 Above Moderate Income – more than 120% of area median income

CONSOLIDATED PLAN GOAL #2 – RENTER OCCUPIED HOUSING NEEDS

PRIORITY NEED RATING: **HIGH**

HUD STATUTORY GOALS: 1. Increase availability of permanent housing in standard condition.
2. Increase availability of permanent housing affordable for Low- and Moderate-Income households

CITY GOAL: Foster neighborhood pride and community understanding.

CITY OBJECTIVES: 1. Create New Affordable Rental Housing Opportunities
2. Preserve the Existing Supply of Rental Housing

INPUTS: ▪ Federal - HOME, CDBG, Housing Choice Vouchers
 ▪ State - HELP Program, Low Income Housing Tax Credits, Tax Exempt Bonds
 ▪ Local - Redevelopment Tax Increment Set-aside
 ▪ Private - Private Party Matching and Leveraging Funds, Household Funds

ACTIVITY/PROGRAM	5-YEAR OUTPUTS ^{1,2}	5-YEAR OUTCOMES
Rental Housing New Construction	Assist and/or sponsor the construction of 70 new rental housing Units for the following income categories: <ul style="list-style-type: none"> ▪ <i>Extremely Low-Income</i> - 9 Units ▪ <i>Very Low-Income</i> - 61 Units Special Need Categories <ul style="list-style-type: none"> ▪ <i>Disabled Households</i> - 40 Units 	1. Increase the City’s supply of affordable rental housing by 40 units. 2. 20% of all new “assisted” rental-housing units will remain affordable to households earning up to 80% of median income for at least 55 years.
Rental Housing Acquisition/Rehabilitation	Assist with acquisition and rehabilitation of 250 affordable rental housing for the following income categories: <ul style="list-style-type: none"> ▪ <i>Extremely Low-Income Households</i> – 25 units ▪ <i>Very Low-Income Households</i> – 175 units ▪ <i>Low-Income Households</i> – 50 units Special Need Categories <ul style="list-style-type: none"> ▪ <i>Small Families</i> – 35 units ▪ <i>Large Families</i> – 215 units 	1. At least 40% of rehab loan will be expended on code related items. 2. Physical safety and comfort will be improved for 150 low- and moderate-income households by improving homes to a level that meets or exceed HUD housing quality standards.

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ACTIVITY/PROGRAM	5-YEAR OUTPUTS ^{1, 2}	5-YEAR OUTCOMES
Renter-Occupied Housing Rehabilitation	Assist with the rehabilitation of 10 rental housing units occupied by lower income households based for the following income categories: <ul style="list-style-type: none"> ▪ <i>Very Low-Income</i> – 10 units Special Need Categories: <ul style="list-style-type: none"> ▪ <i>Large Families</i> – 10 units 	<ol style="list-style-type: none"> 1. Provide rehab loans to 3 properties that have been cited/referred by Code Enforcement for health/safety reasons. 2. Eliminate at least one significant health/safety deficiency in renter-occupied housing units.
Renter-Occupied Code Enforcement	<ol style="list-style-type: none"> 1. Inspect 10,000 renter-occupied housing units in the City's Low- and Moderate-Income Target Area. 2. Prosecute 75 rental property owners who fail to correct housing code deficiencies/violations. 	<ol style="list-style-type: none"> 1. Bring 10,000 housing units into compliance with housing code. 2. 100% of cited property owners will be provided with housing rehabilitation program information.
Rental Assistance ³	<ol style="list-style-type: none"> 1. Provide Housing Choice Voucher assistance to 2,558 lower income households for on the following income categories: <ul style="list-style-type: none"> ▪ <i>Extremely Low-Income</i> – 1,320 households ▪ <i>Very Low-Income</i> – 1238 households Special Need Categories: <ul style="list-style-type: none"> ▪ <i>Large Families</i> – 1,000 households ▪ <i>Seniors</i> – 1,000 households ▪ <i>Disabled</i> – 1,000 households 2. Conduct 2,500 quality standard inspections for units receiving assistance. 	<ol style="list-style-type: none"> 1. 2,558 households relieved of rent burden. 2. Physical safety and comfort will be improved for 2,558 low- and moderate-income households by improving homes to a level that meets or exceed HUD housing quality standards. 3. Maintain 2,500 inspected units in conformity with HUD housing quality standard.

1 "Income Categories" will total "5-Year Outputs." "Special Need Categories" is only a characteristic of assisted units, not additional assisted units.

2. Definitions of income categories:
 Extremely Low-Income – 0% to 30% of area median income
 Very Low-Income – 31% to 50% of area median income
 Low-Income – 51% to 80% of area median income
 Moderate Income – 81% to 120% of area median income
 Above Moderate Income – more than 120% of area median income

3. Outputs do not equal five-year totals, but rather an annual estimate of assisted housing participants.

OBSTACLE TO MEETING PRIORITY HOUSING NEEDS

The following factors have been identified as potential obstacles that could prevent the City from accomplishing priority housing goals during the next five years:

- **Funding** - While federal, state, local and private funds are available to support housing activities land, materials and labor cost increases have effectively reduced the amount of funds available for housing activities and increased the amount of subsidies needed to make housing affordable to lower income households.
- **Availability of Licensed Contractors** – Orange County property owners have realized substantial equity in their properties as a result of the increase in property values. Many have chosen to use this equity to undertake property improvements. The resulting demand for qualified contractors has reduced the pool of contractors willing to undertake publicly assisted property improvement projects. Additionally, the increasing costs of various insurances pose a obstacle to increasing the number of qualified developers/contractors to undertake affordable housing projects.
- **Financing-** There is little that local governments can do to affect finance costs. Even though interest rates have remained low, land and construction costs have increased thus effectively eliminated any savings gained from low interest rates. The City can offer various forms of subsidies to make project financing feasible, especially when affordability is desired. To create housing opportunities that are affordable for Extremely Low- and Very Low-Income households, projects will requires substantial subsidies; large subsidies limit the number of affordable housing units that can be created.
- **Cost of Housing** - As discussed in the Housing Market Analysis, the cost of housing in Orange County is one of the highest in the nation. High housing costs reduce the effectiveness and impact of housing activities such as homeownership and rental acquisition/rehabilitation. At some point, the City

must consider if the level of subsidy required to achieve a program goal is warranted.

- **Land Use** – Land use development patterns in Orange County have traditionally not considered mixed use, high density, high-rise housing as an alternative to creating affordable housing (and housing in general) opportunities. The resistance to this type of housing in Santa Ana is rooted in prior experience (poorly built, in-appropriately sited rental projects that have had tremendous negative impacts on residential neighborhoods). With virtually no land to build housing on a horizontal plane, resistance to densely developed, urban-center style housing must be overcome if the City is to expand its supply of housing.
- **Prevailing Wage** – Federal regulations and State Redevelopment law require that the City ensures all laborers working on certain types of housing developments are paid prevailing wages. It is commonly accepted that complying with prevailing wage requirements adds 10% to 30% to the overall costs of construction. In addition to increased labor costs, administrative/management resources are needed to complete payroll and other reporting requirements. Contractors typically will add the cost of prevailing wage compliance to their bids thus increasing the overall cost of housing. Many contractors refuse to bid on projects require prevailing wages.
- **Construction Costs** – The cost of construction depends primarily on the price of materials and labor associated with the type of unit being built and the quality of the product being produced. While labor saving materials and construction techniques are available the cost of labor and materials continues a steady increase.

C. STRATEGY TO ADDRESS PRIORITY HOMELESS NEEDS

CONSOLIDATED PLAN GOAL #3 – HOMELESS NEEDS

PRIORITY NEED RATING: HIGH

HUD STATUTORY GOALS:

1. Assist persons at risk of becoming homeless.
2. Assist homeless persons obtain appropriate housing.
3. Increase supply of supportive housing for persons with HIV/AIDS and their families.

CITY GOAL: Foster neighborhood pride & community understanding & ensure a safe community

OBJECTIVES:

1. Prevent individuals and families from becoming homeless.
2. Provide short-term (emergency) shelter and services for individuals and families in immediate need of shelter.
3. Provide housing for individuals and families that require supportive services and interim (transitional) housing opportunities while they obtain life-skills to gain self-reliance.
4. Provide long-term (permanent) supportive housing for individuals and families that have special needs that must be managed in order to avoid homelessness.
5. Provide supportive services for homeless individuals to address special needs and/or to help achieve self-sufficiency.

INPUTS:

- Federal - CDBG, HOME, ESG, HOPWA, Homeless Assistance Grant (Super NOFA)
- State -
- Local - General Fund (i.e. staff salaries and benefits)
- Private - Program fees, private donations, service provider matching/leveraging funds

ACTIVITY/PROGRAM	5-YEAR OUTPUT	5-YEAR OUTCOMES
Homelessness Prevention	<ol style="list-style-type: none"> 1. Provide financial assistance to 2,000 individuals to prevent eviction and/or utility termination. 2. Provide financial assistance to 1,000 individuals with HIV/AIDS to prevent eviction and/or utility termination. 	50% of assisted individuals and households will retain their housing or utilities for at least 6 months after assistance is provided.

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Emergency Shelter	<ol style="list-style-type: none"> 1. Provide emergency shelter and supportive services to 4,000 individuals (including children). 2. Provide emergency shelter and supportive services to 50 individuals with HIV/AIDS and their families. 	50% of individuals/households that are provided with emergency shelter will transition to interim housing (i.e., transitional housing).
Transitional Housing	<ol style="list-style-type: none"> 1. Provide transitional housing and support services to 750 individuals (including children). 2. Provide transitional housing and support services to 250 individuals with HIV/AIDS and their families. 	<ol style="list-style-type: none"> 1. 5% of homeless individuals participating in transitional housing program will be placed in permanent housing. 2. 5% of homeless individuals with HIV/AIDS will be placed in permanent housing.
Permanent Supportive Housing	<ol style="list-style-type: none"> 1. Assist 3 homeless individuals with special needs to obtain access to permanent supportive housing. 2. Assist 10 individuals with HIV/AIDS to obtain permanent supportive housing. 	90% of individuals living in permanent supportive housing will not return to homelessness.
Supportive Services	<ol style="list-style-type: none"> 1. Provide support services to 7,500 homeless individuals and families with children. 2. Provide support services to 2,500 individuals with HIV/AIDS and their families. 	50% of individuals/families receiving support services will be linked to one or more additional support service and/or appropriate housing.

OBSTACLE TO MEETING PRIORITY HOMELESS NEEDS

Any of the following obstacles may prevent the City from accomplishing goals aimed at addressing the needs of the City's homeless and individuals at risk of homelessness during the next five years.

- **Funding** – Federal funds to assist the homeless are available to the City on a formula basis; however, current trends are for reduced funding. Some agencies have applied directly to HUD for Homeless Assistance Grant funds via the competitive Super NOFA process, which has offset some of these reductions. It is generally accepted that Santa Ana has the largest concentration of homeless in the region and most shelter beds than any other Orange County community. Current demand (i.e., funding requests) by service providers is an indicator that there are insufficient funds to address all of the priority needs of Santa Ana's homeless.
- **Cost of Housing** - As discussed in the Housing Market Analysis, the cost of housing in Orange County is one of the highest in the nation. Finding and maintaining affordable housing is a primary obstacle faced by households at risk of becoming homeless and transitioning from homelessness to self-sufficiency.
- **Not In My Back Yard (NIMBY)** – Even though Santa Ana has more services and housing resources for the homeless than any other county community, the City's ***Continuum of Care Gaps Analysis*** indicates that there is a need for additional shelter beds in the City. Many individuals in the community argue Santa Ana is providing more than its fair share of services and shelters, and other communities in the county need to build and/or expand facilities for the region's homeless. This viewpoint has made it increasingly difficult for existing service providers to expand services/facilities in the City and for new homeless programs to be established in Santa Ana.

D. STRATEGY TO ADDRESS PRIORITY NEEDS OF SPECIAL NEEDS POPULATION

CONSOLIDATED PLAN GOAL #4 – SPECIAL NEEDS POPULATION NEEDS

PRIORITY NEED RATING: HIGH

HUD STATUTORY GOALS:

1. Increase the supply of housing, combined with structural features and services to enable special needs to live in dignity and independence.
2. Increase supply of supportive housing for persons with HIV/AIDS and their families.

CITY GOAL: Foster neighborhood pride & community understanding

OBJECTIVES:

1. Provide quality services (High Need) and affordable housing opportunities (High Need) for seniors.
2. Provide quality services (High Need) and affordable housing opportunities (Low Need) for frail elderly.
3. Provide quality services (High Need) and affordable housing opportunities (High Need) for individuals with disabilities.
4. Provide quality services (High Need) and supportive housing for individuals and families living with HIV/AIDS.
5. Provide quality services for individuals with mental illness (Medium Need).
6. Provide quality services for individuals living with/recovering from substance addiction (Low Need).

INPUTS:

- Federal - CDBG, Housing Choice Vouchers, HOPWA
- State –
- Local - General Fund (i.e. staff salaries and benefits)
- Private - Program fees, private donations, service provider matching/leveraging funds

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Supportive Housing for Seniors. <i>See Owner/Renter Priority Housing Needs Strategy.</i>		
Senior Services	Provide services to 5,000 elderly individuals including nutrition and referrals.	<ol style="list-style-type: none"> 1. 80% of assisted senior citizens will remain independent for at least 1 year after services are provided. 2. 90% of seniors receiving referrals will be linked to the services sought.

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Frail Elderly Services	Provide direct services to 500 frail elderly individuals.	90% of frail elderly individuals will be linked to the services sought.
Supportive Housing for Persons with Disabilities: <i>See Owner/Renter Priority Housing Needs Strategy</i>		
Disabled Services	Provide services to 1,000 individuals with disabilities.	Support independent living for 90% of disabled persons assisted by City funds.
HIV/AIDS Rental Assistance	Provide tenant-based rental assistance to 250 individuals living with HIV/AIDS.	<ol style="list-style-type: none"> 1. 250 households relieved of rent burden. 2. Physical safety and comfort will be improved for 250 individuals living with HIV/AIDS by improving homes to a level that meets or exceed HUD housing quality standards.
Supportive Housing and Supportive Services for Individuals with HIV/AIDS. <i>See Priority Homeless Needs Strategy</i>		
Services for Mentally Ill	Provide services to 100 persons with mental illness.	100% of individuals assisted with City resources will be provided an entry point into the regional mental health care system and linked to at least one additional mental health supportive service.
Services for Substance Addicted	Provide services to 25 individuals with substance addiction (services may be provided as part of homeless services).	Provide entry into the regional recovery system for 25 individuals with substance addiction and link them to additional services.

OBSTACLE TO MEETING PRIORITY NEEDS OF HOUSEHOLDS WITH SPECIAL NEEDS

Obstacles identified that can prevent the City from accomplishing five-year goals to address the needs of persons that require housing and supportive services include the following:

- **Funding** – Due to the nature of the client needs, supportive housing and services tend to be costly. Special needs housing and support services must compete for limited resources.
- **Cost of housing** - The cost of housing in Orange County poses a substantial challenge to persons with special needs. Due to physical, mental and/or other forms of limitations, persons with special needs face many challenges obtaining and maintaining gainful employment and thus typically rely on public assistance benefits as their primary source of income. Public assistance benefits typically are insufficient to cover the cost of housing in Southern California.
- **Limited Number of Service Providers** – The special needs of these populations often require the services of specially trained professionals and equipment. As a result there may be a limited number of qualified service providers to meet all the special needs of these populations.

E. STRATEGY TO ADDRESS PRIORITY COMMUNITY NEEDS

As a recipient and user of federal grant funds (specifically CDBG) the City is required to develop a strategy to create a viable urban community by providing a suitable living environment and expanding economic opportunities for Low- and Moderate-Income persons. This portion of the Consolidated Plan and Strategic Plan is dedicated to the identification of community development needs, prioritizing these competing needs, and identifying activities that the City will strive to accomplish during the 2006-2009 timeframe.

Priority community needs were established utilizing the same process as housing, homeless and special need priorities, that is, the City's Citizen Participation process. As required, the relative level of need, and estimated five-year unmet need, funding needs, and goals, are listed in the HUD prescribed format (**Table 44** page 114).

To facilitate priority need delineation, community needs have been separated into the following Consolidated Plan Goals:

- Public Infrastructure and Facilities Improvements (Goal #5)
- Public Services (Goal #6)
- Economic Development (Goal #7)
- Planning and Administration (Goal #8)

For each category, Community Need, Priority Needs, Goals, Inputs, Outputs and Outcomes have been provided.

CONSOLIDATED PLAN GOAL #5 – COMMUNITY PRIORITY NEEDS: PUBLIC INFRASTRUCTURE & FACILITIES

PRIORITY NEED RATING: HIGH

HUD STATUTORY GOALS:

1. Improve the safety and livability of neighborhoods
2. Increase access to quality public and private facilities and services
3. Revitalization of deteriorating or deteriorated neighborhoods

CITY GOAL: Provide and maintain first-rate infrastructure and community facilities

OBJECTIVES:

1. Reconstruction of neighborhood streets and alleys
2. Installation/replacement of street lights
3. Improve neighborhood water and sewer systems
4. Upgrade fire suppression equipment serving lower income neighborhoods
5. Improve youth centers/facilities
6. Improve/expand park and recreation facilities

INPUTS:

- Federal - CDBG, Gas Tax
- State - Park Bonds
- Local - Measure M, Redevelopment
- Private - User fees, property owner/developer fees

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Public Infrastructure Improvements	<ol style="list-style-type: none"> 1. Six street improvement/reconstruction projects. 2. Two streetlights installation and/or upgrades. 3. Two water/sewer reconstruction and/or rehabilitation improvement projects. 	Improve the viability of five Low- and Moderate-Income neighborhoods by eliminating one or more substandard or deteriorated infrastructure components (i.e. streets, sidewalks, lights).
Public Facility Improvements	<ol style="list-style-type: none"> 1. Purchase of 4 pieces of fire suppression equipment to be located at fire stations serving Low- and Moderate-Income areas. 2. Two youth centers and/or facilities constructed or rehabilitated. 3. Expansion and/or renovation of 4 park and recreation facilities. 4. Initiate 2 non-residential historic rehab projects. 	<ol style="list-style-type: none"> 1. Maintain a fire department response time to less than 5 minutes in the Low- and Moderate-Income area. 2. Increase per capita expenditures for parks/recreation and youth facilities. 3. Extend the useful life of historically significant buildings by at least 10 years.

CONSOLIDATED PLAN GOAL #6 – COMMUNITY PRIORITY NEEDS: PUBLIC SERVICES

PRIORITY NEED RATING: **HIGH**

HUD STATUTORY GOALS:

1. Improve the safety and livability of neighborhoods
2. Increase access to quality public and private facilities and services
3. Provide public services concerning employment

CITY GOAL: Ensure a safe community, positive development of young people & stimulate growth of arts & cultural opportunities

OBJECTIVES:

1. Sustain community safety by increased law enforcement surveillance.
2. Provide quality social services for youth and children
3. Provide quality social services for Low- and Moderate-Income persons

INPUTS:

- Federal – CDBG
- State -
- Local – General Fund (i.e., staff salaries/benefits)
- Private – Program fees, service provider matching and leveraging funds, private donations

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Anti-Crime Services	Provide crime prevention education and surveillance services to 275,476 Low- and Moderate-Income residents over five years.	Reduce response time to serious crimes in the City's Low- and Moderate-Income area by at least 3 minutes resulting in the apprehension of 1,500 criminals that may otherwise escape.
Youth Services	Provide services to 50,000 Low- and Moderate-Income children and youth including education, art/culture and other special needs services.	<ol style="list-style-type: none"> 1. For education-based programs, improve pre-test post-test scores by 50%. 2. Provide opportunities for exposure to the fine arts. 3. 90% of children/youth seeking referrals will be linked to the services sought.
Low- and Moderate-Income Services	Provide services to 20,000 Low- and Moderate-Income Individuals including health care, employment assistance and counseling.	90% of program participants will be linked to services sought.

CONSOLIDATED PLAN GOAL #7 – COMMUNITY PRIORITY NEEDS: ECONOMIC DEVELOPMENT

PRIORITY NEED RATING: HIGH

HUD STATUTORY GOALS:

1. Job creation and retention.
2. Provide jobs for low-income persons living in the areas affected by programs covered by Consolidated Plan.
3. Establish, stabilize and expand small businesses.

CITY GOAL: Attract and retain a prosperous business community.

OBJECTIVES:

1. Attract new businesses to Santa Ana.
2. Retain existing businesses in Santa Ana.
3. Expand and/or enhance employment training for underemployed or unemployed Santa Ana residents.
4. Provide resources to improve and/or expand business facilities.

INPUTS:

- Federal – Workforce Investment Act, Empowerment Zone
- State – State Enterprise Zone, Industrial Development Bonds
- Local – Redevelopment
- Private – Business owner funds, service provider matching/leveraging funds, private lenders

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Business Attraction	<ol style="list-style-type: none"> 1. Meet with 1,000 businesspersons for the purpose of attracting or retaining Santa Ana-based employment opportunities. 2. “Voucher” 5,000 new employment opportunities via State Enterprise Zone and Federal Empowerment Zone resources. 	<ol style="list-style-type: none"> 1. 350 Santa Ana residents will obtain jobs as a result of proactive business retention/attraction activities. 2. Ensure 50% of individuals employed through City-sponsored activities obtain jobs earning \$10 per hour or more.
Job Training	Assist 2,000 unemployed/under-employed Santa Ana residents prepare for employment via employment assessment, training and placement services provided by the WORK Center.	55% of Santa Ana residents assisted will obtain employment earning above \$8.00 an hour.

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Business Improvements	<ol style="list-style-type: none"> 1. Improve 20 business facades along the South Main Street business corridor. 2. Assist 3 businesses expand and/or improve business facilities. 	<ol style="list-style-type: none"> 1. Eliminate conditions of blight on 20 business properties. 2. As a result of business expansion/improvements, at least 400 Santa Ana residents will obtain full-time employment.

CONSOLIDATED PLAN GOAL #8 – COMMUNITY PRIORITY NEEDS: PLANNING & ADMINISTRATION

PRIORITY NEED RATING: HIGH

- HUD STATUTORY GOALS:**
1. Embrace high standards of ethics, management, and accountability
 2. Increase the availability of housing to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status or disability
 3. Restore and preserve properties of historic, architectural or aesthetic value.

CITY GOAL: Assure high-quality services to customers

- OBJECTIVES:**
1. Ensure appropriate oversight and coordination of the four federal grant funds subject to the Consolidated Plan
 2. Ensure Santa Ana residents have adequate access to fair housing counseling and enforcement services, and that impediments to fair housing choices are identified and addressed
 3. Ensure comprehensive and coordinated land use, housing and neighborhood plans are prepared to enhance the quality of life of City residents

- INPUTS:**
- Federal - CDBG, ESG, HOME, HOPWA
 - State -
 - Local - Redevelopment
 - Private - Program fees, service provider leveraging funds, private donations

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Program Administration	Provide 5 years of program administration.	Maintain program administration at a level that will ensure no HUD monitoring findings
Fair Housing Services	Enter into contractual relationship with a fair housing services provider to provide fair housing service and ongoing analysis of impediments to fair housing.	<ol style="list-style-type: none"> 1. Provide fair housing counseling, education and enforcement services to 7,000 Santa Ana households. 2. Annually assess actions to eliminate impediments to fair housing.

ACTIVITY/PROGRAM	5-YEAR OUTPUTS	5-YEAR OUTCOMES
Planning	Provide financial support for qualified planners or planning firms to prepare 4 community assessment, neighborhood strategic, and/or environmental plans that will primarily benefit Low- and Moderate-Income persons.	<ol style="list-style-type: none"> 1. Prepare 4 neighborhood strategic, and/or environmental plans. 2. Ensure that at least 70% of all current and potential Santa Ana residents impacted by plans/studies meet HUD's definition of a Low- and Moderate-Income person.
Section 108 Loan Repayment:	Provide 1-year payment of 108 loan principal and interest.	A timely loan payment to retire debt and avoid late penalty fees.

TABLE 44: HUD TABLE 2B - COMMUNITY DEVELOPMENT NEEDS (REQUIRED)

PRIORITY COMMUNITY DEVELOPMENT NEEDS	PRIORITY NEED LEVEL HIGH, MEDIUM, LOW, NO SUCH NEED	UNMET PRIORITY NEED	DOLLARS TO ADDRESS UNMET PRIORITY NEED	GOALS
PUBLIC FACILITY NEEDS (projects)				
Senior Centers	Medium	0	0	0
Handicapped Centers	Low	0	0	0
Homeless Facilities	Low	0	0	0
Youth Centers	High	2	\$50,000	2
Child Care Centers	Medium	2	0	0
Health Facilities	Low	0	0	0
Neighborhood Facilities	Low	0	0	0
Parks and/or Recreation Facilities	High	6	\$5,000,000	4
Parking Facilities	Low	0	0	0
Non-Residential Historic Preservation	Medium	2	\$200,000	2
Other Public Facility Needs – Street Lights	High	50	\$500,000	25
Other Public Facility Needs – Fire Equipment	High	7	\$1,000,000	5
INFRASTRUCTURE (projects)				
Water/Sewer Improvements	High	5	\$1,000,000	2
Street Improvements	High	20	\$6,000,000	6
Sidewalks	High	10	\$500,000	3
Solid Waste Disposal Improvements	Low	0	0	0
Flood Drain Improvements	High	5	\$1,000,000	2
Other Infrastructure Needs				
PUBLIC SERVICE NEEDS (people)				
Senior Services	High	20,000	\$250,000	5,500
Handicapped Services	High	5,000	\$75,000	1,000
Youth Services	High	100,000	\$500,000	50,000
Child Care Services	Medium	20,000	\$20,000	100
Transportation Services	Low	0	0	0
Substance Abuse Services	Medium	3,000	\$25,000	25
Employment Training	High	500,000	\$125,000	2,000 ¹
Health Services	Medium	100,000	\$100,000	5,000
Lead Hazard Screening	Low	0	0	0
Crime Awareness	High	275,000	\$1,000,000	275,000
Other Public Service Needs				

PRIORITY COMMUNITY DEVELOPMENT NEEDS	PRIORITY NEED LEVEL HIGH, MEDIUM, LOW, NO SUCH NEED	UNMET PRIORITY NEED	DOLLARS TO ADDRESS UNMET PRIORITY NEED	GOALS
ECONOMIC DEVELOPMENT				
ED Assistance to For-Profits (businesses)	High	-	-	1,000 ²
ED Technical Assistance (businesses)	Low	0	0	0
Micro-Enterprise Assistance (businesses)	Low	0	0	0
Rehab; Publicly- or Privately-Owned Commercial/Industrial (projects)	High	500	\$2,000,000	200 ²
C/I* Infrastructure Development (projects)	High	4	\$1,000,000	1 ²
Other C/I* Improvements (projects)	Low	0	0	0
PLANNING				
Planning (plans)	High	6	\$1,500,000	4
Program Administration (years of admin)	High	5	\$4,000,000	5
TOTAL ESTIMATED DOLLARS NEEDED:			\$25,845,000	

* Commercial or Industrial Improvements by Grantee or Non-profit

1. Funded with WIA resources
2. Funded with Tax Increment Resources

SHORT-TERM STRATEGIES TO ADDRESS COMMUNITY DEVELOPMENT OBJECTIVES

HUD requires that the City identify short-term strategies to meet community needs. To this end, the City will implement the activities delineated in the 2005-2006 Annual Action Plan to meet the objectives of the Consolidated Plan. Annual activity goals are targeted toward meeting the high and medium priority needs identified in the Strategic Plan.

LONG-TERM STRATEGIES TO ADDRESS COMMUNITY DEVELOPMENT OBJECTIVES

In the long-term, Santa Ana will seek out additional funding resources that will provide flexibility to address priority community needs. As with the short-term strategy, resources and activities will be geared toward meeting five-year goals.

F. EMPOWERMENT ZONE REVITALIZATION STRATEGY

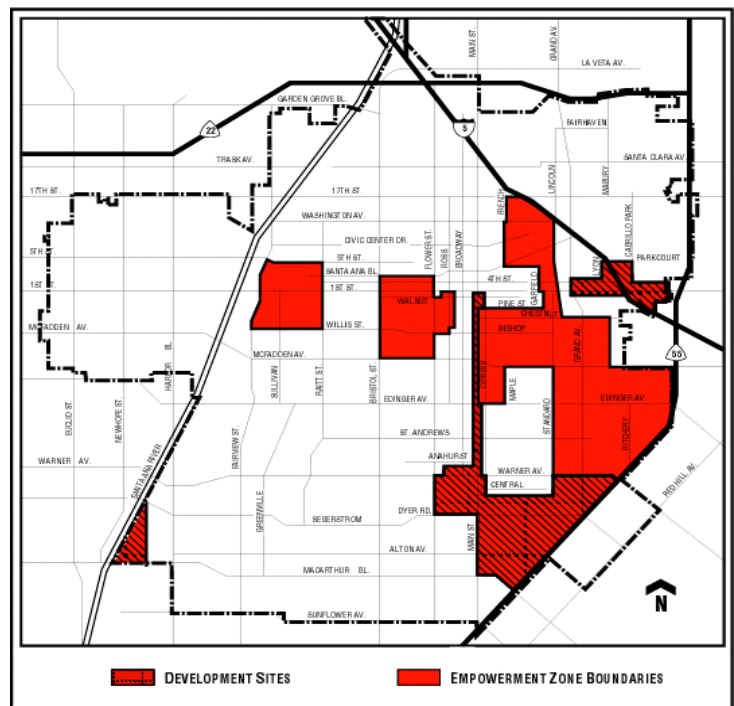
In 1999, the City of Santa Ana was designated as a federal Empowerment Zone (FEZ). Even though the FEZ has a separate action plan/reporting process, Santa Ana's FEZ will implement future-year strategies that will support the furtherance of the Consolidated Plan:

Strategic Vision for Change

Santa Ana's FEZ strategies are implemented by the Santa Ana Empowerment Corporation (SAEC). The mission of the SAEC is to build a sustainable community that fosters economic opportunities for all Empowerment Zone residents and businesses. During the first three years of designation, the SAEC's mission was to create and implement elements of a plan that included strategies to improve job training, job placement, education, safety, childcare, health, business development, transportation, housing, youth recreation, and arts/culture for FEZ residents. In May 2002, the SAEC adopted an updated

Business Plan that incorporated the elements of the existing strategy and expanded the focus on economic development. The desired outcome for the updated Business Plan was to better prepare and employ 60% of the eligible FEZ workforce (approximately 5,000 FEZ residents).

CITY OF SANTA ANA
Empowerment Zone



The means by which the SAEC will utilize FEZ resources to build a sustainable community include the following:

1. Establish a Research and Development infrastructure
 - a. Research and compile data regarding FEZ businesses and their employment needs, and research the current skill levels of FEZ residents.
 - b. Develop a recruitment and training delivery system so FEZ residents can obtain the skills necessary to meet market demands.
2. Establish a “Daisy Wheel System” to increase self-sufficiency and job accessibility for FEZ residents. Components of the Daisy Wheel include:
 - a. A navigator to coordinate and refer services for FEZ residents.
 - b. An entrepreneurship training program to provide start-up and existing FEZ businesses with business development and management courses
 - c. A resident ombudsman to provide one-on-one assistance, transportation and guidance to FEZ residents that access the service navigator and/or entrepreneurship training.
3. Build a Community Investment Portfolio that will:
 - a. Identify lending opportunities for businesses that employ/serve FEZ residents.
 - b. Invest in community projects that increase worker productivity and assist business retention efforts.
 - c. Leverage funds to increase the return on community investment for the SAEC.

COMMUNITY BASED PARTNERSHIP

An additional fundamental component of the SAEC sustainability plan is community involvement, which is exemplified in numerous ways. The governance structure of the SAEC Board of Directors is one example; board members include FEZ residents, executive directors of local nonprofits, business community leaders and government executives. Community involvement is also fostered through the transparent process the SAEC Board uses to conduct meetings. All SAEC meetings

are open to public participation and public participation is strongly encouraged. Furthermore, community involvement is encouraged via partnerships with the nonprofit community. While FEZ resources have been used to build nonprofit capacity, the SAEC Board has also accessed their expertise. Several community organizations have been invited to participate on task forces that have produced important reports regarding FEZ housing, childcare, transportation, health, safety, recreation, arts & culture, and education issues.

ECONOMIC OPPORTUNITY

As stated above, a primary focus of the SAEC is to foster economic development opportunities for all FEZ residents and businesses. FEZ programs will continue to focus on creating these opportunities through various means including:

- Attracting and retaining private businesses to the FEZ.
- Supporting the development of new businesses within the FEZ.
- Providing job-training programs for FEZ residents, and placement in local living wage jobs.

Activities that the SAEC will implement to create economic opportunities include:

- Sponsoring workshops and presentations that target residents, businesses and organizations, with the goal of increasing participants' knowledge and competence to perform core functions, solve problems and define/achieve objectives. These skills are important to helping FEZ residents achieve self-sufficiency and self-determination.
- Creating a Research and Development Infrastructure that will collect demographic and economic data that can be used to identify workplace change and career ladder models. R&D data can also assist community- and faith-based organizations design programs and projects to meet the needs of the FEZ community.
- Implement a Working Capital Loan Program that will provide access to capital and entrepreneurial assistance to small businesses located within the FEZ.

SUSTAINABLE COMMUNITY DEVELOPMENT

Some of the most significant needs in the FEZ are a result of a weak support system that is needed to sustain working families. FEZ families typically have poor language skills, lack transportation, have deficient job skills, and have limited access to community services. To address these needs, the SAEC Business Plan identifies specific programs and strategies including the Daisy Wheel System.

TAX INCENTIVE UTILIZATION PLAN

HUD has recently authorized new federal tax incentives for the FEZ. To make these tax incentives available to FEZ businesses, the City has updated its economic development marketing plan, developed a system to track the usage of the federal tax credits, and has created new marketing tools to promote the new tax incentives. It is anticipated that the marketing plan promoting the federal tax credits will spur additional business growth in the FEZ, and encourage the use of Industrial Development Bonds to further expand businesses and job growth. The SAEC will use the Wage Credit Affidavit form to track the usage of the federal credits under the Empowerment Zone Wage Credit Program. This form tracks how many companies are utilizing the tax credits, how many FEZ residents are hired by FEZ businesses, and the employees' wage per hour, position title and date of hire. Through December 2004, 731 Affidavits to over 58 companies in the FEZ have already been issued.

G. ADDITIONAL REQUIRED STRATEGIES

In addition to identifying strategies to address housing and community priority needs, the Strategic Plan is required to outline strategies to address the following elements outlined in the Housing Market Analysis.

STRATEGY TO ADDRESS BARRIERS TO AFFORDABLE HOUSING

The Housing Market Analysis identifies several barriers to affordable housing. This portion of the Strategic Plan identifies the actions the City will undertake over the next five years to remove or mitigate the negative effects of public policies that serve as barriers to affordable housing.

- **Property Tax Policy** – As discussed previously, current City property tax policies have limited impact on affordable housing. Traditionally special property tax assessments have been kept to a minimum, and current laws require 2/3 of voters to approve increases to or assessment of new property taxes. The City has little control over assessments imposed by other government and special districts.
- **Land Use Controls** – Santa Ana has purposely adopted land use controls to lower the density and scale of housing developments. This was done in response to the rapid deterioration of high-density housing built in the 1970's and the impact this housing has had on neighboring single-family neighborhoods, infrastructure, and emergency/community services. It is unlikely at this time that the City will increase residential densities across the board; however, there are tools and incentives that may be utilized to increase the number of affordable units developed. These tools include a density bonus and clustering of higher density residential development in District Center areas.
- **Zoning** - Zoning regulations control development by establishing requirements related to height, density, lot area coverage, yard setbacks, and minimum parking spaces. Zoning is an important tool for preserving the living environment of a community. Exceptions to certain zoning requirements for housing projects may be considered on a case-by-case basis.
- **Building Codes** – Building and safety codes are adopted for purposes of preserving public health and safety, and to ensure the construction of safe and

decent housing. Due to the public safety nature of building codes waivers are rarely provided.

- **Fees and Charges** – Various fees and assessments are charged by the City and other public agencies to cover the cost of processing development permits and providing local services. These fees help ensure quality development and the provision of adequate public services. On a case-by-case basis, the City may consider waiving fees and/or provide subsidies to offset fees in order to enhance the affordability of a housing project.
- **Parking Requirements** – Parking requirements in Santa Ana are typical for a city of its size. While these standards do not typically act as a constraint to the development of housing, the City is often asked to consider a reduction in parking requirements in order to provide additional housing units or reduce development costs. The City may consider these requests on a case-by-case basis.
- **Americans with Disabilities Act** – The City's building codes require that new residential construction comply with the Federal Americans with Disabilities Act (ADA). ADA provisions require a minimum percentage of units in new developments to be fully accessible to the physically disabled. Similar State regulations also compel the development of accessible units. Since these are Federal and State regulations, the City is unable to waive requirements. A subsidy may be provided to address this barrier on a case-by-case basis.

HUD has initiated an initiative to remove regulatory barriers to the creation of affordable housing opportunities. As part of this initiative, a HUD has devised a questionnaire that allows a local government to evaluate its zoning, development fees, and building code regulations. At the present time **HUD Form 27300** is only utilized for competitive grants; however, it can also serve as a useful guidance document in assisting jurisdictions identify the specific policies, procedures or

process that impact the cost of developing, maintaining or improving affordable housing. Santa Ana's completed HUD Form 27300 is included as ***Attachment 4***.

STRATEGY TO ADDRESS LEAD BASED PAINT HAZARDS

Lead paint hazards are typically found in buildings constructed prior to 1978. As outlined in the Housing Needs Assessment of this Plan, the Orange County Health Care Agency (HCA), Environmental Health Division reported that between January 1999 and October 2004, 606 Children with "Blood Lead Level of Concern" were reported in Santa Ana. It is also estimated that 4,380 Santa Ana households with children age zero to 5, and 9,400 Low-Income families live in units with lead-paint hazards.

HUD regulations require that the City inspect/test all housing activities assisted with HUD resources for lead-based paint hazards, and then remove/encapsulate hazards if found. The City has adopted policies and procedures to comply with these regulations that ensure lead paint hazards are eliminated and that the housing unit is retested to ensure all hazards have been properly encapsulated or removed. These regulations have moderately increased the cost of housing rehabilitation projects and have added to the time needed to complete projects. The City has modified its single-family loan program to allow for forgiveness of funds spent correcting lead-based paint hazards. Nonetheless, some property owners have opted out of participating in rehab programs once they have been informed of lead paint hazards requirements - in some cases these housing units were in dire need of improvement. Regardless of these obstacles, the City will comply with lead-based paint hazards regulations as evident by the implementation of conditional grant programs to remediate lead-paint hazards in housing that is affordable to lower income households.

STRATEGY TO COMBAT POVERTY

The 2000 Census estimates that over 65,268 Santa Ana adults and children live in poverty. While Orange County's economic growth continues to provide ample opportunities for these households to raise their standard of living, thousands still require some level of assistance. It is the goal of the City of Santa Ana to provide resources to households living in poverty through the use of social and public services. Specifically, resource referrals, housing, education, health care, employment and job training programs will be utilized to assist these households.

STRATEGY TO ENHANCE INSTITUTIONAL STRUCTURES

The City of Santa Ana will continue to utilize a network of referrals, contacts and partnerships to facilitate implementation of the strategies outlined in the Consolidated Plan. Santa Ana has established relationships with private industry, the nonprofit community, and other public institutions. The City's Workplace Investment Board works closely with City staff to identify the workforce needs of Santa Ana businesses. The WORK Center has been established in partnership with County, State and local educational institutions to assist former welfare recipients and unemployed/under-employed residents obtain training and gainful employment. In the area of housing, the City will continue to foster its relationship with local housing providers such as private developers, Community Housing Development Organizations (CHDOs), and neighboring housing authorities, to ensure that limited housing resources are utilized in the most efficient and effective manner possible. The City also will continue to participate in the regional Continuum of Care Community Forum, which has been established to identifying the housing and service needs of the County's homeless. Similarly, the City will continue to be a participant in the preparation and implementation of a regional Analysis of Impediments to Fair Housing. Finally, as the recipient of federal HOPWA funds, the City will continue to consult with other private, nonprofit, community, and public institutions to assess the needs of Orange County residents with HIV/AIDS, and to determine the allocation of resources.

With respect to the institutional structure of the City and the Housing Authority of the City of Santa Ana, the Authority is a department of the City's Community Development Agency. As such, the Housing Authority does not have a stand-alone board of commissioners. The Santa Ana City Council acts as the Authority's Board of Directors. Additionally, two Section 8 residents (of which one is a senior) are members of the City's Redevelopment and Housing Commission. This commission serves as an advisory board to the City Council on matters related to housing and community development. This commission will also continue to serve the City as a sounding board on issues related to the Consolidated Plan. This relationship helps ensure that the Authority's Public Housing Plan and the City's Consolidated Plan are consistent and mutually supportive.

STRATEGY TO ENHANCE COORDINATION

The City of Santa Ana has been at the forefront of coordinating public agencies, private entities, and community residents. This coordination has been enhanced through the City's Neighborhood Improvement Program, which is responsible for assisting Santa Ana's 60 neighborhood associations. As issues arise within a neighborhood, members of the association have a direct link to City staff. Neighborhood Improvement staff is responsible for bringing together key individuals from the City, other local government agencies, and the private sector, to address neighborhood concerns. Additionally the City's Resource Network coordinates the delivery of services for Santa Ana residents. The Resource Network is the collaborative effort of numerous City, social service agencies and caregivers that provide a wide variety of social services and community services.

STRATEGY TO IMPLEMENT PUBLIC (ASSISTED) HOUSING

RESIDENT INITIATIVES

As a department of the City of Santa Ana, the Housing Authority is strategically situated to take full advantage of numerous City resources to support initiatives targeted for Housing Choice Voucher program participants. As previously reported, the Housing Authority's Public Housing Agency (PHA) Plan has been prepared in conjunction with the Consolidated Plan; therefore both documents outline activities and resources that may be shared by the City and the Authority in order to address the housing needs of Santa Ana's lower income households. While the Authority does not own or manage public housing units, it encouraged rental assistance program participants to partake in the preparation of its Agency Plan and the Consolidated Plan.

When available, resources may be shared between the City and the Authority for the benefit of lower income households. For example, the Authority may be able to provide rental assistance vouchers to households that have been displaced as a result of City affordable housing projects. Conversely, the City may provide HOME-funded down payment assistance to rental assistance program participants graduating from the Authority's Family Self-Sufficiency program to purchase their first home.

STRATEGY FOR ECONOMIC DEVELOPMENT

The City of Santa Ana will continue to support entrepreneurial efforts in the City to expand employment opportunities for residents. As reported previously, Santa Ana has a relatively low unemployment rate; however it is higher than most Orange County communities. Since Santa Ana's economic and business base includes industries such as high tech, communications, and services, a work force with diverse work-skills is needed.

Ongoing programs the City will continue to support include the **Work Opportunity Resource and Knowledge (W/O/R/K) Center**, which serves as a one-stop career, job and employer assistance center. Services offered at the W/O/R/K Center include:

- Job search, employee referrals and job placement assistance
- Industry-specific job listings
- Enterprise Zone hiring assistance
- On-line labor market information
- Case management and career counseling
- Financing and business development referrals
- Workshops including resume writing and interviewing techniques
- Free use of telephones, facsimile machines, computers and internet services
- Veterans, older worker and deaf and hard of hearing employment services
- On-site employee recruitment for local employers

The City's economic development strategy also includes the continued support for Santa Ana's designated State Enterprise Zone, Foreign Trade Zone, and Federal Empowerment Zone.

State Enterprise Zone status allows the City to offer businesses located within the zone several sales tax incentives including:

- Sales and use tax credit for qualifying machinery and equipment
- Hiring credits up to \$26,890 for qualifying individuals
- Increased business expense deductions
- Opportunities to spread operating losses over several years
- Net interest deductions lenders

Santa Ana's Foreign Trade Zone provides a duty free, secure area for the purpose of supporting the efficient flow of international trade and commerce. Benefits offered by the Foreign Trade Zone include:

- Flexibility and greater control of cash flow since no duties are levied until goods leave the Zone
- A lack of quotas
- Goods may be stored and repackaged without typical U.S. Custom charges.

Santa Ana's Empowerment Zone is beginning its sixth year of existence. This four square mile area of the City will benefit from targeted federal funds to address the economic, social, housing, safety and infrastructure needs of the area's residents.

In addition to these special designations, the City will provide and/or support other forms of assistance for small business such as business loans - offered by the nonprofit Southland Economic Development Corporation, and business resources assistance by various City departments. Finally, the City's "Rapid Response Program" will continue to operate and respond to assist business and employees faced with closures and/or lay-offs. The Rapid Response Program also serves as a liaison between labor and management, assisting with the resolution of problems resulting from downsizing.

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