



# Escondido

Your Choice For Success

## General Plan Annual Report 2020



# 2020 CITY OF ESCONDIDO AWARDS RECEIVED



## Cityworks Software Implementation

- Excellence in Enterprise Practice Award

## Comprehensive Annual Financial Report

- Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting

## Fitness Courts

- National Fitness Campaign's Healthy Infrastructure Award for Innovation

## FY 2019-20 Annual Operating Budget Document

- California Society of Municipal Finance Officers Operating Budget Excellence Award
- Government Finance Officers Association Distinguished Budget Presentation Award

## Graffiti Eradication Program

- ESRI's Special Achievement in GIS Award
- League of CA Cities' Helen Putnam Award for Public Works, Infrastructure, and Transportation

## Missing Link Project

- International Institute of Transportation Engineers' Transportation Achievement Award for Complete Streets

## Recreation Guide

- California Parks & Recreation Society's Marketing & Communications Award of Excellence

## Volunteer HUB

- San Diego County Taxpayer's Association's Golden Watchdog Award



# City of Escondido

## General Plan Annual Progress Report (2020)

### I. Introduction

This report has been prepared pursuant to the requirements of Government Code Section 65400 (Appendix A). Guidance for preparation of the report is provided by the Governor's Office of Planning and Research (OPR). The report discusses what was implemented during the 12-month reporting period and provides a means to determine if changes are needed in the plan or its implementation programs. The General Plan Annual Progress Report was received by the Planning Commission at its meeting on March 23, 2021 and the City Council at its meeting on March 24, 2021.

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## **II. Purpose of the General Plan**

The General Plan is mandated by California Government Code Section 65300, which requires each city and county to adopt a comprehensive plan for the physical development of the jurisdiction. It addresses land use, transportation routes, population growth, open space, resource preservation and utilization, air and water quality, noise, safety issues and other related physical, social and economic development factors. Through the identification of goals, objectives, and policies, a General Plan creates a strategy framework for implementation. In addition to serving as a basis for local decision-making, the General Plan establishes a clear set of development rules for citizens, developers, decision-makers, neighboring cities and counties, and provides the community with an opportunity to participate in the planning and decision-making process.

## **III. Status of the Adopted Elements**

State law requires that general plans include seven (7) basic elements, which must cover the following topics: Land Use, Circulation, Housing, Safety, Noise, Conservation, and Open Space. In addition to the seven (7) required elements, Senate Bill (SB) 1000, Statutes of 2016, added to the required elements of the general plan an environmental justice element, or related goals, policies, and objectives integrated in other elements, if the city, county, or city and county has a disadvantaged community or meets certain criteria as designated by the law. As of this writing, the City of Escondido has not triggered the requirements to prepare an environmental justice element.

Mandatory or voluntary elements may be combined or renamed, but basic requirements must be included. The City of Escondido General Plan has ten (10) chapters. The relationship between the seven (7) elements and the chapters provided in the City of Escondido General Plan is described in more detail in Appendix B.

State law does not provide a mandatory minimum timeframe for revisions of elements, except for a Housing Element. State requirements for Housing Elements are more detailed and specific than for the other portions of a General Plan, and Housing Elements are updated every eight (8) years according to a schedule set by the State. Other elements may be updated less frequently and typically have a 15 to 20-year horizon. None of the General Plan elements were amended during the 2020 calendar year; however, the City has since taken actions on land use development projects to amend to Land Use Element portion of the General Plan to accommodate a gas station facility on Mission Avenue (Planning Case No. PHG 19-0049) and the redevelopment of the downtown hospital campus (Planning Case Nos. SUB 18-0011 and PHG 18-0049).

### **General Plan Update Work Program**

Escondido's General Plan was comprehensively updated in 2012. The adopted General Plan continues to serve as a relevant and useful document to guide the use of public and private lands within the community.

The CA Supreme Court has stated that local governments have an implied duty to keep their plans current (*DeVita v. County of Napa, 9 cal. 4<sup>th</sup> 763 (1995)*), so there is a need to

systematically look ahead and plan on how the City will keep the General Plan document up to date. It will need to adequately address and respond to emerging land use activities, use of space, multi-modal trends, regulations, and other matters that affect the City’s desirability to live, work, and play. Most of the general plan elements typically have a 15 to 20-year horizon, excepting the Housing Element. Absent any direction to prepare a comprehensive update, the following schedule proposes when the next suggested update would occur, ensuring continuous improvement to the City's land use and regulatory framework. Current efforts are underway to update the roadway classifications of the City’s Mobility and Infrastructure portion of the General Plan.

<b>General Plan Element</b>	<b>Last Update</b>	<b>Next Suggested Update</b>
Mobility and Infrastructure	2012	Underway
Housing*	2012	Underway
Land Use and Community Form*	2012	2021
Community Protection*	2012	2022
Resource and Conservation*	2012	2022
Economic Prosperity	2012	2023-2025
Growth Management	2012	2026-2027
Community Health and Services	2012	2029-2030
Vision and Purpose	2012	---as needed---
Implementation Program	2012	---as needed---

*\* State law requires certain information be included in General Plan elements at the time a jurisdiction next revises a Housing Element. This involves land use-related policies. Furthermore, Government Code Section 65302 requires all cities and counties to amend the safety and conservation elements of their General Plan to include analysis and policies regarding hazard information upon the next revision of the Housing Element, which is scheduled to cover the 2021-2029 planning period. For this reason, the timing of certain elements may change; otherwise, these elements have been grouped together or sequenced in a logical manner to ensure that the City’s policy framework is updated in a timely manner to continue to guide growth and development in a beneficial direction, while satisfying all state mandates.*

## **IV. Progress in the General Plan's Implementation**

Generally, all of the existing parcels of land that have been developed have been purposed with land uses consistent with the General Plan. Residential land use currently accounts for 70.8 percent of all land area in the City, more than any other land use. Commercial, office, and industrial uses account for approximately 5.7 percent of total land area in the City. Public lands and open spaces accounts for 15.1 percent of the total land area in the City, which are generally dispersed throughout the City. Most of the streets and highways described in the General Plan are developed to their planned capacity, or have capacity to be fully implemented in time. Some of the roadways could be downgraded and repurposed to achieve other General Plan objectives. The entire infrastructure needed to serve the planned land uses is in place with sufficient capacity to accommodate the planned land uses and population, except for localized drainage and/or outfall-related issues.

### ***A. Land Use and Community Form***

The Land Use Element is one (1) of seven (7) elements required by state law to be included in California General Plans. The Element guides the desired pattern of growth, development, and change in the community. The purpose is to ensure that a balance of residential, employment, commercial, recreational, civic/cultural and open space land uses are provided at appropriate intensities, locations and combinations to enhance community sustainability. Goals identified in the Land Use / Community Form Element foster Escondido's role as an urban center. The Plan emphasizes the revitalization of the downtown area and established neighborhoods, promotes economic development in the form of attractive, sustainable, economically viable industrial and commercial areas, and concentrates high intensity activities in the urban core. Topics or policy issue areas covered in the Land Use and Community Form Element include the following:

- Community Character
- Land Use Zoning
- Residential Development
- Residential Clustering
- Planned Development
- Mixed Use Overlay Zones
- Commercial Land Uses
- Office Land Use
- Industrial Land Use
- Specific Plan Area Land Use
- Open Space/Park Land Use
- Public Facility Overlay
- Tribal Area Land Use
- Development Agreements
- Annexation
- General Plan Review and Amendments
- Environmental Review

Indicators and General Plan Implementation (2020)

- 53,773 total housing units
  - 51,364 total housing units occupied
  - 2,409 total housing units vacant (or 4.5 percent prevailing vacancy rate). The amount was 3.8 percent in 2019, a year-over increase of 0.7 percent. In 2018 the prevailing vacancy rate was 4.8 percent.
- Major pipeline projects (initiated, in progress, or completed during the reporting period)
  - # of units issued zoning permits: 183
  - # of units denied zoning permits: 0
  - # of building permits issued: 262
  - # of units issued certificates of occupancy: 126
  - Over the past year, the City of Escondido and the development community added more than 126 housing units “finaled” to our City, and we have about 3,000 more in the pipeline. This includes 970 units planned, permitted, or under construction in the downtown area, which will help bring much more foot traffic and activity to our downtown businesses.
- 3,433 total building permits issued in 2020:
  - 206 new single-family homes (11 homes were issued in 2019 and 22 homes were issued in 2018).
  - 33 Accessory Dwelling Units (25 in 2019 and 15 in 2018).
  - 8 new commercial structures (6 new commercial structures in 2019).
  - 1 new industrial building (0 new industrial buildings in 2019).
- Approved and/or processed planning projects or administrative activities in 2020:
  - 2 Administrative Adjustments
  - 70 Accessory Dwelling Units
  - 33 Banner Signs
  - 74 Certificates of Appropriateness
  - 40 Conditional Use Permits
    - Includes 31 small wireless facility permits
  - 2 Condominium Permits
  - 2 Daley Ranch Credit Purchases
  - 33 Design Review Permits
  - 1 Grading Exemption
  - 1 General Plan Amendment
  - 12 Lot-Tie and other Agreements (except Development Agreements)
  - 1 Mills Act Contract
  - 4 MNDs
  - 1 Non-emergency demolition permit
  - 8 Planned Development Permits
  - 37 Plot Plans
    - Includes 21 small wireless facility permits
  - 73 Signs
  - 1 Specific Alignment Plan
  - 2 Specific Plan Amendments

- 65 Temporary Use Permits
  - Includes 56 Business Recovery Special TUPs
- 1 Tentative Parcel Map
- 3 Tentative Subdivision Maps
- 10 Zone Changes or Zoning Code Amendments. Only 4 were related to land use development proposals.
- 6 Urgency Ordinances
- 29 Zoning Verification Letters
- In 2020, the novel coronavirus pandemic (“COVID” or “COVID-19”) spread to many countries. The torrent of disruption to daily life over 2020 was inescapable. Businesses were closed, schools shuttered, vacations cancelled, and events postponed. The City of Escondido established different relief options to help residents, businesses, nonprofits, and social organizations recover from the impacts of the COVID pandemic. The [COVID-19 Business Recovery Strategy](#) was adopted by the City on May 13, 2020. City Hall re-opened to the public on June 15, 2020 with a new Information Booth check-in process to protect the health and safety of the public and employees while providing exceptional and efficient service to customers.
  - Escondido’s Business Recovery Strategy tools were publicized in the following areas:
    - City’s website
    - Business Insight Monthly Newsletter
    - Chamber of Commerce
    - Downtown Business Association
    - Various media outlets
  - The new Cityworks software platform was implemented on July 1, which has significantly improved City efficiency to better serve internal and external customers.
  - One traffic lane in each direction on Grand Avenue from Maple Street to Juniper Street was temporarily closed to allow for expanded outdoor dining and retail in parklets starting on July 10, 2020.
  - The City Business Grant Program was launched on July 17, 2020 in English and Spanish to award \$1M in CARES Act funding to local businesses.
  - Adopted a local eviction moratorium.
  - The Community Services Department worked with groups to provide free outdoor space continue business/service operations when indoor operations were prohibited. Eight businesses with a total of 434 reservations and 10 churches with a total of 204 reservations were able to continue operations due to these efforts.
  - The Planning Division issued 56 Business Recovery Special TUPs, allowing businesses to operate in parking lots along Grand Avenue.
- Code Enforcement
  - 2,666 code enforcement cases received in 2020
  - There were 4,711 total Code Enforcement inspections performed. This was a decrease of 3.2% from the total of 4,867 code enforcement inspections in 2019.

- There were 555 Covid-19 Complaints handled by the Code Enforcement Division during 2020.
  - 43 average days that Code Enforcement cases were open. This is a year-over increase of 9 days (34 days in 2019) and is attributed mostly to warranted accommodations and other circumstances related to the COVID pandemic.
  - There were 35 Code Enforcement parking citations in 2020, down from a high of 93 in 2019 but closer to the total of 46 in 2018.
  - In 2020, there were three hoarder properties that were abated. Removing the residents from the dangerous and deplorable conditions. Putting the residents into contact with Adult Protective Services.
  - Code Enforcement joined with Public Works, Escondido P. D., Park Rangers and Housing to form the Quality of Life team. Their combined efforts have cleaned out several homeless encampments on both public and private properties throughout the city. Often providing the homeless with services to assist them.
- Initiated the Climate Action Plan update in 2018 and concluded Public Hearings with the Planning Commission.
  - Initiated a new specific plan for the East Valley area.
  - Adopted an omnibus code clean-up to address recent changes in State laws, to correct errors, and improve existing regulations through Ordinance No. 2020-07 on May 6, 2020. The primary purpose of Ordinance No. 2020-07 was to address recent housing bills and ensure out local ADU and Density Bonus laws were up to date. The second omnibus, which included more broad changes to the code as a clean-up measure, was adopted per 2020-31R was introduced in 2020, but was adopted on January 13, 2021.
  - Adopted an urgency ordinance (Ordinance No. 2020-12) on May 20, 2020 to address regulatory business relief measures. The urgency ordinance was extended by Ordinance No, 2020-21 on August 19, 2020, and then made more permanent (for the duration of the local emergency) by Ordinance No, 2020-23 on October 21, 2020.
  - Adopted Ordinance No. 2020-10 to form the CityWide CFD Zone on June 3, 2020. A follow-up ordinance (Ordinance No. 2020-24) was adopted on October 21, 2020 to acknowledge the funding mechanisms.
  - The Building Division, Planning Division, and Engineering Services Department went live with the new online permit and activity tracking tool, "Cityworks." in 2020.
  - Grants:
    - Began implementation of SB2 planning grant to prepare the Housing and Community Investment Study, which includes updating the Housing Element portion of the General Plan, conducting a Sector Feasibility Study, and preparing a specific plan to accommodate new housing in the City (called the East Valley Specific Plan). The grant award was for \$310,000
    - Received a \$500,000 LEAN planning grant to help accelerate housing production. The \$500,000 grant will fund: 1) the preparation of the Environmental Impact Report to support the Housing and Community Investment Study, 2) creating pre-approved plans for accessory dwelling

units, 3) revising and parking study for the downtown area, 4) revising open space standards for multi-family development.

*Anticipated Implementation Activities (0-3 Years):*

1. Amend Article 47 to include appropriate features, thresholds, and objectives that reduce environmental impacts when considering pedestrian or transit-oriented development.
2. Amend Zoning Ordinance to establish new Overlay designations for Public Facilities, Mixed Use, Tribal Lands.
3. Prepare a mobilehome park study.
4. Complete the Housing and Community Investment Study work program (underway).
5. Complete the Climate Action Plan update and begin implementation (underway).
6. Prepare a Building and Permit Processing Guide (underway).
7. Update the Sign Ordinance.
8. Evaluate the City's regulatory business relief measures and determine if any measures should be made permanent.

***B. Mobility and Infrastructure***

The Circulation Element is one of seven mandated elements that each local government must maintain in its General Plan. The Circulation Element must include the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, and other local public utilities and facilities. Circulation and utility improvements must also correlate with the land use-related policies. The purpose is to identify the types, locations and extent of existing and proposed transportation and utility facilities, and to establish goals and guiding policies for implementing improvements necessary to serve existing and future residents. The element introduces planning tools essential for achieving the community's transportation and utility goals and policies with the intent of providing a sustainable system to serve residents and businesses. Topics or policy issue areas covered in the Mobility and Infrastructure Element include the following:

- Regional Transportation Planning
- Complete Streets
- Pedestrian Network
- Bicycle Network
- Transit System
- Transportation Demand Management
- Street Network
- Parking
- Traffic Calming
- Goods and Services Transport
- Aviation
- Water System
- Wastewater System
- Storm Drainage
- Solid Waste and Recycling
- Energy
- Telecommunications

Indicators and General Plan Implementation (2020)

- Commute Travel:
  - 81.9 percent of commuters drove alone
  - 9.1 percent of commuters carpooled
  - 1.7 percent of commuters walked or used a bicycle
  - 2.0 percent used public transportation
- Mean travel time to work – 29.6 minutes. This is a year-over increase of 1.9 minutes from 2019 (27.5 minutes), and a two year-over increase of 2.3 minutes from 2018.
- 2.2 percent of workers had no vehicle available. 41.8 percent of workers had three or more vehicles available.
- 74 lane miles of streets resurfaces. There were 98.3 lane miles of streets resurfaced in 2019 and 98 lane miles resurfaced in 2018.
- 97 street trees places in 2020. 75 street trees placed in 2019 and 42 in 2018.
- 1,669 total lights converted to LED in 2020. 763 total lights in 2019.
- 0.65 miles of sidewalks replaced in 2020. 0.74 miles of sidewalks replaced in 2019.
- 2.5 miles of bike lanes added or improved in 2020. 16 miles of bike lanes added or improved 2019 and 6.5 miles in 2018.
- 48 pedestrian lamps installed in 2020. 60 pedestrian lamps installed in 2019 and 36 pedestrian lamps installed in 2018.
- Completed construction of El Norte Parkway Bridge, Medians and Pedestrian Signal.
- 90 percent completion of construction of Spruce Street Channel Improvements and Pedestrian Bridge.
- Completed design of 2,769 linear feet of corrugated metal pipe rehabilitation.
- Completed design of Creek Trail Crossings Project.
- Completed design of LED Retrofit – Phase II
- 60 percent design of Grand Avenue Vision Plan – Phase I
- Grants:
  - Proposition 68 - Escondido Creek Trail Transit Center Bicycle Path Improvement Project (\$8.5 million)
- Water-related:
  - 33,563 acre feet produced (12 percent local and 88 imported)
  - 21,990 acre feet to Escondido Water District and 11,472 acre feet to VID
- Recycle water-related:
  - 2,306.88 acre feet produced and 2,201.35 acre feet sold to Escondido, Rincon, and Palomar Energy Plant
- Wastewater-related: For CY 2020
  - Influent – 4982.1 MG
  - Effluent – 3996.6 MG
  - Outfall capacity – 20.15
  - Plant capacity – 18 MGD
  - We are at 54.3 percent of our outfall capacity. This is a decrease from 55.9 percent in 2019
- Water-related infrastructure:
  - Modifications to A-3 and A-11 Reservoirs currently in design.

- Emergency Treated Water Connection. Adding a treated water connection from the San Diego County Water Authority treated water pipeline for use in the event that there is an emergency that limits or eliminates the ability of the Water Treatment Plant to produce treated water. Currently in design.
- Lindley Reservoir Replacement. Replace the existing 2 MG steel reservoir constructed in 1950 with two 1.5 MG pre-stressed concrete reservoirs. Currently in design.
- Water mains replacement. Replaced the water mains in West 7<sup>th</sup> Avenue between Quince and South Broadway, and in South Broadway between West 7<sup>th</sup> Avenue and Valley Parkway. Currently in design.
- The San Pasqual Undergrounding Project (Escondido Canal through the San Pasqual Reservation as per the Settlement Agreement with the Indian Bands) is currently in design.
- The Wohlford Dam Replacement Project – The design is being finalized. Currently applying for environmental permits.
- Wastewater-related infrastructure:
  - Gravity main replacement– Staff have replaced 634’ of failing VCP and concrete sewer gravity main throughout the City with SDR-35 PVC pipe.
  - Gravity main rehabilitation projects– Approximately 742’ of sewer gravity main was rehabilitated using UV cured, glass-reinforced pipe.
  - Sewer Manhole rehabilitation and lining project– 22 Sewer manholes were rehabilitated using brick and hydraulic cement, then lined using Raven 405 spray-applied epoxy liner.
  - Trunk sewer replacement project– Currently in the 90% design phase to replace the remaining sections of RCP trunk line. A total of approximately 5,300’ of reinforced concrete pipe is to be replaced with C-905 PVC pipe.
  - Recycled water. Currently in construction is the recycled water pipeline from Citrus Avenue and Escondido Creek to the agricultural area of Cloverdale and Mountain View; converting the existing Hogback Reservoir to recycled water and constructing a new potable water reservoir. Currently in design is a 10 MG emergency storage pond and pipelines to distribute the recycled water to agricultural users.
  - Membrane Filtration Reverse Osmosis Facility (MFRO). A progressive Design-Build process is underway for the design and construction of a MFRO facility and pump station to improve recycled water quality for agricultural uses. The MFRO design is nearing completion and construction is anticipated to start mid-2021.

*Anticipated Implementation Activities (0-3 Years):*

1. Update and integrate our existing Bikeway Master Plan and Trails Master Plan with a Pedestrian Master Plan, prepared as a Complete Active Transportation Strategy for the city.
2. Update the Circulation Element portion of the General Plan, with a focus on roadway classifications (underway).
3. Develop and implement a Transportation Demand Management Program.

4. Develop guidelines for implementation of VMT analysis to streamline CEQA review on future development projects, including mitigation options (underway).

### **C. Housing**

The Housing Element assesses the housing needs of all economic segments of the City of Escondido. In addition, the Housing Element defines the goals and policies that will guide the City's approach to resolving those needs and recommends a set of programs that would implement policies over the next few years. Topics or issue areas covered in the Housing Element include the following:

- Plan for quality, managed, and sustainable growth
- Provide a range of housing opportunities
- Enhance the quality of housing and preserve character

#### *Indicators and General Plan Implementation (2020)*

- The primary existing housing type in the City was single-family homes (56.6 percent of 53,773 total housing units). 46.9 percent are one-unit detached single-family homes and 9.4 percent are attached single-family homes.
- Two-family and multi-family condominiums, townhomes, and apartments comprised 36.7 percent of the total housing units. 7.1 percent of the total housing units are mobilehomes.
- 5.0 median rooms per housing unit, CityWide.
- 49.0 percent of all housing is owner-occupied. This is a decrease from 51.7 percent in 2019 and 49.8 percent in 2018.
- The average size of an owner-occupied unit – 3.02 persons per household.
- The average size of a renter occupied unit – 2.79 persons.
- Vacancy rates: The homeowner vacancy rate is 1.3 percent. The rental vacancy rate is 3.2 percent.
- In 2020, an RFP was released for federal HOME and Successor Housing Agency (SHA) funds for the construction or rehabilitation of affordable housing. \$1,000,000 in HOME funds were committed to San Diego Habitat for Humanity to construct up to 10 homeownership units and \$4,000,000 in SHA funds were committed to National CORE as permanent financing for newly constructed permanent supportive housing for older adults, including a 50% set-aside for homeless older adults.
- A Homelessness & Housing Community Advisory Group continued to meet to discuss, brainstorm and harness public energies around homeless solutions.
- Escondido participated in the North County Homeless Action Committee with elected representative and staff to come to regional consensus regarding goals and solutions. The Committee has focused its efforts in getting more, coordinated street outreach and social worker services to assist homeless adults.
- Federal HUD funds (\$148,300 in ESG and \$45,000 in CDBG) were committed to address homelessness through shelter operations, case management, and homelessness prevention.

- A new Five Year Consolidated Plan was written after significant public engagement to create new priorities for community development, affordable housing and homeless activities to address needs effecting Escondido’s low-mod neighborhoods and households.
- Grants:
  - The City’s 2018 HEAP grant continued to pay for a full time social worker to assist unsheltered chronically homeless individuals to access available services and shelter (and ultimately, homes) for a second year. Escondido Homeless Case Management (\$192,995)
- 29 very-low income seniors and disabled households were assisted in mobile homes and apartments with a monthly rental subsidy while waiting for HUD Housing Choice Vouchers (Section 8).
- During 2020, 1,026 Escondido residents received Housing Choice Vouchers from the Housing Authority of San Diego County.
  - There are 2,336 households on the wait list, which is a year-over year increase of 15 percent from 2,032 households in 2019.
- The City conducted two mobile home rent control hearings (all short form).
- In 2020, 17 neighborhood groups were supported, including neighborhood clean-ups, neighborhood leadership forum meetings, and participation of multiple departments at neighborhood group meetings
- In FY 2020-2021, the City received \$1,818,942 in CDBG funds (a year-over year decrease of 0.3 percent from \$1,824,482 in FY 2019-2020). For this cycle, \$319,620 supported public service and fair housing activities supporting the five local CDBG priorities: Homeless Services, Basic Needs, Health and Human Development, Neighborhood Revitalization, and Economic Development.
- In 2020, the City received CARES Act funding from HUD in order to address the community development and homeless needs in Escondido in relation to the Coronavirus pandemic. The city received \$2,394,882 in CDBG-CV funds; funds were allocated for food security for seniors, eviction prevention, rental and utility assistance and neighborhood improvements. The city received \$4,487,427 in ESG-CV funds, which were allocated for emergency shelter, street outreach, rapid rehousing, and homeless prevention (rental assistance).

*Anticipated Implementation Activities (0-3 Years):*

1. Prepare and implement Annual Action Plans in concert with the 2020-2024 Consolidated Plan.
2. Initiate and adopt a 2021-2029 Housing Element (underway as part of the Housing and Community Investment Study).

**D. Community Health and Services**

The Community Health and Services Element establishes policies that influence good land use planning in order to enhance community health and welfare. Policies supporting access to healthy foods, availability of parks, recreational opportunities, libraries and cultural services, as

well as promoting educational advancement and civic engagement all aim to improve economic, physical, and social conditions. The Community Health and Services Element promotes a community-based and private sector approach for establishing a sustainable and healthy community. Topics or issue areas covered in the Community Health and Services Element include the following:

- Health and Wellness
- Parks and Recreation
- Library Services
- Cultural Enrichment
- Schools and Education
- Civic Engagement
- Childcare
- Older Adult, Disabled, and Disadvantaged

*Indicators and General Plan Implementation (2020)*

- Median age – 35.5 years, a year-over increase of 1.7 years from 2019 (33.8 years in 2019).
  - The population that is 65 years and older – 14.2 percent
  - Children ≤ 18 years old in households – 25.3 percent
- The City’s first four-year university, John Paul the Great Catholic University, completed its seventh full year of operation.
- 6,556.3 acres of parkland. A new residential community, Country Club Redevelopment Project - “The Villages,” approved in 2017 and under construction, would add public parkland to the City inventory (anticipated to be completed in 2022).
- 5 new upgraded parks or facilities in 2020:
  - Don Anderson Building: Installed awning over front door and installed security fencing along back of facility.
  - Felicita Mini Park: Landscaping improvements.
  - Park Avenue Community Center (PACC): Installed security cameras, and replaced gates throughout the facility.
  - Mountain View Park: Installed the first of five National Fitness Campaign Fitness Courts that won Escondido the Healthy Infrastructure Award for Innovation from the National Fitness Campaign.
  - Kit Carson Park: Installed new artificial turf on two soccer arenas at the Escondido Sports Center, and infilled and laser leveled four adult softball fields.
- 350 recreational programs in 2020. There were 609 recreational programs in 2019, and 625 in 2018. The significant change was attributed to circumstances related to the COVID pandemic.
  - 290 participants in the youth soccer program.
  - 5 youth soccer, pop warner, and baseball leagues with 1,031 participants.
  - 0 adult softball teams with 0 participants.
  - 3 soccer tournaments (youth and adult) with 5,000 participants.

- 3 softball tournaments with 1,500 participants.
  - 6,727 participants/visits at the skate park.
  - 30 adult hockey teams with 360 participants.
  - Due to the COVID pandemic, traditional recreation programming had to be adapted to meet very specific health guidelines; many programs had to be canceled, but staff were able to move the majority of our fitness and dance classes outdoors in order to continue to provide wellness opportunities to the community.
- No. of new miles of public trails in 2020 – none
  - Implementation of SmartRec recreation software: The Community Services Department completed a successful software implementation that better meets user needs and increases efficiency. This new system includes a variety of enhancements that will improve direct communication with the customer, provide a series of automated functions creating staffing efficiencies, and has an open platform for data-driven analysis. A few key features include:
    - Website integration
    - Online park reservations
    - Automated waitlists
    - Downloadable App
    - Greater customer activity controls (class registration & cancellation by the customer)
    - Decreased processing fees
    - Open API platform for dashboards and data analysis
  - In partnership with Lakes & Open Spaces staff, Community Services expanded outdoor recreational offerings and revamped the Escondido Recreation Guide to include more free and low-cost events and programs, as well as more relevant City-related news. This revamp of the Escondido Recreation Guide was acknowledged by the California Parks and Recreation Society award of the 2020 Marketing and Communications Award of Excellence.
  - New improvements to libraries in 2020:
    - This unprecedented time certainly had an effect on library services, but it did not stop the Escondido Library staff from providing exceptional resources, programs, and services to the community. When the state of emergency was declared in March 2020 and the library initially closed its doors, staff immediately adjusted programs and services to virtual formats, reallocated funds for more digital offerings, and continued to make improvements inside the library.
    - Instead of hosting programs in person, staff went to work live streaming and recording programs for all ages. While our programming numbers for live virtual programs and attendance were down in 2020, we also featured 116 recordings of program content that got 6,921 views across Facebook, Instagram, and YouTube – many from viewers around the country and the world! Staff adapted reading challenges and craft programs to work in concert with curbside service that allows patrons to pick up physical items from the library while maintaining the health and safety of both staff and the public.

- During the pandemic, Escondido Public Library reallocated budget funding to increase eBook and eAudiobook holdings in the OverDrive platform. Additionally, the Library added four new platforms for accessing digital content: CloudLibrary (an eBook and eAudiobook platform with an inter-library loan feature that allows patrons access to San Diego Public Library's eContent), Hoopla (a simultaneous use digital streaming service for eBooks, eAudiobooks, eComics, eMusic, and video/TV show streaming), Biblioboard (an eBook platform for self-published titles, including integration with the Indie Author Project, as well as access to an ePublishing platform for local authors), and ComicsPlus (a simultaneous use eComics platform for K-12 content.) The addition of these platforms and their content led to a 67% increase in eMaterial circulation from 2019.
- While the library doors were closed, we updated our audiovisual system in the Turrentine Room with funding from Escondido Library Foundation because the existing equipment was obsolete. Using the Mitchell Room as a template, the City of Escondido Information Systems Department procured equipment, programmed a user interface, and installed the new equipment from May-July 2020 during the closure. The new equipment can sync wirelessly to any Apple or Windows device, and most Android devices. It can also be plugged in via HDMI and VGA. New speakers and a new high definition projector round out the package, making for a seamless, user-friendly experience for any Library staff and (in the post-COVID world) renters from the public who use the room.
- We were also able to complete the Public Printing Project, a capital-funding project approved by the City of Escondido to allow patrons to print via wireless devices and pay for their prints by credit card in addition to cash. The Library's separate public PC management system, print management system, room booking system, and all public printers and copiers were replaced with one integrated system and new machines capable of printing and copying in black and white and color, faxing, scanning, and processing double-sided jobs. Patrons can send prints from anywhere via a web portal and pick them up at the library.
- Library technology:
  - 11,896 wireless internet sessions in the library. There were 123,369 in 2019 and 145,973 in 2018. The significant change was attributed to circumstances related to the COVID pandemic.
  - 211,082 website hits in 2020. There were 349,638 in 2019 and 288,036 in 2018. The significant change was attributed to circumstances related to the COVID pandemic.
- Library circulation:
  - 305,027 items circulated. There were 493,546 items circulated in 2019 and 422,939 items in 2018. The significant change was attributed to circumstances related to the COVID pandemic.
  - 68,575 check outs of digital media (eBooks, eAudiobooks, etc.). There were 45,613 check outs of digital media in 2019 and 31,159 in 2018.
- Library programs:

- 195 children’s programs and 6,603 in attendance. There were 294 children’s programs and 10,706 in attendance in 2019. In 2018, there was 118 children’s programs, with 4,818 attending.
- 160 adult programs. There were 116 adult programs in 2019. 96 adult programs in 2018 (includes Pioneer Room and Literacy).
- 26 teen programs and 214 attending in 2020. 56 teen programs and 541 attending in 2019. 20 teen programs and 220 attending in 2018.
- Childcare programs:
  - Number of Day Camp programs conducted – 4
  - Pre-school programs – 40
  - After School programs (City) – 2
  - After School Education and Safety (ASES), EUSD programs – 3
- Elderly/disabled/disadvantaged programs:
  - 10 programs for seniors, down from 51 in 2019 and 66 programs in 2018. The significant change was attributed to circumstances related to the COVID pandemic.
  - 32,636 meals delivered to seniors. 24,102 meals were served to seniors in 2019 and 26,643 meals in 2018. This significant change was attributed to extra funding provided to the City in support related to COVID pandemic.
  - 2,479 rides provided to seniors. In 2019, 13,129 total rides were provided to seniors from home to the Park Avenue Community Center (PACC) to eat and enjoy the programs. This is down from 13,562 rides in 2018. The significant change was attributed to circumstances related to the COVID pandemic.
  - The Park Avenue Community Center was awarded a \$40,000 grant from the Sahn Family Foundation to beautify and update the facility. The Center received new furniture in the common areas, two new pool tables, and vibrant art and decor to bring a fresh new feel to the facility.
  - Senior Nutrition Video – Reinventing the Senior Nutrition Program  
<https://www.youtube.com/watch?v=TBkV8WA2sqM>
    - The City’s Communications, Digital Media Services, and Community Services staff put together a documentary on the Senior Nutrition Program and all that went into transitioning that program from a congregate meal setting to a pick-up and delivery service, due to the COVID 19 pandemic. It highlights the incredible work of our teams, the partnership with the California Center for the Arts, Escondido that has been essential to our success, and the impact the program has had on the seniors and the community as a whole.

Anticipated Implementation Activities (0-3 Years):

1. Update the master plan of trails to include Pedestrian Master Plan and elements, as an intrinsic component of a CityWide Complete Active Transportation

Strategy, which would include a new bikeway master planning and art programming.

2. Complete new Washington Park Skate Spot.
3. Complete John Masson Memorial Bike Park in Jesmond Dene Park.
4. Install 4 additional National Fitness Campaign Fitness Courts.
5. Install Futsal Courts in Washington Park.
6. Escondido Creek Trail Expansion and Renovation Project - one of only nine projects funded at the maximum \$8.5 million level through the Prop 68 Statewide Park Program and only one of three projects funded in San Diego County.

## **E. Community Protection**

Escondido's Community Protection Element addresses such issues as flood and fire hazards, geologic and seismic activity, and hazardous materials. Sections regarding Emergency Preparedness, Police and Fire service are also included. The Element also includes a section addressing Noise, which is a required component for General Plans. The purpose of the Community Protection Element is to identify and address the most relevant public safety issues affecting the community. In addition, the Element offers possible solutions and establishes standards and policies for proactively addressing threats to life and property. Topics or issue areas covered in the Community Protection Element include the following:

- Disaster Preparedness and Emergency Response
- Fire Protection
- Police Services
- Code Enforcement Policies
- Noise
- Flood Protection
- Solis and Seismicity
- Hazardous Materials

### Indicators and General Plan Implementation (2020)

- No. of calls for service in 2020:
  - 48,332. There were 50,798 calls for service in 2019, a year-over decrease of 4.8 percent.
  - 58,118 9-1-1 calls. There were 58,802 in 2019, a year-over decrease of 1.1 percent.
  - 104,072 total police calls. There were 103,654 total police calls for service (which includes all calls for service, traffic stops, extra patrols, and other police related activities) in 2019. This is a year-over increase of 0.4 percent..
- No. or parking citations in 2020 – 4,449. In 2019 there were 6,744, a year-over decrease of 34 percent. This significant change was attributed to circumstances related to the COVID pandemic.
- No. of reported accidents (by type):
  - 927 collisions. 1,503 collisions in 2019.

- 7 fatal collisions, which is the same amount as 2019..
- No. of noise complaints received/closed in 2020 – 1,505. In 2019 there were 1,630, which is a year-over decrease of 7.6 percent.
- No. of arrests (felony, misdemeanor) in 2020 – 4,751. In 2019 there were 5,092, which is a year-over decrease of 6.7 percent.
  - 1,583 felony arrests
  - 3,168 misdemeanor arrests
  - 129 other detentions
- No. of police officers – 156 (includes 2 grant funded position)
- In 2020, the Police Department maintained 29 grants for a total of approximately \$1,839,934.
- The Escondido Police Department focused on maintaining community safety while dealing with COVID-19 challenges.
- The Police Department Lobby adapted to COVID-19 compliant protocols and continued to service the public.
- Crime prevention, intervention, and suppression efforts continued and evolved to meet the community’s needs during the pandemic.
- The Escondido Police Department collaborated with regional partners to address issues of community and police relations. Chief Varso attended meetings with community groups and answered questions, listened to concerns, and explained policies.
- No. of fire stations – 7
- No. of Fire Department personnel:
  - 87 Firefighters (24 Fire Captains, 24 Fire Engineers, and 39 Paramedics)
  - 18 Non-Safety Paramedics or EMTs
  - 6 Chief Officers
  - 1 Fire Marshal or Deputy Fire Marshal
  - 4 Prevention Inspectors/Investigators (full time) and 1 part time Prevention Specialist
  - 1 Emergency Preparedness Manager
  - 3 Administrative Staff (full time) and 1 part time Administrative Staff
- No. of Fire Apparatus:
  - 7 Type 1 Frontline Fire Engines
  - 3 Type 1 Reserve Engines
  - 4 Type 3 Brush Engines
  - 1 Type 6 Brush Engine
  - 1 Frontline Truck
  - 1 Reserve Truck
  - 5 Frontline Ambulances
  - 4 Reserve Ambulances
- Average response time of Fire Department: 5 minutes and 25 seconds in 2020. The average response time was 5 minutes and 11 seconds in 2019.
  - Met Quality of Life Standard Goal 89 percent of the time.
  - The average response time was 5 minutes and 14 seconds in 2018.
  - The average response time was 5 minutes and 15 seconds in 2016.

- Refurbishment of the reserve ladder truck ensures continuous availability of this specialty apparatus. Refurbishment completed at about half the cost of purchasing a new ladder truck.
- Upgraded fire apparatus and vehicle Mobile Data Computers purchased, configured and replaced throughout the fleet.
- Purchase and installation of Bleeding Control Stations co-located with existing AEDs at 22 City facilities.
- Fire Stations 5 and 6 water wise landscape completed. Water and cost savings with huge aesthetic improvement.
- Automated electronic fire station supply inventory control system implemented.
- Emergency Operations Center video teleconferencing system purchased and installed.
- Fire Department website redesigned for easier and more useful navigation.
- Implementation of CityWorks for Fire Prevention inspection, plans review and other processes integrated with other City departments.

Anticipated Implementation Activities (0-3 Years):

1. N/A

**F. Resource Conservation**

Escondido's Resource Conservation Element satisfies state requirements for the Open Space and Conservation Elements as stated in the Government Code. Community Goals and Objectives call for creating an aesthetically pleasing environment, as well as conserving Escondido's natural and scenic resources. The Element's purpose is to identify areas for conserving open space as well as other important resources including air and water quality, cultural, agricultural, mineral and energy resources, as well as protecting hillside and ridgeline view corridors with particular emphasis on ridgelines, unique landforms and visual gateways. Topics or issue areas covered in the Resource Conservation Element include the following:

- Biological and Open Space
- Trails
- Visual Resources
- Agricultural Resources
- Historical Resources
- Water Resources and Quality
- Air Quality and Climate Protection

Indicators and General Plan Implementation (2020)

- 1,263 new solar PV units installed in 2020. 1,504 new solar PV units installed in 2019 and 1,342 in 2018.
- The Spruce Street Channel Improvement Project began construction in July 2019. After clearing channels of substantial vegetation, the earthen portions were graded. Two new maintenance access ramps were constructed and the headwall for the culvert under

Spruce Street was modified to improve flow. Plan installation began in mid-2020 and plant establishment and erosion control measures will be monitored for several years before completion.

- Environmental Programs worked with other Departments to track the implementation of pollution prevention programs including the following activities:
  - Investigated 586 non-storm water discharges, public complaints, or spills.
  - Reviewed, approved, and inspected projects with structural Best Management Practices (BMPs) to treat runoff from development or redevelopment permits.
  - Completed storm water program inspections and follow up actions, sometimes issuing escalated enforcement to achieve compliance. In FY 2019-20, the City performed 257 construction inspections, 41 municipal facility inspections, 1533 commercial inspections, 67 industrial inspections, and 22 residential area patrols.
  - City staff recorded visual water quality observations at 109 major storm drain outfalls and analyzed water quality at 6 sites, twice in 2019.
  - Swept 8,395 miles of streets, removing 3,891 cubic yards of material before it reached storm drains. The Public Works Department continued a process to update this program with a GIS-based routing system in future fiscal years.
  - Inspected 2,158 storm drain catch basins for accumulated debris and trash. Performed 491 cleanouts of storm drains, removing 263 tons of debris from the MS4.
  - Cleaned 9.14 miles of open channel, removing 1,027 tons of invasive plants, trash and debris, and mobilized sediment prior to discharge to natural areas.
  - The Wastewater Division implemented the sewer system maintenance program and achieved the following improvements in FY 2019-20, resulting in reduced risk of exfiltration or sewer spills: 16 miles of pipeline televised, 1,312 feet of gravity mainline replaced or repaired, and 301 miles of sewer lines cleaned.
  - The City of Escondido implemented the existing development retrofits on private and public property, in accordance with the JRMP. Activities are focused on trash enclosures and landscape improvements, and are implemented in response to complaints, inspections, or enforcement, in addition to permit application review and site-specific conditions of approval.
  - The City continued efforts to improve riparian habitat in the lowest earthen section of Reidy Creek just north of US-78, before it becomes channelized and joins with Escondido Creek. The City supported the Escondido Creek Conservancy in implementing a \$380,873 California Department of Fish and Wildlife Proposition 1 grant to remove over 600 non-native trees, including Mexican Fan Palms. Awarded in early 2019, the grant activities will be completed by 2022. The project includes the development of a long-term management plan as part of the City's Landscape Maintenance District program, as well as a commitment by the City to prioritize installation of trash capture devices upstream of the project area (see previous page).
  - The City removed 1.25 tons of trash retained by two floating trash booms across Escondido and Reidy Creek flood control channels.
  - The Country Club golf course in the City of Escondido is being redeveloped into a residential community, Country Club Redevelopment Project - "The Villages". The Villages project site encompasses an area of 97.5 acres and will have

structural biofiltration BMPs to treat runoff. The City's development agreement requires the developer to treat storm water from over 100 acres of neighborhoods outside of the Villages project site as an improvement for water quality in the Upper San Marcos Creek and Lake San Marcos.

- In FY 2019-20, the Utilities Department completed 89 classroom and camp presentations to 2,302 elementary school students throughout Escondido, to educate them about water conservation and pollution prevention.
- The City's Utilities Department/Recycling Division implements a number of programs to support educational efforts for storm water pollution prevention, including household hazardous waste and used oil recycling events, compost workshops, and volunteer litter cleanups. The Division's outreach efforts were impacted by the COVID-19 stay-at-home order, and the staff have been working to shift to online-based or print outreach to students and the public. In FY 2019-20, the Division led events reaching thousands of residents. Notably, the City sponsored electronic and household hazardous waste events twice a month, reaching approximately 200 people a month prior to March 2020. One e-waste/shred event was held in late-Spring 2020 where 920 participants properly disposed of recyclable or hazardous material. The City also hosted and promoted one compost workshop (with 15 total attendees), six Earth Day classroom presentations, one church group presentation, and one volunteer cleanup at Lake Dixon with 85 volunteers last year. Finally, the We Clean Escondido program supports approximately 10 neighborhood cleanup groups with an average of three to five volunteers per group, gathering approximately two bags of trash for monthly cleanups removing litter before it reaches the MS4. The *We Clean Escondido* program has been on hold since March 2020 due to the pandemic.
- Adopted smoke-free air regulations per Ordinance No. 2020-06R on March 25, 2020.

Anticipated Implementation Activities (0-3 Years):

1. Prepare a Master Plan or design standards that identifies gateways and visual quality guidelines.
2. Conduct a study to determine the feasibility of expanding the City's recycling program.
3. Complete the Climate Action Plan update and begin implementation.

**G. Growth Management**

The purpose of the Growth Management Element is to establish policies for balancing the timing of infrastructure improvements with current and anticipated demands for service through the adoption of specific implementation techniques. A goal of growth management is to phase capital facility improvements concurrent with population growth so that new development does not compound existing service shortfalls, or result in critical infrastructure deficiencies. Effective growth management also establishes parameters for periodically monitoring the impacts that growth has on the community and defines the methods by which impacts are addressed, allowing decision makers to efficiently prioritize capital improvements. Topics or issue areas covered in the Growth Management Element include the following:

- Quality of Life Thresholds
- Public Facility Master Plans
- Public Facility Financing
- Public Facility Phasing
- Public Facility Deficiencies
- Growth Management Monitoring

Indicators and General Plan Implementation (2020)

- Total population – 153,008
- Total fees collected through building permits in 2020:
  - Parkland fees – \$282,222. (Three new privately maintained parks are in development to be opened to the public. See Villages notes below.)
  - Traffic fees – \$1,160,129. \$617,597 collected in 2019.
  - Sewer fees – \$1,377,457. \$706,300 collected in 2019.
  - Water fees – \$1,377,500. \$310,220 collected 2019.
- Monitored and reported annually on the performance of development activity.
- Working with LAFCO to complete a Sphere of Influence Update and MSR to confirm properties appropriate to re-zone.
- City performed an analysis of the impacts of new development on governmental services and the estimated fair share amount needed to make new residential development revenue neutral on City services such that existing residents do not subsidize new development. City Council adopted Resolution No. 2020-24 (the Resolution of Formation) on April 8, 2020; and adopted Ordinance 2020-10 and Resolution No. 2020-44 May 13, 2020 to establish CFD Zone 2020-01.
- City conducted an assessment of public facility needs and costs, and the City Council approved an inflationary adjustment to development impact fees related to traffic, parks, drainage and public facilities to reflect the cost of constructing infrastructure associated with serving new growth. Resolution No. 2020-130 was adopted on October 28, 2020.
- Adopted Ordinance No. 2020-09R on November 18, 2020 to establish a tobacco retailer license program.

Anticipated Implementation Activities (0-3 Years):

1. Participate in LAFCO's island annexation program and contribute to orderly and fiscally solvent annexations into the incorporated City.
2. Pursue various revenue measures and/or close extraneous expenditures, as established by the City Council.

**H. Economic Prosperity**

The purpose of the Economic Prosperity Element is to establish policies that promote the long-term vitality of Escondido's local economy by developing and guiding employment and business

opportunities and encouraging appropriate economic and business development in the City. Policies in this element promote a sustainable local economy to benefit current and future generations without compromising resources, and are intended to favorably influence the balance between employment and housing. Topics or issue areas covered in the Economic Prosperity Element include the following:

- Employment Acreage
- Wages and Jobs
- Small Business
- Twenty-First Century Industries
- Tourism and Recreation
- Existing Economic Districts
- Marketing and Image
- Long-Term Economic Sustainability and Growth
- Minimizing Infrastructure Impediments
- Strengthening Workforce Development
- Economic Development Monitoring

Indicators and General Plan Implementation (2020)

- Civilian employed population – 72,179.
  - Service occupations – 16,871 (23.3 percent)
  - Sales and office – 14,978 (20.7 percent)
  - Management/business sector – 8,791 (12.1 percent)
  - Education – 5,325 (7.4 percent)
  - Healthcare practitioner – 3,324 (4.6 percent)
- Major pipeline projects (initiated, in progress, or completed during the reporting period)
  - Over the past year, the City of Escondido and the development community added more than 126 housing units to our City (finalized with certificates of occupancy), and we have about 3,000 more in the pipeline. This includes 970 units planned, permitted, or under construction in the downtown area, which will help bring much more foot traffic and activity to our downtown businesses.
- 10,444 total active business licenses, which is a year-over increase of one percent (10,317 total licenses in 2019).
- Grand total receipts for all business license accounts – \$1,826,663.62. \$1,907,274 total receipts in 2019, \$2,013,116.09 in 2018, \$1,913,790.27 in 2017, and \$1,772,260.51 in 2016.
- Business licensing has fully transitioned to Cityworks and continues to identify and implement process improvements to increase efficiency and service and make data driven decisions.
- Continued implementing the *Working Together to Get to Yes* initiative.
- Continued to build on the momentum of the Innovate78 regional economic development initiative focused on business retention expansion and attraction along the 78-Corridor and strategies to expedite permit processing and improve overall customer service.

- Conducted a business roadshow with all of the property owners on the north and south sides of Grand Avenue from Maple Street to Broadway to gather feedback and provide an update on the Grand Avenue Vision Project Phase 1.
- Participated in Manufacturing Day event to identify and promote companies involved in the program.
- In 2020, many businesses modified their business operations or shuttered as a result of the COVID pandemic. The City of Escondido established different relief options to help residents, businesses, nonprofits, and social organizations recover from the impacts of the COVID pandemic. The [COVID-19 Business Recovery Strategy](#) was adopted by the City on May 13, 2020.

*Anticipated Implementation Activities (0-3 Years):*

1. Economic Development strategies and tactics as outlined in the City's Comprehensive Economic Development Strategy.
2. Continuation of the Innovate78 initiative with new focus on the 78-Corridor's startup ecosystem, entrepreneurship, and talent pipeline development.
3. Partnership with the San Diego North Economic Development Council on a regional strategy for economic inclusion.
4. Promote investment in Escondido's Opportunity Zone.
5. Redevelopment of properties in Spruce Street area.
6. Explore tools to improve historic downtown core, including but not limited to new housing developments, retail redevelopment, parking availability, and assessment district options.

## **V. Degree to which the General Plan complies with the Adopted Office of Planning and Research (OPR) Guidelines**

The Governor's Office of Planning and Research (OPR) is responsible for updating the resources for drafting and amending a general plan. OPR also monitors general plan implementation with annual progress reports from cities and counties, and grants general plan extensions for qualified cities and counties. OPR adopted General Plan Guidelines (GPG) in 2003 for use by local jurisdictions in the preparation of their general plans. Also, a December 2010 GPG update to the guidelines provided guidance on how to address the Complete Streets Act and modify the Circulation Element to plan for a balanced, multimodal transportation network. It is important to note that the Guidelines are permissive, not mandatory.

Staff has prepared an analysis of the Escondido General Plan compared to the general criteria included in State law, along with an evaluation of the degree to which the Escondido General Plan complies with the OPR Guidelines.

The GPG contain ten chapters and three appendices of requirements and references, in the following basic areas:

1. General Plan Basics: The General Plan generally complies with the basic requirements in that it is comprehensive, internally consistent, and has a long-term perspective.
2. Sustainable Development and Environmental Justice: The General Plan complies with guidelines for sustainable development and environmental justice. General plan policies and programs generally discuss inclusive public participation, social and economic well-being, jobs/housing balance, managed and balanced growth, livable communities and quality of life, and responsible resource conservation.
3. Preparing and Amending the General Plan: The City complied with the Guidelines in the preparation and adoption of the General Plan (2012) and continues to comply with the Guidelines, CEQA, and the Government Code in the processing of any General Plan amendments.
4. Required Elements: The General Plan contains all of the required elements (Appendix B).
5. Format and Element Integration: The format of the General Plan complies with the Guidelines in that all of the required elements are present and no one element takes precedence over any other (equal legal status). The document is posted on the City's website and available for public review at City Hall and the Library.
6. Optional Elements: The General Plan includes optional elements that are either individual sections or are consolidated with other elements.
7. CEQA and the General Plan: The General Plan preparation, adoption, and amendments comply with all requirements of the California Environmental Quality Act.

8. Public Participation: The preparation, adoption, and administration of the General Plan all include public participation, to the extent required by the General Plan Guidelines, CEQA, and the Government Code.
9. Implementing the General Plan: To date, the implementation of the General Plan has complied with all applicable Guideline requirements, including consistency with zoning, subdivisions, redevelopment, building code administration, financing mechanisms, and the preparation of this Annual Progress Report.
10. Special General Plan Considerations: The General Plan preparation and administration comply with the applicable Acts.

## **VI. Plans, Projects, and Accomplishments**

The Planning and Building Divisions processed a variety of planning permits during 2019, including conditional use permits (CUPs), subdivision map requests, and associated environmental reviews. The breakdown in applications received is reported in the Land Use portion of the General Plan indicators.

Progress in meeting the City's Share of Regional Housing Needs Government Code Section 65400(a)(2)(B) provides: "*The Housing Element portion of the Annual Progress Report shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development ...*" The tables provided in Appendix D demonstrates the progress made in meeting the City's share of regional housing needs. HCD requires a report format that consists of six Excel spreadsheets. Therefore, Appendix D also addresses the progress in meeting housing goals and objectives specified in the Housing Element, adopted in 2012.

## **VII. Conclusion**

The General Plan is the City's guiding vision. Upkeep and maintenance of the General Plan is a continuous process. As noted in this Annual Progress Report, the City implements the General Plan's vision on a day-to-day basis, in its many planning projects, and strives to include the public in the decision-making process.

## **APPENDIX A**

### **GOVERNMENT CODE SECTION 65400**

#### Government Code Section 65400

a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open- space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

A) The status of the plan and progress in its implementation.

B) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583. The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development pursuant to the rulemaking provisions of the Administrative Procedure Act (Chapter 3. 5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2). Prior to and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government's compliance with the deadlines in its housing element. That report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.

C) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

b) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of

this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.

## **APPENDIX B GENERAL PLAN RELATIONSHIP TO STATE LAW REQUIREMENTS**

State law requires that general plans include seven elements. The elements may be combined or renamed, but basic requirements must be included. Elements for other topics of local concern may also be included. The relationship between State mandated elements and the Escondido General Plan are illustrated below.

<b>Mandatory Element</b>	<b>Escondido General Plan</b>	<b>Element Description</b>
Land Use	Land Use and Community Form	Designates the proposed distribution and location of the uses of land for housing, business, industry, open space, and other categories of public and private land use activities.
Circulation	Mobility and Infrastructure	Specifies the general location of existing and proposed major thoroughfares, transportation routes, and other local public utilities and facilities.
Conservation	Resource and Conservation	Addresses the conservation, development, and utilization of natural resources including water and its hydraulic force, soils, rivers and other waters, wildlife, minerals, and other natural resources.
Open Space	Resource and Conservation	Addresses the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life.
Safety	Community Protection	Identifies variety of risks and hazards. This includes any unreasonable risks associated with the effects of seismically induced surface rupture and tsunami, slope instabilities, flooding, and fire hazards.

Noise	Community Protection	Identifies noise problems and analyzes current and projected noise levels for highways, roadways, transit systems, and ground stationary noise sources.
Housing	Housing	Develops a plan to meet current and future housing needs of all people within the community, regardless of socio-economic status.
<b>Optional Element</b>	Community Health and Services	Develops a policy framework for recreational services, library services, schools and education, cultural enrichment, and public health and wellbeing.
<b>Optional Element</b>	Growth Management	Develops quality of life standards and establishing public facility planning strategies.
<b>Optional Element</b>	Economic Prosperity	Provides a policy framework to promote the City's long-term viability and to advance the City's position as a "economic hub" with employment and business opportunities.

**APPENDIX C**  
**PIPELINE PROJECTS**

Pipeline Project Map and Pipeline Project List:

<https://www.escondido.org/planning.aspx>

**APPENDIX D**  
**2019 HOUSING ELEMENT REPORT**

Jurisdiction	Escondido	
Reporting Year	2020	(Jan. 1 - Dec. 31)

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
 (CCR Title 25 §6202)

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

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2									3	4
Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	1042	46				46					105	937
	Non-Deed Restricted							1	5	7			
Low	Deed Restricted	791	44		11			34				94	697
	Non-Deed Restricted							1	2	2			
Moderate	Deed Restricted	733	7				5	18	20	27		78	655
	Non-Deed Restricted					1							
Above Moderate		1609	497	56	7	163	410	220	10	226		1589	20
Total RHNA		4175											
Total Units			594	56	18	164	495	240	37	262		1866	2309

Note: units serving extremely low-income households are included in the very low-income permitted units totals  
 Cells in grey contain auto-calculation formulas

# ANNUAL ELEMENT PROGRESS REPORT

## Housing Element Implementation

(CCR Title 25 §6202)

<b>Jurisdiction</b>	Escondido	
<b>Reporting Year</b>	2020	(Jan. 1 - Dec. 31)

**Table D**

### Program Implementation Status pursuant to GC Section 65583

#### Housing Programs Progress Report

Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.

1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
<p><b>1.1 Project Development - Create increased supply of affordable housing units for lower income households, including those households with extremely low incomes. Every effort will be made to accomplish this through redevelopment and acquisition/rehabilitation.</b></p>	<p>Increased supply of rental units for extremely low, very low and low-income residents. 300 units.</p>	<p>Ongoing</p>	<p>Within the HE period, the City contracted with Community HousingWorks, Interfaith Community Services and Solutions for Change to develop affordable rental projects consisting of acquisition/rehabilitation of existing units (CHW and Interfaith) and new construction (Solutions). The CHW project was completed in April 2017 and consists of 11 HOME affordable units out of 200 total affordable units in the project. Interfaith rehabilitated an existing 4-unit project in 2018. Solutions completed construction of a new affordable rental project consisting of 33 units (32 affordable) in July 2017. In 2019 Veteran's Village of San Diego opened a 54-unit (Including 48 units of new construction and 53 total affordable units) development serving homeless veterans. The City provided funding to assist ten of these units. Including 3 previous projects during the HE period (11 ownership units by SDHFH in 2015, 35 new rental units by CHW in 2013 and 44 rehabilitated units by UHC in 2015), a total of 147 affordable housing units have been created via local funding since 2013.</p>
<p><b>1.2 Lot Consolidation - Encourage consolidation of small lots to utilize land more efficiently and facilitate the development of mixed use and affordable multi-family developments.</b></p>	<p>Facilitate development as envisioned in the General Plan.</p>	<p>Ongoing</p>	<p>A ministerial process is utilized for basic lot consolidation. The City continues to encourage consolidation of lots to facilitate mixed-use and affordable developments. Several residential and mixed use projects in the last few years (at various stages of development) have utilized lot consolidation in urban areas.</p>

<p>1.3 Infill New Construction - Support new construction of homeownership and rental units and redevelopment/revitalization on on infill sites. The city also encourages recycling and revitalizing of sites for a variety of housing types and income levels.</p>	<p>New housing opportunities for homeownership and rental for low- and moderate-income households.</p>	<p>Ongoing</p>	<p>The majority of the affordable residential projects completed during the period have been on infill sites. Veteran's Village (10 funded units out of 53 affordable) was completed in 2019 on infill land on South Escondido Boulevard. Solutions for Change completed construction on a new affordable rental project of 33 units (32 affordable) on an infill site on South Escondido Boulevard in July 2017. Interfaith Community Services rehabilitated a four-unit residential project on Aster Street in the center of the city to be used for low-income households in 2018. CHW rehabilitated 11 HOME affordable units (200 total) on Midway Drive in 2017. The 11-unit project by Habitat in 2015, the 35-unit project by CHW in 2013 and the 44 units by UHC in 2015 all were on infill sites.</p>
<p>1.4 City-Owned Sites - Facilitate the redevelopment/development of affordable housing on City-owned sites.</p>	<p>Use City-ownership as a potential inducement for rehabilitation of more affordable housing.</p>	<p>Ongoing</p>	<p>The Housing and Neighborhood Services Division, the Engineering Services Department, the City's Real Property Agent, and other City staff continue to review City-owned properties when they become available as potential sites for redevelopment as affordable housing. The City follows the requirements of AB 1255 for locally owned and surplus lands.</p>
<p>1.5 Density Bonus - Amend Density Bonus Ordinance to be consistent with State law.</p>	<p>Additional housing opportunities for low-and moderate-income households.</p>	<p>Ongoing</p>	<p>City staff completed an amendment to the Zoning Code in 2017 to modify Density Bonus provisions so they are in conformance with state law. The City continues to maintain consistency with State density bonus law, amending the Zoning Code as necessary. Several projects are currently in the pipeline or have been recently completed using Density Bonus provisions, providing additional affordable units.</p>
<p>2.1 Housing Rehabilitation: Renter Occupied - Continue to explore potential rental rehabilitation programs.</p>	<p>Increase opportunities for rental rehabilitation for lower income households (25 units).</p>	<p>Ongoing</p>	<p>Funding from a CalHOME grant allowed the City to re-establish an owner-occupied rehabilitation program for low-income households in single-family residences and mobilehomes in 2015. The program ended after two years. Staff continues to explore funding opportunities for a new renter-occupied rehabilitation program, but there is no program at this time.</p>
<p>2.2 Acquisition/Rehabilitation - Continue to explore ways to encourage the recycling of deteriorated and older structures for affordable housing opportunities.</p>	<p>Additional affordable housing opportunities for lower income households (200 units).</p>	<p>Ongoing</p>	<p>Recycling of existing, dilapidated structures continues to be a priority in Escondido during this Housing Element cycle. An RFP in 2014 for affordable housing developers resulted in two affordable rehabilitation developments: 11 acquisition/rehabilitation units in a 200-unit development was completed in 2017, and a 44-unit rehabilitation project was completed in 2015. An RFP in 2017 resulted in a 4-unit affordable rehabilitation project (Aster St) completed in 2018. In addition, CHW rehabilitated an existing 6-unit affordable project during 2019, extending affordability covenants.</p>
<p>2.3 Focus on Neighborhoods - Collaborate with departments to channel resources and efforts into improvement of neighborhood quality of life, including code enforcement, housing rehabilitation and capital improvements.</p>	<p>The concentration of City resources to individual neighborhoods and the opportunity for significant community impact both in physical improvement and improvement in quality of life for neighborhood residents. Continue collaboration efforts through funding resources, policies and community outreach.</p>	<p>Ongoing</p>	<p>Currently there are 18 recognized neighborhood groups in the City. Project NEAT continues to utilize Community Development Block Grant (CDBG) funding to assist residents in solving their own neighborhood problems at a neighborhood (rather than a Code Enforcement) level, such as maintenance, graffiti, trash. The Neighborhood Transformation Project (NTP) is one effort to join neighborhoods with City Departments to combine resources (funding and sweat equity) in targeted areas to include neighborhood cleanups and public improvements. The City continues a focused approach in neighborhoods using additional strategies to improve neighborhoods by involving residents. Many of the neighborhood activities have been discontinued during the COVID pandemic and stay at home orders.</p>

<p>2.4 Preservation of At-Risk Housing - Continue to explore means to continue housing affordability for lower income households that would be impacted by the conversion of subsidized projects to market rate housing.</p>	<p>Continued affordability of subsidized housing developments. If owner wishes to sell, contact potential buyers who would want to extend affordability, and if unsuccessful, follow up with Section 8 and relocation potential.</p>	<p>Ongoing</p>	<p>The City continues to monitor at-risk units, particularly those identified in the Housing Element. This effort is ongoing. The City worked with Community HousingWorks to preserve the affordability of 200 units in Cypress Cove (now Manzanita Apartments) while extending affordability on 11 of the units using HOME funds in 2017. In 2018-2019 the City helped preserve 6 affordable, transitional units at 1203 South Maple Street (Las Casitas) by committing CHDO funds for rehabilitation of the project. Community HousingWorks was approximately 9 years into the affordability period on an acquisition/rehab project, and preserved affordability by rehabilitating a number of structural problems not addressed originally (roof, termites, rot). No at-risk units were lost in 2017, 2018, 2019 or 2020.</p>
<p>3.1 First-Time Homebuyer/Home Entry Loan Program (HELP) - Provide low interest loans to lower income households for closing costs and down payment, of lesser of 5% of purchase price or \$25,000, using federal HOME funds.</p>	<p>Increased homeownership opportunities for lower income households (150 households).</p>	<p>Ongoing</p>	<p>In December 2017 Housing and Neighborhood Services staff met with local real estate professionals to discuss possible impediments to issuing First-time homebuyer loans and possible solutions. The City continues to try to improve the success of the loan program. No HELP loans were funded during 2016, 2017, 2018 or 2019. One new application was received at the end of 2020 and is currently being processed. 4 loans were funded during 2015, 2 during 2014 and 3 during 2013, for a total of 9 first-time homebuyer loans during the period.</p>
<p>3.2 First-Time Homebuyer/Mortgage Credit Certificates - Provide mortgage credit certificates to first-time homebuyers to reduce federal income taxes and more easily qualify for a loan.</p>	<p>Additional homeownership opportunities for low-and moderate-income households (20 households).</p>	<p>Ongoing</p>	<p>Although MCCs remain available to Escondido residents, a local MCC administrator no longer exists and MCCs are not reported locally after 2014.</p>
<p>3.3 Rental Subsidy - Provide households with affordable rents through rent subsidy programs for households with incomes not exceeding 50% of the Area Median Income.</p>	<p>Provide rental subsidy to 110 very low-income senior/disabled households in mobilehome parks and apartments. Support Rental Assistance to 1,200 very-low income households with Housing Choice Vouchers through collaboration with Housing Authority of San Diego County.</p>	<p>Ongoing</p>	<p>During 2020, 1,026 Escondido households were assisted with a Housing Choice Voucher (Section 8 voucher), administered through the Housing Authority of San Diego County. An additional 2,336 households are on the wait list in Escondido. At the end of 2020, 23 senior/disabled households in mobilehome parks and an additional 6 in apartments, for a total of 29, were receiving a monthly rental subsidy from the City of Escondido while waiting for HUD Section 8 eligibility. Eligibility for the Rental Subsidy Program was tightened in 2012 due to the loss of redevelopment funds and the number of monthly subsidies has slowly declined.</p>
<p>3.4 Mobilehome Park Conversion - Provide technical assistance to mobilehome resident groups in the conversion of existing parks to resident ownership.</p>	<p>Continued mobilehome resident ownership opportunities for lower income residents. Continue to work with City policies and procedures to assist in conversions.</p>	<p>Ongoing</p>	<p>The City continues to provide technical assistance to mobilehome parks considering conversions to resident ownership. No recent conversions have been requested. The City has been advised on the purchase of an existing mobilehome park and the potential change of use, although the owner is not currently moving forward. The City continues to manage the remaining City-owned spaces in Escondido Views (4 lots) and Mountain Shadows (21 lots) mobilehome parks.</p>

<p><b>3.5 Mobilehome Rent Review - Rent review via the Rent Review Board of applications for increases in mobilehome parks.</b></p>	<p>Stabilized rents for mobilehome residents, many of whom are lower income.</p>	<p>Ongoing</p>	<p>During 2020, 3 short-form rent review hearings and no long-form rent review hearings were held. The rent increase request was denied for two of the parks. The average monthly increase approved for the short form application for the other park was \$16.66.</p>
<p><b>3.6 Fair Housing - Actively engage in furthering fair housing for all residents through specific education outreach and monitoring activities.</b></p>	<p>Continued enforcement of the Fair Housing Plan which will prevent discrimination in housing and disputes between landlords and tenants.</p>	<p>Ongoing</p>	<p>In 2020 the City contracted with the Legal Aid Society of San Diego, Inc. to provide Fair Housing Services to Escondido residents, including handling reports of discrimination, and providing counseling and mediation in landlord/tenant disputes. Additionally, during the pandemic there has been a larger number of requests for information about evictions and various moratoriums. City staff continues to disperse information at public counters, review potential impediments to fair housing, and meet with other jurisdictions to discuss and address regional issues. The City of Escondido has been working collaboratively with other jurisdictions in the San Diego County region to address Fair Housing reporting in compliance with HUD's current requirements.</p>
<p><b>4.1 Emergency Shelters - Amend the Zoning Code to permit emergency shelters by right, consistent with State law.</b></p>	<p>Consistency with state law. Provision of shelter for families/individuals with special needs.</p>	<p>0-3 years</p>	<p>The City's Emergency Shelter Overlay, in compliance with State law, was approved by the City Council in October 2013. Staff re-evaluated the size and location of the Overlay in 2015, but left the language unchanged. The City is in compliance with State law. A year round shelter operated by Interfaith Community Services currently operates outside the Overlay area.</p>
<p><b>4.2 Transitional/Supportive housing - Amend the zoning code to differentiate transitional/supportive housing operated as group quarters versus a regular housing development. Uses will be permitted where housing is otherwise permitted.</b></p>	<p>Increased housing opportunities for special needs persons.</p>	<p>0-3 years</p>	<p>An amendment to the Zoning Code to define transitional and supportive housing as specified in State law, and to permit both where residential units are otherwise permitted, was completed in June 2017.</p>
<p><b>4.3 Senior Housing Ordinance - Amend the Zoning Code to permit senior housing by right where housing is permitted.</b></p>	<p>Increased housing opportunities for seniors.</p>	<p>0-3 years</p>	<p>An amendment to the Zoning Code to permit senior housing by right where housing is permitted, was completed in June 2017.</p>

<p><b>4.4 Monitoring of Growth Management Measure - Periodically monitor and evaluate Proposition S for its impacts on the cost, supply and timing of affordable housing. Analyze the ability to accommodate the city's regional housing need, constraints on supply and affordability of housing.</b></p>	<p>Increased public awareness of the City's housing needs and obligations under state law.</p>	<p>Ongoing</p>	<p>The City's Housing Element shows that the City's RHNA can be accommodated. In 2020 it does not appear that the existence of Proposition "S" discouraged or prevented construction of market or affordable units. The City will continue to monitor RHNA progress annually to determine whether growth management policies impact the City's ability to accommodate its affordable housing need.</p>
<p><b>5.1 Affordable Housing Financing - Continue to pursue a variety of funding sources to support affordable housing in the community.</b></p>	<p>Acquisition, rehabilitation, preservation or construction of affordable housing for lower and moderate income households.</p>	<p>Ongoing</p>	<p>Staff continues to pursue all available opportunities to utilize additional funding sources for potential projects and programs, including federal funding, tax credits, grants and collaboration with non-profit providers.</p>
<p><b>5.2 Housing Information and Referral - Update public information in many formats identifying the City's housing programs and provide opportunities to market those programs.</b></p>	<p>More effective and targeted housing programs, especially for lower income households.</p>	<p>Ongoing</p>	<p>Housing program and project information is updated as needed and is distributed via a variety of avenues, such as the City website, brochures, mailers and referral cards, and at the senior center and City Hall. Staff continues to seek additional ways to distribute information to the public and updates resources as needed. The City website was most recently overhauled at the beginning of 2018, resulting in an easier to read and use source of housing, fair housing and other information for the public. During the pandemic the City also has placed more information on our website, particularly information on various eviction moratoriums and available assistance. In 2019, the City established the Communications and Community Services Department, which includes a Communications Officer who disseminates information through various media sources. This results in a broader reach of program information. In 2016 the Housing Division and Neighborhood Services Division were merged into the Housing and Neighborhood Services Division under a Housing and Neighborhood Services Manager. This allows for more streamlined assistance to the public.</p>
<p><b>GOVERNMENT CONSTRAINTS TO THE MAINTENANCE, IMPROVEMENT AND DEVELOPMENT OF HOUSING AS IDENTIFIED IN HOUSING ELEMENT</b></p>	<p>-</p>	<p>-</p>	<p>-</p>

Land Use Controls	Evaluate land use issues for direct impact on provision of housing for all economic sectors of the community.	Ongoing	The Downtown Specific Plan was updated in 2013, including increasing residential densities up to 100 du/ac in the downtown core, which should lead to an increase in multi-family units. Revisions are again being planned to make housing production more feasible. The South Escondido Blvd and South Centre City Area Plans were revised and combined to form the S. Centre City Specific Plan, which was completed in 2018. Target areas in Escondido's core incorporate strategies to create a wide range of single- and multi-family residential development, supporting housing choice and opportunities in the City's infill areas. A new East Valley Parkway specific plan, which will accelerate future housing production, is also in the planning stages.
Residential Development Standards	Evaluate residential development standards to ensure they are not unreasonably limiting the number of units that may be constructed.	Ongoing	In 2017 the City's residential zones were consolidated in one place in the Zoning Code to streamline requirements and provide for more consistency. A new category was established (R-5-30), implementing a General Plan designation allowing higher density in transit corridors and shopping/employment areas. The ADU standards are in compliance with State requirements, permitting the development of more affordable units. The City is currently looking into the feasibility of pre-approved plans for ADUs. The City continues to evaluate residential development standards and policies that may directly impact provision of housing for all sectors of the community.
Provision for a Variety of Housing Opportunities	Encourage the development of a variety of housing types for all economic segments of the population.	Ongoing	As documented in the Housing Element, adequate sites are available for a variety of housing types for all economic segments of the population, including high density zones. The Zoning Code has provisions for ADUs, mobilehomes, multi-family dwellings, SROs and residential care facilities. In 2013 the City approved a zoning overlay where emergency shelters are permitted by right. Similar code amendments were completed in 2017 for transitional/supportive housing and senior housing. There are no other known policies or regulations that constrain development of housing for persons with disabilities.
Development Conditions and Fees	The City to periodically review fees to ensure they reflect current impacts and necessary impacts.	Ongoing	Escondido's residential development fees have been reviewed and have not been found to act as a constraint to the development of housing. The development fees will continue to be reviewed annually and modified as needed to accommodate housing while meeting cost recovery needs.
On- and Off-Site Improvements	Requirements for on- and off-site improvements vary depending on the presence of existing improvements, as well as the size and nature of the proposed development.	Ongoing	Requirements for on- and off-site improvements on residential projects are reviewed periodically for changes that can be made, while ensuring adequate public improvements are made.
Building Codes and Enforcement	Evaluate use and enforcement of building codes	Ongoing	The 2016 California Building Codes and Green Building Standards Code have been adopted by the City. The City has no local ability to waive provisions of State Building Codes. However, there is an appeal process to challenge interpretations of the building code requirements.



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The dissolution of the California redevelopment agencies in 2012 resulted in a dramatic change to property tax finance. It eliminated the major source of local publically generated dollars earmarked for affordable housing.

The City of Escondido established a Successor Housing Agency (“SHA”) to the City of Escondido Community Development Commission (“CDC”) on January 25, 2012 by the adoption of Resolution No. 2012-16. The majority of the SHA’s assets were transferred from the CDC when it dissolved pursuant to the Dissolution Act (enacted by Assembly Bills x1 26 and 1484). All “rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the agency, excluding any amount in the Low and Moderate Income Housing Fund” were transferred from the CDC to the SHA. The transferred assets consisted of loans made to the CDC and land owned by the CDC. Proceeds from these assets will be deposited into the Low and Moderate Income Housing Asset Fund (“Affordable Housing Fund”).

On January 1, 2014, Senate Bill 341 (“SB 341”) became effective. Senate Bill 341 (chapter 796, Statutes of 2013) previously amended Health and Safety Code (“HSC”) Section 34176 to address particular provisions and functions relating to former “redevelopment agencies” and new “housing successor” entities allowed to elect and assume particular functions of redevelopment agencies (RDAs) dissolved in 2012. SB 341 eliminated the former redevelopment agency annual report requirement due to both the Department of Housing and Community Development (“HCD”) and State Controller while RDAs were active. All successor housing entities are now required to comply with different annual report requirements. In accordance with HSC Section 34176.1(f), specific data must now be reported annually for the Affordable Housing Fund. Senate Bill 107 (chapter 325, Statutes of 2015, effective January 2016) amended HSC Section 34176.1(f) to add a new reporting item and revise one reporting item.

The housing successor shall conduct, and shall provide to its governing body, an independent financial audit of the Low and Moderate Income Housing Asset Fund within six months after the end of each fiscal year, which may be included in the independent financial audit of the host jurisdiction. If the housing successor is a city or county, it shall also include in its report pursuant to Section 65400 of the Government Code and post on its Internet Web site all of the following information for the previous fiscal year.

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<b>1</b>	<b>The amount the city, county, or city and county received pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.</b>
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During the fiscal year, the City of Escondido received a total of \$3,322,326 for reinstated loan agreements under Code Section 34191.4(b)(3)(A), twenty percent (\$664,465) of which was deposited into the Low and Moderate Income Housing Asset Fund in accordance with Code Section 34191.4(b)(3)(C)

<b>2</b>	<b>The amount deposited to the Low and Moderate Income Housing Asset Fund, distinguishing between amounts deposited pursuant to subparagraphs (B) and (C) of paragraph (3) of subdivision (b) of Section 34191.4, amounts deposited for other items listed on the Recognized Obligation Payment Schedule, and other amounts deposited.</b>
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The SHA deposited \$3,736,242 into the Affordable Housing Fund during fiscal year 2019-2020. This consisted of rents, promissory note and loan repayments, reimbursements and interest income.

Revenue Source	Amount
Escondido Views/Mountain Shadows Rents	\$173,350
Former CDC Promissory Note Repayments	\$569,292
Sale of Real Property	\$1,969,237
Interest Income	\$294,089
Other Revenues	<u>\$730,274</u>
	<b>\$3,736,242</b>

<b>3</b>	<b>A statement of the balance in the fund as of the close of the fiscal year, distinguishing any amounts held for items listed on the Recognized Obligation Payment Schedule from other amounts.</b>
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Low and Moderate Housing Funds (as of July 1, 2020)	\$44,987,373
Land Held for Resale	(\$1,969,237)
Loans Receivable	<u>(\$35,107,543)</u>
Available Funds	<b>\$7,910,593</b>

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<b>4</b>	<b>A description of expenditures from the fund by category, including, but not limited to, expenditures: (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).</b>
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The SHA spent \$454,342 in FY 2019-2020.

Administrative Expenses (including monitoring)	\$405,949
Homeless Prevention and Rapid Rehousing	\$5,235
Development of Housing	<u>\$0</u>
	\$411,185

<b>5</b>	<b>As described in paragraph (1) of subdivision (a), the statutory value of real property owned by the housing successor, the value of loans and grants receivable, and the sum of these two amounts.</b>
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Real Property	\$1,969,232
Individual mobile home lots at Mountain Shadows and Escondido Views Property located at 542 W 3 <sup>rd</sup> Avenue & 201 N Pine Street	
Loans Receivable	\$35,107,543
Developer loans and homeowner loans	

<b>6</b>	<b>A description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.</b>
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N/A – no transfers made.

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<b>7</b>	<b>A description of any project for which the housing successor receives or holds property tax revenue pursuant to the Recognized Obligation Payment Schedule and the status of that project</b>
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The Successor Housing Agency does not receive or hold property tax revenue pursuant to the ROPS.

<b>8</b>	<b>For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.</b>
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All real property was acquired prior to February 1, 2012. The Successor Housing Agency must initiate development activities on property acquired by the former redevelopment agency within five years after the Department of Finance confirmed the property as a housing asset (February 15, 2018).

The Housing Successor Agency was unable to develop two properties owned by the located at 542 W 3<sup>rd</sup> Avenue & 201 N Pine Street as affordable housing. The City has been in exclusive discussions with a developer since July 2017. Staff anticipates that the property development will be finalized in the next couple of months and that sale of the property will occur before the end of the calendar year. Funds from the sale will be deposited into the Affordable Housing Fund for future development.

<b>9</b>	<b>A description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.</b>
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The City of Escondido, as the housing successor agency of the Community Development Commission of the City of Escondido, has no unmet obligations pursuant to Section 33413.

<b>10</b>	<b>The information required by subparagraph (B) of paragraph (3) of subdivision (a).</b>
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(a) Subdivision (d) of Section 33334.3 and subdivision (a) of Section 33334.4 shall not apply. Instead, funds received from the successor agency for items listed on the Recognized Obligation Payment Schedule shall be expended to meet the enforceable obligations, and the housing successor shall expend all other funds in the Low and Moderate Income Housing Asset Fund as follows:

(3) (B) If the housing successor fails to comply with the extremely low income requirement in any five-year report, then the housing successor shall ensure that at least 50 percent of these remaining funds expended in each fiscal year following the latest fiscal year following the report are expended for the development of rental housing affordable to, and occupied by, households earning 30 percent or less of the area median income until the housing successor demonstrates compliance with the extremely low income requirement in an annual report described in subdivision (f).

26% of Escondido’s deed restricted affordable units developed in the past 5 years (7/1/2016 – 6/30/2020) have been restricted to extremely low income households earning a maximum of 30% of AMI (37 of 140 units).

<b>Project Name</b>	<b>Affordable Housing Agreement Date</b>	<b>Number of SHA Deed-Restricted Units</b>	<b>Number of Extremely Low-Income (30%) Units</b>
557-563 Aster Place	06/08/2017	0	0
Windsor Gardens	08/07/2019	130	33
Veterans Villas	07/01/2020	10	4

<b>11</b>	<b>The percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.</b>
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26% of the affordable units developed in the past 10 years (7/1/2010 – 6/30/2020) by the former redevelopment agency (Community Development Commission of the City of Escondido), housing successor agency, and the City of Escondido (predominantly using federal HOME funds) have been restricted to seniors (130 of 500 units).

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<b>Project Name</b>	<b>Afford. Housing Agreement Date</b>	<b>Number of Units</b>	<b>Age Restrictions</b>
Avocado Court Crossings @ Escondido Manor	03/07/2012	36	None
Cypress Cove	04/15/2015	44	None
Solutions Escondido	08/06/2015	200	None
557-563 Aster Place	12/17/2015	33	None
Windsor Gardens	06/08/2017	4	None
Veterans Villas	08/07/2019	130	62+
	07/01/2020	53	None

<b>12</b>	<b>The amount of any excess surplus, the amount of time that the successor agency has had excess surplus and the housing successor's plan for eliminating the excess surplus.</b>
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The Successor Housing Agency has an excess surplus of \$5,233,419. The Successor Housing Agency had an excess surplus in 2018 (\$2,309,797) and 2019 (\$4,009,191).

The Escondido Successor Housing Agency is committed to using these funds to develop affordable housing. \$4,000,000 of the excess surplus is conditionally committed to a new construction project, and \$1,000,000 was expended in July 2020 on a second new construction project.

In March 2019, the City released an Request for Proposals seeking to provide long-term affordable rental housing or first-time homebuyer opportunities on March 21, 2019. Three proposals were received. On July 17, 2019, City Council approved funds for all three projects. National CORE received a commitment not to exceed \$3,178,000 for the acquisition and rehabilitation of a 71-unit market rate development dependent on receiving commitments from other funding sources. This project was terminated in December 2019 by the developer. Veterans Village of San Diego received a commitment of \$1,000,000 from the Affordable Housing Fund for the construction a new 54-unit development on South Escondido Blvd in Escondido. These funds were expended in early July 2020. San Diego Habitat for Humanity also received HOME predevelopment funding for 10 units of ownership housing (\$1,000,000 in HOME funds were conditionally committed to construction in December 2019).

A new RFP was release on March 26, 20220. On July 25, 2020, City Council conditionally committed \$4,000,000 to Valley Senior Village Apartments, a 50-unit new construction senior affordable housing development which will include 25 units reserved

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Fiscal Year End June 30, 2020**

for homeless households. Predevelopment has proceeded as anticipated. The project has been awarded County funds and will apply for 9% tax credits in March 2021.

13	<p><b>An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following:</b></p> <ul style="list-style-type: none"><li><b>(A) The number of those units</b></li><li><b>(B) In the first report pursuant to this subdivision, the number of units lost to the portfolio after February 1, 2012, and the reason or reasons for those losses. For all subsequent reports, the number of the units lost to the portfolio in the last fiscal year and the reason for those losses.</b></li><li><b>(C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund</b></li><li><b>(D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.</b></li></ul>
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See attached Successor Housing Agency Homeownership Inventory.

## SUCCESSOR HOUSING AGENCY HOMEOWNERSHIP INVENTORY

Fiscal Year	LOANS CLOSED PRIOR TO FEB 2012						LOANS CLOSED AFTER FEB 2012			LOANS CLOSED FY 2012/13			LOANS CLOSED FY 2013/14			LOANS CLOSED FY 2014/15			LOANS CLOSED FY 2015/16											
	1121 FTHB LOANS (>80% AMI)																													
	Loans Issued	Paid in Full		Voided	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale									
1992-93	0	178,050	10	10	(178,050)																									
1996-97																														
1999-00	1	216,000	36	34	(204,000)	1	(6,000)																							
2000-01	0	276,000	46	46	(276,000)																									
2001-02	1	90,000	15	12	(72,000)	2	(12,000)																							
2002-03	1	290,000	29	23	(230,000)	4	(40,000)																							
2003-04	1	150,000	15	10	(100,000)	2	(20,000)	1	(10,000)											1	(10,000)									
2004-05	1	50,000	2																		1	(25,000)								
2005-06	0	50,000	2					1	(25,000)																					
2006-07	4	400,000	16			1	(25,000)			3	(75,000)		2	(50,000)		(13,000)	2	(50,000)	2	(37,000)		(12,000)	1	(13,000)						
2007-08	22	1,350,000	54	1	(25,000)	4	(100,000)			1	(25,000)		1	(25,000)		2	(50,000)	1	(25,000)		3	(75,000)		5	(125,000)					
2008-09	24	1,592,365	128	9	(104,600)	13	(145,750)			5	(50,185)	1	(25,000)			14	(169,695)			2	(30,000)	10	(120,505)	2	(16,250)	12	(133,500)		12	(141,890)
2009-10	15	840,732	71			6	(71,875)			1	(12,086)					1	(9,200)			7	(94,995)		11	(135,474)		1	(7,857)	8	(80,599)	
2010-11	10	634,605	50			2	(31,740)						5	(67,350)						5	(58,350)		8	(90,295)			6	(75,050)		
2011-12	12	412,753	34			4	(44,750)									3	(38,100)						6	(71,113)			4	(55,400)		
<b>Totals</b>		6,530,505			(1,189,650)	(497,115)	(10,000)	0		(87,271)	(150,000)	0	(271,245)	(50,000)	(30,000)	(374,950)	(91,250)	(37,000)	(505,382)	(10,000)	(7,857)	(489,939)	(25,000)	(13,000)						
		508	145		39	1	0	7	6	0	0	21	2	2	27	5	2	40	1	1	35	1	1							

92

1,499,703

1106 FTHB LOANS (<80% AMI)																						
Loans Issued	Paid in Full		Voided	Foreclosure	Short-Sale	Paid in Full	Foreclosure	Short-Sale														
1996-97	1	51,310	20	19	(48,310)																	
2008-09	5	375,000	15			2	(50,000)			1	(25,000)				2	(50,000)						
		426,310			(48,310)	(50,000)	0	0	0	0	(25,000)	0	0	0	0	(50,000)	0	0	0	0	0	0
		35	19		2	0	0	0	0	1	0	0	0	0	2	0	0	0	0	0	0	0

6

128,000

LOANS CLOSED PRIOR TO FEB 2012

LOANS CLOSED AFTER FEB 2012

LOANS CLOSED FY 2012/13

LOANS CLOSED FY 2013/14

LOANS CLOSED FY 2014/15

LOANS CLOSED FY 2015/16

**1131 ESC VIEWS/MTN SHADOW LOTS**

	Loans Issued	Paid in Full	Voided	Foreclosure		Short-Sale		Paid in Full	Foreclosure	Short-Sale										
2002-03	2	380,536	8	6	(284,315)															
2003-04	8	946,833	19	8	(391,039)						1	(48,300)					1	(49,594)		
2004-05	3	422,024	7	4	(238,003)															
		1,749,393			(913,357)	0	0	0	0	0	1	(48,300)	0	0	0	0	1	(49,594)	0	0
	34	18	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0

12      641,951

**1102 MTN SHADOWS MPROP LOANS**

	Loans Issued	Paid in Full	Voided	Foreclosure		Short-Sale		Paid in Full	Foreclosure	Short-Sale											
1991-1994	9	1,164,676	53	38	(856,606)	1	(11,100)	2	(23,137)	1	(4,395)			1	(37,937)					1	(4,800)
		1,164,676			(856,606)	0	(11,100)	(23,137)	(4,395)	0	0	1	(37,937)	0	0	0	(41,053)	0	0	0	(4,800)
	53	38	0	1	2	1	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0

8      185,648

**1101 ESCONDIDO VIEWS MPROP LOANS**

	Loans Issued	Paid in Full	Voided	Foreclosure		Short-Sale		Paid in Full	Foreclosure	Short-Sale											
1991-1994	12	1,335,678	69	43	(857,438)	5	(67,251)	1	(1,244)	2	(40,824)			2	(69,499)					1	(9,063)
		1,335,678			(857,438)	0	(67,251)	(1,244)	(40,824)	0	0	2	(69,499)	0	0	0	(9,063)	0	0	0	(22,076)
	69	43	0	5	1	2	0	0	0	0	2	0	0	0	0	0	1	0	0	0	(22,566)

12      226,684

**1127 RANCHO ESCONDIDO MPROP LOANS**

	Loans Issued	Paid in Full	Voided	Foreclosure		Short-Sale		Paid in Full	Foreclosure	Short-Sale										
1987	0	355,224	32	25	(276,614)	5	(51,973)	1	(4,302)											
		355,224			(276,614)	0	(51,973)	(4,302)	0	0	0	0	0	0	0	0	0	0	0	0
	32	25	0	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

0      0





## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
of the City of Escondido  
Escondido, California

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Escondido, California (the "City"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of California Center for the Arts, Escondido Foundation (the "Foundation"), which represent 100%, 100%, and 100%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedules of Changes in Net Pension Liability and Related Ratios, and Schedules of Plan Contributions on pages 19 through 32 and 104 through 115 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Combining and Individual Nonmajor Fund Financial Statements and Budgetary Comparison Schedules, and Statistical Section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements and Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Nonmajor Fund Financial Statements and Budgetary Comparison Schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

To the Honorable Mayor and Members of the City Council  
of the City of Escondido  
Escondido, California  
Page 3

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*The PwC Group, LLP*

San Diego, California  
December 29, 2020

# CITY OF ESCONDIDO

## Balance Sheet Governmental Funds June 30, 2020

ASSETS	Major Funds			Total Governmental Funds
	General	Successor Agency Housing	Nonmajor Governmental Funds	
Cash and investments	\$ 25,155,720	\$ 7,902,829	\$ 36,624,035	\$ 69,682,584
Receivables (net):				
Accounts	3,414,235	-	9,311	3,423,546
Interest	91,321	10,147,236	5,969,345	16,207,902
Taxes	8,301,178	-	46,340	8,347,518
Loans	11,000,000	35,107,543	17,730,711	63,838,254
Due from other governments	398,510	-	4,801,244	5,199,754
Due from Successor Agency	10,221,613	-	1,018,427	11,240,040
Due from other funds	1,239,077	-	-	1,239,077
Inventory, at cost	-	-	32,376	32,376
Prepaid expenditures	-	-	11,761	11,761
Deposits	-	-	119,194	119,194
Land held for resale	-	1,969,237	-	1,969,237
Advances to other funds	-	-	200,000	200,000
Restricted assets:				
Cash and investments	13,572,027	-	-	13,572,027
Cash and investments with fiscal agent	-	-	81	81
<b>Total Assets</b>	<b>\$ 73,393,681</b>	<b>\$ 55,126,845</b>	<b>\$ 66,562,825</b>	<b>\$ 195,083,351</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,493,934	\$ 3,900	\$ 2,943,852	\$ 4,441,686
Deposits payable	10,547,011	7,500	2,622,043	13,176,554
Retentions payable	-	-	379,158	379,158
Accrued expenditures	3,166,489	10,034	98,557	3,275,080
Due to other funds	-	-	1,239,077	1,239,077
Unearned revenue	-	-	2,876,611	2,876,611
Advances from other funds	200,000	-	-	200,000
<b>Total Liabilities</b>	<b>15,407,434</b>	<b>21,434</b>	<b>10,159,298</b>	<b>25,588,166</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue	20,897,548	10,118,038	8,094,770	39,110,356
<b>Total Deferred Inflows of Resources</b>	<b>20,897,548</b>	<b>10,118,038</b>	<b>8,094,770</b>	<b>39,110,356</b>
<b>Fund Balances:</b>				
Nonspendable	1,865,098	-	294,171	2,159,269
Restricted	13,572,027	44,987,373	48,765,758	107,325,158
Committed	17,392,319	-	764,863	18,157,182
Assigned	2,364,520	-	-	2,364,520
Unassigned (deficit)	1,894,735	-	(1,516,035)	378,700
<b>Total Fund Balances</b>	<b>37,088,699</b>	<b>44,987,373</b>	<b>48,308,757</b>	<b>130,384,829</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 73,393,681</b>	<b>\$ 55,126,845</b>	<b>\$ 66,562,825</b>	<b>\$ 195,083,351</b>

See Accompanying Notes to Basic Financial Statements.

**CITY OF ESCONDIDO**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2020**

<b>Fund balances for governmental funds</b>		\$ 130,384,829
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Amount reported in government-wide statement of net position:		
Capital assets, not being depreciated	\$ 79,453,559	
Capital assets, being depreciated, net	211,748,607	
Less: amount reported in internal services fund	(9,304,759)	281,897,407
A portion of the unavailable revenue is not available to pay for current-period expenditures and, therefore, is not recognized in the funds.		
		39,110,354
Internal service funds are used by management to charge the costs of activities involved in rendering services to departments within the City. The assets and liabilities of the internal service funds are included in the Statement of Net Position.		
Total internal service fund net position	\$ 11,640,711	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	941,972	12,582,683
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. Noncurrent liabilities allocated from internal service funds are included in the internal service fund adjustment above.		
Compensated absences	\$ (7,358,678)	
Claims payable	(17,875,600)	
Loans	(2,258,338)	
Leases	(1,423,757)	
Bonds	(58,115,000)	
Bond premium	(6,962,123)	
Bond discount	5,876	
Deferred gain on refunding	(343,460)	
Deferred loss on refunding	35,024	
Less: amount reported in internal services fund	18,519,839	(75,776,217)
Net pension liability is not due and payable in the current period and therefore is not reported in the governmental funds. The net pension liability allocated from internal service funds are included in the internal service fund adjustment above.		
Aggregate net pension liability	(211,657,506)	
Less: amount reported in internal services fund	10,706,977	(200,950,529)
Deferred outflows and deferred inflows of resources related to pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds		
Deferred outflows of resources related to pensions	30,940,979	
Deferred inflows of resources related to pensions	(2,670,492)	
Less: amount reported in internal services fund	(1,126,519)	27,143,968
Interest payable on noncurrent liabilities is not accrued in governmental funds, but rather is recognized as an expenditure when due.		
		(1,006,610)
<b>Net position of governmental activities</b>		<b>\$ 213,385,885</b>

See Accompanying Notes to Basic Financial Statements.

**CITY OF ESCONDIDO**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	Major Funds			Total Governmental Funds
	General Fund	Successor Agency Housing	Nonmajor Governmental Funds	
<b>Revenues:</b>				
Sales tax	\$ 36,651,485	\$ -	\$ -	\$ 36,651,485
Property taxes	29,273,988	-	4,686,979	33,960,967
Other taxes	13,095,121	-	6,155,718	19,250,839
Licenses and permits	923,125	-	-	923,125
Fines and forfeits	1,122,485	-	-	1,122,485
Intergovernmental	3,763,506	104	13,202,826	16,966,436
Charges for services	12,205,412	-	2,108,796	14,314,208
Special assessments	-	-	852,395	852,395
Lease income	3,655,490	173,350	-	3,828,840
Investment income	1,748,730	676,837	1,159,579	3,585,146
Miscellaneous	1,892,987	28,809	187,730	2,109,526
<b>Total Revenues</b>	<b>104,332,329</b>	<b>879,100</b>	<b>28,354,023</b>	<b>133,565,452</b>
<b>Expenditures:</b>				
Current:				
General government	6,713,939	-	1,240,000	7,953,939
Public safety	71,209,683	-	2,061,485	73,271,168
Public works	12,321,692	-	6,836,081	19,157,773
Community services	9,896,106	-	2,382,369	12,278,475
Community development	4,008,120	882,668	496,062	5,386,850
Capital outlay	231,525	-	7,923,709	8,155,234
Debt service:				
Principal retirements	536,335	-	2,281,024	2,817,359
Interest and fiscal charges	94,017	-	2,930,639	3,024,656
<b>Total Expenditures</b>	<b>105,011,417</b>	<b>882,668</b>	<b>26,151,369</b>	<b>132,045,454</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(679,088)</b>	<b>(3,568)</b>	<b>2,202,654</b>	<b>1,519,998</b>
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	4,135,540	-	-	4,135,540
Transfers in	2,102,550	689,465	1,648,730	4,440,745
Transfers (out)	(2,249,405)	-	(2,802,340)	(5,051,745)
<b>Total Other Financing Sources (Uses)</b>	<b>3,988,685</b>	<b>689,465</b>	<b>(1,153,610)</b>	<b>3,524,540</b>
<b>Net Change in Fund Balance</b>	<b>3,309,597</b>	<b>685,897</b>	<b>1,049,044</b>	<b>5,044,538</b>
<b>Fund Balances:</b>				
Beginning of Year	33,779,102	44,301,476	47,259,713	125,340,291
End of Year	<u>\$ 37,088,699</u>	<u>\$ 44,987,373</u>	<u>\$ 48,308,757</u>	<u>\$ 130,384,829</u>

See Accompanying Notes to Basic Financial Statements.

**CITY OF ESCONDIDO**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances to the Government-Wide Statement of Activities**  
**For the Year Ended June 30, 2020**

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**Net change in fund balances - total governmental funds:** \$ 5,044,538

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays, contributed capital assets, retirements, and capital related expenditures exceeded depreciation in the current period. Capital asset activity from internal service funds are reported in the internal service activity below.

Capital outlay	\$ 8,155,234	
Depreciation, net of \$2,699,213 from Internal Service Funds	(12,198,682)	
Contributed capital assets	<u>1,854,305</u>	
		(2,189,143)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 10,739,197

Internal service funds are used by management to charge the costs of activities involved in rendering services to departments within the City. The net revenue of internal service funds was reported with governmental activities.

Total internal service fund change in net position	\$ 1,578,844	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>341,450</u>	
		1,920,294

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net assets.

Change in compensated absences	\$ (446,289)	
Change in pension liability	(14,933,815)	
Principal retirements	2,817,359	
Accrued interest	<u>493,273</u>	
		<u>(12,069,472)</u>

**Change in net position of governmental activities** \$ 3,445,414

**City of Escondido Community Development Commission  
Excess Surplus Calculation  
For the Fiscal Year Ended June 30, 2020**

	<b>Low and Moderate Housing Funds All Project Areas June 30, 2019</b>	<b>Low and Moderate Housing Funds All Project Areas June 30, 2020</b>
Opening Fund Balance	\$ 44,301,476	\$ 44,987,373
Less Unavailable Amounts:		
Land held for resale	\$ (1,969,237)	\$ (1,969,237)
Loans Receivable	<u>(35,711,236)</u>	<u>(35,107,543)</u>
	<u>(37,680,473)</u>	<u>(37,076,780)</u>
Available Housing Successor Funds	\$ 6,621,003	\$ 7,910,593
Limitation (greater of \$1,000,000 or four years deposits)		
Aggregate amount deposited for last four years:		
2019 - 2020	\$ -	\$ 685,897
2018 - 2019	874,408	874,408
2017 - 2018	604,084	604,084
2016 - 2017	512,785	512,785
2015 - 2016	620,535	-
<b>Total</b>	<b><u>\$ 2,611,812</u></b>	<b><u>\$ 2,677,174</u></b>
<b>Base Limitation</b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>
Greater amount	<u>2,611,812</u>	<u>2,677,174</u>
<b>Computed Excess/Surplus</b>	<b><u>\$ 4,009,191</u></b>	<b><u>\$ 5,233,419</u></b>