

2025-2029 CONSOLIDATED PLAN & 2025-2026 ANNUAL ACTION PLAN



City of Rancho
Santa Margarita

May 14, 2025

Table of Contents

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)	1
---	---

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)	4
--	---

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l).....	5
---	---

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)	11
---	----

Needs Assessment

NA-05 Overview	14
----------------------	----

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a, b, c)	16
--	----

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)	23
---	----

NA-20 Disproportionately Greater Need: Severe Housing <i>Problems</i> – 91.205 (b)(2)	26
---	----

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)	28
---	----

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)	29
--	----

NA-35 Public Housing – 91.205(b).....	30
---------------------------------------	----

NA-40 Homeless Needs Assessment – 91.205(c)	35
---	----

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b, d)	39
---	----

NA-50 Non-Housing Community Development Needs – 91.215 (f).....	42
---	----

Housing Market Analysis

MA-05 Overview.....	43
---------------------	----

MA-10 Number of Housing Units – 91.210(a)&(b)(2).....	44
---	----

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)	47
--	----

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)	50
---	----

MA-25 Public and Assisted Housing – 91.210(b).....	53
--	----

MA-30 Homeless Facilities and Services – 91.210(c).....	55
---	----

MA-35 Special Needs Facilities and Services – 91.210(d).....	57
--	----

MA-40 Barriers to Affordable Housing – 91.210(e).....	59
MA-45 Non-Housing Community Development Assets – 91.215 (f)	60
MA-50 Needs and Market Analysis Discussion	65
MA-60 Broadband Needs of Housing Occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)	67
MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3).....	69
Strategic Plan	
SP-05 Overview	71
SP-10 Geographic Priorities – 91.215 (a)(1)	72
SP-25 Priority Needs - 91.215(a)(2)	73
SP-30 Influence of Market Conditions – 91.215 (b)	76
SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)	77
SP-40 Institutional Delivery Structure – 91.215(k)	79
SP-45 Goals Summary – 91.215(a)(4)	82
SP-50 Public Housing Accessibility and Involvement – 91.215(c)	84
SP-55 Barriers to affordable housing – 91.215(h)	85
SP-60 Homelessness Strategy – 91.215(d).....	87
SP-65 Lead-based paint Hazards – 91.215(i).....	89
SP-70 Anti-Poverty Strategy – 91.215(j)	90
SP-80 Monitoring – 91.230	91
2025-2026 Action Plan	
AP-15 Expected Resources – 91.220(c)(1,2)	92
AP-20 Annual Goals and Objectives	95
AP-35 Projects – 91.220(d).....	97
AP-38 Project Summary	98
AP-50 Geographic Distribution – 91.220(f).....	102

AP-55 Affordable Housing – 91.220(g)	103
AP-60 Public Housing – 91.220(h)	104
AP-65 Homeless and Other Special Needs Activities – 91.220(i)	105
AP-75 Barriers to affordable housing – 91.220(j).....	107
AP-85 Other Actions – 91.220(k)	108
Program Specific Requirements.....	110

Appendices

Appendix 1: Summary 2020-2024 Consolidated Plan Accomplishments

Appendix 2: Citizen Participation Notices and Comments

Appendix 3: Maps

- A. Hispanic Concentration
- B. Asian Concentration
- C. Housing Cost Burden
- D. CDBG-Eligible Areas

Attachments

Attachment A: 2025-2029 Orange County Regional Assessment of Fair Housing (Executive Summary) and Rancho Santa Margarita AFH Action Plan

Attachment B: Citizen Participation Plan

Certifications and Standard Forms

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2025-2029 Consolidated Plan for the City of Rancho Santa Margarita satisfies the requirements for receiving Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). The CDBG program was created by the Housing and Community Development Act of 1974. The primary objective of the CDBG program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low- and moderate-income.

HUD uses a formula to allocate CDBG funds to over 1,200 local governments and states. The formula for allocating CDBG funds is based on variables including current population, projected population growth, the age of the housing stock, and the poverty rate. Each activity to be undertaken with these funds must meet one of the three CDBG program national objectives:

- Benefit low- and moderate-income persons
- Aid in the prevention or elimination of slums and blight
- Meet a community development urgent need (typically limited to a presidentially declared disaster)

The City has received CDBG funds since 2006. Before 2006, it participated in the Urban County CDBG program, which is managed by the County of Orange. HUD requires recipient communities to prepare a Consolidated Plan every three to five years. The current Consolidated Plan for the City was prepared in 2020. The 2025-2029 Consolidated Plan will cover the five years of Fiscal Year 2025-2026 through Fiscal Year 2029-2030.

The Consolidated Plan is a planning document that identifies the community's priority housing and community needs and outlines a strategy to address these needs utilizing CDBG funds. The Plan includes the following components:

- An assessment of the City's housing and community needs and market conditions
- A strategy to address the identified priorities over five years with CDBG funds
- A one-year investment plan that outlines the intended use of CDBG (the Action Plan). HUD has informed the City that it will receive a CDBG allocation of \$213,967 for Fiscal Year 2025-2026. An additional \$32,305 in prior-year uncommitted funds is also available.

The Fair Housing Act of 1968 requires recipients of HUD funds to administer housing and urban development programs in a manner that does not discriminate and to affirmatively further fair housing. The Assessment of Fair Housing (AFH) is the policy document that identifies barriers to fair housing and outlines an action plan to overcome these barriers. The County and all Orange County CDBG grantee communities have prepared a new Orange County Regional 2025-2029 AFH (OC-AFH). The OC-AFH

Executive Summary and the City's related AFH Action Plan are incorporated into the Consolidated Plan as **Attachment A**.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

Based on an analysis of HUD data and input from city residents and staff, priority needs have been identified, and projects and programs to meet these needs have been developed. A summary of priority needs and five-year project/program outcomes identified in the Consolidated Plan are listed below:

CDBG 5-Year High-Priority Objectives & Outcomes

- Public Improvements: CDBG: \$641,477 - Activities to benefit 1,250 individuals
- Affordable Housing: CDBG: \$50,000 – Rehabilitate five housing units
- Public Services: CDBG: \$106,700 – Activities to assist 5,000 individuals
- Homelessness Prevention (including homeless assistance): CDBG: \$45,350 – Activities to assist 225 individuals
- Program Administration (including Fair Housing services): CDBG: \$202,745 - Activities to assist 250 households

Non-CDBG Funded High Priority Objective & Outcomes

In addition to the CDBG objectives and outcomes listed above, the City has identified additional funding sources that may be available during the next five-year period in support of the City's Consolidated Plan objectives:

- Housing Assistance Vouchers: The Orange County Housing Authority (OCHA) provides Rental Housing Choice vouchers and certificates. The level of assistance will vary from year to year, as determined by HUD and OCHA. The five-year goal is to provide rental assistance to an average of 125 Rancho Santa Margarita renter households annually.
- City Social Service Programs: The City provides funding for a range of social services that benefit Rancho Santa Margarita residents. Specifically, the City provides direct assistance to senior and youth services.
- Permanent Local Housing Allocation (PLHA): State funds that will be used to support homeless outreach and engagement services.

3. Evaluation of past performance

Appendix 1 provides a summary of the City's 2020-2024 Consolidated Plan accomplishments through Fiscal Year (FY) 2023-2024. Accomplishments for the fifth year of the Consolidated Plan cycle (FY 2024-2025) are not yet available.

4. Summary of citizen participation process and consultation process

The City of Rancho Santa Margarita encourages community involvement in the planning, implementation, and evaluation of the Consolidated Plan as described in the City's Citizen Participation Plan (**Attachment B**). The City implemented the following measures to encourage public participation:

- The City disseminated an online *Housing and Community Needs Survey* to solicit the opinion of residents and business owners regarding the City's most pressing needs, particularly in the areas of housing, public improvements, and human services.
- The City co-hosted a meeting of South Orange County public service providers, at which the City solicited input from the attendees regarding priority community social service needs.
- The City publicized Fair Housing Workshops, which provided residents with an opportunity to discuss fair housing issues and ways to advance fair housing opportunities for all county residents.
- A public review/comment period provided the community with an opportunity to review and shape the Consolidated Plan and the allocation of CDBG funds.
- A public hearing before the City Council provided a final opportunity for public input.

5. Summary of public comments

See **Appendix 2**.

6. Summary of comments or views not accepted and the reasons for not accepting them

See **Appendix 2**.

7. Summary

The City of Rancho Santa Margarita has prepared the 2025-2029 Consolidated Plan in order to receive CDBG funds for the next five years. The City implemented a community-based public input process to help determine how the City will allocate CDBG funds. This process included solicitation of information regarding priority housing and non-housing community needs and consultation with State and County agencies, local service providers, and residents. The public input process and the direction of the Rancho Santa Margarita City Council established the five-year program objectives and goals to address priority needs.

The City will receive \$213,967 in CDBG funds for FY 2025-2026. An additional \$32,305 in prior-year funds is also available to carry out activities that will address the priority needs identified in the Consolidated Plan. The Action Plan is a one-year expenditure plan for FY 2025-2026 CDBG funds. It details the activities the City will undertake with CDBG funds during FY 2025-2026.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for the administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
CDBG Administrator	RANCHO SANTA MARGARITA	Development Services

Narrative

The City of Rancho Santa Margarita's Development Services Department is primarily responsible for preparing the Consolidated Plan and administering CDBG funds.

Consolidated Plan Public Contact Information

The primary contact is Mike Linares, 22112 El Paseo, Rancho Santa Margarita, CA 92688, (949) 635-1800 X6702 – mlinares@cityofrsm.org.

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l)

1. Introduction

The City has taken several steps to obtain the input of residents and community stakeholders as it prepared the Consolidated Plan. The City's Citizen Participation Plan outlines the process the City implemented to receive public input. Consultation efforts include public meetings, a community survey, and a public hearing. The City also consulted with State and regional agencies, as well as special districts and neighboring cities, to obtain data and resources to prepare the Consolidated Plan. The City also utilized its internet webpage and the local community newspaper to notify residents of the opportunities to review and comment on the draft Consolidated Plan, amendments to the Citizen Participation Plan (CPP), and the draft 2025-2029 OC-AFH.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

Through the means delineated in the City's CCP and the annual process of soliciting funding requests for public services, City staff can ascertain the needs of City residents. Additionally, the City of Rancho Santa Margarita works closely with the County of Orange Housing Authority (OCHA) to assess the needs of lower-income Rancho Santa Margarita renters and its efforts to assist renter households with housing vouchers and certificates. In recent years, OCHA has obtained Veterans Affairs Supportive Housing (VASH) vouchers, which provide rental assistance for homeless veterans. The Veterans Administration (VA) provides participating veterans with clinical and supportive services through its health care system. OCHA also manages Continuum of Care housing vouchers, which are reserved for homeless households transitioning to permanent supportive housing.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

211 Orange County and the Orange County Community Services Department coordinate the Orange County Continuum of Care (OC-CoC) planning process. This nonprofit-public partnership helps ensure comprehensive, regional coordination of efforts and resources to reduce the number of homeless people and people at risk of homelessness throughout Orange County. This partnership is also the regional coordinator of the year-round CoC planning process and is a catalyst for the involvement of the public and private agencies that make up the County's homeless system of care.

The City supports the OC-CoC planning process by providing information regarding the activities it will fund to address local homeless issues. The OC-CoC uses this information to prepare the County's application to HUD for Homeless Assistance Grant funds. The City will also continue to expedite

certifications of consistency with the Consolidated Plan and provide other forms of support for the OC-CoC, including participation in the biennial Point-In-Time Survey of the County's homeless population.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies, and procedures for the administration of HMIS

The City is not a recipient of Emergency Solutions Grant (ESG) funds; therefore, it does not assist the OC-CoC with determining ESG allocations, evaluating the outcomes, or developing policies and procedures for administering the regional Homeless Management Information System (HMIS).

2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies, and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Orange County Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided data regarding households receiving HUD rental assistance and households on the waitlist for rental housing assistance
2	Agency/Group/Organization	211 Orange County
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homeless Management Information System (HMIS)
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided data regarding regional homeless and the County's coordinated entry system HMIS
3	Agency/Group/Organization	Fair Housing Council
	Agency/Group/Organization Type	Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Impediments to Fair Housing
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided data regarding fair housing issues in the community and input related to impediments to fair housing and assisted in developing action steps to affirm fair housing
4	Agency/Group/Organization	Age Well Senior Services
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding the housing and service needs of seniors, including homebound seniors
5	Agency/Group/Organization	Family Assistance Ministries
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Anti-poverty Strategy Needs of Low/Mod persons
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding the housing and service needs of homeless households and households at risk of becoming homeless
6	Agency/Group/Organization	Vocational Visions
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Economic development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input regarding the needs of adults with developmental disabilities and economic opportunities for this special needs population
7	Agency/Group/Organization	Council On Aging – Southern California
	Agency/Group/Organization Type	Services-Elderly Persons

	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Provided information regarding the housing and service needs of elderly and disabled individuals living in managed care facilities
8	Agency/Group/Organization	County of Orange
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Regional program information
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Various county departments provided information regarding public health, public safety, and housing programs
9	Agency/Group/Organization	State of California
	Agency/Group/Organization Type	Other government - State
	What section of the Plan was addressed by Consultation?	State program information
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Various State of California departments provided information regarding demographics, public safety, and economics

Identify any Agency Types not consulted and provide rationale for not consulting

The City conducted an open consultation process and did not knowingly exclude any agency from participating.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Table 3 – Other local / regional / federal planning efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Orange County 211	Provides regional and local point-in-time homeless survey data, development of the regional Plan to End Homelessness, and development of the regional Discharge Plan
City of Rancho Santa Margarita 2021-2029 Housing Element	City of Rancho Santa Margarita	Provides housing priorities and program goals
City of Rancho Santa Margarita Capital Improvement Program (CIP)	City of Rancho Santa Margarita	Identifies priority capital improvement projects that may be CDBG-eligible
5-Yr & 1 Yr Public Housing Plan (PHA) Plan	Orange County Housing Authority	Identifies OCHA resources to address the housing needs of lower-income renter householders in the County and City
OC Regional 2025-2029 Assessment of Fair Housing	Orange County HUD Grantee Cities and the County of Orange	The countywide document that identifies fair housing impediments within participating cities and outlines a plan to affirm fair housing in the City
Local Hazard Mitigation Plan	City of Rancho Santa Margarita	Local plan to reduce hazards and improve resilience through capital improvements, planning, and emergency planning

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))

The California Department of Public Health cooperated with the Orange County Health Care Agency to provide information regarding elevated lead blood levels in children as part of the City's assessment of lead-based paint hazards. The City also consulted with State agencies to obtain updated housing and population information. The County of Orange provided an array of data, including information regarding the number of households receiving rental assistance and the homeless count. Local governments also assisted the City with the preparation of the Consolidated Plan. As the current recipient of Housing Opportunities for Persons with AIDS (HOPWA) funds, the City of Anaheim was

consulted regarding the number of Rancho Santa Margarita residents living with HIV and AIDS and available HOPWA program resources. The City also participated in roundtable meetings with other Orange County CDBG recipients to discuss the preparation of the OC-AFH and other regional housing and community needs.

Narrative (optional):

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize the citizen participation process and how it impacted goal-setting

The City took several steps to obtain resident input to identify priority community needs:

- City of Rancho Santa Margarita Housing & Community Needs Survey: The City implemented an online survey to gather the opinions of residents and other community stakeholders regarding the City's pressing needs, particularly in the areas of housing, public improvements, and human services. (See a summary of survey results in **Appendix 2**.)
- Notices/Website: The City published meeting notices in the local newspaper and on its website announcing the availability of drafts of the Consolidated Plan, amendments to the CPP, and the OC-AFH. The notices also announced the required 30-day public comment period and public meetings or hearings (see **Appendix 2**).
- Public Meetings and Hearings: The City co-hosted a meeting of South Orange County public service providers to solicit input regarding the City's social service needs. Additionally, the City's CDBG Committee provided input regarding public service needs. The City Council held two meetings to accept public input, including the required public hearing.
- OC-AFH: The City also participated in a Fair Housing Workshop, one of six held countywide and online. The workshop offered residents the opportunity to discuss fair housing issues and explore ways to promote fair housing opportunities for all county residents (see **Attachment A**).

Citizen Participation Outreach

Table 4 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Community Needs Survey	Non-targeted/broad community	Dec 2024 to Jan 2025: <i>City of RSM Housing & Community Needs Survey</i>	Survey results received provided input regarding priority housing and community needs	All submitted surveys were accepted	No longer available
2	Public Meeting	Social Service Providers	The City conducted a public workshop on 12/4/24 to obtain information regarding community service needs from local service providers. 23 individuals representing 12 organizations attended	Meeting comments centered on local service needs and the CDBG public service grant application process	All comments were accepted	Not Applicable
3	Public Meeting	Non-targeted/broad community	2025-2029 OC Regional AFH public input meetings March 2025	See Attachment A	Attachment A	Not Applicable
4	Newspaper Ad	Non-targeted/broad community	4/14/25 to 5/13/25: 30-day public comment period	See Appendix 2	See Appendix2	Not Applicable

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Public Meeting	Non-targeted/broad community	4/23/25: City Council meeting to obtain input regarding the preliminary FY 25-26 CDBG expenditure plan	See Appendix 2	See Appendix 2	Not Applicable
6	Public Hearing	Non-targeted/broad community	5/14/25: City Council public hearing to accept public comments & approve submission of FY 25-29 ConPlan, FY 25-26 Annual Action Plan, and the FY 25-29 OC-AFH	See Appendix 2	See Appendix 2	Not Applicable

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The Consolidated Plan's Needs Assessment identifies the City of Rancho Santa Margarita's needs as they relate to housing, homelessness, special needs populations, and community development. From this Needs Assessment, the City can identify the needs with the highest priority, which will form the basis for the Strategic Plan and the programs and projects to be undertaken during the five-year planning cycle of the 2025-2029 Consolidated Plan.

Most of the tables in this section contain default data from the Comprehensive Housing Affordability Strategy (CHAS), which the Census Bureau developed for HUD based on the 2016–2020 American Community Survey (ACS). Other current data sources are used throughout the Consolidated Plan.

The housing and community needs assessed in this section of the Consolidated Plan include the following:

- Households experiencing “housing problems” (defined below)
- The extent to which housing problems are experienced disproportionately by one or more racial or ethnic groups
- Public housing – **NOTE: THE CITY OF RANCHO SANTA MARGARITA DOES NOT OWN OR MANAGE PUBLIC HOUSING**
- An assessment of homeless needs
- Non-housing Community Development Needs

Definitions

HUD's housing needs estimates are based on an evaluation of Census data of households that are experiencing one or more “housing problems.” Per HUD, a household is experiencing a housing problem if its residential unit is subject to one or more of the following:

- Lack of a complete kitchen facility
- Lack of complete plumbing facilities
- Cost burden: A household that spends more than 30% of its total gross income on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.
- Severely Cost Burden: A household that spends more than 50% of total gross income on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.
- Overcrowded: Defined as a housing unit with more than 1.01 to 1.5 persons per room, excluding bathrooms, porches, foyers, halls, or half-rooms.

- Severely Overcrowded: Defined as housing with more than 1.51 persons per room excluding bathrooms, porches, foyers, halls, or half-rooms.

HUD data also characterizes households by type:

- Small Related: a household with two to four related members
- Large Related: a household with five or more related members
- Elderly: a household whose head, spouse, or sole member is at least 62 years of age
- Other: All other households (including one-person households)

HUD defines a “household” as “All the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.”

Finally, HUD categorizes households by income:

- Extremely low-income: A household with an income equal to 0 to 30% of the Area Median Income (AMI) (also referred to as HUD Area Median Family Income or HAMFI)
- Very low-income: A household with an income equal to 30 to 50% of the AMI
- Low-income: A household with income equal to 50 to 80% of the AMI
- Low- and moderate-income or Lower-income: A household with an income equal to or less than 80% of AMI
- Moderate-income: A household with an income equal to 80 to 100% of AMI

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a, b, c)

Summary of Housing Needs

Rancho Santa Margarita has experienced a modest decline in population over the past decade. According to the U.S. Census Bureau data presented in Table 5, the City's population contracted by 2% between 2009 and 2020.

The California Department of Finance estimates Rancho Santa Margarita's January 1, 2024, population at 46,305 – a decrease of approximately 5.55% from the 2009 “Base Year” identified in Table 5. In comparison, during roughly the same period, the County's population contracted by 1.13%; California's population decreased by approximately 1.03%. The 2019-2023 American Community Survey 5-Year Estimate indicates that there are 17,042 households in the City, with a median income of \$146,824.

Table 5 - Housing Needs Assessment Demographics

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	49,025	48,280	-2%
Households	16,980	16,960	-0%
Median Income	\$105,328.00	\$125,329.00	19%

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Number of Households Table

Table 6 - Total Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	1,640	1,215	2,475	1,730	9,905
Small Family Households	410	500	1,010	1,125	6,575
Large Family Households	75	140	110	145	970
Household contains at least one person 62-74 years of age	429	240	595	300	2,015
Household contains at least one person age 75 or older	510	220	170	110	355
Households with one or more children 6 years old or younger	145	235	365	335	1,590

Data Source: 2016-2020 CHAS

Housing Needs Summary Tables

1. *Housing Problems (Households with one of the listed needs)*

Table 7 – Housing Problems Table

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	60	10	10	60	140	0	0	10	0	10
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	95	0	15	20	130	10	40	0	0	50
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	35	4	30	0	69	0	50	10	20	80
Housing cost burden greater than 50% of income (and none of the above problems)	685	380	100	0	1,165	500	360	170	35	1,065
Housing cost burden greater than 30% of income (and none of the above problems)	25	90	780	70	965	55	120	585	440	1,200
Zero/negative Income (and none of the above problems)	45	0	0	0	45	25	0	0	0	25

Data Source:

2016-2020 CHAS

2. *Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)*

Table 8 – Housing Problems 2

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	880	395	155	80	1,510	510	445	190	55	1,200
Having none of four housing problems	115	140	925	505	1,685	140	235	1,205	1,090	2,670
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Data Source: 2016-2020 CHAS

3. *Cost Burden > 30%*

Table 9 – Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	185	190	480	855	160	260	330	750
Large Related	65	50	15	130	10	85	60	155
Elderly	509	175	200	884	330	145	145	620
Other	145	65	230	440	65	65	245	375
Total need by income	904	480	925	2,309	565	555	780	1,900

Data Source: 2016-2020 CHAS

4. *Cost Burden > 50%*

Table 10 – Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	135	135	150	230	0	380
Large Related	0	0	20	20	10	60	10	80
Elderly	505	165	30	700	285	90	0	375
Other	0	145	65	210	65	0	0	65
Total need by income	505	310	250	1,065	510	380	10	900

Data Source: 2016-2020 CHAS

5. *Crowding (More than one person per room)*

Table 11 – Crowding Information – 1/2

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single-family households	130	4	45	20	199	0	90	10	20	120
Multiple unrelated family households	0	0	0	0	0	10	0	0	0	10
Other non-family households	0	0	0	0	0	0	0	0	0	0
Total need by income	130	4	45	20	199	10	90	10	20	130

Data Source: 2016-2020 CHAS

Table 12 – Crowding Information – 2/2

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present				NA				NA

Describe the number and type of single-person households in need of housing assistance.

Data provided in HUD's Consolidated Plan template does not provide information for single-person households in need of housing assistance; however, according to the Census Bureau (2019-2023 ACS), there are 3,361 one-person households in Rancho Santa Margarita – 1,974 of these households are homeowners (58.7% of total one-person households), and 1,387 are renters (41.3%). According to Table 9, housing cost burden impacts 440 “Other” lower-income homeowner households and 375 “Other” lower-income renter households. This data table suggests that a substantial number of one-person households may require housing assistance.

According to information from the OCHA, four one-person households are presently on the waitlist for federal rental assistance. OCHA also reports that 119 one-person households in Rancho Santa Margarita currently receive federal rental assistance.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault, and stalking.

Disabled Households: According to 2019-2023 ACS data, there are an estimated 4,243 Rancho Santa Margarita residents with some disability – approximately 9.0% of the City's population. Federal laws define a person with a disability as "Any person who has a physical or mental impairment that substantially limits one or more major life activities ..." Of residents with a disability, 133 (3.2%) are

living below the poverty level. According to OCHA, 103 Rancho Santa Margarita households that currently receive federal rental assistance are disabled households - four disabled Rancho Santa Margarita households are on the waitlist for federal rental assistance.

The City's elderly population has significant levels of disability. The ASC estimates that 33.7% of residents aged 65 and over have a disability. Since seniors have a much higher probability of being disabled, the housing and service needs for persons with disabilities should grow considerably with senior population growth. Accessibility housing needs of the disabled population, including the elderly, can typically be addressed through housing rehabilitation programs that provide improvements such as ramps, grab bars, wider doorways, lower sinks, and specialized kitchen cabinets. The City of Rancho Santa Margarita currently offers a home repair grant to senior or disabled homeowners to undertake these basic health, safety, and accessibility concerns.

Victims of Domestic Violence: The National Coalition Against Domestic Violence (NCADV) estimates that nationwide, an average of 24 people per minute are victims of rape, physical violence, or stalking by an intimate partner in the United States. NCADV also reports that one in three women and one in four men in the U.S. have experienced rape, physical violence, or stalking by an intimate partner in their lifetime. The State of California Department of Justice reports that in 2023, there were 12 calls for assistance related to domestic violence in Rancho Santa Margarita. However, Laura's House, a leading domestic violence service provider in South Orange County, estimates that only one in seven incidents are reported. Laura's House also estimates that for each victim of domestic violence who receives shelter and support services, 15 to 20 individuals are turned away due to lack of space. The Orange County 2024 Point In Time Survey of the region's homeless estimates that 10.0% of the homeless in the County are victims of domestic violence.

What are the most common housing problems?

According to HUD data from Table 7, the most common housing problem in Rancho Santa Margarita is severe housing cost burden. This problem affects both renter and owner households; crowding and substandard housing, as defined by HUD, are not significant housing issues.

Are any populations/household types more affected than others by these problems?

Table 9 provides estimates regarding the number of lower-income households impacted by housing costs. Among extremely low-income households, over half of Elderly renters and homeowners have a housing cost burden. Large-related very low-income renter and homeowner households are housing cost burdened, and over half of low-income renters and homeowners are also experiencing a housing cost burden.

Table 10 provides a summary of information regarding households that pay more than 50% of their income toward housing. Among extremely low-income households, three-quarters of Elderly renter and owner households are most impacted by a severe housing cost burden (72.1% and 76.0%, respectively). Table 10 data also indicates that 69.0% of very low-income "Other" and 75.0% of Large-related homeowners are experiencing a severe housing cost burden. Severe housing costs do not significantly

impact low-income households. Table 10 indicates that 260 low-income households have a severe housing cost burden.

HUD data from Table 7 indicates that only a few housing units lack complete kitchens or plumbing facilities. This data is consistent with the experience of the City's Code Enforcement staff. Data from Table 11 indicate that a few units in the City are considered "crowded" according to HUD's standards. According to the City's Code Enforcement staff, overcrowding is not a significant issue.

Describe the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also, discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The National Alliance to End Homelessness identifies several "causes" of homelessness, including income and housing affordability. Per the Alliance, "Low-income households are typically unemployed or underemployed due to a number of factors, such as a challenging labor market; limited education; a gap in work history; a criminal record; unreliable transportation or unstable housing; poor health or a disability...Today, 11 million extremely low-income households pay at least half of their income toward housing, putting them at risk of housing instability and homelessness." Based on HUD data, 1,965 extremely low-income households in Rancho Santa Margarita pay more than 50% of their household income for housing (see Table 10). Of these households, 1,075 are Elderly households, and 615 are Small and Large Related households.

OCHA reports that as of February 2025, eight Rancho Santa Margarita households are on the waitlist for federal rental assistance, with one of these households having one or more children. OCHA waitlist data also indicates six households are Small-related, three are Elderly, and two households reported they are homeless (none with at least one minor child). OCHA data supports the finding that several extremely low-income families need an affordable housing option.

The City of Rancho Santa Margarita does not receive Emergency Solutions Grant (ESG) funds or other HUD funds for rapid re-housing. Consequently, the City does not have information regarding formerly homeless families and individuals receiving rapid rehousing assistance that may be nearing the termination of aid.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

As indicated above, extremely low-income households that experience severe housing cost burden are most at risk of becoming homeless. Outlined above is the methodology for estimating the number of households that may be at risk of homelessness.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

As indicated above, national homeless organizations have published information indicating that households with extremely low-income and that are experiencing severe housing costs burden are most at risk of becoming homeless.

Discussion

According to HUD data provided in the Consolidated Plan template, substandard and crowded housing is not a significant housing problem in Rancho Santa Margarita. Housing cost is the most prevalent housing problem. Most impacted by housing costs burden and severe housing cost burden appear to be extremely low-income senior households, regardless of tenure. According to the National Alliance to End Homelessness, extremely low-income households are at a high risk of becoming homeless. A disability or the need to escape an abusive relationship can also increase the household's risk of homelessness.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the needs of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

According to HUD, “A disproportionately greater need exists when the members of a racial or ethnic group at a given income level experience a housing problem at a greater rate (10% points or more) than the income level as a whole.” For example, if 60% of all low-income households within a jurisdiction have a housing problem, and 70% of low-income Hispanic households have a housing problem, low-income Hispanics have a disproportionately greater need.

0%-30% of Area Median Income

Table 13 - Disproportionately Greater Need 0 - 30% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,470	175	0
White	970	85	0
Black / African American	55	0	0
Asian	30	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	355	90	0

Data Source: 2016-2020 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Table 14 - Disproportionately Greater Need 30 - 50% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,050	165	0
White	565	155	0
Black / African American	40	0	0
Asian	80	0	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	315	10	0

Data Source: 2016-2020 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,710	765	0
White	1,270	545	0
Black / African American	20	0	0
Asian	65	75	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	245	95	0

Data Source: 2016-2020 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Median Income Area

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	645	1,085	0
White	480	610	0
Black / African American	0	0	0
Asian	30	240	0
American Indian, Alaska Native	0	15	0
Pacific Islander	0	0	0
Hispanic	115	195	0

Data Source: 2016-2020 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

The U.S. Census Bureau provides current information regarding the City's race and ethnic composition, which is vital for evaluating whether housing problems have a disproportionate impact on racial and ethnic populations.

<u>RACE</u>	<u>TOTAL</u>	<u>PERCENTAGE</u>
White	30,772	65.1%
Black or African American	694	1.5%
American Indian and Alaska Native	135	0.3%
Asian alone	5,755	12.2%
Native Hawaiian and Other Pacific Islander	23	0.0%
Some other race	2,954	6.3%
Population of two or more races	6,924	14.7%
Total	47,257	100%
<u>ETHNICITY</u>	<u>TOTAL</u>	<u>PERCENTAGE</u>
Non-Hispanic or Latino	37,828	80.0%
Hispanic or Latino	9,429	20.0%
Total	47,257	100%

Source: 2019-2023 American Community Survey

Discussion

Tables 13 through 16 indicate that regardless of race or ethnicity, a notable percentage of lower-income Rancho Santa Margarita households are experiencing a housing problem. The data indicate housing problems disproportionately impact lower-income Asians, Black/African Americans, and Hispanics.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the needs of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The HUD definition of disproportionately greater need is provided above. The HUD data below relates to households that pay more than 50% of their income toward housing costs (a severe housing problem).

0%-30% of Area Median Income

Table 17 – Severe Housing Problems 0 - 30% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,390	255	0
White	920	135	0
Black / African American	55	0	0
Asian	25	10	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	345	100	0

Data Source: 2016-2020 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Table 18 – Severe Housing Problems 30 - 50% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	840	375	0
White	450	265	0
Black / African American	30	10	0
Asian	70	10	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	235	85	0

Data Source: 2016-2020 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Table 19 – Severe Housing Problems 50 - 80% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	345	2,130	0
White	240	1,580	0
Black / African American	0	20	0
Asian	25	120	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	69	265	0

Data Source: 2016-2020 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Table 20 – Severe Housing Problems 80 - 100% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	135	1,595	0
White	90	1,000	0
Black / African American	0	0	0
Asian	0	270	0
American Indian, Alaska Native	0	15	0
Pacific Islander	0	0	0
Hispanic	45	265	0

Data Source: 2016-2020 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

Tables 17 through 20 indicate that regardless of race or ethnicity, a notable percentage of lower-income Rancho Santa Margarita households are experiencing a severe housing problem. The data indicate severe housing problems disproportionately impact lower-income Asians and Black/African Americans.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the needs of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

HUD's definition of disproportionately greater need is provided above. The HUD data below relate specifically to housing cost burden, which is the most prevalent housing problem in Rancho Santa Margarita.

Housing Cost Burden

Table 21 – Greater Need: Housing Cost Burdens AMI

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	11,155	3,200	2,535	70
White	7,765	2,255	1,640	65
Black / African American	135	40	90	0
Asian	1,320	190	100	0
American Indian, Alaska Native				
Pacific Islander	0	0	0	0
Hispanic	1,650	580	620	4

Data Source: 2016-2020 CHAS

Discussion:

HUD data from Table 21 indicates that housing cost burden impacts many Rancho Santa Margarita households regardless of race or ethnicity; however, housing cost may affect some race/ethnic populations at a higher disproportionate rate:

- Extremely low-income households: Native Americans/Native Alaskans and Asians are disproportionately impacted (100% and 82.0%, respectively)
- Very low-income households: No race or ethnic group is reported to be disproportionately impacted.
- Low-income: Black/African Americans are disproportionately impacted (34.0%).

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

According to Census data, Hispanics/Latinos are the largest racial/ethnic minority group in Rancho Santa Margarita (20.0% of the City's population). Asians comprise the City's second-largest racial population (12.2%), with Black/African American residents the third-largest racial population (1.5%). Based on HUD data from the above series of tables, Asian, Black/African American, and Hispanic/Latino households consistently appear to be experiencing housing problems disproportionately to the community as a whole; however, it is important to note that in terms of numbers, Hispanic/Latino and Asian households are most impacted by housing cost (2,854 and 1,610, respectively).

If they have needs not identified above, what are those needs?

As previously outlined, the cost of housing is the prevalent housing problem. A significant percentage of all race/ethnic groups are experiencing a housing cost problem. Crowded and substandard housing are not significant issues in Rancho Santa Margarita.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

In general, the City's racial/ethnic minority residents live throughout the City. HUD's CPD Maps program identifies five Census Tracts with a significant percentage of Hispanic residents. Still, they do not comprise a majority of residents within each Tract (see **Appendix 3 - Map A**).

- Census Tract 320.55 – 30.65% Hispanic
- Census Tract 320.51 – 27.14% Hispanic
- Census Tract 320.54 – 27.11% Hispanic
- Census Tract 320.49 – 22.03% Hispanic
- Census Tract 320.50 – 21.23% Hispanic

HUD's CPD Maps program identifies three Census Tracts with a significant percentage of Asian residents. Still, they do not comprise the majority of residents within each Tract (see **Appendix 3 - Map B**).

- Census Tract 320.34 – 19.24% Asian
- Census Tract 320.65 – 16.46% Asian
- Census Tract 320.49 – 15.79% Asian

NA-35 Public Housing – 91.205(b)

Introduction

The City of Rancho Santa Margarita does not operate a public housing authority. The City partners with OCHA. The information provided in the HUD tables below is for all Orange County communities served by OCHA. "Updated Information" is specifically for Rancho Santa Margarita.

The number of vouchers administered by a housing authority fluctuates due to the availability of resources from HUD and changes in housing costs. As of February 2025, OCHA manages over 12,000 rental assistance vouchers throughout Orange County - 176 vouchers/certificates are leased in Rancho Santa Margarita.

Totals in Use

Table 22 - Public Housing by Program Type

	Certificate	Mod-Rehab	Public Housing	Program Type				Vouchers		
				Total	Project-based	Tenant-based	Special Purpose Voucher			
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *	
# of units vouchers in use	0	0	0	10,825	0	10,418	187	207	10	

* Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

Table 23 – Characteristics of Public Housing Residents by Program Type

	Certificate	Mod-Rehab	Public Housing	Program Type				
				Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based		Veterans Affairs Supportive Housing
Average Annual Income	0	0	0	16,476	0	16,470	17,239	15,594
Average length of stay	0	0	0	8	0	8	0	4
Average Household size	0	0	0	2	0	2	1	3
# Homeless at admission	0	0	0	87	0	5	72	10
# of Elderly Program Participants (>62)	0	0	0	4,926	0	4,884	38	3
# of Disabled Families	0	0	0	2,163	0	2,075	64	14
# of Families requesting accessibility features	0	0	0	10,825	0	10,418	187	207
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Data Source: PIC (PIH Information Center)

UPDATED INFORMATION

Demographic information for Rancho Santa Margarita households receiving rental assistance from OCHA as of February 2025.

Average Annual Income	\$22,278
Average length of stay	NA
Average Household size	2
# Homeless at admission	39
# of Elderly Program Participants (>62)	93
# of Disabled Families	103
# of Families requesting accessibility features	NA
# of HIV/AIDS program participants	NA
# of DV victims	NA

Race of Residents

Table 24 – Race of Public Housing Residents by Program Type

Race	Certificate	Mod-Rehab	Public Housing	Program Type				
				Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
White	0	0	0	5,857	0	5,528	139	182
Black/African American	0	0	0	745	0	693	39	10
Asian	0	0	0	4,128	0	4,107	4	15
American Indian/Alaska Native								
Pacific Islander	0	0	0	31	0	30	1	0
Other	0	0	0	0	0	0	0	0

*Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

UPDATED INFORMATION

Demographic information for Rancho Santa Margarita households receiving rental assistance from OCHA as of February 2025.

White	136
Black/African American	27
Asian	5
American Indian/Alaska Native	0
Pacific Islander	2
Other	6

Ethnicity of Residents

Table 25 – Ethnicity of Public Housing Residents by Program Type

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type						
				Vouchers			Special Purpose Voucher			
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *	
Hispanic	0	0	0	1,941	0	1,814	34	87	4	
Not Hispanic	0	0	0	8,884	0	8,604	153	120	6	

* Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

UPDATED INFORMATION

Demographic information for Rancho Santa Margarita households receiving rental assistance from OCHA as of February 2025.

Hispanic	27
Not Hispanic	149

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

There is no public housing located in the City of Rancho Santa Margarita.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

Not Applicable

How do these needs compare to the housing needs of the population at large

Not Applicable

Discussion

As previously indicated, the City of Rancho Santa Margarita does not own or manage public housing.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

Homeless researchers typically use one of two methods to measure homelessness. One method attempts to count all people who are homeless on a given day/week (point-in-time counts). The second examines the number of people who are homeless over a given period - period prevalence counts. The Orange County Continuum of Care (OC-CoC) employs the first method for its biennial enumeration of the region's homeless population. To facilitate the census of the homeless and the allocation of limited resources, the OC-CoC has geographically divided the county into three Service Planning Areas (SPA). Homeless data from the 2024 Point-In-Time Survey (PITS) is provided on a county-wide basis and, to a lesser degree, by SPA and by jurisdiction. Because there is limited data regarding Rancho Santa Margarita's homeless population, it is assumed that the characteristics of the City's homeless population are similar to those of the County or South SPA. General demographic information regarding the County's homeless population includes the following:

- Sex: An estimated 34.6% of the County's homeless are female and 64.4% are male.
- Race/Ethnicity: The 2024 PITS estimates that 59.7% of the County's homeless are racially White, 23.9% are "multi-racial or other," 7.8% are Black/African American, 3.9% are Asian, 3.1% are American Indian/Alaska Native, and 1.6% are Native Hawaiian/Pacific Islander. An estimated 30.5% of the population is Hispanic/Latino.
- Age: The 2024 PITS estimates that 9.4% of the County's homeless are under the age of 18, 4.2% are 18-24, 60.4% are 25-54, 19.0% are 55-64, and 7.0% are 65 and older.

Homeless Needs Assessment

Table 26 - Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	0	0	0	0	0
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	6	0	0	0	0	0
Chronically Homeless Individuals	0	0	0	0	0	0
Chronically Homeless Families	0	0	0	0	0	0
Veterans	0	0	0	0	0	0
Unaccompanied Child	0	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Data Source Comments: 2024 Orange County Point In Time Survey

Indicate if the homeless population is: Has No Rural Homeless

If data is not available for the categories "number of persons becoming and exiting homelessness each year" and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

The OC-CoC conducted a Point-in-Time survey of Orange County's homeless population as part of a national survey. The 2024 PITS estimated the County's homeless population to be 7,322 individuals, with 641 in the South County SPA and including six homeless in Rancho Santa Margarita. The PITS identifies 3,149 sheltered and 4,173 unsheltered homeless, with 150 sheltered and 491 unsheltered in the South County SPA. For Rancho Santa Margarita, the 2024 PITS identifies zero sheltered and six unsheltered homeless.

To the extent that the PITS captured demographic data regarding the City's homeless, information by homeless category is provided below. If no specific Rancho Santa Margarita data is available, an estimate based on County or SPA homeless demographics will be provided.

- Chronic Homeless Individuals: HUD defines a chronically homeless individual as an unaccompanied homeless individual (living in an emergency shelter or is unsheltered) with a disabling condition who has been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years. The 2024 PITS estimates there are 877 sheltered and 1,566 unsheltered chronically homeless in the County – approximately 33.4% of the County's homeless population. Based on this percentage, it is estimated that two of RSM's homeless may be chronically homeless. Since the PITS indicates that all of the City's homeless population is unsheltered, it is assumed that both chronically homeless individuals are unsheltered.
- Chronically Homeless Families and Families with Children: The 2024 PITS identifies 347 homeless families comprised of 1,128 individuals or approximately 15.4% of the County's total homeless population. Based on this figure, it is estimated that one chronically homeless family in RSM is likely unsheltered.
- Veterans and their Families: The 2024 PITS reports that 4.5% of the County's homeless are veterans. Based on this percentage, it is likely that there are no veterans among RSM's homeless.
- Unaccompanied Youth: The 2024 PITS reports that 4.2% of the County's homeless are Transitional Aged Youth. This translates to an estimated zero Transitional Aged Youth among RSM's homeless.
- HIV/AIDS: The 2024 PITS estimated that 3.6% of homeless adults in the County are living with HIV/AIDS. Based on this percentage, it is presumed there are no homeless individuals with HIV/AIDS in the City.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
Ethnicity:	Sheltered:	Unsheltered (optional)

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

OCHA provided the City with information regarding Rancho Santa Margarita households that submitted applications for rental assistance in September 2023, the last time OCHA accepted applications. OCHA reports that, as of February 2025, there are eight Rancho Santa Margarita households on the waitlist for housing assistance. Of this number, one is a household with children, three are senior households (aged 62 and older), and four applicants indicate they are disabled. Because homeless veterans are provided with priority rental housing assistance, OCHA staff reports that there are no veteran households on the assisted housing waitlist. OCHA estimates it will take approximately four years to work through the current waitlist.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

As previously reported, the 2024 PITS estimates that 59.7% of the South SPA's homeless are racially White, 23.9% are "multi-racial or other," 7.8% are Black/African American, 3.9% are Asian, 3.1% are American Indian/Alaska Native, and 1.6% are Native Hawaiian/Pacific Islander. An estimated 30.5% are Hispanic/Latino. It is reasonable to assume Rancho Santa Margarita's homeless population mirrors the racial and ethnic composition of the South SPA.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

The 2024 Orange County homeless survey reports that there are six unsheltered homeless people in Rancho Santa Margarita.

Discussion:

The 2024 Point-In-Time Survey of Orange County's homeless estimates that there are six homeless people in Rancho Santa Margarita. To a large extent, the characteristics of the homeless in Rancho Santa Margarita mirror those of the County's South SPA homeless population, as reported in the 2024 homeless survey.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b, d)

Introduction:

HUD requires that the Consolidated Plan include a review of relevant data regarding the housing needs of persons who require special supportive housing but are not homeless.

Describe the characteristics of special needs populations in your community:

Populations with special needs include the following:

- Elderly/Frail elderly
- Persons with disabilities as defined by HUD/U.S. Census
- Victims of domestic violence
- Persons with HIV/AIDS

What are the housing and supportive service needs of these populations, and how are these needs determined?

- Elderly/Frail Elderly: According to the U.S. Census Bureau (2019-2023 ACS), 11.5% of RSM residents are aged 65 and over (5,425 residents). Limited mobility, increased health complications, and fixed income impact Seniors. Everyday service needs for the elderly include transportation and in-home services. Per HUD housing needs tables (Tables 9 and 10), 1,504 lower-income elderly households are experiencing a housing cost burden – 1,075 are experiencing a severe housing cost burden. As of February 2025, OCHA provides housing assistance to 93 RSM senior households. OCHA also reports that three senior RSM households are presently on the housing assistance waitlist.
- Persons with Disabilities: According to the 2019-2023 ACS, approximately 9.0% of Rancho Santa Margarita's population has one or more disabilities. Federal laws define a person with a disability as "Any person who has a physical or mental impairment that substantially limits one or more major life activities...." Examples include hearing, mobility, and visual impairments, chronic alcoholism, chronic mental illness, HIV/AIDS, and mental retardation. As of February 2025, OCHA provides housing assistance to 103 disabled households in Rancho Santa Margarita. OCHA also reports four disabled Rancho Santa Margarita households are presently on the housing assistance waitlist. The Regional Center is a nonprofit that coordinates services for individuals with developmental disabilities. They offer services ranging from housing and self-determination programs to job training and placement.
- Victims of Domestic Violence: There are many forms of domestic violence: intimidation, physical assault, sexual assault, and other abusive behavior that is part of a pattern of control by a partner against another. Nationwide, it is estimated that one in three women and one in four men experience some form of domestic violence by an intimate partner. The California Department of Justice reports that in 2023, 12 calls for assistance related to domestic violence were reported in Rancho Santa Margarita. For these individuals, temporary safe housing is vital. The 2024 PITS estimates that 671 of Orange County's homeless population are victims of domestic violence; 408 of

these individuals are unsheltered. Housing and support options are available for victims of domestic violence throughout the region.

- Persons with HIV/AIDS: The Orange County Health Care Agency reports that as of December 31, 2023, 8,181 Orange County residents are living with HIV. Individuals with HIV/AIDS face a variety of challenges, including maintaining stable housing. Safe, affordable housing may be as crucial to their general health as access to healthcare is. 2021 data indicates that 1 to 155 RSM residents may be living with HIV. The County also reports fewer than ten new HIV diagnoses were made among City residents in 2023. As previously reported, the 2024 PITS estimates that 3.6% of Orange County's homeless adults have HIV/AIDS (none in Rancho Santa Margarita). Persons with HIV/AIDS may be targets of discrimination, including illegal eviction from their homes when their illness is exposed. Fair Housing laws prohibit housing discrimination against people with disabilities, including people with HIV/AIDS.

Several service providers are available to help special needs populations. Safety net services enable special needs populations to conserve their limited financial resources for essential items such as transportation, after-school care, and food and clothing. Additionally, fair housing enforcement and rental assistance vouchers are valuable housing resources for special needs populations.

The input of community stakeholders, government agencies, and service providers determined the service and housing needs of special needs populations.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Individuals with HIV/AIDS are considered a special needs group due to their need for health care and supportive services. Persons with HIV/AIDS may face bias and misunderstanding about their illness that may affect their access to housing. Furthermore, they may have trouble balancing their incomes with medical expenses due to their illness, putting them at risk of becoming homeless.

The Orange County Health Care Agency estimated that as of December 2023, 8,181 persons were living with HIV/AIDS in Orange County – fewer than 150 in Rancho Santa Margarita. In 2023, 266 new cases were diagnosed in Orange County. The County reports the following demographic data for individuals diagnosed with HIV/AIDS in 2023:

- Sex: 72.2% male and 18.0% female
- Race/Ethnicity: 50.8% Hispanic, 30.5% White, 10.5% Asian, and 6.0% Black
- Age (by percentage at the age of diagnosis): 0 to 18 – 0%, 19 to 25 – 18.4%, 26 to 35 – 33.1%, 36 to 45 – 24.8%, 46 to 55 – 13.9%, 56 and older – 8.6%
- The six cities with the highest number of people living with HIV/AIDS (in order): Santa Ana, Anaheim, Orange, Garden Grove, Costa Mesa, and Irvine

There is no HIV/AIDS-dedicated housing in RSM; however, the County's Health Care Agency has developed a brochure that provides comprehensive information regarding supportive services, short-

term and long-term housing, and permanent housing programs for individuals with HIV/AIDS (www.ochealthinfo.com/sites/hca/files/import/data/files/81612.pdf).

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

The City is not a Participating Jurisdiction in HUD's HOME program.

Discussion:

HUD has provided the City with significant amounts of data on housing needs to assess. The City has also evaluated other data sources to identify housing/service needs for special needs populations. As one of the most expensive housing markets in the nation, it is not unexpected that many households with special needs are experiencing housing affordability issues. According to HUD data, severe cost burden is the most prevalent housing issue among special needs populations.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

Rancho Santa Margarita's public facilities represent a unique situation. Homeowners' associations (HOAs) manage most of the community's public facilities. In general, these public facilities are in good condition; however, over the next five years, upgrading of aging improvements may be necessary. Additionally, as other regulations are modified (e.g., ADA), the City may need to upgrade public improvements to meet current codes and regulations. If HOA property is improved with CDBG resources, the City and the HOA will need to execute a cooperative agreement to ensure compliance with applicable federal regulations.

How were these needs determined?

Public input via the *City of Rancho Santa Margarita Housing & Community Needs Survey* and consultation with City staff.

Describe the jurisdiction's need for Public Improvements:

Rancho Santa Margarita, a relatively new city, does not have significant infrastructure problems. Public Works staff has established a list of projects that may be eligible for CDBG funding. During the 2025-2029 Consolidated Plan cycle, the City will consider using CDBG funds to upgrade sidewalk curb ramps to comply with current ADA regulations and make other street and neighborhood improvements.

How were these needs determined?

Public input via the *City of Rancho Santa Margarita Housing & Community Needs Survey* and consultation with City staff.

Describe the jurisdiction's need for Public Services:

Numerous public, social, and faith-based organizations serve the residents of Rancho Santa Margarita. These organizations meet the various social, health, and educational needs of residents. With approximately 50,000 residents, the demand for public and social services typically exceeds available resources.

How were these needs determined?

The evaluation of public service needs is based on the *City of Rancho Santa Margarita Housing & Community Needs Survey* and the direct input of local social service providers.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The purpose of the Market Analysis is to provide a picture of the environment in which Rancho Santa Margarita will administer its CDBG programs over the term of the Consolidated Plan. In conjunction with the Needs Assessment, the Market Analysis provides the basis for the Strategic Plan and the programs and projects to be undertaken with HUD resources. Most of the data tables in this section are populated by default with data from the Comprehensive Housing Affordability Strategy (CHAS), a unique tabulation of housing data produced by the Census Bureau for HUD. Additional data is derived from the American Community Survey (ACS) and other current data sources. The Market Analysis will also examine barriers to affordable housing, including impediments to fair housing choice.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

HUD defines a housing unit as a house, an apartment, or a single room occupied as a separate living quarter or, if vacant, intended for occupancy as a separate living quarter. Data from Table 27 indicates Rancho Santa Margarita's housing stock is primarily comprised of one-unit structures (approximately 73%). The State of California reports that as of January 1, 2024, the City has a total of 17,606 housing units. Consistent with HUD's data, the State estimates that approximately 75.1% of the City's housing stock is "single" unit structures (i.e., detached and attached single units).

Table 28 is missing HUD-provided data. (Note: A technical assistance request was submitted to HUD, but no response was provided by the time the Consolidated Plan was published.). According to the City's Housing Element, 71.1% of the City's housing units are owner-occupied, and 28.9% are renter-occupied.

All residential properties by number of units

Table 27 – Residential Properties by Unit Number

Property Type	Number	%
1-unit detached structure	8,910	52%
1-unit, attached structure	3,635	21%
2-4 units	825	5%
5-19 units	2,300	13%
20 or more units	1,560	9%
Mobile Home, boat, RV, van, etc.	0	0%
Total	17,230	100%

Data Source: 2016-2020 ACS

Unit Size by Tenure

Table 28 – Unit Size by Tenure

	Owners		Rental	
	Number	%	Number	%
No bedroom				
1 bedroom				
2 bedrooms				
3 or more bedrooms				

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The City of Rancho Santa Margarita is built out; that is, all land designated for residential uses has been developed. All housing constructed with public assistance was built before 2000 under the County of Orange jurisdiction, prior to the City's incorporation. Currently, there is one affordable rental housing

development in the City – Villa Aliento, which has 225 units, 23 of which are affordable to lower-income renters. Additionally, Habitat for Humanity has constructed 48 condominiums that will be owned by qualified lower-income families in perpetuity.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

There is one affordable rental housing complex in the City. Habitat for Humanity has constructed 48 condominiums that will be owned by qualified lower-income families in perpetuity.

Does the availability of housing units meet the needs of the population?

The Southern California Association of Governments (SCAG) undertakes a Regional Housing Needs Assessment (RHNA) to quantify the anticipated need for housing within a five-county region including Orange County. California General Plan law requires each city and county to have land zoned to accommodate its fair share of this regional housing need calculated by SCAG. The purpose of the RHNA is to ensure an equitable distribution of housing among cities and counties within the SCAG region. The goal is to ensure that every community provides a mix of housing for all economic segments. Housing allocation targets are planning goals for communities to address through policies and regulations, not building mandates. Allocation targets help to ensure that adequate sites and zoning are made available to address anticipated housing demand during the planning period. The distribution of housing needs by income category for each jurisdiction is adjusted to avoid an overconcentration of lower-income households in any community. For the current planning period (2021 through 2029), the State has allocated 1,341,827 housing units amount four income categories for the SCAG region, including the City's RHNA allocation of 680 housing units:

	Extremely Low-Income	Very Low-Income	Moderate Income	Above Moderate Income	Total
RHNA Goal	209	120	125	226	680

According to an April 2, 2024, article in the *Voice of OC* (“How Are Orange County’s Cities Doing At Building Affordable Housing?”), “the last three years show a robust production in above moderate housing and progress in building affordable homes with a big boost due to motel conversions to permanent supportive housing.” According to the State of California Department of Housing and Community Development’s (HCD) *Housing Element Implementation and APR Data Dashboard*, the construction of 19,790 housing units has been completed in Orange County during the first three years of the current Housing Element Cycle (2021 through 2023). Over 77.5% of completed units are “Above Moderate Income Units;” 9.7% are “Low-Income Units” (1,927 units, including 34 Extremely Low-Income units). This data source reports that no housing units have been completed in Rancho Santa Margarita for the same three-year period.

HUD data from Table 9 estimates that 4,209 lower-income Rancho Santa Margarita households are experiencing a housing cost burden. Based on the current supply of housing units, there appears to be a gap in the number of affordable units for many residents, especially lower-income households.

Describe the need for specific types of housing:

As previously outlined in the Housing Needs Assessment, housing costs in the region and specifically the City present an issue for many households regardless of size or tenure. Among lower-income households, Elderly and Large-related households appear to be experiencing housing cost challenges at a higher rate.

Discussion

The City's housing stock is comprised primarily of single detached structures. State and regional planners have established goals for all jurisdictions to create an environment that allows for the development of new housing that is affordable to different income levels. Rancho Santa Margarita is built out, which poses a unique challenge to meet growing housing demands.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

According to the *Los Angeles Almanac*, the median Orange County home price in December 2024 was \$1,362,000. According to Zillow.com, in December 2024, the “Home Value Index” for Rancho Santa Margarita was \$1,011,621. Zillow’s Home Value Index factors sales transactions, tax assessments, and home details such as square footage and location. Zillow’s Home Value for Rancho Santa Margarita represents a 48.9% increase from the 2020 Median Home Value listed in Table 29. For rents, Zillow reports the RSM median rent in February 2025 was \$3,750.

Cost of Housing

Table 29 – Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	557,500	679,500	22%
Median Contract Rent	1,595	1,984	24%

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Table 30 - Rent Paid

Rent Paid	Number	%
Less than \$500	119	2.6%
\$500-999	80	1.7%
\$1,000-1,499	205	4.4%
\$1,500-1,999	2,010	43.4%
\$2,000 or more	2,210	47.7%
Total	4,624	99.9%

Data Source: 2016-2020 ACS

Housing Affordability

Table 31 – Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	55	No Data
50% HAMFI	165	39
80% HAMFI	1,485	314
100% HAMFI	No Data	854
Total	1,705	1,207

Data Source: 2016-2020 CHAS

Monthly Rent

Table 32 – Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$2,200	\$2,344	\$2,783	\$3,769	\$4,467
High HOME Rent	\$1,381	\$1,479	\$1,776	\$2,051	\$2,288
Low HOME Rent	\$1,826	\$1,958	\$2,352	\$2,708	\$3,001
<i>Market Rent *</i>	<i>\$2,112</i>	<i>\$2,400</i>	<i>\$3,097</i>	<i>\$4,000</i>	<i>\$4,800</i>

Data Source: HUD FMR and HOME Rents * Zillow.com

Is there sufficient housing for households at all income levels?

Based on the HUD data tables above, there is a limited supply of affordable housing units for lower-income households. With median home prices of \$1,011,621 and a current median list rent of \$3,750, it is evident that there is an insufficient supply of affordable housing for households at most income levels. The *2024-2025 Community Indicators*, produced by the Orange County Business Council, reports that a minimum Qualifying income of \$349,200 is needed to afford a “traditional median priced [Orange County] home... Only 11% of county residents could afford a median priced home in Q1 2024.” The *2024-2025 Community Indicators* also finds that “[t]he hourly wage needed to afford a one-bedroom apartment in Orange County rose from \$40.63 in 2023 to \$45.08 in 2024, an 11.0% increase on top of a previous 11% increase between 2022 and 2023.” To afford a median-price one-bedroom apartment in 2024, an Orange County resident would need to make \$45.08 per hour – equivalent to an annual income of \$93,700. A minimum wage worker in Orange County would have to work 113 hours a week to afford a one-bedroom apartment, 134 hours to afford a two-bedroom unit, and 181 hours to afford a three-bedroom” [*2024-2025 Orange County Community Indicators*, pages 81-87].

How is the affordability of housing likely to change, considering changes to home values and/or rents?

According to *The State of the Nation’s Housing 2024*, a report by the Joint Center for Housing Studies of Harvard University, the Los Angeles-Long Beach-Anaheim metro area had the fourth highest median income housing cost ratio out of 385 US metro areas. As of 2024, the region’s median home price was 10.4 times its median income, a figure that has doubled over the past forty years.” The *2024-2025 Community Indicators* reports that “Orange County’s high home prices have driven a decrease in homeownership rates by encouraging residents to rent or even relocate to more affordable areas. The county’s overall homeownership rate fell from 56.5% in 2021 to 55.8% in 2022, a decline of 0.7%. Rental rates had a corresponding increase from 44.2% to 43.5%.” As the Federal Reserve continues to adjust interest rate policy to control inflation, mortgage rates will likely remain elevated. Future mortgage interest rate fluctuations, coupled with threats of property insurance rate increases or cancellations, will likely fuel the current trend of fewer homeowners and an increase in renter households.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The City of Rancho Santa Margarita is not a participating jurisdiction in HUD's HOME program; however, Table 32 lists HUD's current rent limits for the HOME program. Comparing the HOME rent limits to rents listed on certain online housing services reveals that significant subsidies or other concessions will be necessary to create units that are affordable to lower-income households.

Discussion

Orange County remains one of the nation's most expensive housing markets. Data indicates that median home sales prices and monthly rents are out of reach for most lower-income and moderate-income households.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

The City of Rancho Santa Margarita's housing stock is relatively new and generally well-maintained.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

The California Health and Safety Code defines conditions that make a property a "substandard dwelling." A property in "substandard condition" means any dwelling unit that contains a condition that endangers the life, limb, health, property, safety, or welfare of the public or the occupants.

For the purposes of the CDBG program, "substandard condition but suitable for rehabilitation" means that the cost of remedying all substandard conditions, plus the current value of the property, does not exceed the after-rehabilitation value of the property.

Housing Problems - as defined by HUD:

1. Lack of complete kitchen facilities or plumbing facilities
2. More than one person per room
3. Housing cost burden greater than 30%

Condition of Units

Table 33 - Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	3,270	27%	2,355	51%
With two selected Conditions	110	1%	255	6%
With three selected Conditions	10	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	8,940	73%	2,020	44%
Total	12,330	101%	4,630	101%

Data Source: 2016-2020 ACS

Year Unit Built

Table 34 – Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later				
1980-1999				
1950-1979				
Before 1950				
Total				

Data Source: 2016-2020 CHAS *NO DATA PROVIDED BY HUD

Risk of Lead-Based Paint Hazard

Table 35 – Risk of Lead-Based Paint

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980.				
Housing units built before 1980 with children present				

Data Source: 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present) *NO DATA PROVIDED BY HUD

Vacant Units

Table 36 - Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			NA
Abandoned Vacant Units			NA
REO Properties			NA
Abandoned REO Properties			NA

UPDATED INFORMATION

According to the State of California Department of Labor, as of January 1, 2024, the City's housing vacancy rate was 2.4%. There is limited data regarding vacant units and REO properties within the City; however, according to RealtyTrac, as of February 2025, 29 properties in the City were in some stage of foreclosure (default, auction, or bank-owned).

Need for Owner and Rental Rehabilitation

Tables 34 and 35 are missing HUD-provided data; however, according to the City's Housing Element, 94.4% of the City's housing stock was constructed after 1980. The bulk of housing units were built between 1980 and 1999 (14,898 or 86.2% of total units). Generally, homes built within the last 30 years are in good shape, with minor repairs required. Homes begin to show age after 30 years and can require significant maintenance and even extensive rehabilitation. While the structural integrity of units may remain solid, systems such as plumbing and heating/air conditioning may have exceeded their useful

life. Data from the Housing Needs Assessment indicates that many lower-income homeowners (especially senior homeowners) are spending a significant percentage of their income on housing. For these households, undertaking deferred repairs or rehabilitation of their home is a significant undertaking in terms of financial resources and ability/knowledge of construction.

According to the City's Housing Element, 90.3% (4,505 units) of the City's rental housing stock was built after 1980. It is important to note that the majority of the City's rental housing stock is comprised of buildings or developments with five or more housing units. This statistic suggests that most rental units in the City are part of larger complexes that are professionally managed and, thus, well-maintained.

Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards

According to the U.S. Centers for Disease Control and Prevention (CDC), a young child's exposure to lead can result in elevated blood lead levels (BLL), which can increase the risk of damage to the brain and nervous system, slow physical growth and development, hearing and speech problems, and learning and behavior problems. Consequently, the United States banned lead-based paint in 1978; however, lead hazards may still exist in the community in the form of surfaces with deteriorated lead-based paint or pottery and food produced outside of the U.S. The CDC and the State of California Department of Public Health report that in 2022, 119 Rancho Santa Margarita children under the age of six had observable BLL. Of these, none had a BLL of 3.5 micrograms per deciliter ($\mu\text{g}/\text{dL}$); a BLL of greater than 3.5 $\mu\text{g}/\text{d}$ is the BLL level the CDC considers "high."

According to the City's Housing Element, 886 housing units in Rancho Santa Margarita were constructed before 1979; however, CDC and state data suggest lead-based paint hazards may not be a significant issue in Rancho Santa Margarita. The City's Minor Home Repair Program is designed to identify and address lead-based paint issues as part of the project evaluation process. All units constructed before 1979 are tested for lead-based paint. Based on prior year testing, lead paint is not typically found in these older units.

Discussion

HUD data from Table 33 indicates that many Rancho Santa Margarita residents are experiencing a housing problem. Based on prior analysis, housing cost, rather than housing condition, is the primary problem. According to the City's Housing Element, the City's housing stock is relatively new, and "as such, structural deterioration and maintenance problems are rare." However, as some of the City's housing units approach the 30-year mark, some building systems may need to be repaired or replaced. Data also indicates that lead-based paint hazards are not a significant issue in the City, primarily due to the age of the City's housing stock. (Note: HUD Consolidated Plan template data is missing from several tables. If available, data from the City's 2021-2029 Housing Element is used as an alternative.)

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

There is no public housing in the City of Rancho Santa Margarita—OCHA operates the rental assistance program within the City. The data in Table 37 is for all communities in the County served by OCHA.

Totals Number of Units

Table 37 – Total Number of Units by Program Type

	Certificate	Mod-Rehab	Public Housing	Program Type				
				Vouchers				
				Total	Project-based	Tenant-based	Special Purpose Voucher	
# of units vouchers available				9,925			879	1,669 0
# of accessible units								

* Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data PIC (PIH Information Center)

Source:

Describe the supply of public housing developments:

Not applicable

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

Not applicable

Public Housing Condition

Table 38 - Public Housing Condition

Public Housing Development	Average Inspection Score
NA	NA

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

Not applicable

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Not applicable

Discussion:

As indicated above, the City of Rancho Santa Margarita does not operate a public housing authority. The City works in partnership with the Orange County Housing Authority. As of February 2025, 176 households in Rancho Santa Margarita are receiving rental housing assistance. The City supports OCHA's efforts to address the housing and service needs of voucher holders. The City attends quarterly City/OCHA coordinating meetings and provides a Certification of Consistency with the Consolidated Plan for OCHA's Public Housing Authority Plan.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

As previously discussed, the OC-CoC conducts a biennial point-in-time count of the County's homeless population and an inventory of shelter beds. There are no homeless shelter beds in the City of Rancho Santa Margarita.

Facilities and Housing Targeted to Homeless Households

Table 39 - Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	0	0	0	0	0
Households with Only Adults					
Chronically Homeless Households					
Veterans					
Unaccompanied Youth					

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The City of Rancho Santa Margarita contracts with the City of Mission Viejo for homeless outreach and engagement services. Outreach staff coordinates efforts with the Orange County Sheriff's Department as necessary. As part of their vulnerability assessment process, Outreach staff will attempt to link homeless individuals with mainstream services.

The City also provides financial assistance to nonprofit agencies that provide housing and support services for homeless individuals in Rancho Santa Margarita. Case managers at these service agencies work closely with clients to identify appropriate mainstream services and guide them through the qualification process. Examples of mainstream services include veterans housing vouchers, veteran medical services, Medical/Medicare, SSI, and TANF (i.e., CalWORKs).

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

As indicated in Table 39, the City of Rancho Santa Margarita does not have homeless shelter beds; however, several shelters in surrounding communities provide housing and service opportunities for City residents.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

HUD requires that the Consolidated Plan describe, to the extent information is available, facilities and services available to assist persons who are not homeless but who have special needs.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents, and any other categories the jurisdiction may specify, and describe their supportive housing needs

- Senior and Frail Elderly: The Council on Aging-Southern California, a nonprofit senior services organization, reports there are 182 residential care beds in one facility in Rancho Santa Margarita. Additionally, there are two apartment complexes with a total of 281 senior-only housing units in the City.
- Group Homes/Quarters: As indicated above, over 180 beds for individuals with disabilities and the elderly are available in a group home setting. The State reports that in January 2024, two residents of Rancho Santa Margarita lived in group quarters. Examples of group quarters included homes for the mentally and physically disabled, seniors, and those recovering from substance addiction.
- HIV/AIDS Housing: As stated previously, there are no shelters or permanent housing units for persons with HIV/AIDS in Rancho Santa Margarita.
- Public Housing Residents: Rancho Santa Margarita does not have public housing. As of February 2025, 176 households in Rancho Santa Margarita receive rental housing assistance via OCHA.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The OC-CoC is responsible for developing the region's Plan to End Homelessness. This plan will include the region's discharge plan. The discharge plan will help ensure that individuals leaving institutional or medical facilities do not exit directly into homelessness. The plan will outline protocols for discharge from public facilities (such as jails) and public systems (such as the foster care system). The plan will also establish protocols to identify and assess individuals at risk of homelessness and connect them to necessary services. Additionally, most homeless service providers involved in shelter operations are required to develop a management plan and protocols to ensure that clients of respective programs receive appropriate housing and services upon discharge. Furthermore, the regional CoC Coordinated Entry System will help assess the vulnerability of individuals leaving institutions and link the most vulnerable with suitable housing and support services.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

As resources permit, the City will support programs that will help link special needs populations to appropriate support services and housing. CDBG funding is allocated annually for a senior program that helps homebound seniors remain housed in place through intensive case management and linkages to appropriate in-home support services (e.g., meal services). The City's Minor Home Repair Program will provide a grant to disabled and elderly homeowners to address basic health, safety, and accessibility repairs and improvements.

The City may also allocate funding for employment development services for adults with developmental disabilities. This program will help train/prepare clients for community work, develop employment opportunities for clients, and provide ongoing job coaching. While not a "housing" program, this program aims to help clients improve their overall quality of life and increase their income.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

The City of Rancho Santa Margarita is not a HOME program Participating Jurisdiction.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

According to the City's Housing Element, "Government regulations can potentially constrain the supply of housing available in a community if the regulations limit the opportunities to develop housing, impose requirements that unnecessarily increase the cost to develop housing, or make the development process so arduous as to discourage housing developers... Land use controls, site improvement requirements, building codes, [and] fees... intended to improve the overall quality of housing may serve as a constraint to housing development."

- Land Use Controls: Local land use policies and regulations may impact the price and availability of housing, including affordable housing. The General Plan Land Use Element establishes land use designations that guide the location, type, and intensity/density of permitted land uses. The Zoning Code establishes densities and residential uses designed to protect and promote the health, safety, and general welfare of residents while preserving the character of residential neighborhoods.
- Site Improvements: Adequate infrastructure, e.g., major/local streets, sidewalks, water and sewer lines, storm drains, and street lighting, may be required to be built or installed in conjunction with new development. Developers bear the cost of these facilities, which is typically added to the cost of new housing units and eventually passed on to the homebuyer or property owner.
- Building Codes: New construction in Rancho Santa Margarita, including additions and remodels, must comply with the California Building Code (CBC). The CBC establishes construction standards necessary to protect public health, safety, and welfare; however, local enforcement of this code does not unduly constrain housing development.

Development Review/Fees: The time and cost of permit processing and review can be a constraint to housing development if a significant or lengthy review is required. Project review and permit processing are necessary steps to ensure that residential construction proceeds in an orderly manner. The City of Rancho Santa Margarita charges fees to process plans submitted for residential projects commensurate with the cost of providing this service. Fees and/or exactions may be charged to projects requiring upgrading public facilities and roadways. The City has not adopted such exactions but does collect statutory fees related to the provision of parks and recreation. Other agencies do assess development fees (e.g., water, sewer, and school districts). Additionally, the Transportation Corridor Agency (TCA) and the County of Orange collect road fees. Fees are typically assessed on a pro-rata basis, based on the magnitude of the project's impact or the extent of the benefit that will be derived.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

The HUD Consolidated Plan template data is missing from Tables 40 through 46. If available, data from the City's 2021-2029 Housing Element or other sources are used. According to the U.S. Census Bureau, Rancho Santa Margarita has a workforce of 27,626 (2019-2023 ACS). According to the California Employment Development Department, in December 2024, the unemployment rate for RSM was 3.6%. This rate was lower than the 3.8% recorded for all of Orange County and the 5.2% recorded for California for the same period.

Economic Development Market Analysis

Business Activity

Table 40 - Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction					
Arts, Entertainment, Accommodations					
Construction					
Education and Health Care Services					
Finance, Insurance, and Real Estate					
Information					
Manufacturing					
Other Services					
Professional, Scientific, Management Services					
Public Administration					
Retail Trade					
Transportation & Warehousing					
Wholesale Trade					
Grand Total					

Data Source: 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs) *NO DATA PROVIDED BY HUD

Labor Force

Table 41 - Labor Force

Total Population in the Civilian Labor Force	
Civilian Employed Population 16 years and over	
Unemployment Rate	
Unemployment Rate for Ages 16-24	
Unemployment Rate for Ages 25-65	

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Table 42 – Occupations by Sector

Occupations by Sector	Number of People
Management, business and financial	
Farming, fisheries, and forestry occupations	
Service	
Sales and office	
Construction, extraction, maintenance, and repair	
Production, transportation, and material moving	

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Travel Time

Table 43 - Travel Time

Travel Time	Number	Percentage
< 30 Minutes		
30-59 Minutes		
60 or More Minutes		
Total		

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Table 44 - Educational Attainment by Employment Status

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate			
High school graduate (includes equivalency)			
Some college or Associate's degree			
Bachelor's degree or higher			

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Educational Attainment by Age

Table 45 - Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade					
9th to 12th grade, no diploma					
High school graduate, GED, or alternative					
Some college, no degree					
Associate's degree					
Bachelor's degree					
Graduate or professional degree					

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Educational Attainment – Median Earnings in the Past 12 Months

Table 46 – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	
High school graduate (includes equivalency)	
Some college or Associate's degree	
Bachelor's degree	
Graduate or professional degree	

Data Source: 2016-2020 ACS *NO DATA PROVIDED BY HUD

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

Listed below are the leading employment sectors according to the 2019-2023 ACS:

- Educational services, health care & social assistance: 5,310 Jobs (20.0%)
- Professional, scientific, management & administrative: 4,648 Jobs (17.5%)
- Manufacturing: 2,887 Jobs (10.9%)
- Retail trade: 2,086 Jobs (7.9%)

The business sectors listed above correspond to the list of the City's top five employers:

Employer	Estimated Employees
Applied Medical	2,400
O'Connell Landscaping	1,000
Control Components, Inc. (CCI)	365
Saddleback Valley Unified School District	288
Lucas & Mercier Construction	250

Describe the workforce and infrastructure needs of the business community:

The City of Rancho Santa Margarita's master plan ensures that business and industrial land uses have adequate access to public utilities and transportation corridors to meet their needs. The City has 11 different shopping centers and over 250 acres (approximately 3.8 million square feet) of developed light industrial building area. To support its economic base, the City has identified several public improvements that will enhance its retail and commercial centers, including street median enhancements and the installation of entry monuments. Additional roadway improvements will help to facilitate the flow of traffic and access.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

To keep pace with changes in the local, regional, and macro economies, the City has established a business-friendly environment, such as not requiring a business license. The City's economic development program provides streamlined approval, permit, and inspection processes to support the creation of new business opportunities and existing commerce. The City has developed a comprehensive webpage that provides links to vital information for current and prospective business owners. The City also collaborates closely with various programs that assist business owners in developing their business acumen and enhancing their workforce. In partnership with SCORE, the City offers free business workshops and one-on-one business mentoring services for local businesses.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

The Orange County Business Council (OCBC) prepares an annual report that highlights the region's past economic accomplishments while also forecasting trends in the local economy, including expanding or emerging business sectors and the types of worker skills required to support these industries. To this end, the OCBC indicates that there is an ongoing need for a "pipeline of skilled workers for Orange County's diverse businesses." The OCBC reports that a skilled workforce is needed to keep pace with new industries, such as space travel and electric vehicles, and to support established business sectors, including medical device development and manufacturing, tourism, and healthcare.

As listed above, 20.0% of the City's workforce is employed in the Educational Services, Health Care, and Social Assistance sector, and 17.5% of the City's workforce is employed in the Professional, Scientific, and Management Services sector. Rancho Santa Margarita residents are relatively well-educated. According to the U.S. Census Bureau, 61.6% of the City's population aged 18 and over hold a bachelor's or graduate/professional degree. This level of education indicates that the City's workforce is well-positioned to tackle emerging and established economic opportunities.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges, and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

The City's economic development efforts focus on its ongoing relationship with the Rancho Santa Margarita Chamber of Commerce, utilizing this agency as an additional source of information and support for existing and new businesses. These efforts may also include linking with the Orange County Workforce Investment Board, which has established building relationships with cities and chambers of commerce as a critical component of its strategy to assist companies in distress.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

No

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The City of Rancho Santa Margarita does not participate in a Comprehensive Economic Development Strategy (CEDS). The City's plan to spur economic growth is outlined above.

Discussion

To sustain a vibrant economic base, the City will continue to support critical infrastructure improvements that will help ensure the flow of commerce in and out of the City. Residents of the community are supportive of efforts to retain and attract new businesses to the City, especially those that enhance the City's small-town atmosphere and help build a strong economic base. The City's General Plan includes an updated economic development element (a component of the City's General Plan) that focuses on retaining and attracting businesses to the City.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Data from the Housing Needs Assessment indicates that housing cost burden is the most prevalent housing problem in Rancho Santa Margarita. For this Market Analysis discussion, a housing problem “concentration” is defined as a Census Tract with at least 50% of households experiencing a housing cost burden. Data provided by HUD indicates that two Census Tracts in the City have a concentration of households with a housing cost problem (see **Appendix 3 – Map C**).

- Census Tract 0320.54 – 57.34% housing cost burden
- Census Tract 0320.51 – 50.94% housing cost burden

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

As detailed in the Needs Assessment, the City’s racial/ethnic minority residents live throughout the City; however, there is no “concentration” of racial or ethnic minorities (i.e., at least 50.1% of Census Tract residents). HUD’s CPD Maps program identifies five Census Tracts with a significant percentage of Hispanic residents and three with significant Asian residents (see **Appendix 3 – Map A and Map B**). Among these eight Census Tracts, two have a concentration of housing cost-burdened households that overlap with tracts with a high percentage of Hispanic residents.

- Census Tract 320.54: 57.34% Housing Cost Burden and 27.11% Hispanic residents
- Census Tract 320.51: 50.94% Housing Cost Burden and 27.14% Hispanic residents

There is no similar overlap between housing cost burden concentration and the City’s Asian population.

What are the characteristics of the market in these areas/neighborhoods?

The two Census Tracts identified above are predominantly residential. Land use in Census Tract 320.51 is designated and developed as medium—and high-density residential. Census Tract 320.54 is a mix of general commercial, public/quasi-public, and a combination of medium- to high-density residential. Both tracts are developed with little to no vacant land for new development.

Are there any community assets in these areas/neighborhoods?

Tract 320.51 features the City’s iconic community lake, a focal point for the City and a popular destination for joggers and pedestrians. Tract 320.54 encompasses the City’s core commercial centers, including the Bell Tower Regional Community Center and City Hall.

Are there other strategic opportunities in any of these areas?

As indicated above, both census tracts have been developed. No current opportunities for new development are envisioned for Tract 320.51; however, the Housing Element has identified sites in Tract 320.54 that may accommodate housing development.

MA-60 Broadband Needs of Housing Occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Consolidated Plan regulations require the City to address the internet connectivity needs of the community, particularly the challenges faced by lower-income households in accessing the internet. With the evolution of technological products and services such as e-commerce, online banking, and on-demand entertainment, broadband internet access and the underlying infrastructure have become a necessity.

BroadbandNow is a web-based organization dedicated to providing consumers with information regarding internet service providers in their area. *BroadbandNow* reports that 90.0% of Californians and 98.7% of residents in Orange County have access to Internet services. According to *BroadbandNow*, 99.9% of the City has access to broadband internet. Cox Communications is the top broadband service provider in RSM, covering 99.9% of the City via cable. AT&T is available to approximately 94.6% of RSM properties. Several additional providers offer satellite or 5G-based broadband service.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

In August 2020, the Institute for Local Self-Reliance (ILSR) published a report entitled "*Profiles of Monopoly: Big Cable and Telecom*." The ILSR is a national nonprofit research and educational organization that provides information to local economies. The subject report was published to provide information about broadband competition and to explore if large service providers minimized head-to-head competition with each other and how this impacts prices. The report found that nationally, two cable companies had "some 52 million subscribers," whereas the next five largest telecom companies had only about 30 million subscribers. It was reported that in many markets, consumers are often provided with only two options for Internet service: one high-speed broadband and a slower, less reliable DSL option, consequently limiting choice and pricing.

In an article titled "*Broadband Competition Helps to Drive Lower Prices and Faster Download Speeds for U.S. Residential Consumers*" (Dan Mahoney and Greg Rafert, November 2016), the authors suggest that policy decision-makers should consider that competition in the broadband marketplace can lower prices, increase product quality, or both. Mahoney and Rafert found that when the number of broadband competitors increases, the cost of service could decrease from 34% to 37%. As outlined above, broadband service in Rancho Santa Margarita is primarily provided by a single company. While there is competition that may help keep prices stable, for some lower-income households, the cost of broadband remains prohibitive.

Most broadband service providers in Orange County participated in the Affordable Connectivity Program (ACP); however, as of February 2024, funds have been exhausted. The ACP provided eligible households

with a \$30 discount on monthly broadband internet service. Sans the reauthorization of the program, most broadband service providers will offer reduced-cost service to qualified lower-income households. Cox offers Internet service to qualified households for \$9.95 per month. AT&T's Access program provides basic broadband internet service for low-income families for \$30 per month.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

The Disaster Mitigation Act of 2000 requires local governments to prepare plans that identify natural and human-induced hazards and potential losses. Plans must also include mitigation measures, goals, and strategies. Each local government must have a federally approved mitigation plan to be eligible for hazard mitigation grant funding, such as those provided by FEMA. To this end, the City has prepared a Local Hazard Mitigation Plan (LHMP) that sets the following goals:

- Protect the general population from natural hazards/human-induced hazards and improve resiliency
- Avoid damage to Rancho Santa Margarita's critical facilities, public infrastructure, and private property
- Reduce the potential impact of natural disasters on the environment
- Promote hazard mitigation measures as an integrated policy
- Promote public awareness of the risks associated with hazards and coordinate with the public and community partners to address hazard mitigation to reduce vulnerabilities

The LHMP identifies several human-induced and natural hazards. Listed below are natural hazards that may be associated with climate change:

- Drought: Based on previous local weather occurrences and trends, the LHMP finds there is a high probability that Rancho Santa Margarita will experience drought conditions in the future.
- Flood: With an increased frequency of severe weather events and the capacity of existing stormwater facilities, the probability of future flooding is considered likely.
- Landslide: The probability of future landslide occurrences is considered likely. Several steep slopes are identified as landslide hazard zones in RSM.
- Wildfire: A wildfire is defined as an unplanned and unwanted wildland fire (natural or unauthorized human-caused fire). Due to the developed nature and geographic extent of the "Very High Fire Hazard Severity Zone" within the City, wildfires are highly probable.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

The LHMP identifies and analyzes how changing weather patterns may influence the severity of natural hazards within the region and the City. The analysis is not focused on low- and moderate-income households; however, since low- and moderate-income residents live throughout the City, the findings of the LHMP apply to these residents.

- Drought: Scientists studying California's weather opine that drought conditions are likely to become more frequent over the 21st century due to changing weather patterns. The California Adaptation Planning Guide states that the pressure that climate change places on groundwater

reliance during droughts is not sustainable. These conditions may result in future challenges for RSM residents, including increased water costs and the higher costs of goods and services that rely on a sustainable water supply.

- Flood: Changing weather patterns have a direct effect on flooding. With Orange County's high population density and increasing urbanization, flooding could be particularly devastating. Changing weather patterns may lead to large downpours in a short period, overwhelming infrastructure and increasing the threat of flooding for all RSM residents.
- Landslides: There is no known link between weather patterns and seismic activity; however, earthquake activity is highly probable to occur in the region. Areas that have experienced fires and lost vegetation may be at risk of landslides due to heavy rainfall conditions. Drought conditions cause the soil to dry out over time, reducing its ability to absorb rain when storms occur. Decreased absorption can result in increased runoff, potentially leading to landslide conditions. Storm events can result in destabilized hillsides in landslide zones, causing an increase in the frequency of landslide events that threaten RSM residents.
- Wildfire: Changing weather patterns are expected to increase temperatures and cause more frequent and intense drought conditions. Wildfires are dependent on oxygen, heat, wind, relative humidity, and fuel. Excessive heat and low humidity during the summer and fall months may cause local native chaparral and scrub to change to fast-burning grasslands. Portions of the City that are identified as having a high fire risk are populated, including CDBG-eligible areas. Among these low- and moderate-income residents are vulnerable populations such as seniors and individuals with disabilities.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The Strategic Plan is the centerpiece of the City of Rancho Santa Margarita's 2025–2029 Consolidated Plan. It identifies the programs and projects the City will consider or undertake during the five-year Consolidated Plan cycle to address identified needs. In addition to identifying resources, goals, and objectives for implementing housing and community development activities, the Strategic Plan also outlines several sub-strategies, including addressing homeless issues, overcoming barriers to affordable housing, and monitoring program and project efforts.

The City's overall objective for the CDBG program aligns with HUD's objective for the program: to create a viable community by providing decent housing, a suitable living environment, and economic opportunities, primarily for individuals of low- and moderate-income. The following Consolidated Plan goals have been identified based on the consultation process as a means to accomplish the program's objectives:

- Provide or improve public infrastructure and facilities that benefit low- and moderate-income neighborhoods and residents
- Improve or expand the supply of housing affordable to lower-income households
- Provide or improve access to public social services for low- and moderate-income persons and persons with special needs
- Provide a continuum of housing and supportive services for the homeless and near-homelessness
- Provide for administration and planning activities to carry out actions that address needs identified in the Consolidated Plan, including services to address impediments to fair housing

All programs and projects are subject to the availability of CDBG funds and the City's annual budget adoption process.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

1	Area Name:	CDBG Eligible Area
	Area Type:	Low and moderate area
	Other Target Area Description:	Low and moderate area
	HUD Approval Date:	4/1/24
	% of Low/Mod:	46.20%
2	Area Name:	Citywide
	Area Type:	Citywide
	Other Target Area Description:	Citywide

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The City will allocate CDBG funds citywide for activities that primarily benefit qualified low - and moderate-income households (i.e., limited-clientele activities). Other activities, such as public improvements, may be limited to eligible areas (see **Appendix 3 - Map D**), except for ADA-related improvements, which may be carried out on a much broader geographic basis.

The City does not receive Housing Opportunities for Persons With AIDS (HOPWA) funds.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Public Improvements
	Priority Level	High
	Population	Moderate
	Geographic Areas Affected	Low and moderate area Citywide
	Associated Goals	Infrastructure and Facility Improvements
	Description	Installation of new or rehabilitation of existing public infrastructure and public facility improvements
	Basis for Relative Priority	Needs analysis, City department consultation, and public input
2	Priority Need Name	Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	Citywide
	Associated Goals	Housing Preservation
	Description	Grants and other forms of financial assistance to improve or expand the City's supply of housing affordable to lower-income households
	Basis for Relative Priority	Needs analysis and public input
3	Priority Need Name	Public Services
	Priority Level	High
	Population	Extremely Low Low Moderate Other – Presumed Benefit populations

	Geographic Areas Affected	Citywide Activity
	Associated Goals	Public Social Services
	Description	Social service programs that provide services to low- and moderate-income residents and special needs
	Basis for Relative Priority	Needs Assessment, service provider input, and public input
4	Priority Need Name	Homeless Support Services and Housing
	Priority Level	High
	Population	Chronic Homelessness Individuals Families with Children
	Geographic Areas Affected	Citywide Activity
	Associated Goals	Homeless Continuum of Care
	Description	A continuum of housing and support services for persons at risk of homelessness and the homeless
	Basis for Relative Priority	Needs Assessment, service provider input, and public input
5	Priority Need Name	Administration and Planning
	Priority Level	High
	Population	Other
	Geographic Areas Affected	Citywide Activity
	Associated Goals	Program Administration
	Description	Program oversight and coordination, including fair housing services
	Basis for Relative Priority	HUD required

Narrative (Optional)

Affirmatively Furthering Fair Housing

The Fair Housing Act of 1968 requires HUD and its program participants to administer housing and urban development programs in a manner that does not discriminate directly or indirectly on the basis of race, color, religion, sex, national origin, age, familial status, or disability. The Fair Housing Act not only prohibits discrimination in housing-related activities and transactions but also requires entities to affirmatively further fair housing. The Assessment of Fair Housing (AFH) is the primary policy document utilized by HUD grantees for this purpose. HUD encourages jurisdictions to consult with one another and initiate metropolitan-wide planning to address impediments to fair housing choice.

During the past Consolidated Plan cycles, the City participated in the development of a regional Analysis of Impediments to Fair Housing (AI) – the predecessor to the AFH. For the 2025-2029 cycle, Rancho Santa Margarita joined other Orange County cities and the County of Orange to develop the **Orange County Regional FY 2025-2029 AFH (OC-AFH)**. The OC-AFH evaluates demographic data, past fair housing enforcement activity, mortgage lender data, and existing housing and land use public policies for each participating community. Based on an extensive analysis of the data and input from residents, a list of impediments to fair housing choices for the participating jurisdictions has been developed. A corresponding set of action steps to address these barriers has also been prepared. The **OC-AFH** is incorporated into the Consolidated Plan as **Attachment A**.

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Table 49 – Influence of Market Condition

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	This type of activity is typically not CDBG-eligible
TBRA for Non-Homeless Special Needs	This type of activity is typically not CDBG-eligible
New Unit Production	This type of activity is typically not CDBG-eligible; however, certain pre-development costs or off-site public improvements are allowable. Due to the size of the City's CDBG allocation, it is unlikely the City will allocate funds for this type of activity – an amendment to the Consolidated Plan may be needed if future funding is earmarked for this purpose.
Rehabilitation	Housing Market Analysis data indicates many lower-income homeowners are dedicating significant amounts of their income to housing (housing cost burden and severe housing cost burden). Most of the City's housing stock is less than 30 years old; however, some building systems for these units may require replacement. Some households may not have the income or may need assistance navigating the home improvement construction process.
Acquisition, including preservation	Housing Market analysis data indicates that additional affordable housing is needed for lower-income renters and owner households. The City's CDBG grant is not large enough to significantly reduce project costs, and the City is built out.

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

Fluctuations in CDBG funding make it difficult to estimate funds that will be available over the five-year Consolidated Plan cycle; nonetheless, the City anticipates receiving an annual allocation of \$200,000 in CDBG funds from HUD during the Consolidated Plan cycle. The City does not currently fund activities that generate CDBG program income. Additional funds that may be available to support the Consolidated Plan goals include General Fund resources, PLHA, and housing voucher/certificate resources via the Orange County Housing Authority. The City anticipates that OCHA will assist approximately 125 households in Rancho Santa Margarita per year.

Anticipated Resources

Table 50 - Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$213,967	\$0	\$32,305	\$246,272	\$800,000	Annual allocation of CDBG funds from HUD

Explain how federal funds will leverage those additional resources (private, state, and local funds), including a description of how matching requirements will be satisfied

The City currently contracts with local service providers to provide recreation and education services for elementary and middle school-age children and a variety of senior services. In recent years, these contracts have totaled approximately \$100,000 per year. In general, both programs serve CDBG-eligible populations; therefore, the General Fund resources allocated to these programs could be considered CDBG leveraging resources. Likewise, the City uses State PLHA funding (\$71,060) to implement its strategy to address homelessness, and its continued support of OCHA ensures that federal rental assistance resources are available to assist RSM residents. These resources do not require a match. Similarly, CDBG does not have a match requirement.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is essentially a built-out master-planned community. According to the Housing Element, there are some remaining development opportunities within the City boundaries and in an area designated as a future planned community within the City's sphere of influence. As previously reported, the City is required to develop planning goals, policies, and regulations to accommodate the development of housing units to meet its RHNA allocation (see Section MA-10). The Housing Element identifies 15 privately owned parcels that could potentially be developed to accommodate 664 housing units.

Discussion

Funding resources to implement the City's Consolidated Plan are limited. The City will continue to support OCHA and its efforts to obtain additional federal rental assistance resources for City residents. Additionally, the City anticipates that it will continue to allocate local funds and state funds to activities that support the goals of the Consolidated Plan. For the foreseeable future, the City will also support programs that serve lower-income RSM residents with General Funds.

As outlined above, Rancho Santa Margarita has limited land for development; however, via the Housing Element, several sites have been identified that could potentially support future housing development to meet current and future housing needs.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.

Table 51 - Institutional Delivery Structure

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Orange County Housing Authority	PHA	Public Housing	Region
211 Orange County	Continuum of care	Homelessness Planning	Region
City of Rancho Santa Margarita	Government	Economic Development Homelessness Non-homeless special needs Planning Neighborhood improvements Public facilities Public services	Jurisdiction
Age Well Senior Services	Non-profit organization	Public services	Region
Fair Housing Council	Non-profit organizations	Planning	Region
Family Assistance Ministries	Non-profit organizations	Homelessness	Region
RSM Cares	Non-profit organizations	Public services	Jurisdiction
Rancho Santa Margarita Chamber of Commerce	Private Industry	Economic opportunities	Jurisdiction

Assess of Strengths and Gaps in the Institutional Delivery System

Rancho Santa Margarita has a strong group of service providers that can deliver a wide variety of services to City residents. Additionally, the City has a diverse economic base that provides a wide range of employment opportunities for various industries. The City continues to collaborate with OCHA and will support its efforts to provide housing assistance vouchers and certificates to the City's lower-income renters.

Gaps in the institutional delivery system stem from a lack of communication or coordination among service providers, which may result in service overlaps.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Table 52 - Homeless Prevention Services Summary

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X		
Legal Assistance			
Mortgage Assistance			
Rental Assistance	X	X	
Utilities Assistance	X	X	
Street Outreach Services			
Law Enforcement	X		
Mobile Clinics			
Other Street Outreach Services		X	
Supportive Services			
Alcohol & Drug Abuse			
Child Care	X		
Education	X		
Employment and Employment Training	X		
Healthcare	X		
HIV/AIDS			
Life Skills	X	X	
Mental Health Counseling			
Transportation			
Other			
Other			

Describe how the service delivery system, including, but not limited to, the services listed above, meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

Several homeless service providers are available to assist the homeless and the near-homeless. Based on the notion that it is less expensive to keep a household in their current housing situation rather than to rehouse them, the primary focus of the City's homeless strategy is to support the provision of safety net services. Safety net services include case management, supplemental food, and limited financial assistance for rent or utilities to prevent eviction or shut off. Safety net services enable households at risk of homelessness to redirect limited income toward maintaining their housing.

For the homeless, the City has established relationships with housing and service providers that accept referrals from the City. These agencies can address the immediate, interim, and long-term housing needs of the homeless and provide critical support services and case management.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The strength of the City's homeless delivery system is that it has several entry points that can meet the unique needs of most homeless persons, including families with children, veterans, and youths. In recent years, the City has continued to experience a noticeable increase in homelessness; this issue affects most of the County. However, it is important to note that the City's efforts to address unsheltered homelessness have had positive results. Compared to the prior PITS, the City's homeless count has been reduced from 15 to six homeless individuals.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The Orange County Continuum of Care has designed and implemented a Coordinated Entry System (CES) for people experiencing homelessness or who are at risk of homelessness. The objective of the CES is to help people who are homeless more effectively and efficiently secure housing and, consequently, achieve a measurable reduction in regional homelessness. As part of this effort, the OC-CoC has adopted a policy of shifting investment away from transitional housing and investing in permanent supportive housing and rapid re-housing. To the extent resources are available, the City supports the efforts of the OC-CoC to use limited resources as effectively as possible.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Table 53 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Infrastructure and Facility Improvements	2025	2029	Non-Housing Community Development	CDBG Eligible Area Citywide	Public Improvements	CDBG: \$641,477	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1,250 Persons Assisted
2	Housing Preservation	2025	2029	Affordable Housing	Citywide	Affordable Housing	CDBG: \$50,000	Homeowner Housing Rehabilitated: 5 Household Housing Unit
3	Public Social Services	2025	2029	Non-Homeless Special Needs Public Services	Citywide	Public Services	CDBG: \$106,700	Public service activities other than Low/Moderate Income Housing Benefit: 5,000 Persons Assisted
4	Homeless Continuum of Care	2025	2029	Homeless	Citywide	Homeless Support Services and Housing	CDBG: \$45,350	Public service activities other than Low/Moderate Income Housing Benefit: 200 Persons Assisted Homelessness Prevention: 25 Persons Assisted
5	Program Administration	2025	2029	Administration	Citywide	Administration and Planning	CDBG: \$202,745	Other: 250 Other

Goal Descriptions

1	Goal Name	Infrastructure and Facility Improvements
	Goal Description	Provide or improve public infrastructure and facilities that benefit low- and moderate-income neighborhoods and residents
2	Goal Name	Housing Preservation
	Goal Description	Improve or expand the supply of housing that is affordable to lower-income households
3	Goal Name	Public Social Services
	Goal Description	Provide or improve access to public social services for low- and moderate-income persons and persons with special needs
4	Goal Name	Homeless Continuum of Care
	Goal Description	Provide a continuum of housing and supportive services for the homeless and the near homeless
5	Goal Name	Program Administration
	Goal Description	Provide for administration and planning activities to carry out actions that address needs identified in the Consolidated, including services to address impediments to fair housing and to affirm fair housing in the community

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City of Rancho Santa Margarita is not a recipient of HOME funds.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The City of Rancho Santa Margarita does not own or manage public housing.

Activities to Increase Resident Involvements

Not applicable

Is the public housing agency designated as troubled under 24 CFR part 902?

Not applicable

Plan to remove the ‘troubled’ designation

Not applicable

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

According to the City's Housing Element, "Government regulations can potentially constrain the supply of housing available in a community if the regulations limit the opportunities to develop housing, impose requirements that unnecessarily increase the cost to develop housing, or make the development process so arduous as to discourage housing developers... Land use controls, site improvement requirements, building codes, [and] fees... intended to improve the overall quality of housing may serve as a constraint to housing development."

- Land Use Controls: Local land use policies and regulations may impact the price and availability of housing, including affordable housing. The General Plan Land Use Element establishes land use designations that guide the location, type, and intensity/density of permitted land uses. The Zoning Code establishes densities and residential uses designed to protect and promote the health, safety, and general welfare of residents while preserving the character of residential neighborhoods.
- Site Improvements: Adequate infrastructure, e.g., major/local streets, sidewalks, water and sewer lines, storm drains, and street lighting, may be required to be built or installed in conjunction with new development. Developers bear the cost of these facilities, which is typically added to the cost of new housing units and eventually passed on to the homebuyer or property owner.
- Building Codes: New construction in Rancho Santa Margarita, including additions and remodels, must comply with the California Building Code (CBC). The CBC establishes construction standards necessary to protect public health, safety, and welfare; however, local enforcement of this code does not unduly constrain housing development.
- Development Review/Fees: The time and cost of permit processing and review can be a constraint to housing development if a significant or lengthy review is required. Project review and permit processing are necessary steps to ensure that residential construction proceeds in an orderly manner. The City of Rancho Santa Margarita charges fees to process plans submitted for residential projects commensurate with the cost of providing this service. Fees and/or exactions may be charged to projects requiring upgrading public facilities and roadways. The City has not adopted such exactions but does collect statutory fees related to the provision of parks and recreation. Other agencies do assess development fees (e.g., water, sewer, and school districts). Additionally, the Transportation Corridor Agency (TCA) and the County of Orange collect road fees. Fees are typically assessed on a pro-rata basis, based on the magnitude of the project's impact or the extent of the benefit that will be derived.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

State law requires the City's Housing Element to address, where appropriate and legally possible, the removal of governmental constraints affecting the maintenance, improvement, and development of

housing. The City's Housing Element identifies the implementation of several programs that may help lessen governmental constraints on housing development, including the following:

- Identify adequate sites with appropriate density and development standards to accommodate regional housing needs goals, including housing for seniors and lower-income households.
- Amend ordinances as necessary to comply with changing State law regarding the development of Accessory Dwelling Units (ADUs) and Junior ADUs by right in all residential zones.
- Collaborate with affordable housing developers to develop, conserve, and promote rental and ownership housing throughout the community.
- Provide priority streamline application and permit processing for development applications that include affordable housing for lower-income or moderate-income households.
- Create and adopt new customized development standards to support a new Workforce Housing Overlay and Mixed-Use Housing land use and zoning designation(s) for new housing development.
- Seek funding through State programs to expand affordable housing.
- Provide density bonuses consistent with State law, including density bonuses and incentives for projects that contain 100% very low- and low-income units.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City coordinates public and nonprofit services to address homeless issues in the community, including participating in the biennial homeless count in 2024. The City contracts with the City of Mission Viejo to provide homeless outreach and engagement services in RSM. In addition to assessing the needs of the unsheltered homeless, homeless outreach staff will help link individuals to supportive services and appropriate housing options. Outreach staff will coordinate these services with the Orange County Sheriff's Department Homeless Liaison Officer assigned to Rancho Santa Margarita.

Addressing the emergency and transitional housing needs of homeless persons

As highlighted in Section MA-30, the City does not have any homeless shelter beds; however, the City supports shelter providers located in neighboring communities, such as Family Assistance Ministries (FAM) and South County Outreach. FAM offers a continuum of housing options for the homeless, including emergency and transitional housing for families with children. South County Outreach also operates an interim housing program for homeless families. The City will consider continuing to support programs such as those listed above with CDBG funding.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Consistent with current HUD directives, the OC-CoC has established a coordinated entry system that links homeless individuals and families to a streamlined system, facilitating access to appropriate housing and services. The system screens applicants for eligibility for services such as homelessness prevention, emergency shelter, rapid rehousing, permanent supportive housing, and other interventions. A needs and strengths assessment of each household helps determine which interventions will be most effective and appropriate while also prioritizing individuals for assistance based on the severity of their needs. Homeless service providers presently supported by the City actively participate in the coordinated entry system and will be critical players in housing and servicing the City's homeless population.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

According to HUD (*Strategies for Preventing Homelessness*, Urban Institute, May 1, 2005), combining affordable housing with supportive services may help stabilize lives and prevent homelessness. Strengthening prevention programs is critical to keeping households stable and housed. By addressing potential crises before they escalate, housing and supportive services programs can provide a lifeline for families teetering on the edge of homelessness. A proactive approach helps ensure that vulnerable households can maintain housing stability and avoid the trauma of losing their homes.

The City's homeless strategy supports HUD's position that it is less disruptive and effective for a household to remain housed. To this end, the City will focus its limited resources on agencies that provide safety net services aimed at preventing households from becoming homeless. These services include case management, food, and rent/utility assistance.

SP-65 Lead-based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City's Housing Element indicates that 886 housing units in RSM were constructed before 1979 – the year lead-based paint was banned; however, CDC and State data suggest lead-based paint hazards may not be a significant issue in the City. As outlined in the Housing Market Analysis (section MA-20), the most recent State and County data report 119 Rancho Santa Margarita children under the age of six had observable Blood Lead Level (BLL); none had a BLL of 3.5 micrograms per deciliter, which is considered "high." The City's Minor Home Repair Program is designed to identify and address lead-based paint issues as part of the project evaluation process. All units constructed before 1979 are tested for lead-based paint. Based on prior year testing, lead paint is not typically found in these older units; however, if lead is found, appropriate action to remove or encapsulate lead hazards will be implemented as part of a housing repair grant.

How are the actions listed above related to the extent of lead poisoning and hazards?

As indicated above, only a small percentage of the City's housing stock was constructed before 1978 and may contain lead-based paint hazards. As needed, units repaired through the City's minor home repair program will be tested for lead-based paint hazards. If lead is found, appropriate action to remove or encapsulate lead hazards will be implemented as part of a housing repair grant.

How are the actions listed above integrated into housing policies and procedures?

The City's Minor Home Repair Program policies require that all housing units assisted by program resources must comply with current lead-based paint regulations.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs, and Policies for reducing the number of Poverty-Level Families

According to the U.S. Census Bureau, 5.1% of the City's population is living at or below the poverty level. This figure includes 7.4% of Rancho Santa Margarita residents under the age of 18 and 6.2% of residents aged 65 and older.^[1]

The City has identified several activities and services that can be implemented during the Consolidated Plan cycle to combat poverty. Examples of activities include the following:

- Support safety net public services programs to improve the quality of life for seniors, families with children, and other populations that may be severely impacted by the cost of living in the region
- Support rental assistance programs provided by the OCHA for very low-income renters
- Provide minor home repair assistance to lower-income, senior, and disabled homeowners

^[1] 2019-2023 American Community Survey 5-Year Estimates, Table #S1701.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The support for OCHA's rental assistance programs for very low-income renters is consistent with the City's affordable housing plan. Additionally, safety net programs (e.g., food assistance) will assist households at risk of becoming homeless by freeing up income to pay for housing. The City's minor home repair program will help lower-income households, especially extremely low-income homeowners, who are housing cost-burdened.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The goal of the City's monitoring efforts is to ensure compliance with CDBG program requirements, thus protecting the public's investment in the community.

CDBG-funded activities, including those carried out by subrecipients, require the submission of quarterly accomplishment reports to program staff. Public service providers will be required to provide information regarding the number of homeowners/clients served and the overall progress of their programs. City staff will also conduct on-site monitoring to review subrecipient performance, the quality of services, and grant administration capabilities. If or when necessary, the City will recommend corrective actions to ensure compliance with applicable federal laws and regulations. Monitoring will occur every other year for agencies that receive regular funding from the City and consistently demonstrate strong performance. Monitoring of first-time funded or agencies demonstrating administrative issues may be conducted annually or until grant administrative competence is proven. All quarterly report information will be input regularly into IDIS. The City will submit year-end accomplishment information to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER).

As needed, public improvement projects will also provide status reports, which program staff will review. Reports may include a description of project progress and milestone dates, such as completion dates.

With respect to minority and women-owned businesses, the City will continue to solicit the interest of a wide variety of companies and firms to undertake HUD-funded activities.

2025-2026 Action Plan

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Fluctuations in CDBG funding make it difficult to estimate funds that will be available over the five-year Consolidated Plan cycle; nonetheless, the City anticipates receiving an annual allocation of \$200,000 in CDBG funds from HUD during the Consolidated Plan cycle. The City does not currently fund activities that generate CDBG program income. Additional funds that may be available to support the Consolidated Plan goals include General Fund resources, PLHA, and housing voucher/certificate resources via the Orange County Housing Authority. The City anticipates that OCHA will assist approximately 125 households in Rancho Santa Margarita per year.

Anticipated Resources

Table 54 - Expected Resources – Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$213,967	\$0	\$32,305	\$246,272	\$800,000	Annual allocation of CDBG funds from HUD

Explain how federal funds will leverage those additional resources (private, state, and local funds), including a description of how matching requirements will be satisfied

The City currently contracts with local service providers to provide recreation and education services for elementary and middle school-age children and a variety of senior services. In recent years, these contracts have totaled approximately \$100,000 per year. In general, both programs serve CDBG-eligible populations; therefore, the General Fund resources allocated to these programs could be considered CDBG leveraging resources. Likewise, the City uses State PLHA funding to implement its strategy to address homelessness, and its continued support of OCHA ensures that federal rental assistance resources are available to assist RSM residents. These resources do not require a match. Similarly, CDBG does not have a match requirement.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City currently contracts with local service providers to provide recreation and education services for elementary and middle school-age children and a variety of senior services. In recent years, these contracts have totaled approximately \$100,000 per year. In general, both programs serve CDBG-eligible populations; therefore, the General Fund resources allocated to these programs could be considered CDBG leveraging resources. Likewise, the City uses State PLHA funding (\$71,060) to implement its strategy to address homelessness, and its continued support of OCHA ensures that federal rental assistance resources are available to assist RSM residents. These resources do not require a match. Similarly, CDBG does not have a match requirement.

Discussion

Funding resources to implement the City's Consolidated Plan are limited. The City will continue to support OCHA and its efforts to obtain additional federal rental assistance resources for City residents. Additionally, the City anticipates that it will continue to allocate local funds and state funds to activities that support the goals of the Consolidated Plan. For the foreseeable future, the City will also support programs that serve lower-income RSM residents with General Funds.

As outlined above, Rancho Santa Margarita has limited land for development; however, via the Housing Element, several sites have been identified that could potentially support future housing development to meet current and future housing needs.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Table 55 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Public Infrastructure Improvements	2025	2026	Non-Housing Community Development	CDBG Eligible Area Citywide	Public Facilities	CDBG: \$151,477	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 158 Persons Assisted
2	Housing Preservation	2025	2026	Affordable Housing	Citywide	Affordable Housing	CDBG: \$20,000	Homeowner Housing Rehabilitated: 2 Household Housing Unit
3	Public Social Services	2025	2026	Non-Homeless Special Needs	Citywide	Public Services	CDBG: \$26,700	Public service activities other than Low/Moderate Income Housing Benefit: 2,395 Persons Assisted
4	Homeless Continuum of Care	2025	2026	Homeless	Citywide	Homeless Support Services and Housing	CDBG: \$5,350	Public service activities other than Low/Moderate Income Housing Benefit: 40 Persons Assisted Homelessness Prevention: 5 Persons Assisted
5	Administration and Planning	2025	2026	Administration	Citywide	Administration and Planning	CDBG: \$42,745	Other: 50 Other

Goal Descriptions

1	Goal Name	Infrastructure and Facility Improvements
	Goal Description	Provide or improve public infrastructure and facilities that benefit low- and moderate-income neighborhoods and residents
2	Goal Name	Housing Preservation
	Goal Description	Improve or expand the supply of housing that is affordable to lower-income households
3	Goal Name	Public Social Services
	Goal Description	Provide or improve access to public social services for low- and moderate-income persons and persons with special needs
4	Goal Name	Homeless Continuum of Care
	Goal Description	Provide a continuum of housing and supportive services for the homeless and the near homeless
5	Goal Name	Program Administration
	Goal Description	Provide for administration and planning activities to carry out actions that address needs identified in the Consolidated, including services to address impediments to fair housing and to affirm fair housing in the community

Projects

AP-35 Projects – 91.220(d)

Introduction

The City will allocate FY 2025-2026 CDBG funding for the following activities based on the citizen participation process and various data analyses. Due to the delay in approving the federal 2025 budget, the City Council approved the FY 2025-2056 Action Plan with a provision that CDBG funding for activities will be increased or decreased by a percentage based on the final FY 2025-2026 CDBG grant. On March 15, 2025, HUD announced 2025 CDBG allocations. The following allocations have been adjusted.

Table 56 – Project Information

#	Project Name
1	Age Well Senior Services
2	Family Assistance Ministries
3	RSM Cares
4	Fair Housing
5	Program Administration
6	ADA Curb Ramp Installation FY 25-26
7	Minor Home Repair Grants (Habitat for Humanity)

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City will allocate a portion of its CDBG funds for activities that address the service needs of the elderly and extremely low-income households at risk of becoming homeless. According to data from the Housing Needs Assessment, these households contribute a significant portion of their income toward housing. Consistent with the City's Homeless Strategy, the City will allocate resources to help households remain housed in place rather than fall into homelessness. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding for Rancho Santa Margarita senior and disabled households. Public infrastructure improvements planned for the year will also serve special needs populations (e.g., ADA improvements).

AP-38 Project Summary

Project Summary Information

1	Project Name	Age Well Senior Services
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$5,350
	Description	Services for seniors
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	45 seniors
	Location Description	Citywide
	Planned Activities	Meals on Wheels program for homebound RSM seniors
2	Project Name	Family Assistance Ministries
	Target Area	Citywide
	Goals Supported	Homeless Continuum of Care
	Needs Addressed	Homeless Support Services and Housing
	Funding	CDBG: \$5,350
	Description	Homelessness prevention assistance
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the	45 individuals

	proposed activities	
	Location Description	Citywide
	Planned Activities	A continuum of housing and support services, including rent/utility assistance to prevent eviction/utility shut-off (5 individuals) and case management (40 individuals)
3	Project Name	RSM Cares
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$21.350
	Description	Foodbank
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	2,350 individuals
	Location Description	Citywide
	Planned Activities	Foodbank services for individuals in need
4	Project Name	Fair Housing Services
	Target Area	Citywide
	Goals Supported	Public Social Services
	Needs Addressed	Public Services
	Funding	CDBG: \$3,745
	Description	Fair housing outreach, education, and enforcement services
	Target Date	6/30/2026
	Estimate the number and type of	50 households (150 individuals)

	families that will benefit from the proposed activities	
	Location Description	Citywide
	Planned Activities	Fair housing outreach, education & enforcement services to address impediments to fair housing
5	Project Name	Program Administration
	Target Area	Citywide
	Goals Supported	Administration and Planning
	Needs Addressed	Administration and Planning
	Funding	CDBG: \$39,000
	Description	CDBG program oversight and coordination
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	22112 El Paseo, Rancho Santa Margarita CA, City Hall
	Planned Activities	CDBG program oversight and coordination, including preparation of applications, reports, and program planning documents
6	Project Name	ADA Curb Ramp Installation FY 25-26
	Target Area	Citywide
	Goals Supported	Public Infrastructure Improvements
	Needs Addressed	Public Improvements
	Funding	CDBG: \$151,477
	Description	Installation of sidewalk curb ramps that comply with current ADA regulations
	Target Date	6/30/2026

	Estimate the number and type of families that will benefit from the proposed activities	Per HUD data, an estimated 158 Individuals with disabilities reside within the project area. According to Census data (ACS 5-Yr. 2023 table S1810), 636 residents in the target Census Tract have ambulatory difficulties
	Location Description	8 locations within Census Tract 320.49
	Planned Activities	Installation of sidewalk curb ramps that comply with current ADA regulations
7	Project Name	Minor Home Repair Grants (Habitat for Humanity)
	Target Area	Citywide
	Goals Supported	Housing Preservation
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$20,000
	Description	Minor home improvement grants
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	2 low- and moderate-income homeowners
	Location Description	Citywide
	Planned Activities	Minor home improvements to address basic health, safety, and accessibility concerns - work to be carried out in partnership with a community nonprofit

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Activities slated for CDBG funding during Fiscal Year 2025-2026 will primarily be available citywide to income-eligible individuals (i.e., limited clientele). Limited clientele activities will ensure that all recipients are income-eligible.

Appendix 3 - Map D identifies Census Tract Block Groups where CDBG resources may be used on an "area-wide" basis. No area-wide activities are planned for FY 2025-2026.

Geographic Distribution

Table 57 - Geographic Distribution

Target Area	Percentage of Funds
CDBG Eligible Area	0
Citywide	100

Rationale for the priorities for allocating investments geographically

The City intends to use CDBG funds to serve lower-income households that need assistance regardless of where they live in the City.

Discussion

As indicated above, in FY 2025-2026, CDBG funds will benefit lower-income residents regardless of where they live in the City.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

With limited CDBG funding, the City will implement its housing rehabilitation program during the 2025-2026 Fiscal Year. For FY 2025-2026, \$20,000 in CDBG funds will be allocated to Habitat for Humanity - Orange County to implement the City's Minor Home Repair Program. Two lower-income homeowners are expected to be assisted.

Table 58 - One-Year Goals for Affordable Housing by Support Requirement

One-Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	2
Total	2

Table 59 - One-Year Goals for Affordable Housing by Support Type

One-Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	2
Acquisition of Existing Units	0
Total	2

Discussion

The City will support OCHA's administration of HUD's rental assistance program during the program year. Additionally, CDBG resources are allocated to assist eligible homeowners in undertaking minor home repairs. CDBG funding is also allocated to prevent the loss of shelter or critical utility services due to an unforeseen financial crisis.

AP-60 Public Housing – 91.220(h)

Introduction

Rancho Santa Margarita does not own or manage public housing.

Actions planned during the next year to address the needs to public housing

Not applicable

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Not applicable

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable

Discussion

Rancho Santa Margarita does not own or manage public housing.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

As the Strategic Plan outlines, the City's homeless strategy mirrors HUD's homelessness prevention strategy, i.e., keep households stable and housed by providing housing and supportive service programs that provide a lifeline for families teetering on homelessness. To this end, the City will fund public service programs that help lower-income households maximize the income they can contribute toward housing. A limited amount of housing/utility assistance will be available for households at risk of eviction/foreclosure or utility shut-off. The City will also use CDBG funds to support food banks and case management services.

Describe the jurisdiction's one-year goals and actions for reducing and ending homelessness, including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

No CDBG funding is allocated for homeless outreach services; however, the City will fund a contract with the City of Mission Viejo with PLHA funds for homeless outreach and engagement services. It is also important to note that the City has developed working relationships with several homeless service providers that have well-established and comprehensive outreach services that assess and link homeless individuals and families to appropriate services and housing.

Addressing the emergency shelter and transitional housing needs of homeless persons

No FY 2025-2026 CDBG funding is allocated for emergency and transitional housing; however, the City has established working relationships with several local service providers that provide housing and services for people experiencing homelessness. For example, Family Assistance Ministries (FAM) offers emergency shelter and transitional housing for families experiencing homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

No FY 2025-2026 CDBG funding is allocated for programs that help individuals and families transition to permanent or independent living; however, the City has developed partnerships with local agencies such as Families Forward, which provide rapid rehousing and support services for homeless families with children. The City will also continue to support OCHA's efforts to obtain housing assistance vouchers for lower-income households, including veterans. OCHA reports that in February 2025, 176 Rancho Santa

Margarita households are participating in the federal Housing Voucher Rental Assistance program. Nine of these households are veterans who receive special *Veterans Affairs Supportive Housing (VASH) Vouchers*. The VASH program combines Housing Choice Voucher rental assistance for homeless veterans (provided by HUD) with case management and clinical services provided by the Department of Veterans Affairs. OCHA also reports that 12 disabled homeless households reside in the City and benefit from *CoC Permanent Supportive Housing Certificates*; additionally, nine RSM families benefited from the *Emergency Housing Voucher*. This latter program provides housing vouchers to “assist individuals and families who are homeless, at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking, or who are recently homeless or have a high risk of housing instability.”

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care, and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

As previously outlined, the City's homeless strategy states it is less expensive and disruptive to keep a household sheltered in place. To this end, the City will use FY 2025-2026 CDBG and local resources to support agencies that provide various safety net services that may help prevent households from becoming homeless. Examples of safety net services include food banks, rent/utility assistance, and senior services (Meals on Wheels). The City will also support regional homeless planning efforts, including the OC CofC's Discharge Plan, which aims to prevent individuals leaving institutions such as jails and hospitals from becoming homeless.

Discussion

The City's homeless strategy emphasizes support for safety net services (e.g., food and support services) to assist lower-income RSM residents. FY 2025-2026 CDBG funds are also allocated for services that help prevent homelessness by providing case management and rent/utility assistance to prevent the loss of housing or critical utilities. The City will also continue to support regional efforts to address homelessness.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City's Housing Element lists barriers to affordable housing and summarizes actions to overcome them in the Consolidated Plan.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing, such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

State law requires the City's Housing Element to address, where appropriate and legally possible, the removal of governmental constraints affecting the maintenance, improvement, and development of housing. The City's Housing Element identifies the implementation of several programs that may help lessen governmental constraints on housing development, including the following:

- Identify adequate sites with appropriate density and development standards to accommodate regional housing needs goals, including housing for seniors and lower-income households.
- Amend ordinances as necessary to comply with changing State law regarding the development of Accessory Dwelling Units (ADUs) and Junior ADUs by right in all residential zones.
- Collaborate with affordable housing developers to develop, conserve, and promote rental and ownership housing throughout the community.
- Provide priority streamline application and permit processing for development applications that include affordable housing for lower-income or moderate-income households.
- Create and adopt new customized development standards to support a new Workforce Housing Overlay and Mixed-Use Housing land use and zoning designation(s) for new housing development.
- Seek funding through State programs (e.g., PLHA) to expand affordable housing.
- Provide density bonuses consistent with State law, including density bonuses and incentives for projects that contain 100% very low- and low-income units.

Discussion:

Rancho Santa Margarita is a built-out master-planned community. While the City's updated Housing Element identifies actions the City can take to support and facilitate future affordable housing development, no parcels are identified for housing development in FY 2025-2026.

AP-85 Other Actions – 91.220(k)

Introduction:

Below are additional actions the City will implement during FY 2025-2026 to address the Strategic Plan's sub-strategies.

Actions planned to address obstacles to meeting underserved needs

The City will allocate a portion of its CDBG funds for activities that address the service needs of special needs populations and extremely low-income households at risk of becoming homeless. Consistent with the City's Homeless Strategy, CDBG resources are allocated to help households remain housed in place rather than fall into homelessness. Additionally, the City will encourage and support OCHA's efforts to obtain additional rental assistance funding for Rancho Santa Margarita households. Public infrastructure improvements planned for the year will also serve special needs populations (ADA improvements).

Actions planned to foster and maintain affordable housing

The City of Rancho Santa Margarita has identified the activities it will undertake during Fiscal Year 2025-2026 to foster and preserve affordable housing. The Strategic Plan identified programs such as the Minor Home Repair Program as the means to maintain and improve housing currently available to low- and moderate-income senior or disabled homeowners. Habitat for Humanity Orange County will administer the program and projects; two homeowners are expected to be assisted during FY 2025-2026. The City will also continue to support OCHA's administration of the federal rental assistance program.

Actions planned to reduce lead-based paint hazards

According to the City's Housing Element, 886 housing units in RSM were constructed before 1979 – the year lead-based paint was banned; however, the CDC and State data suggest lead-based paint hazards may not be a significant issue in the City. Nonetheless, the City's Minor Home Repair Program is designed to identify and address lead-based paint issues as part of the project evaluation process. If lead is found, appropriate action to remove or encapsulate lead hazards will be implemented as part of a housing repair grant.

Actions planned to reduce the number of poverty-level families

According to the U.S. Census Bureau, 5.1% of Rancho Santa Margarita residents live in poverty, including 7.4% of children under 18 years old and 6.2% of individuals aged 65 plus. To address the needs of these households, The City will support several programs and services that help combat poverty. During Fiscal Year 2025-2026, the City will support the following activities to implement this strategy:

- Rental assistance for very low-income renters via the OCHA
- Homeless prevention assistance

- Public services that provide free or reduced-cost services to lower-income households to help improve their quality of life or provide a social safety net for Rancho Santa Margarita residents

Actions planned to develop institutional structure

The City has developed an institutional structure to help identify and access resources to improve the community. For example, the City will continue to work with nonprofit entities to deliver social services. As a supporter of the Continuum of Care, the City provides critical information on homeless resources to the County for the region's Continuum of Care Homeless Assistance grant application to HUD.

Additionally, the City supports the biennial countywide homeless Point In Time Survey and will continue to assist the OCHA in implementing its Five-year PHA Plan.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Rancho Santa Margarita does not operate public housing. The Orange County Housing Authority provides rental assistance in the community. Federal regulations require that OCHA prepare a five-year and one-year Public Housing Authority (PHA) Plan highlighting its mission, goals, and objectives related to public and assisted housing programs. The City will review the Authority's PHA Plan and certify that it is consistent with the City's Consolidated Plan. When requested, the City will also provide OCHA with the opportunity to review and comment on the City's Consolidated Plan. This cross-consultation aims to provide consistent and coordinated housing services for City residents. Ongoing consultation with local nonprofits also assists the City in coordinating the efficient and effective use of limited federal resources.

Discussion:

HUD-funded grant recipients are required to affirmatively further fair housing and not discriminate in housing or services directly or indirectly based on race, color, religion, sex, national origin, age, familial status, or disability. Grant recipients such as Rancho Santa Margarita are required to (1) examine and attempt to alleviate housing discrimination within their jurisdiction; (2) promote fair housing choices for all persons; (3) provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, national origin, and other personal or familial attributes; (4) promote housing that is accessible to and usable by persons with disabilities; (5) and comply with the non-discrimination requirements of the Fair Housing Act.

HUD encourages jurisdictions to consult with one another and initiate metropolitan-wide fair housing planning. The ***Assessment of Fair Housing (AFH)*** is the primary document for this purpose. In addition to identifying impediments, a strategy to overcome barriers must be developed and implemented - accomplishments are reported annually. The City participated in developing the 2025-2029 Orange County Regional AFH. The executive summary of the OC-AFH and the action steps the City will take during FY 2025-2026 to affirmatively further fair housing are found in **Attachment A**.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The program-specific requirements that apply to the City are listed below.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

Discussion

The City will meet the overall 70% benefit for low- and moderate-income expenditure requirement of the CDBG program over one program year – **FY 2025-2026**.

CDBG funds for FY 2025-2026 will be allocated to the abovementioned activities. Community service activities will be qualified as "low- and moderate-income area benefit" or "limited clientele benefit." Public facility/infrastructure improvements will be eligible under "low- and moderate-income area

benefit" or "limited clientele benefit" (e.g., ADA improvements). Housing rehabilitation will be available citywide to qualified low- and moderate-income homeowners.

No CDBG program income is anticipated to be received during FY 2025-2026. The City does not have surplus funds from urban renewal settlements, nor does the City have grant funds returned to its line of credit. The City will not undertake float-funded activities; therefore, it does not anticipate program income from this type of activity. Finally, the City does not anticipate undertaking urgent need activities during FY 2025-2026, nor will it undertake any actions that may result in the involuntary displacement of businesses or residents.

The City of Rancho Santa Margarita shall not use grant funds to promote gender ideology, as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

Five-Year and One-Year Summary of Accomplishments

Grantee Name: City of Rancho Santa Margarita

Decent Housing									
Objective: Housing Preservation	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed			
Housing <u>rehabilitation loans and grants</u> to improve or expand the supply of housing affordable to lower-income households	CDBG	2020	Housing Units	2	1	50.0%			
		2021	Housing Units	0	1	0.00%			
		2022	Housing Units	2	1	50.00%			
		2023	Housing Units	2	0	0.00%			
		2024	Housing Units						
		5-Yr Con Plan Goal		5	3	60.00%			
Housing Choice Vouchers (Administered by OCHA): Improve or expand the supply of housing affordable to lower-income households	HUD Housing Vouchers	2020	Housing Units	125	128	102.40%			
		2021	Housing Units	125	125	100.00%			
		2022	Housing Units	125	138	110.40%			
		2023	Housing Units	125	145	116.00%			
		2024	Housing Units						
		5-Yr Con Plan Goal		125	134	107.20%			
				(Annual Avg)	(4 Yr Avg)	(3 Yr Avg)			
Suitable Living Environment									
Objective: Public Social Services	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed			
Objective: Infrastructure and Facility Improvements									
Provide or improve access to <u>public social services</u> for low- and moderate-income persons and persons with special needs	CDBG	2020	Individuals	1,365	2,449	179.41%			
		2021	Individuals	1,236	1,449	117.23%			
		2022	Individuals	1,896	411	21.68%			
		2023	Individuals	1,824	2,070	113.49%			
		2024	Individuals						
		5-Yr Con Plan Goal		2,500	6,379	255.16%			
Improve and expand <u>public infrastructure and facilities</u> that benefit low- and moderate-income neighborhoods and residents	CDBG	2020	Projects	0	0	0.00%			
		2021	Projects	350	365	104.29%			
		2022	Projects	249	249	100.00%			
		2023	Projects	120	118	98.33%			
		2024	Projects						
		5-Yr Con Plan Goal		7,500	732	9.76%			

Five-Year and One-Year Summary of Accomplishments

Economic Opportunity						
Objective: Economic Opportunities	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
On September 1, 2020, added small business assistance grant for businesses impacted by the Coronavirus (CDBG-CV funding)	CDBG-CV	2020	Businesses	0	13	NA
		2021	Businesses	0	0	0.00%
		2022	Businesses	0	0	0.00%
		2023	Businesses	0	0	0.00%
		2024	Businesses	0	0	0.00%
		5-Yr Con Plan Goal		3	13	433.33%
Continuum of Care						
Objective: Homeless Continuum of Care	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
Provide a continuum of supportive and housing services for the homeless and households at risk of homelessness	CDBG	2020	Individuals	606	276	45.54%
		2021	Individuals	263	88	33.46%
		2022	Individuals	305	97	31.80%
		2023	Individuals	229	233	101.75%
		5-Yr Con Plan Goal		1,650	694	42.06%
Other						
Objective: Administration and Planning	Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Completed
Provide for administration and planning activities to carry out actions that address needs in the Consolidated Plan, including <u>fair housing services</u> to address local impediments to fair housing	CDBG	2020	Year of Admin	45	43	95.56%
		2021	Year of Admin	52	57	109.62%
		2022	Year of Admin	50	46	92.00%
		2023	Year of Admin	55	63	114.55%
		5-Yr Con Plan Goal		250	209	83.60%
Provide for <u>administration and planning</u> activities to carry out actions that address needs in the Consolidated Plan	CDBG	2020	Households	1	1	100.00%
		2021	Households	1	1	100.00%
		2022	Households	1	1	100.00%
		2023	Households	1	1	100.00%
		2024	Households	1	1	100.00%
		5-Yr Con Plan Goal		5	4	80.00%

AFFIDAVIT OF PUBLICATION
STATE OF CALIFORNIA
COUNTY OF ORANGE

I am a citizen of the United States and a resident of the County aforesaid. I am over the age of eighteen years, and not a party to or interested in the below entitled matter. I am the principal clerk of **The Coto de Caza News**, a newspaper that has been adjudicated to be a newspaper of general circulation by the Superior Court of the County of Orange, State of California, on August 23, 1995, Case No. A-178404 in and for the South Orange County Judicial District, County of Orange, State of California; that the notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates to wit:

04/11/2025

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Coto de Caza, Orange County,

Date: April 11, 2025

Witness my hand and official seal

Sandra White

Signature
Legal Advertising Officer

The Coto de Caza News

23472 Vista del Verde, Suite 6
Coto de Caza, California 92679

MAILING ADDRESS:
520 E AVENIDA PICO,
SUITE 3322
SAN CLEMENTE CA 92674
MVEGALS@YAHOO.COM
(949) 589-9990, Fax: (949) 589-6429



PUBLIC NOTICE
NOTICE OF 30-DAY PUBLIC COMMENT PERIOD
AND A PUBLIC HEARING TO BE HELD BY THE
CITY OF RANCHO SANTA MARGARITA
REGARDING SUBMISSION OF THE 2025-2029 CONSOLIDATED PLAN,
2025-2026 ANNUAL ACTION PLAN, CITIZEN PARTICIPATION PLAN
AMENDMENT, AND THE 2025-2029 ORANGE COUNTY REGIONAL
ASSESSMENT OF FAIR HOUSING

NOTICE IS HEREBY GIVEN that the City of Rancho Santa Margarita City Council will hold a public comment period and a public hearing for the 2025-2029 Consolidated Plan, which includes the 2025-2026 Annual Action Plan, Citizen Participation Plan Amendment, and the 2025-2029 Orange County Regional Assessment of Fair Housing. This action is taken in compliance with federal regulations (24 CFR 91).

The City of Rancho Santa Margarita is eligible to receive Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). To receive CDBG funds, the City must prepare a Consolidated Plan. The City is also required to update the related Action Plan annually. The City is also required to prepare a Citizen Participation Plan that outlines the process the City will follow to obtain public input regarding the use of CDBG funds. As a recipient of CDBG funds, the City of Rancho Santa Margarita is also required to affirmatively further fair housing. The Assessment of Fair Housing is the document prepared to comply with this requirement. All of these documents require the City to provide the public with 30 days to review and comment on the respective documents, and the City Council must approve them at a public hearing.

2025-2029 Consolidated Plan: The City of Rancho Santa Margarita is required by HUD to prepare and adopt a Consolidated Plan for its CDBG Program every five years. The plan identifies community needs and activities the City can implement with CDBG funds to provide decent housing and suitable living environments, address community service and facility needs, and expand economic opportunities for low and moderate-income households.

2025-2026 Action Plan: The Action Plan is a component of the Consolidated Plan that is updated annually. The 2025-2026 Annual Action Plan outlines the City's proposed use of CDBG funds for the upcoming fiscal year. HUD has not yet published CDBG allocations for Fiscal Year 2025-2026; however, for planning purposes, the City anticipates receiving \$200,000. An additional \$32,305 in prior year funds will also be available. The proposed use of CDBG funds for Fiscal Year 2025-2026 includes the following:

Proposed Activity	Proposed CDBG Allocation
• Public services for lower-income persons and special needs populations	\$30,000
• Minor Home Repair Grants	\$20,000
• Public facility and infrastructure improvements	\$142,305
• Program administration	\$40,000

Per HUD guidance, the City will adjust proposed CDBG allocations by a uniform percentage based on the final FY 2025-2026 CDBG grant amount.

Citizen Participation Plan

The Citizen Participation Plan outlines the actions the City takes to encourage the participation of residents, businesses, and other community stakeholders in the allocation of CDBG funds. Federal regulations largely dictate the content of the plan; however, the City is proposing modifications to the current plan that require public review and approval by the City Council. The draft revised Citizen Participation Plan is incorporated into the draft 2025-2029 Consolidated Plan as Attachment B.

Orange County FY 2025-2029 Regional Assessment of Fair Housing (OC-AFH)

As a recipient of CDBG funds, the City of Rancho Santa Margarita is required to comply with the Fair Housing Act of 1968. In addition to prohibiting discrimination based on race, color, religion, disability, and other protected personal and familial attributes, the City is required to affirmatively further fair housing. The OC-AFH is the primary policy document utilized by the City for this purpose. HUD encourages jurisdictions to prepare a county-wide plan. To this end, the City joined other Orange County jurisdictions to prepare the 2025-2029 OC-AFH. The entire draft OC-AFH is available for public review on the City's website at www.cityofrsm.org/268/Consolidated-Plan. The executive summary and action steps to be taken by the City are included in the draft Consolidated Plan as Attachment A.

30-Day Public Comment Period

The required 30-day public comment period for the aforementioned related documents will commence on April 14, 2025, and end on May 13, 2025. The draft document will be available for public review on the City's website (www.cityofrsm.org/268/Consolidated-Plan) and upon request by contacting staff. Written comments regarding the draft documents may be submitted to Mike Linares at Rancho Santa Margarita City Hall, 22112 El Paseo, Rancho Santa Margarita, California, 92688 or by email at mlinare@cityofrsm.org. The City must receive all written comments no later than 5 PM, May 13, 2025.

Public Hearing

The City must also hold a public hearing to obtain public comments regarding the aforementioned documents. Notice is hereby given that the City of Rancho Santa Margarita City Council will hold a public hearing on Wednesday, May 14, 2025, for this purpose. The hearing will be held in the City Council Chambers located at 22112 El Paseo, Rancho Santa Margarita, California, 92688. The City Council meeting will be held at 7:00 PM or soon thereafter. For additional information regarding the hearing, including reasonable requests for special accommodations for persons with disabilities, please contact the City Clerk at (949) 635-1806.

If you wish to challenge the City's decision in court, the challenge will be limited only to those issues you or someone else raised at the public hearing, prior to the public hearing, or in written correspondence delivered to the City Clerk's Department prior to the public hearing described in this notice.

The agenda report for this item will be available Friday, May 9, 2025, by 5:00 PM on the City's website at www.cityofrsm.org. Additionally, a copy of the report may be obtained at City Hall during regular business hours, Monday through Friday, 8:00 AM – 5:00 PM. It is recommended that you contact City Hall to ensure a copy of the report is available for distribution. For further information, you may call City Hall at (949) 635-1800.

AMY DIAZ, CITY CLERK

Published: Coto de Caza News, April 11, 2025

SUMMARY OF PUBLIC COMMENTS

30-Day Comment Period

One written comment was received - see attached. The resident did not request a response.

Public Hearing

One public comment was provided during the public hearing:

- Anna Conti, representing Family Assistance Ministries, thanked the City Council for past and current support of the organization. Ms. Conti provided a summary of the services the organization offers and its ongoing commitment to the community.

Submit an eComment

Select a Meeting City Council

Planning Commission

Meeting Date 05/14/2025

(mm/dd/yyyy)*

Agenda Item No. 6.1, Public Hearing, 4) Receive public testimony.

or Subject*

Comment* The City should be doing everything it can to encourage the development and maintenance of affordable housing, particularly for those families with school-age children, IF they want to try to maintain the whole family-friendly, city-with-the-soul-of-a-village thing. I know housing costs are a regional and statewide issue, but RSM should be working with the State and County initiatives to provide housing that keeps our community growing and vibrant, with supporting the local school-age populations, local sports leagues, businesses that cater to kids, etc. If not, the lifecycle of the City will accelerate, and RSM will be a retirement-age bedroom community *sooner* (with less schools, sports leagues, businesses catering to kids, etc.).

Name*

Chris McLaughlin

Address

19 Gaviota

Email Address*

ckmclaughlin@gmail.com

Phone Number

9494336496

Attachment

[]

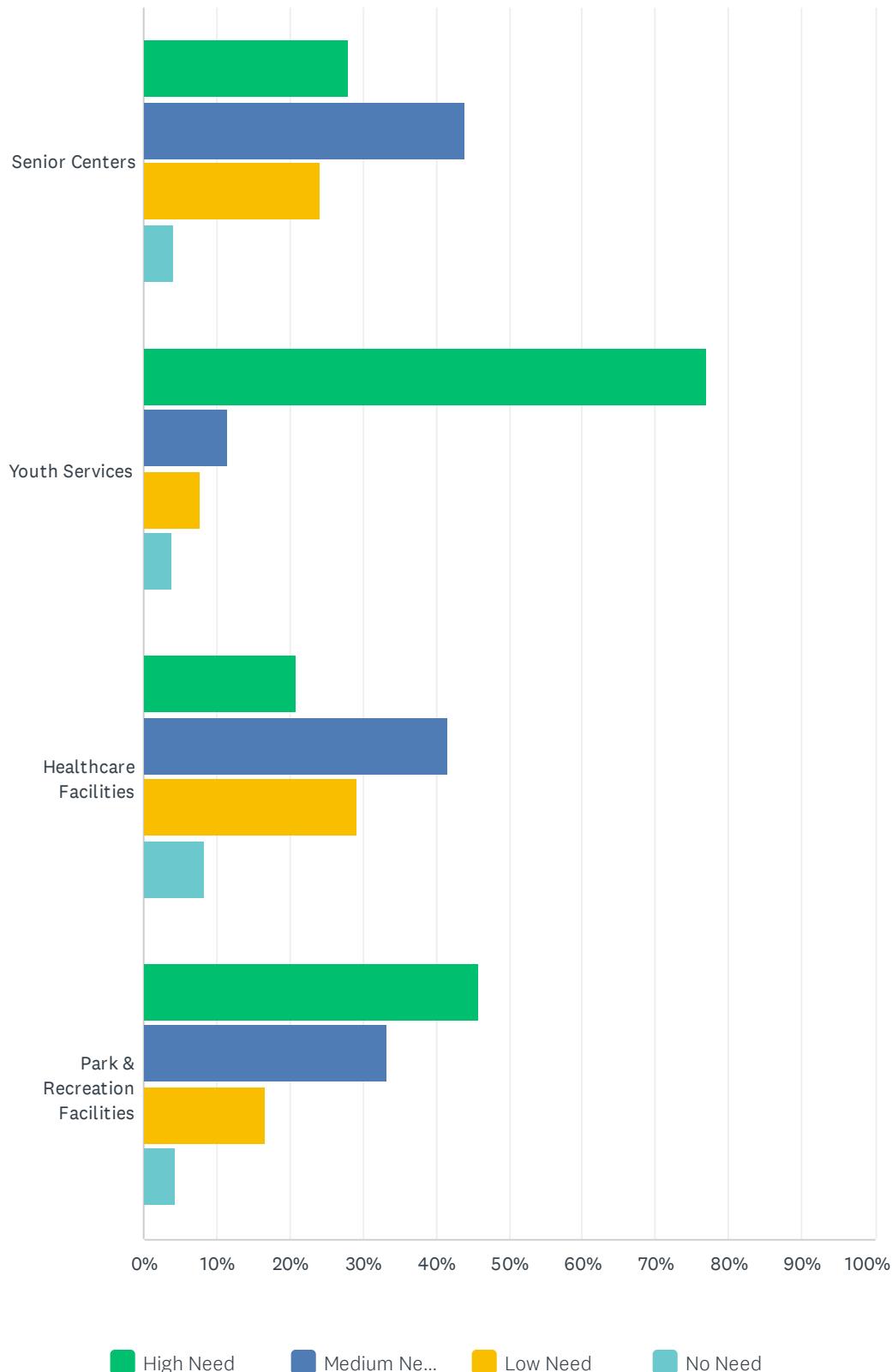
Convert to PDF? []

(DOC, DOCX, XLS, XLSX, TXT)

CITY OF RANCHO SANTA MARGARITA HOUSING & COMMUNITY NEEDS SURVEY

Q1 COMMUNITY FACILITIES

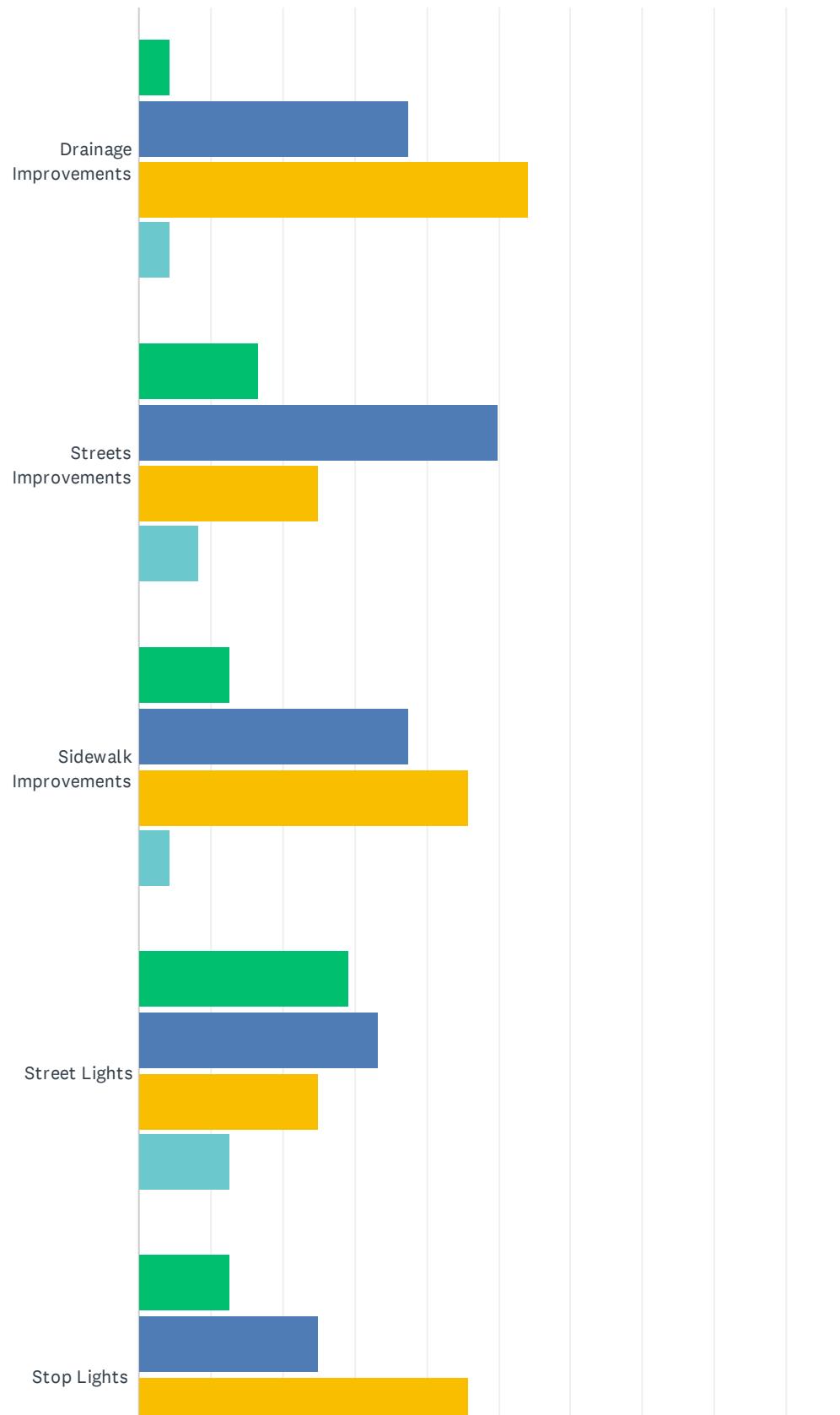
Answered: 26 Skipped: 1

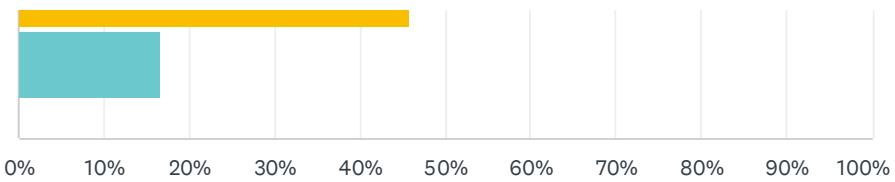
█ High Need█ Medium Ne...█ Low Need█ No Need

	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Senior Centers	28.00% 7	44.00% 11	24.00% 6	4.00% 1	25	2.96
Youth Services	76.92% 20	11.54% 3	7.69% 2	3.85% 1	26	3.62
Healthcare Facilities	20.83% 5	41.67% 10	29.17% 7	8.33% 2	24	2.75
Park & Recreation Facilities	45.83% 11	33.33% 8	16.67% 4	4.17% 1	24	3.21

Q2 INFRASTRUCTURE

Answered: 25 Skipped: 2





High Need

Medium Ne...

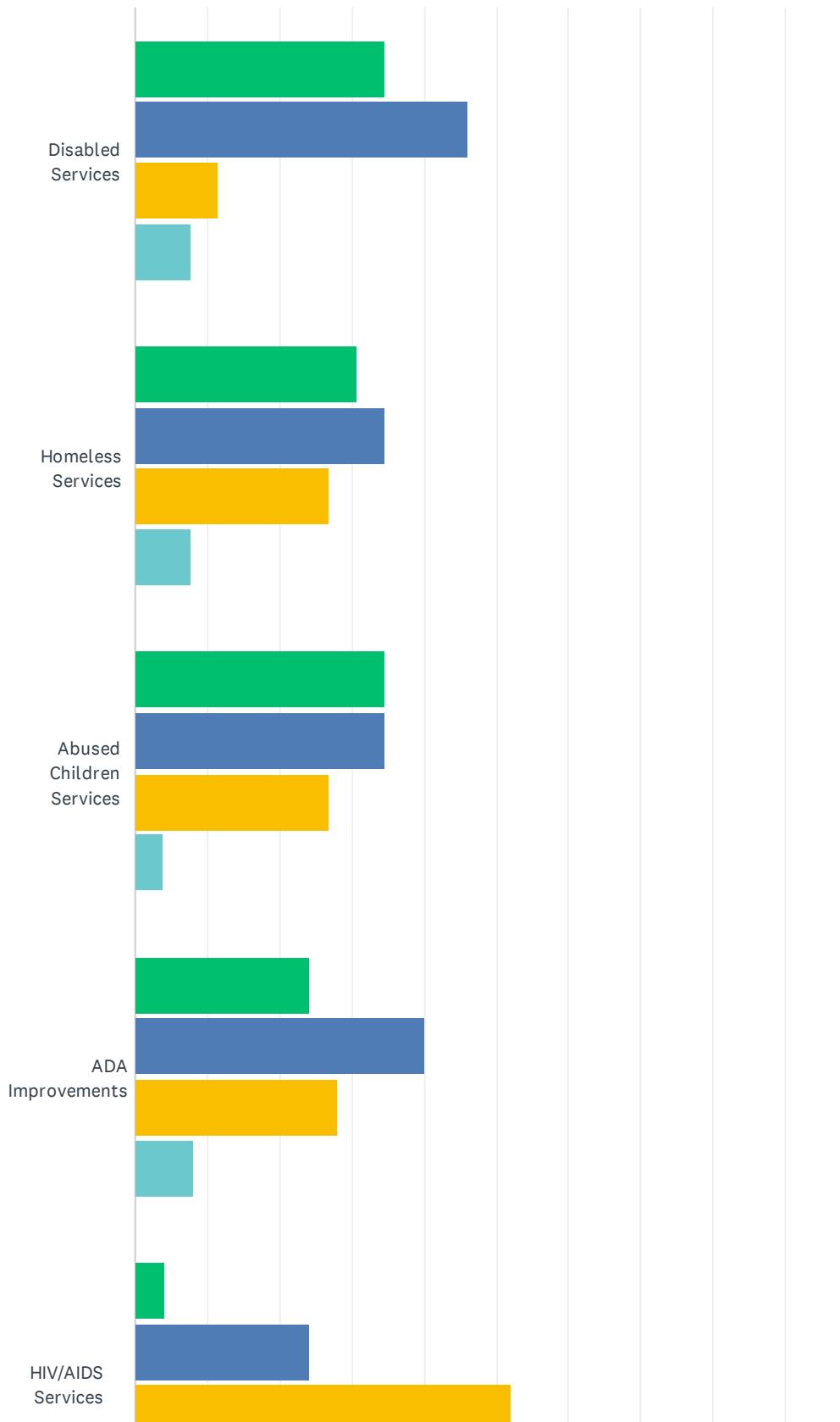
Low Need

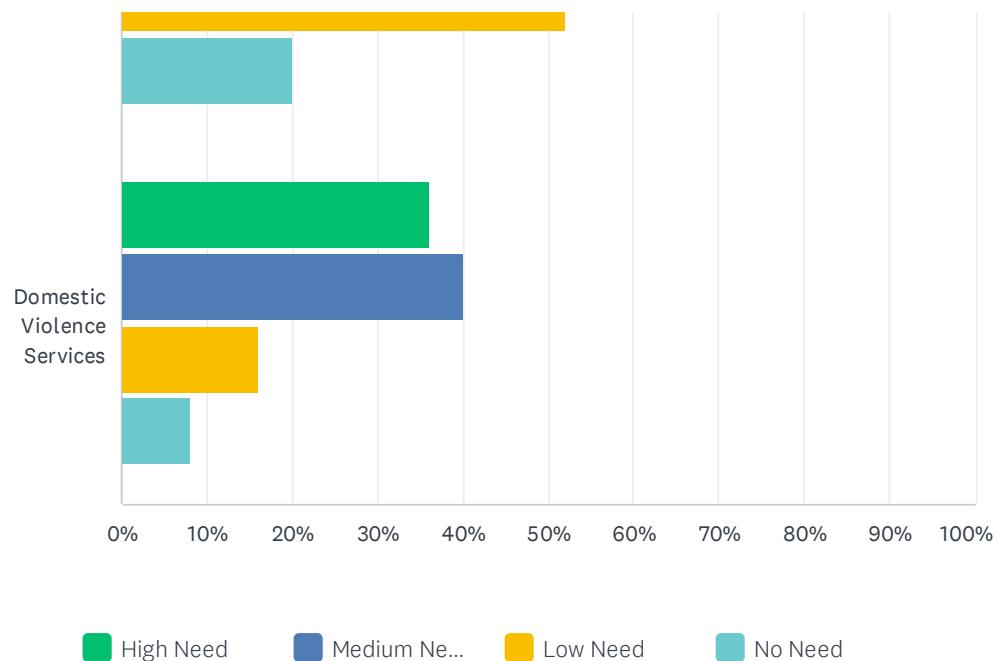
No Need

	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Drainage Improvements	4.17% 1	37.50% 9	54.17% 13	4.17% 1	24	2.42
Streets Improvements	16.67% 4	50.00% 12	25.00% 6	8.33% 2	24	2.75
Sidewalk Improvements	12.50% 3	37.50% 9	45.83% 11	4.17% 1	24	2.58
Street Lights	29.17% 7	33.33% 8	25.00% 6	12.50% 3	24	2.79
Stop Lights	12.50% 3	25.00% 6	45.83% 11	16.67% 4	24	2.33

Q3 SPECIAL NEEDS SERVICES

Answered: 27 Skipped: 0

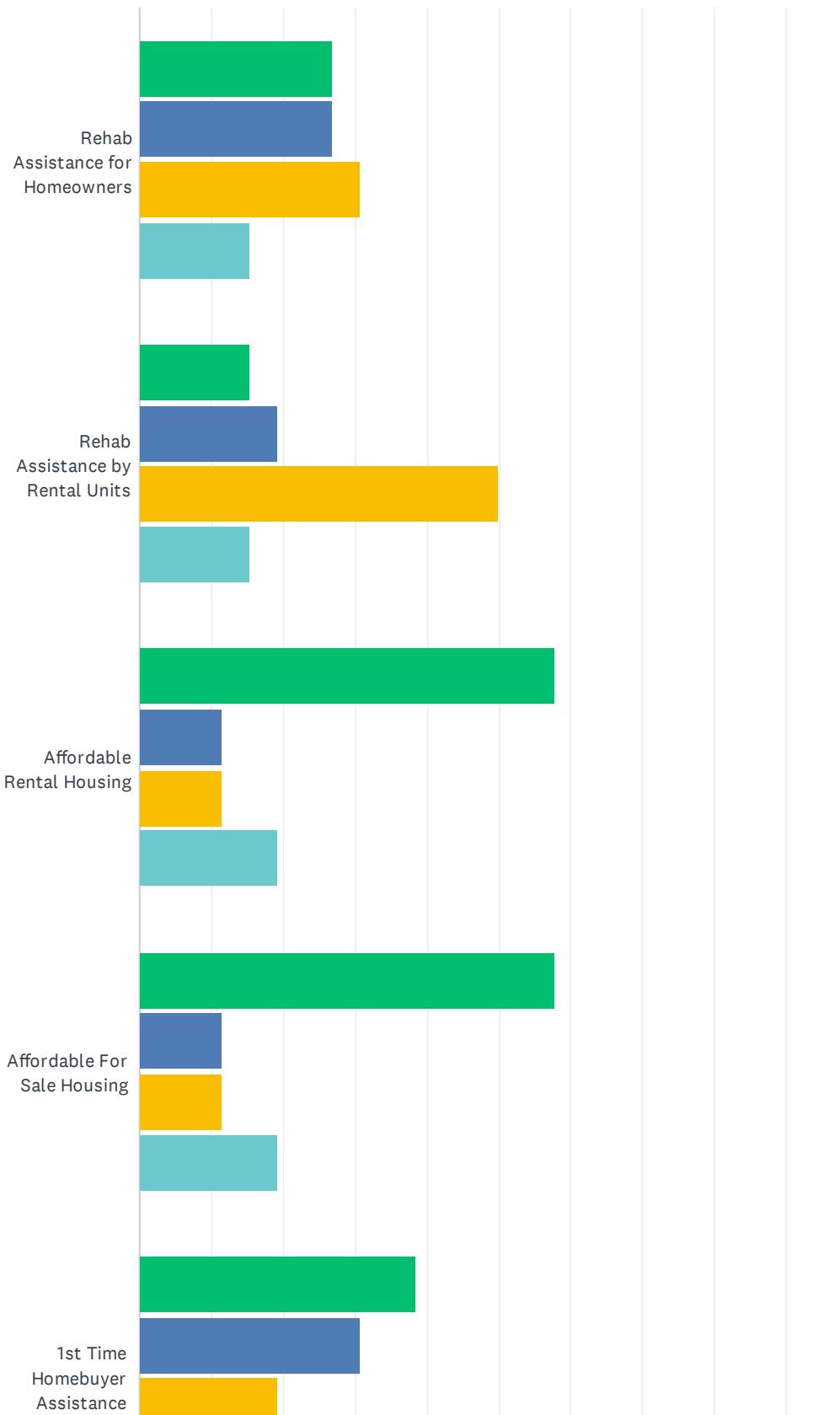


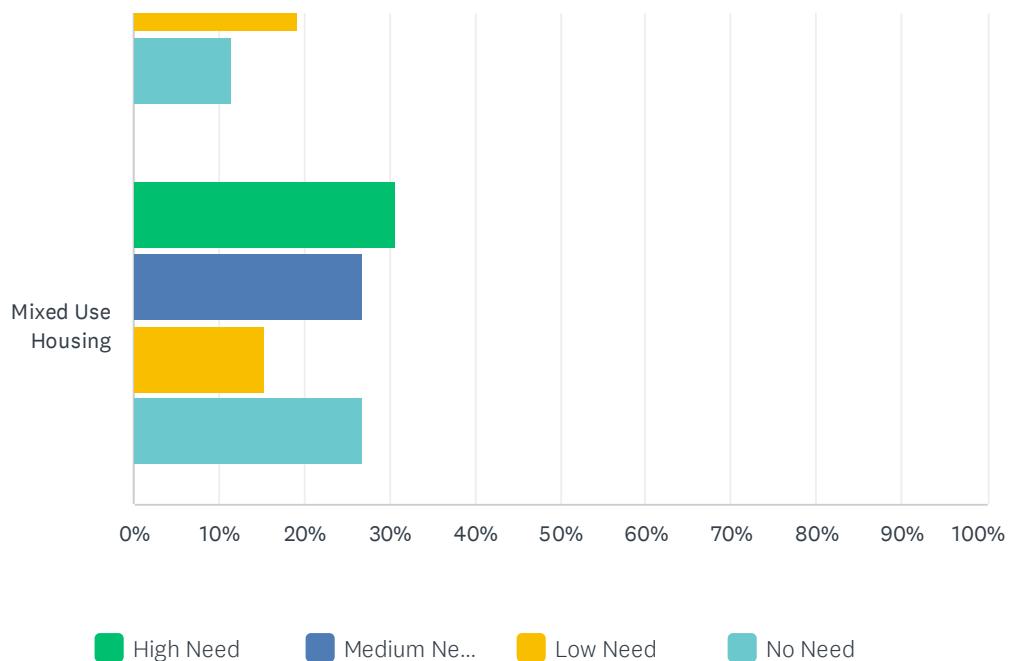


	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Disabled Services	34.62% 9	46.15% 12	11.54% 3	7.69% 2	26	3.08
Homeless Services	30.77% 8	34.62% 9	26.92% 7	7.69% 2	26	2.88
Abused Children Services	34.62% 9	34.62% 9	26.92% 7	3.85% 1	26	3.00
ADA Improvements	24.00% 6	40.00% 10	28.00% 7	8.00% 2	25	2.80
HIV/AIDS Services	4.00% 1	24.00% 6	52.00% 13	20.00% 5	25	2.12
Domestic Violence Services	36.00% 9	40.00% 10	16.00% 4	8.00% 2	25	3.04

Q4 HOUSING

Answered: 26 Skipped: 1



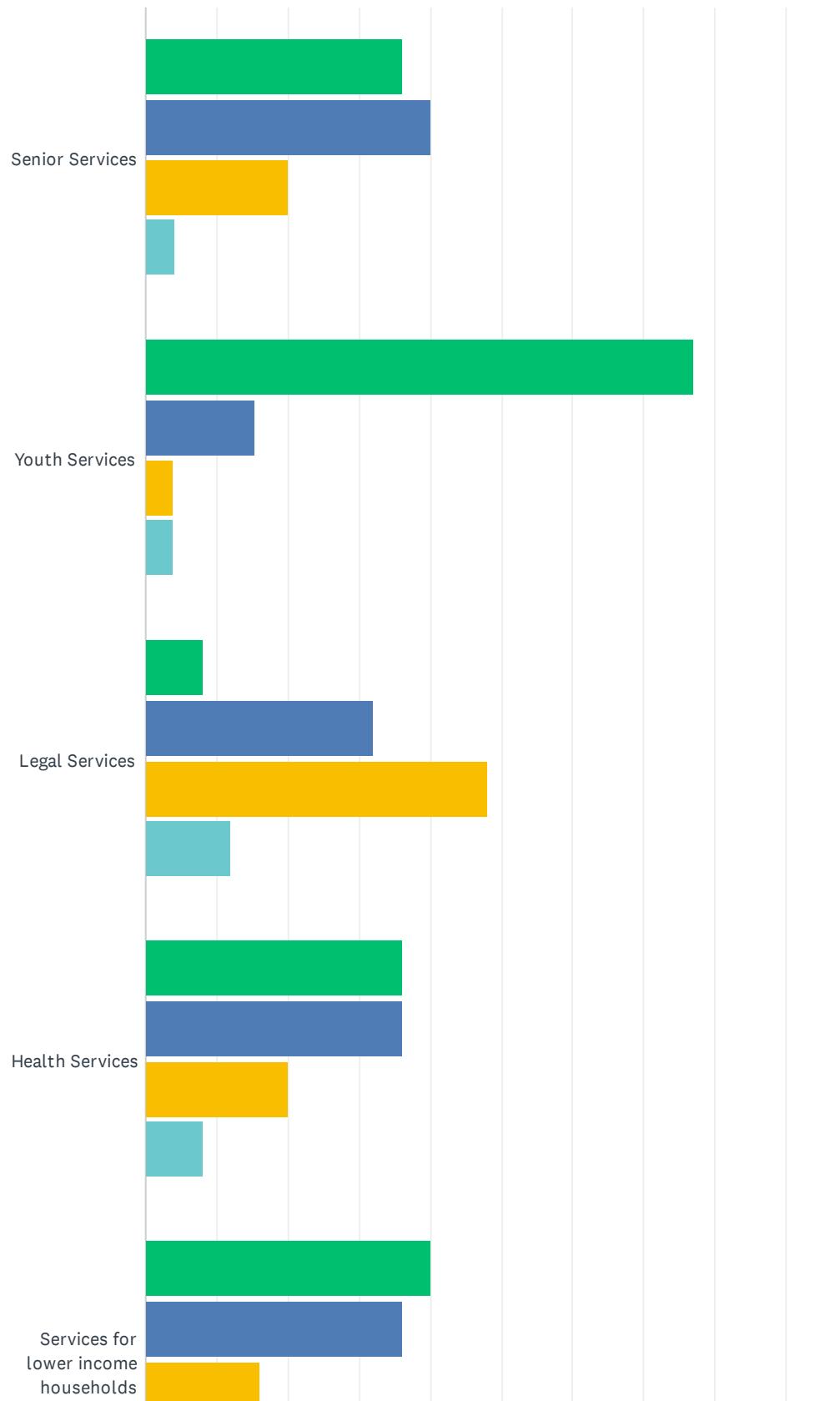


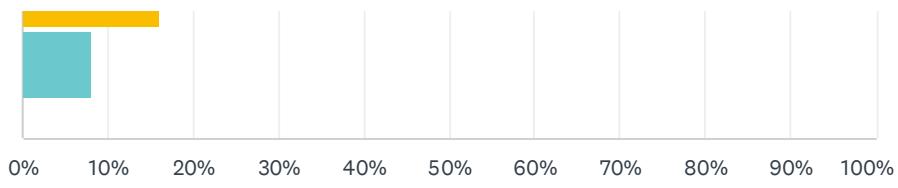
High Need Medium Ne... Low Need No Need

	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Rehab Assistance for Homeowners	26.92% 7	26.92% 7	30.77% 8	15.38% 4	26	2.65
Rehab Assistance by Rental Units	15.38% 4	19.23% 5	50.00% 13	15.38% 4	26	2.35
Affordable Rental Housing	57.69% 15	11.54% 3	11.54% 3	19.23% 5	26	3.08
Affordable For Sale Housing	57.69% 15	11.54% 3	11.54% 3	19.23% 5	26	3.08
1st Time Homebuyer Assistance	38.46% 10	30.77% 8	19.23% 5	11.54% 3	26	2.96
Mixed Use Housing	30.77% 8	26.92% 7	15.38% 4	26.92% 7	26	2.62

Q5 COMMUNITY SERVICES

Answered: 26 Skipped: 1



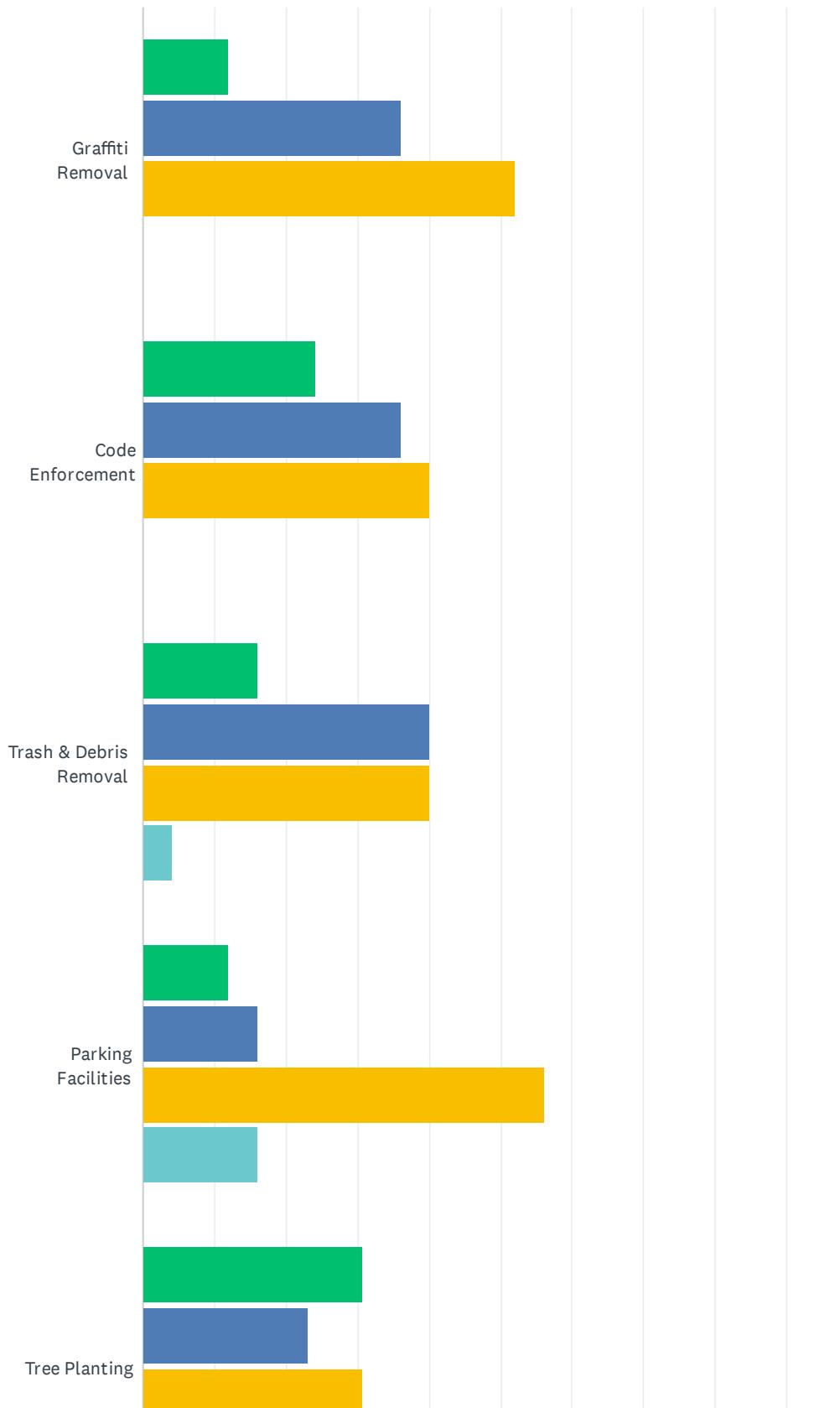


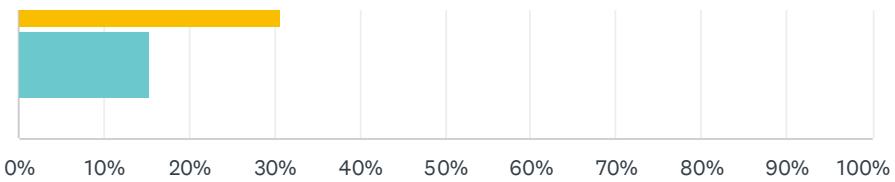
High Need Medium Ne... Low Need No Need

	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Senior Services	36.00% 9	40.00% 10	20.00% 5	4.00% 1	25	3.08
Youth Services	76.92% 20	15.38% 4	3.85% 1	3.85% 1	26	3.65
Legal Services	8.00% 2	32.00% 8	48.00% 12	12.00% 3	25	2.36
Health Services	36.00% 9	36.00% 9	20.00% 5	8.00% 2	25	3.00
Services for lower income households	40.00% 10	36.00% 9	16.00% 4	8.00% 2	25	3.08

Q6 NEIGHBORHOOD SERVICES

Answered: 26 Skipped: 1

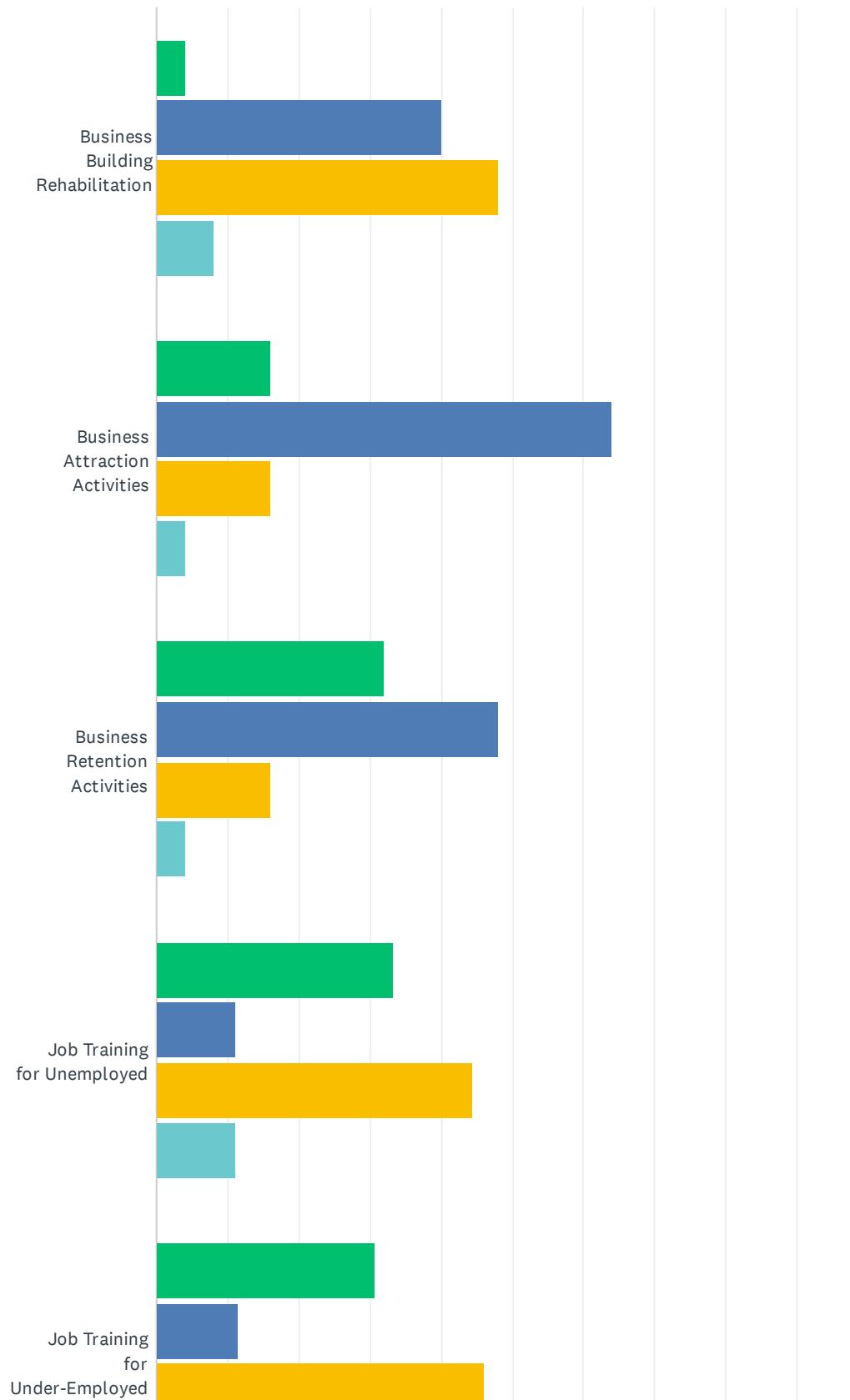


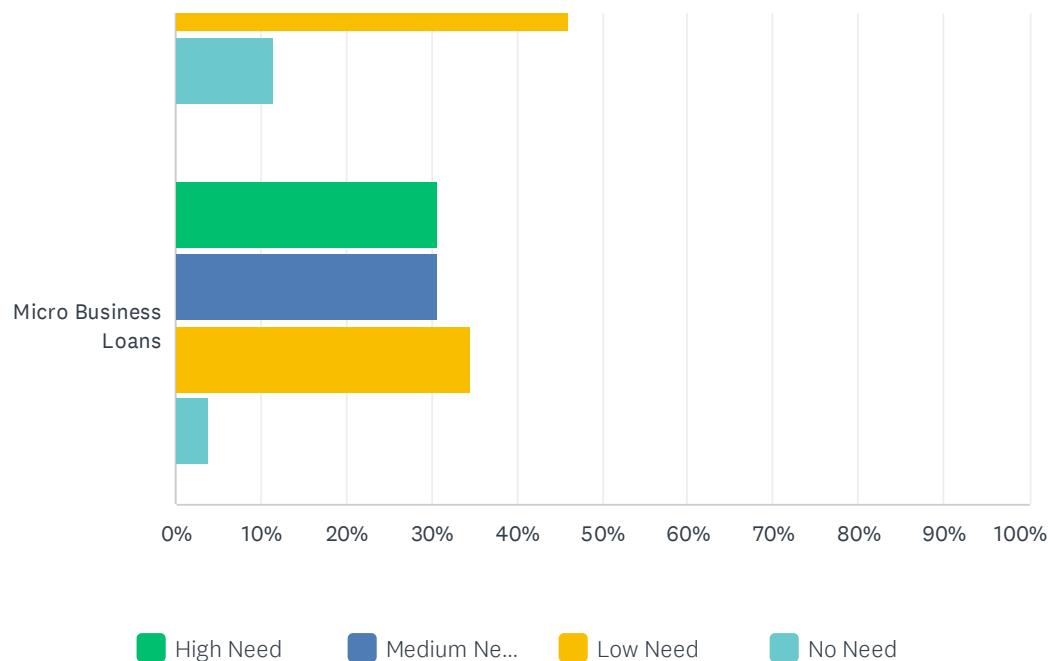


	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Graffiti Removal	12.00% 3	36.00% 9	52.00% 13	0.00% 0	25	2.60
Code Enforcement	24.00% 6	36.00% 9	40.00% 10	0.00% 0	25	2.84
Trash & Debris Removal	16.00% 4	40.00% 10	40.00% 10	4.00% 1	25	2.68
Parking Facilities	12.00% 3	16.00% 4	56.00% 14	16.00% 4	25	2.24
Tree Planting	30.77% 8	23.08% 6	30.77% 8	15.38% 4	26	2.69

Q7 BUSINESS & JOBS

Answered: 27 Skipped: 0



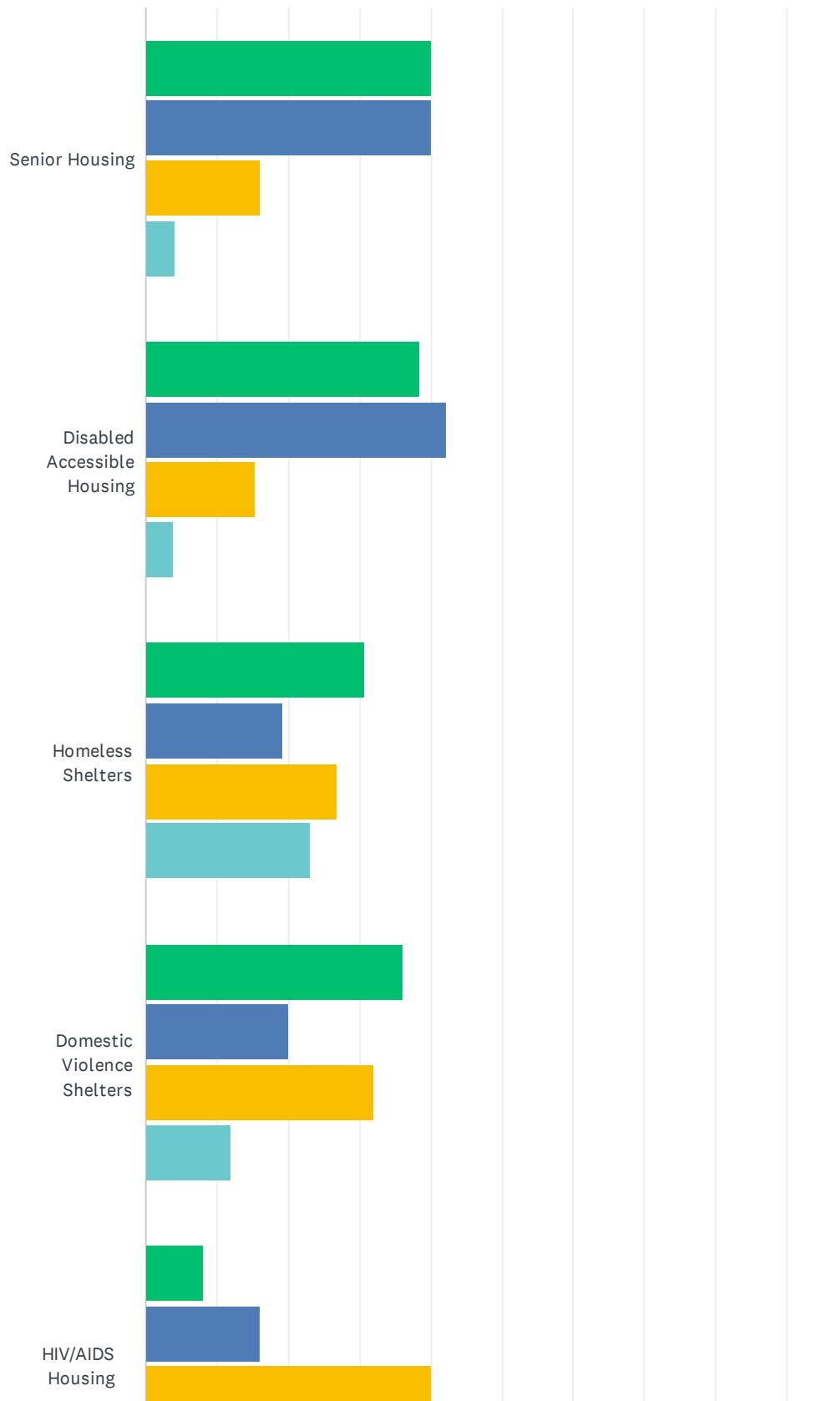


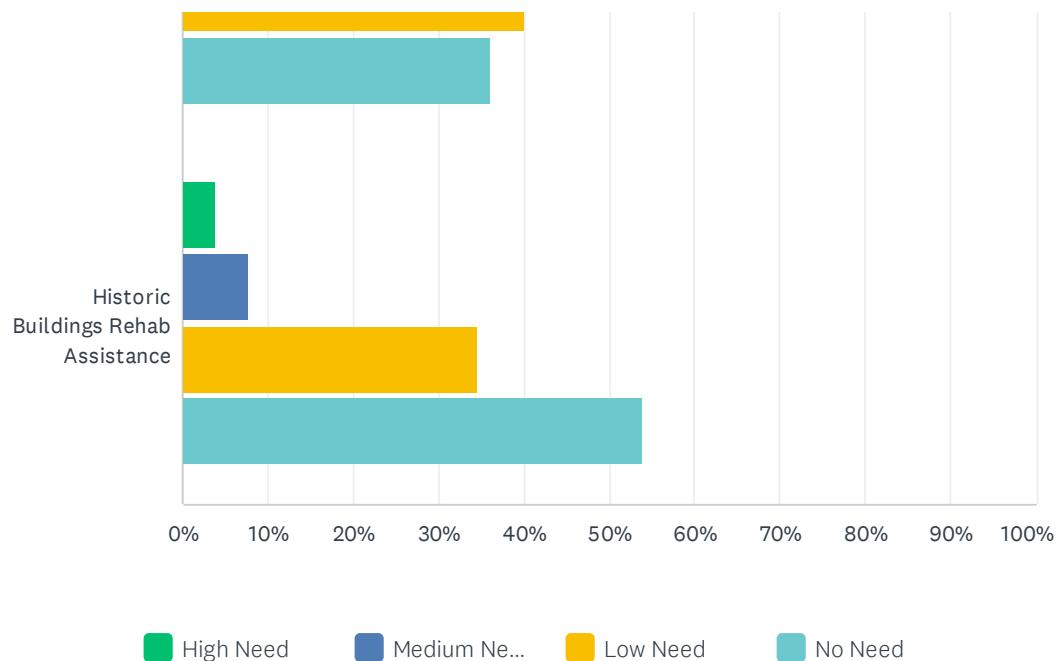
High Need Medium Ne... Low Need No Need

	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Business Building Rehabilitation	4.00% 1	40.00% 10	48.00% 12	8.00% 2	25	2.40
Business Attraction Activities	16.00% 4	64.00% 16	16.00% 4	4.00% 1	25	2.92
Business Retention Activities	32.00% 8	48.00% 12	16.00% 4	4.00% 1	25	3.08
Job Training for Unemployed	33.33% 9	11.11% 3	44.44% 12	11.11% 3	27	2.67
Job Training for Under-Employed	30.77% 8	11.54% 3	46.15% 12	11.54% 3	26	2.62
Micro Business Loans	30.77% 8	30.77% 8	34.62% 9	3.85% 1	26	2.88

Q8 SPECIAL NEEDS HOUSING

Answered: 26 Skipped: 1

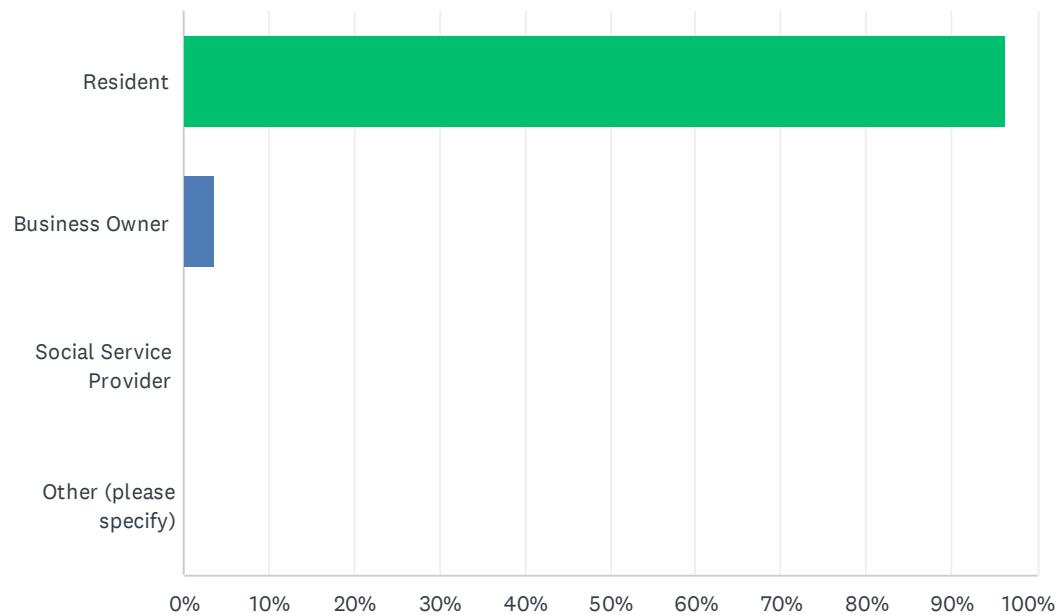




	HIGH NEED	MEDIUM NEED	LOW NEED	NO NEED	TOTAL	WEIGHTED AVERAGE
Senior Housing	40.00% 10	40.00% 10	16.00% 4	4.00% 1	25	3.16
Disabled Accessible Housing	38.46% 10	42.31% 11	15.38% 4	3.85% 1	26	3.15
Homeless Shelters	30.77% 8	19.23% 5	26.92% 7	23.08% 6	26	2.58
Domestic Violence Shelters	36.00% 9	20.00% 5	32.00% 8	12.00% 3	25	2.80
HIV/AIDS Housing	8.00% 2	16.00% 4	40.00% 10	36.00% 9	25	1.96
Historic Buildings Rehab Assistance	3.85% 1	7.69% 2	34.62% 9	53.85% 14	26	1.62

Q9 Which of the following best describes you

Answered: 27 Skipped: 0

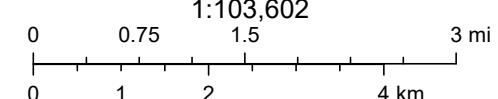
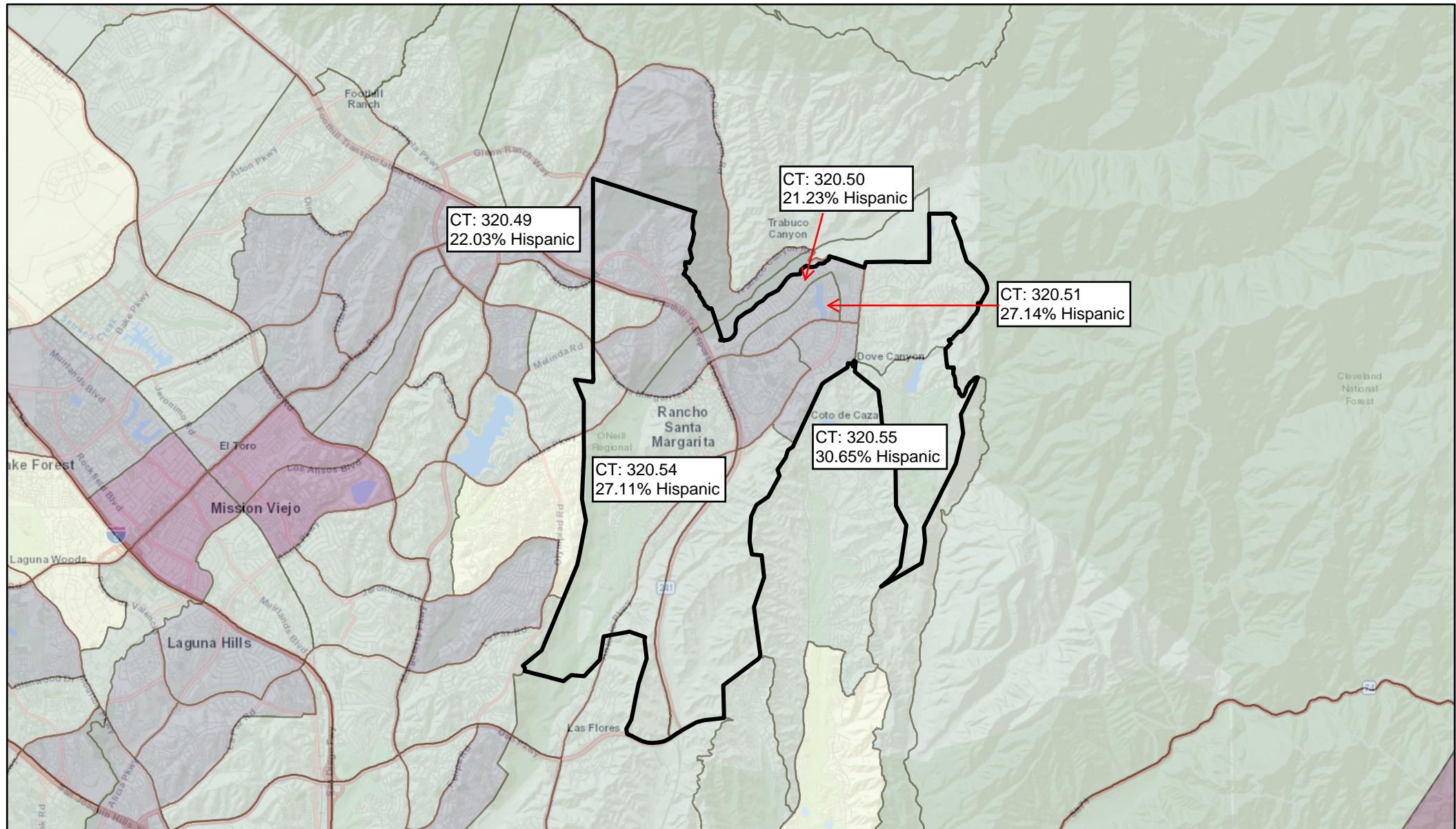


ANSWER CHOICES	RESPONSES	
Resident	96.30%	26
Business Owner	3.70%	1
Social Service Provider	0.00%	0
Other (please specify)	0.00%	0
TOTAL		27

The survey accommodated an open-ended question. Most respondents skipped this question. Listed below are the responses provided that relate to the potential use of CDBG funds. Some responses addressed community issues that are not CDBG-related or are currently subject to policy negotiations; however, all survey responses are available upon request.

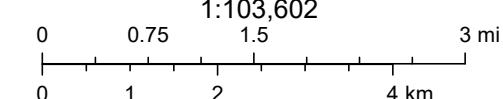
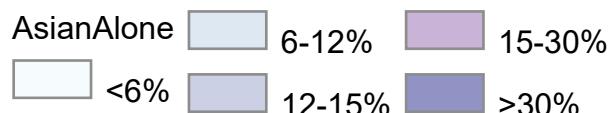
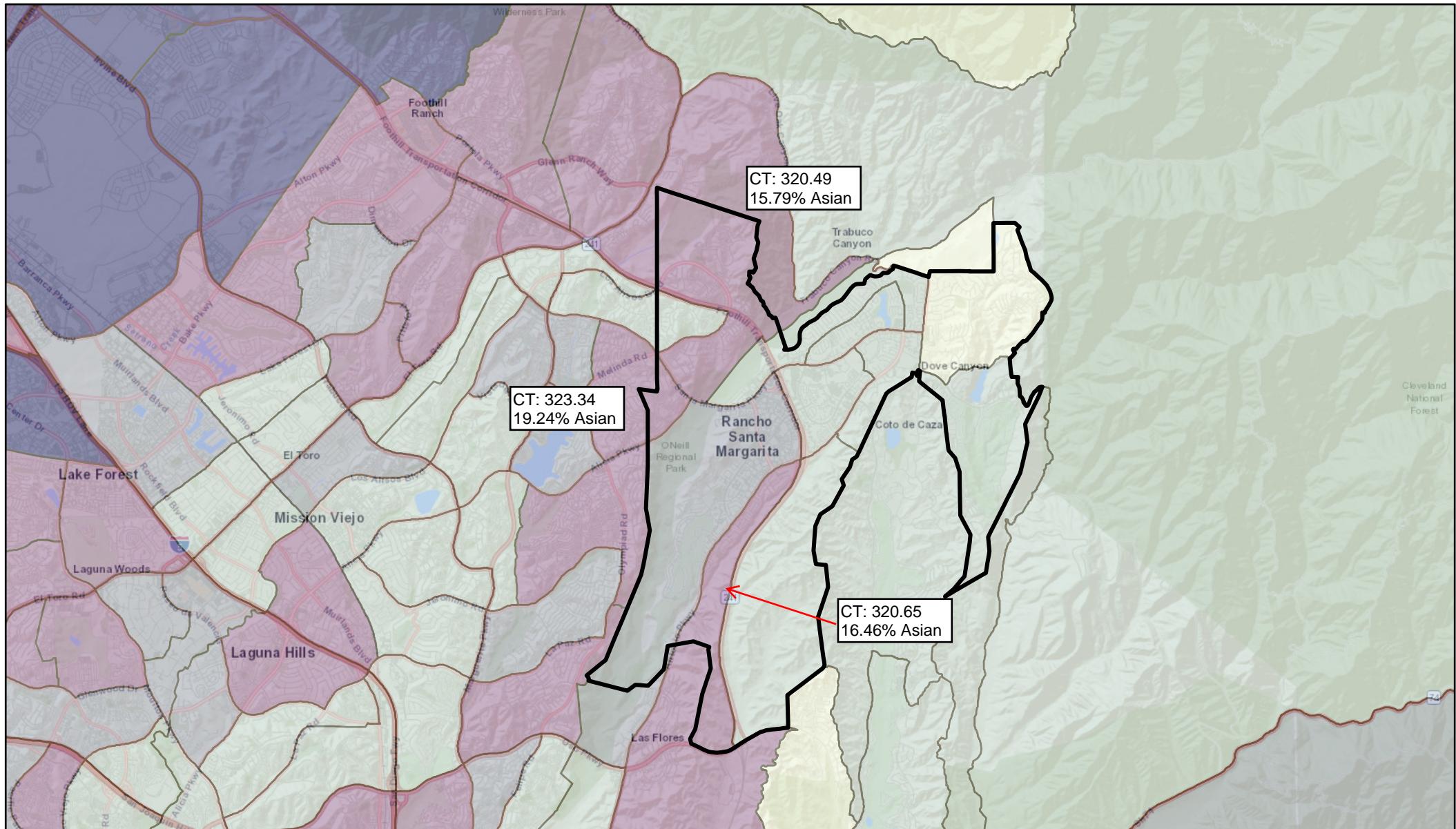
- Improvements to cycling infrastructure to promote alternative transportation and safety. Reduction of on street parking to improve aesthetics of city and for safer pedestrian use
- Fix potholes on Avenida de Las Flores. Pedestrian bridges and more pedestrian friendly speed bumps and/or crosswalks in the town center and SM parkway.
- Fire safety to mitigate risks from wildfire in the surrounding area.
- After school child care and library access.

City of RSM - Map A: Hispanic Concentration



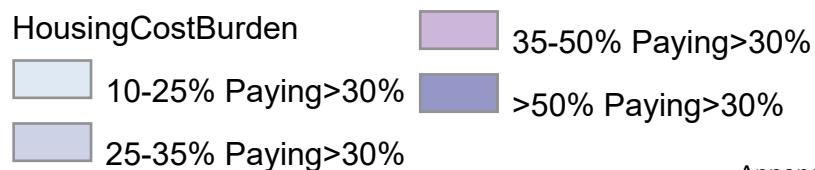
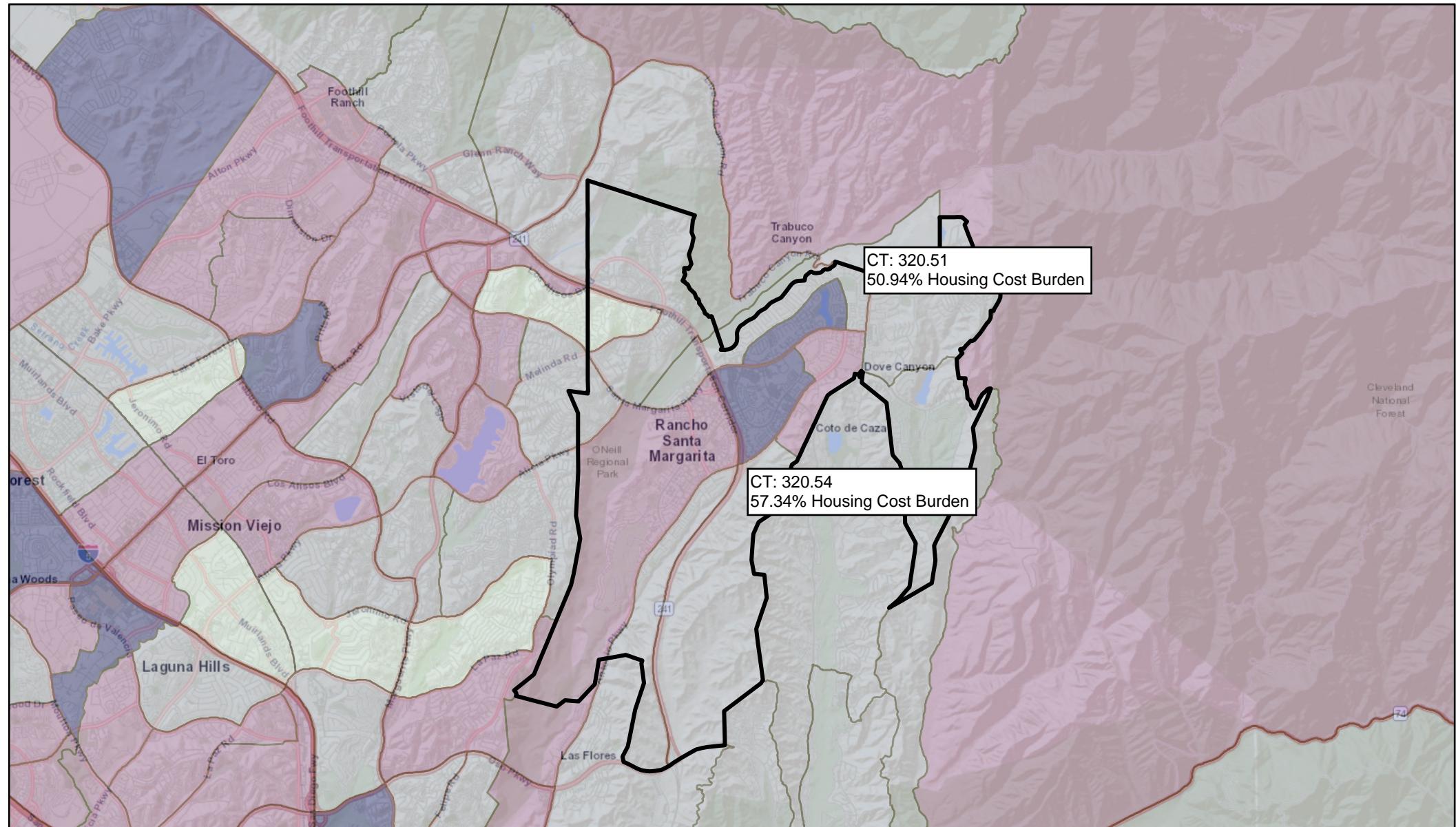
Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

City of RSM - Map B: Asian Concentration



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

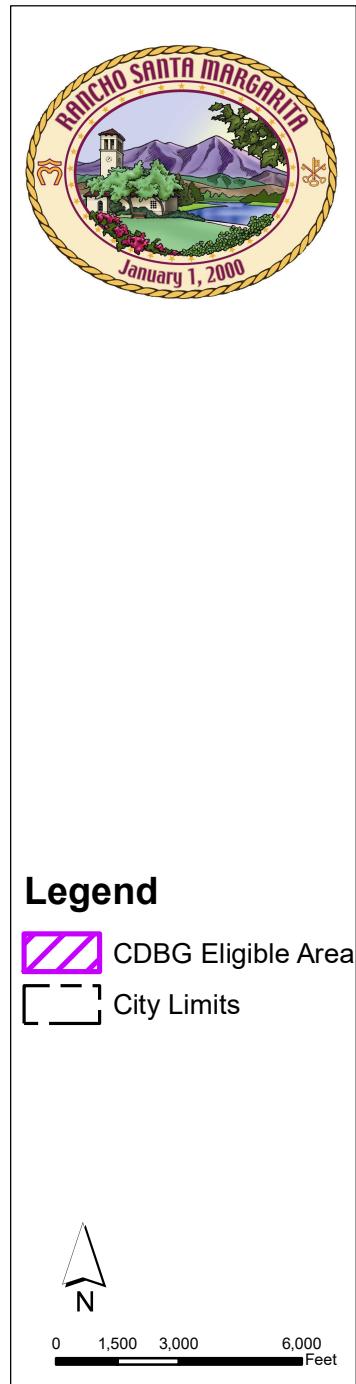
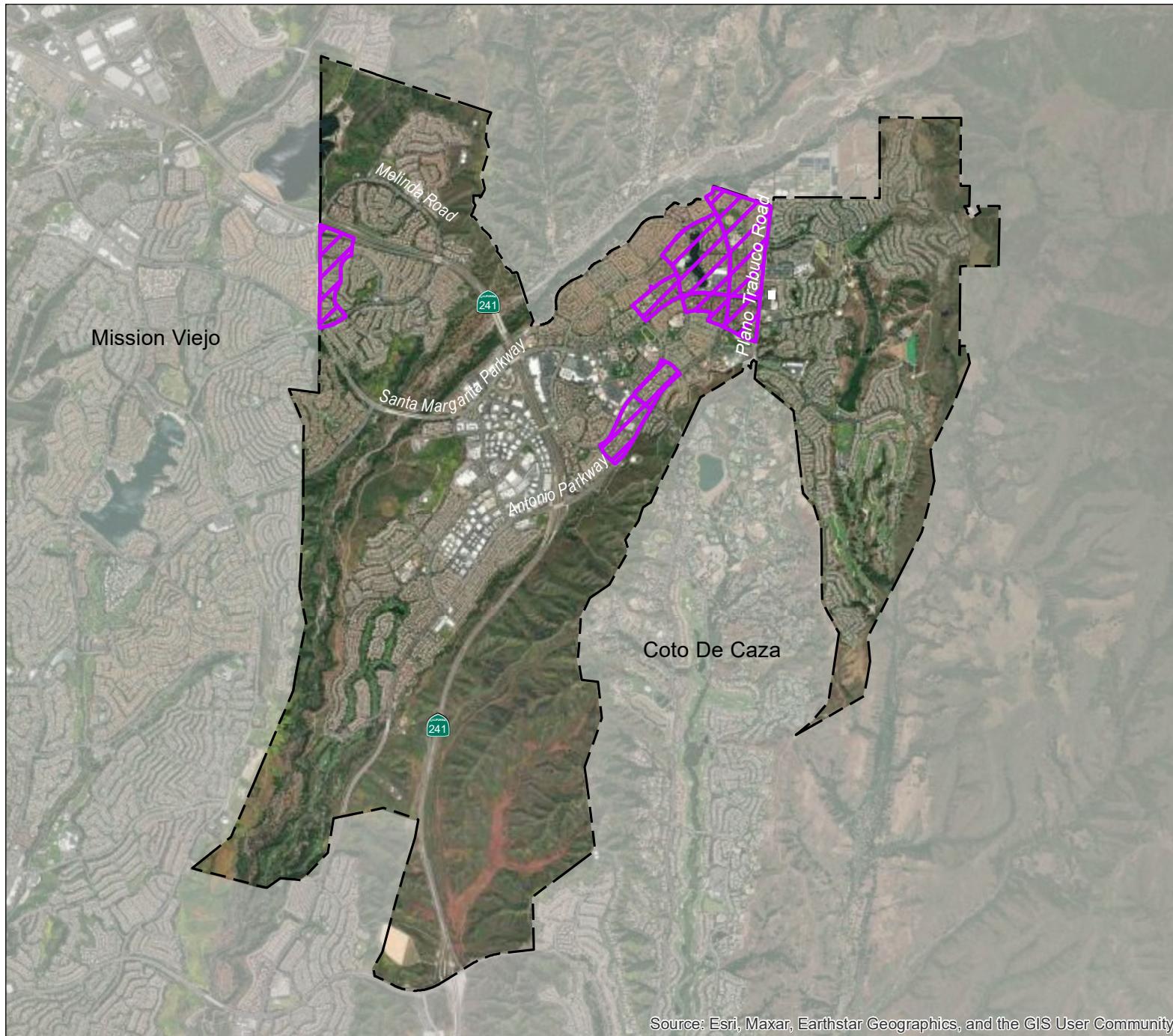
City of RSM - Map C: Housing Cost Burden Concentration



1:98,800
0 0.5 1 2 mi
0 1 2 4 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

City of RSM - Map D: CDBG-Eligible Areas



2024-2025 CDBG Eligible Areas

12/17/2024

THE FOLLOWING IS AN EXCERPT OF THE ORANGE COUNTY
REGIONAL ASSESSMENT OF FAIR HOUSING 2025-2029
LIMITED TO THE EXECUTIVE SUMMARY & RANCHO SANTA MARGARITA'S
AFH ACTION PLAN.

THE COMPLETE AFH CAN BE ACCESSED AT
www.cityofrsm.org/267/Community-Development-Block-Grant-Program



Orange County Regional Assessment of Fair Housing 2025-2029

I. Executive Summary

The Assessment of Fair Housing (AFH) provides communities an opportunity to assess their progress toward the goals of eliminating housing discrimination and promoting access to housing opportunity for both current and future residents. Jurisdictions that receive funding from the U.S. Department of Housing and Urban Development (HUD), including Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds, complete an AFH at least once every five years, consistent with the Consolidated Plan cycle, as part of their obligations under the Housing and Community Development Act of 1974 and the Cranston-Gonzalez National Affordable Housing Act.

As a fair housing planning document, the AFH facilitates HUD grantee compliance with statutory and regulatory requirements to affirmatively further fair housing. Affirmatively furthering fair housing entails taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. The duty to affirmatively further fair housing applies to all activities and programs within a jurisdiction related to housing and urban development.

This AFH is a collaborative effort among the following jurisdictions:

- Orange County and the Urban County Program participating cities of Brea, Cypress, Dana Point, La Palma, Laguna Beach, Laguna Hills, Laguna Woods, Los Alamitos, Placentia, San Juan Capistrano, Seal Beach, Stanton, Villa Park, and Yorba Linda.
- The HUD Entitlement Cities of Aliso Viejo, Anaheim, Buena Park, Costa Mesa, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Habra, Laguna Niguel, Lake Forest, Mission Viejo, Newport Beach, City of Orange, Rancho Santa Margarita, San Clemente, Santa Ana, Tustin, Westminster.

To prepare the AFH, jurisdictions first must identify fair housing issues. A fair housing issue refers to a condition within a specific geographic area that restricts fair housing choice or limits access to opportunity. Fair housing issues may include ongoing local or regional segregation/concentration or lack of integration, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, disproportionate housing needs, and evidence of discrimination or violations of civil rights law or regulations related to housing. To identify fair housing issues, HUD recommends that jurisdictions gather and analyze data. For this AFH, the jurisdictions analyzed data on the following topics:

- Demographics
- Segregation or Concentration/Integration
- Racially and/or Ethnically Concentrated Areas of Poverty
- Disparities in Access to Opportunity

- Housing Needs
- Discrimination Complaints

The data utilized in the analysis are from the U.S. Census Bureau American Community Survey (ACS), HUD's AFFH Data and Mapping Tool, the California Department of Housing and Community Development (HCD) AFFH Data Viewer 2.0, housing discrimination complaint data provided by HUD's Office of Fair Housing and Equal Opportunity (FHEO), and information gathered through the community participation process (described below). The ACS data utilized in the assessment are from the 2018-2022 five-year estimates, which were the most current data across all participating jurisdictions at the time the analysis was conducted.

After analyzing the data and identifying fair housing issues, jurisdictions then must identify contributing factors. A contributing factor is any condition that creates, contributes to, perpetuates, or increases the severity of one or more fair housing issues. For each fair housing issue and its contributing factors, jurisdictions must then develop fair housing goals. A fair housing goal is a specific, meaningful action that can reasonably be expected to create meaningful positive change that affirmatively furthers fair housing by increasing fair housing choice or reducing disparities in access to opportunity.

For the contributing factors and fair housing goals in this AFH, the jurisdictions built upon the extensive work they have already done preparing their most recent Housing Elements, which cover an eight-year planning period. As part of the state-mandated Housing Element, California jurisdictions must conduct a fair housing assessment that includes an analysis of fair housing issues, identification of factors that create and/or contribute to those issues, and development of goals and meaningful actions to affirmatively further fair housing. Progress toward reaching the goals identified in the Housing Element must then be periodically reported to the state.

A summary of the fair housing issues, significant contributing factors, and fair housing goals for each jurisdiction can be found in **Section IV** of this AFH.

II. Community Participation Process

To develop the AFH, information was also gathered from residents, housing professionals, and service providers. Incorporating information from these sources is important for ensuring that the AFH reflects community needs and knowledge that may not be discernible from other data sources. The community participation process for this AFH involved the following efforts:

A. Stakeholder Consultation

Four one-on-one interviews, and two focus groups were conducted during January and February 2025 with organizations that provide fair housing services and/or housing and services to protected class groups throughout the County. The interviews and focus group sessions discussed the fair housing issues frequently encountered by the organizations, the underlying causes for those issues, and ongoing efforts currently to address them. Participants also discussed additional actions their organizations would recommend. Invitations to participate in the stakeholder consultation activities were sent to approximately 78 organizations identified by the jurisdictions involved in the planning process. Fourteen organizations, as well as staff from two of the participating jurisdictions, participated in these consultations, including: Fair Housing Council of Orange County, Fair Housing Foundation, Orange County Families Forward, Orange County United Way, Family Assistance Ministry, The HUB OC, National Core, NeighborWorks Orange County, Thomas House Family Shelter, Domus Development, City of Garden Grove, City of Lake Forest, Dayle McIntosh Center, CalOptima, and Assistance League of Orange County. Information gathered through these consultations is incorporated throughout this report.

B. Community Meetings

A total of six community meetings were held in March 2025 to gather public input on the fair housing issues impacting residents of Orange County, and the factors that create, contribute to, perpetuate, or increase the severity of those issues. These meetings included two virtual meetings and four in-person meetings held at the dates, times, and locations listed below.

In-person community meetings:

- March 5, 2025, from 10:30 a.m. – 11:30 a.m. at Santa Ana City Council Chamber, 22 Civic Center Plaza, Santa Ana, CA 92701
- March 5, 2025, from 6:30 p.m. – 7:30 p.m. at Santa Ana City Council Chamber, 22 Civic Center Plaza, Santa Ana, CA 92701
- March 6, 2025, from 10:30 a.m. – 11:30 a.m. at La Habra City Hall, Festival Room, 110 E. La Habra Boulevard, La Habra, CA 90631

- March 6, 2025, from 6:30 p.m. – 7:30 p.m. at Costa Mesa City Hall, Community Room, 77 Fair Drive, Costa Mesa, CA 92626

Virtual community meetings:

- March 7, 2025, at 6:00 p.m., via Microsoft Teams
- March 13, 2025, at 1:00 p.m., via Microsoft Teams

Outreach to advertise the community meetings included the following efforts:

- City of Anaheim notified the 250 members of their Homeless Collaborative and community stakeholders.
- City of Aliso Viejo posted a copy of the notice to their City website and shared on social media and city newsletters.
- City of Buena Park posted the public notice on the City website and City Hall bulletin board.
- City of Fountain Valley posted the public notice on the City website
- City of Fullerton published the public notice in the Fullerton Observer newspaper, placed the notice on the City of Fullerton website, and placed copies of the notice at various public facilities and libraries as well as over 25 affordable housing sites.
- City of Irvine sent copies of the notice to subrecipient partners and other interested parties.
- City of Laguna Niguel posted the public notice on the City website and social media channels.
- City of Mission Viejo posted the public notice on the City website.
- City of San Clemente posted the public notice on the City website.
- City of Santa Ana published the public notice for the public meetings in six languages (English, Spanish, Vietnamese, Korean, Chinese, and Arabic) including the following publications: Orange County Register, La Opinion, Nguoi Viet Daily News, Korea Times, World Journal, and Beirut Times.
- City of Rancho Santa Margarita posted the public notice on bulletin boards outside City Hall, OCFA Station 45, and Trabuco Canyon Water District.
- County of Orange sent information regarding the virtual community meetings to community centers in the unincorporated areas of the County.

A total of fifteen individuals participated in these meetings to share their knowledge on fair housing issues and contributing factors in Orange County. These included representatives from the following organizations: Equus Workforce Solutions, Project Hope Alliance, Alianza Translatinx, Human Options, Illumination Foundation, The Eli Home, The Cambodian Family, Orange County Families Forward, City of Fountain Valley, and City of Buena Park. Information gathered through these meetings is incorporated throughout this report.

Q. Rancho Santa Margarita

Issue: Concentration	
Most of the City's population is predominantly White, with greater diversity in the neighborhoods east of SR-241. There are no publicly supported housing units. Some vouchers are in use in the northeast part of the city, which is a low-medium concentration area.	
Contributing Factors:	
<ol style="list-style-type: none"> 1. Location and type of affordable housing available 2. Land use and zoning laws that limit affordable housing development 3. Limited resources for fair housing agencies and organizations. 4. Lack of local private fair housing outreach and enforcement. 	
Actions:	Timeframe:
1. Continue to serve as a liaison between the public and appropriate agencies in matters concerning housing discrimination within the City.	Ongoing
2. Provide annual fair housing literature to schools, libraries, and post offices. Make information available via the City's fair housing service provider. Review annually to ensure that the posters and literature being provided are up to date.	Annually
3. In coordination with OCHA and fair housing services provider, conduct biennial landlord education campaign to educate property owners about state law prohibiting discrimination based on household income. Provide public information and brochures regarding fair housing/equal housing opportunity requirements, including how to file a complaint and access the investigation and enforcement activities of the state Fair Employment and Housing Commission. Make said information available on the City's website and at City Hall. Review information annually to ensure that any materials, links, and information provided are current.	Biennial campaigns; annual review of information on website
4. In collaboration with the Orange County Housing Authority (OCHA): <ol style="list-style-type: none"> a. Attend quarterly OCHA Housing Advisory Committee to enhance the exchange of information regarding the availability, procedures, and policies related to the Housing Assistance Voucher program and regional housing issues. b. Support OCHA's affirmative fair marketing plan and de-concentration policies by providing five-year and annual PHA plan certifications. 	Ongoing
5. Monitor FBI data annually to determine if any hate crimes are housing-related and if the City's fair housing service provider can take action to address potential discrimination linked to the bias motivations of hate crimes.	Annually

Issue: Disparities in Access to Opportunities	
Residents across the city have relatively high access to opportunities, except for access to transit. Homeownership rates in the city are higher for all groups when compared to the County. However, Hispanic households have the lowest homeownership rate, and it is 20 percentage points lower than the AAPI homeownership rate, which is the highest rate in the city.	
Contributing Factors:	
<ol style="list-style-type: none"> 1. Location of employers 2. Availability, type, frequency, and reliability of public transportation 3. Location and type of affordable housing available 	
Actions:	Timeframe:
1. Request the Orange County Transportation Authority explore bus route options to ensure neighborhoods with concentration of low-income or protected class populations have access to transportation services.	Ongoing
2. Update the City's Circulation element to better facilitate multimodal transportation to/from the lower opportunity Census Tracts to goods and services.	By mid-March 2025.
3. In cooperation with the Orange County Transportation Authority, provide community education regarding transport services for individuals with disabilities.	Ongoing



PUBLIC NOTICE

2025-2029 Orange County Regional Assessment of Fair Housing Notice of Public Meetings

Program Description:	Federal and State laws prohibit discrimination in the sale, rental, leasing, negotiation, advertising, and financing of housing. The 2025-2029 Orange County Regional Assessment of Fair Housing (AFH) is a five-year planning document that examines housing and demographic data to identify fair housing issues, determine contributing factors, and establish goals to ensure fair housing choice, address disproportionate housing needs, and increase access to opportunity. The geography addressed by this AFH includes 27 incorporated cities throughout Orange County as well as the unincorporated areas.
Public Meetings:	<p>Public meetings will be held to provide an opportunity for residents to provide feedback on fair housing issues. Orange County residents are invited to attend any of the following public meetings:</p> <ul style="list-style-type: none">• March 5, 2025 from 10:30 a.m. – 11:30 a.m. at Santa Ana City Council Chamber, 22 Civic Center Plaza, Santa Ana, CA 92701• March 5, 2025 from 6:30 p.m. – 7:30 p.m. at Santa Ana City Council Chamber, 22 Civic Center Plaza, Santa Ana, CA 92701• March 6, 2025 from 10:30 a.m. – 11:30 a.m. at La Habra City Hall, Festival Room, 110 E. La Habra Blvd., La Habra, CA 90631• March 6, 2025 from 6:30 p.m. – 7:30 p.m. at Costa Mesa City Hall, Community Room, 77 Fair Drive, Costa Mesa, CA 92626 <p>Two virtual meetings also will be held. To access the meetings, visit the URL listed below.</p> <ul style="list-style-type: none">• March 7, 2025 at 6:00 p.m. https://bit.ly/OCAFH• March 13, 2025 at 1:00 p.m. https://bit.ly/OrangeCoAFH
ADA Compliance:	All in-person public meetings will be held at locations accessible to persons with disabilities. Anyone who requires public documents in an accessible format, the jurisdictions will make reasonable efforts to accommodate requests. If special assistance is required to participate in a public meeting, the meeting host will attempt to make accommodations in every reasonable manner. Please contact David Flores, Housing Programs Coordinator for the City of Santa Ana at 714-647-6561 at least 48 hours prior to the meeting to describe specific needs and to determine if accommodation is feasible.
Language Access:	Translation services for participants in the public meetings will be available in Spanish, Vietnamese, Korean, Mandarin, and Arabic.

CITIZEN PARTICIPATION PLAN

The City of Rancho Santa Margarita Citizen Participation Plan has been prepared according to federal regulations and the City's desire to encourage public participation in the development of its Consolidated Plan and related documents. The Consolidated Plan is a five-year strategic plan that identifies priority needs in the community and the activities that can be funded with federal resources that will address these needs. The actions outlined in the Citizen Participation Plan only relate to the planning and expenditure of funds provided by the U.S. Department of Housing and Urban Development's (HUD) Office of Community Planning and Development (CPD) - specifically Community Development Block Grant (CDBG) funds.

APPLICABILITY & ADOPTION OF THE CITIZEN PARTICIPATION PLAN & RELATED DOCUMENTS

As required by HUD, the Citizen Participation Plan has been developed to ensure Rancho Santa Margarita residents participate in the development of a strategy to meet the City's priority housing and community needs and provide input on the utilization of CDBG funds. Resident involvement will be encouraged in the development of the Consolidated Plan and its related documents. Related documents include the Annual Action Plan, the Consolidated Annual Performance and Evaluation Report, and the Analysis of Impediments to Fair Housing.

The City will encourage public participation through various means. Community-wide notices in the form of newspaper advertisements announcing public meetings and public hearings will be one of the primary ways utilized to inform residents/stakeholders of significant actions related to the Consolidated Plan and related documents. Other means of communication that the City may use to contact the public include special mailings and video/electronic communication, such as cable TV notices and the City's website. A copy of the Consolidated Plan will also be available upon request at the public counter at Rancho Santa Margarita City Hall.

ADOPTION OF THE CITIZEN PARTICIPATION PLAN

As an appendix to the Consolidated Plan, the authorization of the Rancho Santa Margarita City Council to submit the Consolidated Plan to HUD will constitute the official adoption of the Citizen Participation Plan. Similarly, authorization of the Council to submit subsequent annual updates to the Consolidated Plan (the Annual Action Plan) and annual performance reports will constitute a formal adoption. On an as-needed basis, amendments to the Analysis of Impediments to Fair Housing may be recommended to the City Council. Procedurally, the adoption of these modifications will follow the Consolidated Plan process.

ENCOURAGEMENT OF CITIZEN PARTICIPATION

To the greatest extent feasible, the City of Rancho Santa Margarita's Citizen Participation process will emphasize the involvement of the community's Low- and Moderate-income residents (as defined by HUD) and entities that represent or serve the community's lower-income population. Additionally, as required by federal regulations, efforts will also be made to encourage the participation of the City's racial/ethnic minorities, non-English speaking individuals, individuals with disabilities, and recipients of federal housing rental assistance.

The following elements of the City's Citizen Participation Plan have been devised to ensure Rancho Santa Margarita residents are provided ample opportunities to become involved and represented in the Consolidated Plan planning process.

- Citizen participation is open to any person wishing to attend any meetings, hearings, or workshops sponsored by the City regarding HUD-CPD programs. Public hearings/meetings will be held before the City Council to obtain public comments at various stages of Consolidated Plan preparation and adoption. The City will record public input as required by federal regulations for inclusion in the Consolidated Plan and related documents.
- Ad-hoc or Council-appointed committees may serve as an additional means for residents and stakeholders to provide input in the Consolidated Plan process.

The City will also consult with the Orange County Housing Authority to ensure participants in their rental assistance program are provided information regarding opportunities to participate in the Consolidated Plan process. Additionally, the City will work with the housing authority to build consistency and mutual support for the goals outlined in the Housing Authority's five-year Public Housing Authority Plan and the City's Consolidated Plan.

CITIZEN COMMENTS REGARDING THE DEVELOPMENT OF THE CITIZEN PARTICIPATION PLAN & AMENDMENTS TO THE CITIZEN PARTICIPATION PLAN

Under HUD regulations, Rancho Santa Margarita residents and stakeholders will be given no less than 30 days to submit written comments during the development of the Citizen Participation Plan (or substantial amendments to the Citizen Participation Plan or related documents) prior to the submission of the Plan to HUD. The Citizen Participation Plan and any amendments will be available for public review at the public information counter at Rancho Santa Margarita's City Hall. If possible, the draft Consolidated Plan will also be posted on the City's website. Additionally, a reasonable number of free copies will be available via the Planning Department. It is important to note that City Hall is accessible to persons with physical disabilities; however, if a physical disability limits an individual's ability to review the plan, upon request, the City will make a reasonable effort to make the plan (or amendment) available in an appropriate format.

CITIZEN PARTICIPATION IN THE DEVELOPMENT OF THE CONSOLIDATED PLAN

Before the Consolidated Plan (or related document) is adopted by the City Council and submitted to HUD, the Planning Department staff will make the draft plan available to residents, public agencies, and other interested parties for review and comment. The City will publish its proposed Consolidated Plan (or related document) so that all affected residents will have sufficient opportunity to review and comment on the document. A summary describing the contents and purpose of the Consolidated Plan (or related document) will be published in a newspaper of general circulation. At a minimum, information that will be provided in a public notice will include the amount of CDBG grant funds the City expects to receive from HUD and a range of activities to be undertaken that will benefit Low- and Moderate-income residents, or that are subject to the amendment. If applicable, the information will also include the steps the City will take to eliminate the need for the displacement of residents or businesses. If displacement occurs due to any planned actions, the City will comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

During the development of the Consolidated Plan (and related documents), there will be at least one public hearing to obtain comments from persons affected by the use of HUD-CPD funds and other interested parties. Additionally, as required by program regulations, there will be a 30-day public comment period before the submission of the Consolidated Plan to HUD. The City will consider all comments received from residents, public agencies, and other interested parties as it prepares the final Consolidated Plan (and related documents). A summary of public comments will be included with the final submission. The summary of public comments will include a synopsis of the City's response to written public comments

and an explanation of public comments not accepted, including the reasons why these comments were not accepted.

AMENDMENTS TO THE CONSOLIDATED PLAN

From time to time, it may become necessary to amend the Consolidated Plan (or related document). The City will amend the Consolidated Plan (or related document) whenever one or more of the following decisions are made:

1. The original relative priority designation of a housing or community need changes, or the original purpose, scope, location, or beneficiaries of an activity listed in a final plan submitted to HUD change.
2. The City decides to undertake an activity that was not previously included in the Consolidated Plan or a subsequent annual plan.

HUD requires that if the City undertakes a **substantial amendment** to the Consolidated Plan (or related document), residents and stakeholders must be provided with reasonable notice of the proposed amendment and provided an opportunity to comment on the proposed amendment. A substantial amendment to the Consolidated Plan (or related document) is defined as:

1. A change in the use of CDBG funds from one eligible activity to another, and/or
2. The reallocation of 55% or more of an annual CDBG allocation from one or more eligible activities to one or more other eligible program activities.

A substantial amendment will be subject to a public hearing and comment period. The City will publish a notice regarding the proposed substantial amendment so that residents and interested parties will have sufficient opportunity to review and comment on the amendment. The notice summarizing the proposed amendment will be published in a newspaper of general circulation. A reasonable number of free copies of the proposed amendment will be available upon request. Additionally, the proposed amendment will be available upon request at the public counter at Rancho Santa Margarita City Hall and will be posted on the City's website.

Prior to submitting the substantial amendment to HUD, the City will hold a 30-day public comment period. During this time period, residents and stakeholders will have an opportunity to review the proposed amendment and submit written comments. Additionally, as outlined above, the City Council will hold a public hearing to obtain additional public comments regarding a proposed amendment. The City will consider all comments received from residents, public agencies, and other interested parties regarding the amendment. A summary of the comments will be included with the City's notification of the amendment to HUD. The summary of public comments will include a synopsis of the City's response to written public comments.

The following types of addition or deletion do not constitute a substantial change:

1. If the applicant requests that their activity be terminated
2. If there are non-performance or eligibility issues requiring activity termination
3. If project deletion or funding reduction is due to facility closure or bankruptcy
4. If the agency becomes disqualified or ineligible to receive funding or is unable to produce sufficient eligible billings per the provisions of the agreement.

AMENDMENTS TO THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING/ASSESSMENT OF FAIR HOUSING

The Fair Housing Act of 1968 requires HUD and its program participants to administer housing and urban development programs in a manner that does not discriminate directly or indirectly based on race, color, religion, sex, national origin, age, familial status, disability, or other personal or familiar attributes. The Fair

Housing Act not only prohibited discrimination in housing-related activities and transactions but also requires entities to affirmatively further fair housing. The **Analysis of Impediments (AI) to Fair Housing Choice or Assessment of Fair Housing (AFH)** is the primary policy document utilized by the City for this purpose. HUD encourages the City to consult with other local jurisdictions and initiate county-wide planning to address impediments to fair housing choice.¹ During past Consolidated Plan cycles, the City has joined with other Orange County cities and the County of Orange to develop a county-wide AI/AFH.

Consistent with HUD regulations, the City's process for amending and approving the AI/AFH will follow the Consolidated Plan process outlined above.

From time to time, it may be necessary to amend the AI/AFH. Minor changes will not require a 30-day comment period and public hearing requirement; however, substantial changes will. As delineated by HUD, a substantial amendment to the AI/AFH entails a material change in circumstances that affects the information on which the AI/AFH is based to the extent that the analysis, the fair housing contributing factors, or the priorities and goals of the AI/AFH no longer reflect actual circumstances. Examples include:

- Presidentially declared disasters in the City that are of such a nature as to significantly impact the steps the City may need to take to affirmatively further fair housing
- Significant demographic changes
- New significant contributing factors in the City
- Civil rights findings, determinations, settlements, or court orders
- HUD's written notification specifying a material change that requires revision

When a revision is required as a result of a material change, such a revision will be submitted within 12 months of the onset of the material change or at a later date, as HUD may provide. Where the material change is the result of a Presidentially declared disaster, such time shall be automatically extended to the date that is two years after the date upon which the disaster declaration is made. HUD may extend such deadline, upon request, for a good cause.

PERFORMANCE REPORTS

The City is required to submit an annual performance report describing the use of CDBG funds to HUD no later than 90 days from the end of a program year (i.e., late September). This performance report is known as the Consolidated Annual Performance and Evaluation Report (CAPER). Before submitting the CAPER to HUD, the City will solicit and consider the comments of residents, public agencies, and other interested parties regarding the report.

As required by HUD, the City will publish a notice that the CAPER is available for public review in a newspaper of general circulation. This notice will contain information regarding the required 15-day public comment period and the public meeting that the City will hold before the submission of the CAPER to HUD. In addition to making a reasonable number of free copies of the CAPER available to the public, the draft CAPER will be available at the public counter at Rancho Santa Margarita City Hall and will be posted on the City's website.

The Rancho Santa Margarita City Council will hold a public meeting to obtain comments regarding annual

¹ Previous and current presidential administrations allowed communities to prepare an Analysis of Impediments to Fair Housing (AI) or an Assessment of Fair Housing (AFH). An AI tends to focus on reviewing existing laws, policies, and practices that could create barriers to fair housing. The AFH is more comprehensive and structured and requires the analysis of data provided by HUD to identify fair housing issues. Both documents are tools used to promote fair housing in the community, with the AFH focused on "affirming" fair housing.

accomplishments before the submission of the CAPER to HUD. The City will consider all comments received from residents and interested parties during the comment period and public meeting. A summary of comments will be provided to HUD as part of the City's CAPER submission. The summary of public comments will include a synopsis of the City's response to written public comments and an explanation of public comments not accepted, including the reasons why these comments were not accepted.

PUBLIC HEARINGS/MEETINGS

As outlined above, the City of Rancho Santa Margarita will hold at least one public hearing and one public meeting each year. Specifically, public hearings/meetings will be held to:

1. Address housing and community needs and review the proposed use of CDBG funds. This meeting will be held before the final Consolidated Plan (and related documents) is submitted to HUD.
2. Review program performance at the end of the fiscal year.

Public hearings/meetings will be held at times and locations that are convenient to residents who might or have benefited from CDBG-funded activities. Rules prescribed by HUD for all public hearings/meetings include the following:

1. A notice of each hearing/meeting will be published at least 14 days before the meeting date. The notice will be published in a local newspaper of general circulation. All notices will be of a size and type to draw the attention of casual newspaper readers and will state the time, date, location, and topics to be discussed.
2. Translators will be available where a significant number of non-English-speaking residents can reasonably expect to participate.
3. Meetings will be held at locations that are accessible to persons with disabilities.

MEETINGS

Newspapers, special mailings, the City's website, and other forms of communication will be utilized to notify residents and interested parties of meetings, workshops, and hearings related to the Consolidated Plan, subsequent annual updates, and performance reports. As stated above, meetings will be scheduled at times and locations that are convenient to residents who might or have benefited from CDBG-funded activities and that are accessible to persons with disabilities.

ACCESS TO RECORDS

The City will provide residents, public agencies, and other interested parties with access to information and records relating to the Consolidated Plan. Additionally, information regarding the City's past use of CDBG will also be made available. Requests for information and records must be made in writing to:

City of Rancho Santa Margarita Planning Department
22112 El Paseo
Rancho Santa Margarita, CA 92688

A written request must delineate the specific information being requested. Development Services staff will have 15 working days to respond to requests.

TECHNICAL ASSISTANCE

The City will provide technical assistance to groups representing Low - and Moderate-income persons who request help developing proposals for CDBG funding. The City will determine the type and level of assistance that staff will provide for each group. Technical assistance does not include nor assure the awarding of CDBG funds.

COMPLAINTS

Written complaints regarding the preparation of the Consolidated Plan (and related documents) must be submitted in writing to:

City of Rancho Santa Margarita Planning Department
22112 El Paseo
Rancho Santa Margarita, CA 92688

The City will provide a written response to complaints within 15 working days of receiving them.

ANTI-DISPLACEMENT/RELOCATION

If any residential displacement and relocation must take place to carry out a program activity, the City of Rancho Santa Margarita ensures that it will develop an Anti-displacement and Relocation Plan in connection with the project as required by Federal regulations. If any acquisition and relocation must take place to carry out a program activity, the City of Rancho Santa Margarita will also comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended and implementing regulations of 49 CFR part 24.

CITY'S RESPONSIBILITY

The requirements for the Citizen Participation Plan will not restrict the City's responsibility or authority in developing and executing the Consolidated Plan. The City will comply with the process and policies established in the City Council-adopted Citizen Participation Plan when administering CDBG funds.

CITIZEN PARTICIPATION PLAN AMENDMENTS FOR DISASTERS AND EMERGENCIES

In the event of a local, state, or national disaster, it may be necessary to rapidly deploy existing or new funding resources allocated to the City by HUD. In these emergency situations, the Citizen Participation process may be streamlined to reduce delays in accessing grant funds pursuant to notices, waivers, award letters, or other HUD directives. Rapid deployment of HUD resources may require a substantial amendment to the Consolidated Plan and/or Annual Action Plan(s).

Coronavirus Aid, Relief, and Economic Security Act of 2020

Pursuant to the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act), and regulatory waivers authorized by the U.S. Assistant Secretary of Housing and Urban Development for Community Planning and Development, on March 31, 2020, the City of Rancho Santa Margarita will implement the following regulatory relief waivers related to Citizen Participation:

- Citizen Participation Public Comment Period for Consolidated Plan Amendment:** The 30-day public comment period is waived for substantial amendments to no fewer than five (5) days. This waiver will apply to Consolidated Plans, Annual Action Plans, and other CARES Act-related funding or program modifications.
- Reasonable Notice and Opportunity to Comment:** The Citizen Participation Plan sets forth the requirements for reasonable notice and opportunity for the public to comment. In an effort to contain COVID-19 by limiting public gatherings and to respond quickly to the growing spread and effects of COVID-19, reasonable notice and opportunities to comment are amended as follows:

- Reasonable Notice: Related notice(s) will be posted on the City's website, www.cityofrsm.org, social media, and in the Public Notice display case located at the entrance of the City of Rancho Santa Margarita City Hall. The notice will be prominent and will provide a summary of the proposed amendment, information regarding the opportunity to provide comments, and information on how to view or obtain a copy of the draft amendment.
- Opportunity to Comment: Members of the public are invited to review the draft amendment and provide written comments. Written comments can be submitted to (TBD)@cityofrsm.org. City staff will provide a written response to public comments received during the comment period. A summary of written comments received during the comment period and staff responses will be incorporated into the amendment that is submitted to HUD at the conclusion of the comment period.
- Public Hearing: On or soon after day five (5) of the comment period, the Development Services Director will hold a hearing utilizing the City's Internet-based agenda portal and audio conferencing application (<https://www.cityofrsm.org/129/Agendas-Minutes>). During this hearing, the City representative will accept additional public input regarding the draft amendment(s) utilizing the e-comment feature for public meetings. If no public interaction takes place within a reasonable time – 10 minutes – the hearing will conclude.

City staff will submit the subject amendment(s) to the HUD in a timely manner. This waiver will apply to Consolidated Plans, Annual Action Plans, and other CARES Act-related funding or program modifications. This waiver will be applicable through June 30, 2021, or as otherwise directed by HUD.