

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING A FUNDING COMMITMENT OF COMMUNITY BLOCK GRANT FUNDS TO LEGAL AID SOCIETY OF SANTA CLARA COUNTY FOR THE FAIR HOUSING PROGRAM

WHEREAS, the Community Development Block Grant ("CDBG") program has historically awarded approximately \$350,000 annually for fair housing counseling services to two agencies, including the Legal Aid Society of Santa Clara County ("Legal Aid"), for the provision of free, fair housing information, education and legal services to low and moderate income individuals; and

WHEREAS, Legal Aid submitted an application for \$150,000 during the FY 2009-2010 application process and on May 5, 2009, through the Consolidated Plan-Annual Action Plan ("ConPlan") approval process Legal Aid's application was not recommended for funding; and

WHEREAS, the Council of the City of San José ("City") directed staff to review the impact the reduction of funding would have on the services provided to low and moderate income community, to further evaluate the agency's financial health, provide additional technical assistance, and refer the agency to other resources available; and

WHEREAS, the City Council recommended and approved a three-month extension to the Fair Housing program, not to exceed \$50,000, to allow the agency to develop a sustainability plan, to engage SCORE, a business development nonprofit agency, in the development of a business plan, to develop an aggressive fundraising plan to diversify the agency's revenue portfolio, to investigate a possible merger or collaboration with

other legal nonprofit providing similar services, and to participate in QLBS, a nonprofit assessment tool; and

WHEREAS, the City desires to approve a funding commitment of CDBG funds in the amount of \$150,000 to Legal Aid, to approve a Substantial Amendment to the FY 2009-2010 ConPlan, and to authorize the Director of Housing to negotiate and execute a CDBG grant agreement not to exceed \$150,000;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. A funding commitment of Community Development Block Grant (CDBG) funds in the amount of \$150,000 to Legal Aid Society of Santa Clara County (Legal Aid), as more specifically set forth in the Director of Housing's report dated September 8, 2009, is hereby authorized.
2. A substantial amendment to the City's 2009-2010 Consolidated Annual Action Plan, as more specifically set forth in the Director of Housing's report dated September 8, 2009, is hereby approved.
3. The Director of Housing is hereby authorized to negotiate and execute a CDBG grant agreement not to exceed \$150,000 with the Legal Aid.

RD:MDC:LJR
9/15/2009

ADOPTED this ____ day of _____, 2009, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk