



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: April 12, 2010

Approved

Date

4-22-10

COUNCIL DISTRICT: City-Wide
SNI AREA: N/A

SUBJECT: FINAL PUBLIC HEARING AND APPROVAL OF THE FIVE YEAR CONSOLIDATED PLAN FY 2010-2015 AND THE ANNUAL ACTION PLAN FY 2010-2011

RECOMMENDATION

- (a) Hold a final public hearing regarding the approval of the City's Consolidated Plan – Five Year Plan 2010-2015 and the Annual Action Plan 2010-2011;
- (b) Adopt the City's Five Year Consolidated Plan for FY 2010-2015;
- (c) Adopt the City's Annual Action Plan FY 2010-2011, including the FY 2010-2011 funding recommendations for the Community Development Block Grant (CDBG) Program, the HOME Investment Partnership Program (HOME), the Housing Opportunities for People with HIV/AIDS (HOPWA) Program, and the Emergency Shelter Grant (ESG) Program;
- (d) Adopt a resolution authorizing the Director of Housing to negotiate and execute all non-capital agreements and contracts not requiring CEQA/NEPA review and to negotiate all capital project agreements and contracts, including any amendments or modifications, and after CEQA/NEPA review and City Council project approval, to execute all documents for the expenditure of CDBG, ESG, HOME and HOPWA funds on behalf of the City; and
- (e) Adopt a resolution authorizing the Housing Department to submit the Five Year Consolidated Plan FY 2010-2015 and the Annual Action Plan FY 2010-2011 to the U.S. Department of Housing and Urban Development (HUD), which makes the City eligible to receive and distribute approximately \$16.9 million for FY 2010-2011.

OUTCOME

The Mayor and City Council's approval of the Five Year Consolidated Plan FY 2010-2015 and the Annual Action Plan 2010-2011 will enable the City to finalize and submit to HUD these federally mandated documents by the May 15, 2010 deadline. By approving the Annual Action

Plan, the City will be eligible to receive and distribute approximately \$16.9 million in entitlement funds in FY 2010-2011.

BACKGROUND

This year, the City will adopt a Five-Year Consolidated Plan for the period FY 2010-2015 and the Annual Action Plan for FY 2010-2011. The Consolidated Plan assesses the City's current housing market; analyzes demographic, ethnic, and socio-economic conditions; and identifies populations within the City who have the greatest community and housing needs, including seniors, families, persons who are homeless or at risk of homelessness, and persons with disabilities. It also defines the City's priority needs, strategies, and objectives for reducing the most prevalent barriers to housing and services in our community.

The completion of the Consolidated Plan is required for the City to receive and allocate federal CDBG, HOME, HOPWA, and ESG dollars. The Annual Action Plan provides a one-year strategy for meeting the goals stipulated in the Five-Year Consolidated Plan.

ANALYSIS

The City of San José participated in a countywide collaborative to develop this cycle's five-year Consolidated Plan. The entitlement jurisdictions within Santa Clara County, with the exception of Milpitas, worked together on a joint Consolidated Plan to develop shared regional goals and to address needs such as affordable housing, fair housing, emergency shelter, public services, economic development, and neighborhood improvement on a regional basis.

From these shared objectives and priorities, the City identified six major goals to meet both regional and local priorities:

- 1) Assist in the creation and preservation of affordable housing for lower-income and special needs households;
- 2) Support activities to end homelessness;
- 3) Support activities that assist with basic needs, eliminate blight, and/or strengthen neighborhoods;
- 4) Expand economic opportunities for low-income households;
- 5) Promote fair housing choice; and
- 6) Promote environmental sustainability.

In addition to these goals, the Annual Action Plan also contains a complete list of agencies that are recommended for funding in FY 2010-2011 and an outline of the process used to develop these recommendations.

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EVALUATION AND FOLLOW-UP

Since the public comment period closes on April 26, 2010, which is after the submission deadline for this memorandum, a matrix of all public comments with the City's responses, including any recommended amendments to the draft Five Year Consolidated Plan and the Annual Action Plan, will be distributed to the City Council in the form of a Supplemental Memorandum prior to the May 4, 2010 meeting in which the City Council will consider approval of the final documents. The City will report on its progress in achieving the goals set out in the FY 2010-2011 Action Plan in the Consolidated Annual Performance and Evaluation Report (CAPER) in the fall of 2011.

POLICY ALTERNATIVES

Not Applicable

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The Consolidated Plan regulations require that jurisdictions hold at least two public hearings to receive public comment. The City of San José routinely holds more public hearings than required by the federal government. This year, the City will hold a total of four public hearings on the Five Year Consolidated Plan and the FY 2010-2011 Annual Action Plan. The City sent individual announcements of these public hearings to over 375 organizations and individuals concerned about affordable housing and community development issues and placed an announcement in the San Jose Mercury News. These notices were also translated into Spanish, Vietnamese, and Chinese and published in La Oferta, Thoi Bao and China Press newspapers.

The City's four public hearings are as follows:

1. San José City Council meeting - March 30, 2010
2. Housing and Community Development Advisory Commission (HCDC) meeting - April 8, 2010

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3. Community and Economic Development Committee (CEDC) meeting – April 26, 2010
4. San José City Council meeting - May 4, 2010

All public comments provided to the City either verbally or in writing will be included in the appendices of the documents when submitted to HUD.

COORDINATION

Preparation of this report has been coordinated with the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

The timely submittal of the Five Year Consolidated Plan and Annual Action Plan to HUD enables the City to become eligible to receive and distribute approximately \$16.9 million in entitlement funds for 2010-2011.

COST SUMMARY/IMPLICATIONS

Without an approved Consolidated Plan, the City of San José will not be eligible to receive housing and community development funds, including CDBG, HOME, HOPWA and ESG funds, from the federal government in the amount of approximately \$16.9 million for FY 2010-2011.

BUDGET REFERENCE

Not applicable.

CEQA

Not a project.

/S/

LESLYE KRUTKO
Director of Housing

For questions please contact Leslye Krutko, Director of Housing at (408) 535-3851