



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Leslye Corsiglia

**SUBJECT:** SEE BELOW

**DATE:** April 26, 2012

Approved

Date

4-26-12

## SUPPLEMENTAL

**SUBJECT: FINAL PUBLIC HEARING AND APPROVAL OF THE 2012-2013  
CONSOLIDATED ANNUAL ACTION PLAN – SUPPLEMENTAL  
REPORT**

### REASON FOR SUPPLEMENTAL

The City released its draft 2012-2013 Consolidated Annual Action Plan (Plan) on March 29, 2012, for a 30-day public comment period. At the time the memorandum to approve the draft Plan was due to City Council on April 9, 2012, the federally required public comment period for the Plan was still open. This supplemental memorandum provides the public comments received to-date and the proposed changes to the draft document since the draft Plan's release in March.

### BACKGROUND

The memorandum to approve the draft Plan submitted to the City Council on April 9, 2012, indicated that a supplemental memorandum would be distributed to the Mayor and City Council prior to the May 1, 2012, City Council meeting. This supplemental memorandum provides the public comments received and the proposed changes to the document since the Draft Consolidated Plan was released on March 29, 2012. Copies of the draft and final documents are located on the Housing Department's website at [www.sjhousing.org/report/conplan.html](http://www.sjhousing.org/report/conplan.html).

The Mayor and City Council's approval of the 2012-2013 Consolidated Annual Action Plan will enable the City to finalize and submit to the U.S. Department of Housing and Urban Development (HUD) this federally-mandated document by the May 15, 2012 deadline.

## ANALYSIS

### *Public Comments*

Including the City Council's May 1, 2012, hearing on the Plan, a total of nine public hearings will have been held for this Consolidated Plan process. Six public hearings were held before the draft plan was published, and three public hearings were either held or will be held after the draft Plan was published.

The first public hearing held after the Plan was published was at the April 3<sup>rd</sup> City Council meeting and included the opening of the public comment period. The second public hearing was held at the City's Housing and Community Development Advisory Commission (HCDC) on April 12<sup>th</sup>. The HCDC recommended approval of the draft Consolidated Plan by a vote of 3-1-1, with one Commissioner abstaining.

A summary of the public comments received to date are included as Attachment A to this memorandum. These comments plus any received during the City Council's May 1<sup>st</sup> public hearing will be included in the appendix of the final document submitted to the Department of Housing and Urban Development (HUD). Consideration of the Plan at the May 1<sup>st</sup> City Council meeting constitutes the final public hearing. The public comments received at the final City Council hearing will also be submitted to HUD as an appendix to the final Consolidated Plan Annual Action Plan document.

### *Revisions*

The public comment period closes on April 30, 2012. The revisions that have been made to the draft Plan since the draft Plan was provided to the City Council on March 29, 2012, are included as Attachment B to this memorandum.

A major substantive revision to the Plan is an enumeration of the Community Development Improvement (CDI) projects recommended for funding by the Community Development Block Grant (CDBG) program in 2012-2013.

### *Funding Award Recommendations Not Included in the ConPlan*

The Annual Action Plan contains a list of most of the non-City agencies that are recommended for federal funding in FY 2012-2013. The one exception is for school readiness/third-grade literacy services in the three Place-Based Strategy neighborhoods (Mayfair, Santee and Five Wounds/Brookwood Terrace). This category of services to be funded by the CDBG program was jointly agreed upon by the three nonprofit partners representing these neighborhoods. The RFP process for this category of services will not be completed by the time that the Plan is to be approved by the City Council. Staff anticipates returning to the City Council on June 5, 2012, with recommendations on the agency or agencies to provide these services.

Although the identities of the agencies which will be providing these services are not included in the ConPlan, the activity is described in the Plan as is the amount of funding to be made available for this activity. This is sufficient for meeting HUD's requirements for the ConPlan, so the June 5<sup>th</sup> consideration of funding awards can be accomplished without the necessity for a Substantial Amendment to the Annual Action Plan.

### **COORDINATION**

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

### **CEQA**

Not a Project, File No.PP10-069(a) Annual Report. Specific development projects that are funded as a result of the Consolidated Annual Action Plan are subject to project-specific CEQA clearance.

/s/  
LESLYE CORSIGLIA  
Director of Housing

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

Attachment A: Public Comments and Staff Responses

Attachment B: Revisions to the original draft (March 29, 2012) of the 2012-2013 Consolidated Annual Action Plan

## Attachment A – Community Input and Public Testimony

- **City Council Meeting– April 3, 2012**

<b>Public Comment</b>	<b>Staff Response</b>
Councilmember Campos asked how narrowly defined the essential services category was and if it would cover CBOs that support senior services	The Director responded that 15% of CDBG funds could be used for services. Funds have been set aside for senior services. The request to increase senior funding by \$200,000 will be looked into during the budget process.
Councilmember Campos asked if the CBOs were given assistance to fill out the applications	The Director responded that workshop attendance was required for all applicants and online help was also available to applicants
Ms Michelle Schroeder from Senior Adults Legal Assistance (SALA) stated that after 28 years of CDBG support, their programs were not funded next year. She added that SALA would be unable to operate in seven of thirteen community centers unless additional funding is made available as of July 1	SALA's application for senior services did not score high enough to receive a funding award for 2012-2013.
Ms Colleen Hudgen from Live Oak, a consortium of four agencies providing programs that support the most frail and vulnerable seniors, thanked the City for providing them with \$100,000 to continue their critical services.	Staff acknowledges receipt of comment
Mr David Wall expressed his thanks for the dedication of the Director of the Housing Department. He expressed reservations about public housing projects and asked that they support only citizens of the United States.	HUD requires that at least one member of the household occupying a public housing unit be a citizen or have eligible immigration status meeting certain criteria.

- **The Housing and Community Development Advisory Commission Meeting – April 12, 2012**

<b>Public Comment</b>	<b>Staff Response</b>
Commissioner Norimoto asked for clarification on how San Benito County qualifies for federal funding in Santa Clara County.	Staff responded that federal grants are allocated to a geographical designation known as the Standard Metropolitan Statistical Area (SMSA). Several years ago, San Benito County was included in Santa Clara County's and is therefore eligible for grant funding.
Commissioner Ellak asked for clarification on what it meant for the San Jose Conservation Corps to be disqualified due to lack of proper match.	Staff responded that the RFP required a minimum match of 20 percent by the organization or consortium applying for grant funding.
Vice Chair Tom asked if there is a summary of the evaluation process in the Consolidated Annual Action Plan.	Staff responded that the Plan includes a summary of the evaluation process.

## Attachment A – Community Input and Public Testimony

<p>Commissioner Norimoto asked if there were any objections by community based organizations regarding the grant funding methodology.</p>	<p>Staff responded that it did not receive any objections.</p>
<p>Commissioner Norimoto indicated that he understood that there is limited funding and that economic development activities was not a funded category. He asked if there were any longer term plans for funding economic development activities.</p>	<p>Staff responded that it anticipates CDBG's financial obligation to backfill Section 108 payments on behalf of the former Redevelopment Agency may be relieved, at which point there is the potential for funding to be freed up for economic development, assuming that the amount of CDBG funding provided by HUD does not decrease from current levels.</p>
<p>Commissioner Norimoto asked for clarification on the nexus between 3<sup>rd</sup> grade literacy and fighting blight.</p>	<p>Staff responded that the place-based strategy is more than blight removal and urban decay, that there is a human and social investment component to neighborhoods as well. By improving early literacy rates, other social and physical issues could potentially be addressed as well.</p>
<p>Commissioner Norimoto asked of the 3<sup>rd</sup> grade literacy programs are funded from the services or CDI pool of money.</p>	<p>Staff responded that it is from the public services pool.</p>
<p>Colleen Hudgen from Live Oak Adult Day Services thanked City staff for funding the consortium – of which Live Oak is a part – led by Catholic Charities of Santa Clara County to provide services to seniors, and that she is pleased to hear that an additional \$200,000 will be made available for senior services. Ms. Hudgen indicated these organizations provide an important social safety net of services.</p>	<p>Staff acknowledges receipt of comment</p>
<p>Maria Solis from Yu-Ai Kai, who is also a member of the Catholic Charities consortium, thanked City staff for funding to the consortium.</p>	<p>Staff acknowledges receipt of comment</p>
<p>Chair Darrow asked for clarification on the maximum amount of ESG dollars that could be allocated for administration costs.</p>	<p>Staff responded that the maximum amount is 7.5% of total program dollars based on federal ESG I and ESG II funding criteria.</p>

## Attachment A – Community Input and Public Testimony

<p>Chair Darrow asked for clarification on the homeless population to be served. The Consolidated Plan indicates that the goal is to serve 30,000 individuals but the 2011 homeless census indicated only 7,000 homeless individuals in Santa Clara County.</p>	<p>Staff responded that the census count of 7,000 is based on unduplicated individuals on any given day (with a significantly larger number of individuals having at least one homelessness experience over the course of a year), while the homeless services program can treat the same individual multiple times as is often the case for the most difficult to serve.</p>
<p>Commissioner Ellak indicated that it would be helpful to see data of the homeless population on a graph. This will be helpful to see how the situation has changed over time, to develop accountability measures, and to ensure that elected officials are meeting their stated goals of ending homelessness.</p>	<p>Staff will respond to this request at a future Commission meeting, which will be outside the context of the Consolidated Plan process.</p>
<p>Commissioner Norimoto asked if there are different strategies for working with different subgroups of the larger homeless population.</p>	<p>Staff responded the City, the County and the private sector are partnering in Destination:Home, which is developing a variety of service and housing options to address the variety of homeless residents' needs.</p>
<p>Commissioner Ellak suggested exploring the possibility of sending medical staff directly to encampments rather than requiring that the homeless seek out medical services.</p>	<p>The Santa Clara Valley Medical Center already provides this service on a limited basis.</p>
<p>Commissioner Ellak expressed concerns regarding San Jose's significant rent increases as mentioned in the executive summary of the Consolidated Plan. This could lead to more homelessness. The increased rents could especially impact seniors on fixed income, as housing costs are significantly outpacing cost of living adjustments to Social Security. Elected officials need to understand this and do something about it.</p>	<p>Staff acknowledges that rents are increasing. Other than providing funding for housing development and services, Staff is unable to offer solutions for market supply and demand factors.</p>

## **Attachment B – Edits to the Consolidated Plan Draft Document Published on March 29, 2012**

**(NOTE: Changes to the original draft that were incorporated into the April 4, 2012 updated draft are included below.)**

### p.8 – Citizen Participation:

Correction of an error in the number of public hearings held prior to the development of the draft Plan – changed from five (5) to six (6).

### p.12 – Proposed Uses of HOME funds for FY 2012-2013 Table:

In the “Total Funding available for 2012-13” column (with corresponding changes to the “Expected Funding in 2012-13” column):

- Increase the Tenant-based Rental Assistance line from \$776,910 to \$1,296,910.
- Decrease the Project Development line from \$4,700,000 to \$4,122,220.
- Increase the Administrative Costs line from \$1,060,804 to \$1,118,584.

### p.13 – Tenant-Based Rental Assistance (TBRA):

Add the following sentence to the end of the first paragraph: *“It is also the program’s goal to add 40 additional clients who are currently living in homeless encampments.”*

### p.35 – Five Year Goals Table:

Correction of an error in the inclusionary goals – 2012-13 goal changed from 383 to 354.

### p.41 – Five Year Goals Table:

Correction of errors in the Production goals – 2012-13 goal changed from 194 to 89 and 2010-11 actuals changed from 89 to 143.

Revision of Emergency Minor Repair 2012-13 goal from 55 to 48; the total rehab goal for 2012-13 now reads 98 instead of 105.

### p.42 – Five Year Goals Table: (new data available since grantee agencies have been finalized)

Action 2.A.1 – 2012-13 goal - TBD replaced with 15

Action 2.A.2 – 2012-13 goal – TBD replaced with 3,600

Action 2.A.3 – 2012-13 goal – TBD replaced with 400

Action 2.A.4 – 2012-13 goal – 562 replaced with 2,204

Action 2.A.6 – 2012-13 goal – TBD replaced with 236

Action 3.A.1 and 3.A.2 have been consolidated into one goal – Assist lower-income residents with basic/essential services and maintain self-sufficiency

Action 3.A.1 – 2012-12 goal for Homeless Services – TBD replaced with 3,000

Action 3.A.1 – 2012-13 goal for CDBG – TBD replaced with 2,000

## Attachment B – Edits to the Consolidated Plan Draft Document Published on March 29, 2012

### p.43 – Tenant-Based Rental Assistance (TBRA) Programs:

Add the following between the “TBRA – Chronically Homeless Program” and “TBRA – HOPWA Program” sections:

#### *“TBRA – Residents of Homeless Encampments*

*In 2012-13, the City will begin implementing an additional pilot TBRA housing program to address homeless encampments by utilizing the Housing First model. This pilot effort will assist an additional 40 homeless persons who are living in encampments.”*

### p.49 – Five Year Goals Table:

Actions 3.A.1 and 3.A.2 have been moved to Goal #2 – Support activities to end homelessness

### p.50 – Five Year Goals Table:

Action 3.B.1 – 2012-13 goal – TBD replaced with 14,000

Action 3.B.2 – 2012-13 goal – TBD replaced with 32,061

Action 3.B.3 – 2012-13 goal – TBD replaced with 8,048

### Narrative section:

- Add the following sentence before *Physical Improvements and Rehabilitation of Public Facilities*:  
*Remove public accessibility barriers*  
*The City intends to complete the installation of ADA accessibility ramps in public rights-of-way in the Mayfair and Santee neighborhoods.*
- The following activity and enumeration of projects to the paragraph titled *Infrastructure and Facilities Improvement (\$1,504,000)* were added:

... and rehabilitation and improvement of community facilities, as follows:

#### City of San Jose Department of Transportation

- Conversion of 544 existing street lights to LED in the Mayfair and Santee neighborhoods (\$713,000).
- Install missing ADA ramps in Mayfair and Santee neighborhoods (\$72,000).
- Install flashing beacons at the McKee Avenue crosswalk at 34<sup>th</sup> Street in the Five Wounds neighborhood (\$17,500).

#### City of San Jose Department of Public Works

- Install a section of the Five Wounds Trail along South 22<sup>nd</sup> Street in the Five Wounds neighborhood (\$86,000).
- Complete the pedestrian-scale street light project on South 24<sup>th</sup> Street between Santa Clara and William Streets in the Five Wounds neighborhood (\$162,000).
- Install embossed crosswalks at the following intersection in the Five Wounds neighborhood: three at 24<sup>th</sup> & Bulldog; two at 33<sup>rd</sup> & Berrywood (\$148,000).
- Convert two lighting fixtures in the Forestdale Park tot lot to LED (\$7,000).

**Attachment B – Edits to the Consolidated Plan Draft Document Published on March 29, 2012**

Franklin-McKinley School District

- *Rehabilitation of the McKinley Neighborhood Center in the Five Wounds neighborhood (\$97,350).*

Roman Catholic Diocese of San Jose

- *Rehabilitation of community rooms and building at Our Lady of Refuge Catholic Church to benefit the Santee neighborhood (up to \$200,000, depending on allocation of costs to eligible expenses).*

p.52– Five Year Goals Table:

Action 3.D.2 – 2012-13 goal – TBD replaced with 1,200

p.54—Goal #5: Promote Fair Housing Choice Table:

The Action 5.A.1 and Action 5.A.2 lines replaced with the following:

<i>Action 5.A.1. Ongoing education and outreach regarding fair housing</i>	CDBG	# of events		55	56	DH-1
<i>Action 5.A.2. Fair housing testing in local apartment complexes</i>	CDBG	# of tests		130	134	DH-1

p.59– Five Year Goals Table:

Action 6.A.3 – TBD replaced with 544

p.72– HUD Tables 2C and 3A:

The summary table has been edited to include all the edits to the 2012-13 goal mentioned above.