



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Leslye Corsiglia

SUBJECT: SEE BELOW

DATE: January 19, 2012

Approved

Date

1/20/12

**SUBJECT: AMENDMENT TO HOUSING AND COMMUNITY DEVELOPMENT
ADVISORY COMMISSION'S FY 2011-12 WORKPLAN**

RECOMMENDATION

Approve an amendment to the FY 2011-12 workplan for the Housing and Community Development Advisory Commission to allow for the appointment of a grants standing subcommittee to review and provide direction on State and federal grant funding, policies, procedures, and reporting requirements and to accept public testimony on these issues.

OUTCOME

Approval of the recommended action will provide the Housing and Community Development Advisory Commission (HCDAC) the flexibility and ability to provide input on time-sensitive and mission-critical grant funding policies and procedures to meet the needs of San José's residents and neighborhoods.

BACKGROUND

The HCDAC's mission is to advise the Council and the Director of Housing on matters pertaining to affordable housing policies and grant funding, in particular the federal Community Development Block Grant (CDBG). Discussion of the Housing Department's grants programs is included in the Commission's FY 2011-12 workplan, but without mention of a standing subcommittee to focus on this important issue. Staff has been advised by the City Attorney's office that the Commission's approved workplan should include specific reference to the formation of such subcommittees before creating one.

ANALYSIS

Each year, the City receives significant grant funding from state and federal agencies for housing and community development activities. To qualify for these funds, the City must submit 5-year comprehensive plans, as well as 1-year annual action plans to implement the larger 5-year strategy, to both state and federal agencies. The state report is called the Housing Element and the federal report the Consolidated Plan. These reports must document the City's needs in the areas of housing and community development and must indicate how grant funding will be used to meet those needs. State and federal annual reports are required to document progress in the previous fiscal year towards meeting the City's identified housing and community and development needs, as well as to document how grant funding was spent. Therefore, grant-related reporting activities are continuous components of the Housing Department's annual workplan.

As a result, the HCDAC provides significant input on grant-related activities, policies and procedures throughout the year. Additionally, the City's Citizen Participation Plan stipulates that items related to the federal Consolidated Plan must be heard at a publicly-noticed HCDAC meeting. These items have typically been heard at the regularly scheduled Housing Commission meetings, which requires a minimum attendance of five Commissioners (out of nine seats) to achieve quorum.

The HCDAC has previously held all of the public meetings for grant related matters. However, five commissioners must be present in order to meet the quorum requirement hold a HCDAC meeting, and in the last several months there have been several occasions where the requirement was not met. This has made it very difficult to hear important items related to grants and the Consolidated Plan, which require that review and public meetings occur on a specific timeline. Quorum has been difficult to achieve because the Housing Commission has averaged seven out of the nine seats filled for the past year. This is due in part to the important equity and representation criteria for Commissioner eligibility: a certain number of the Commission's nine seats must meet Council district and lower-income requirements. These requirements decrease the number of eligible individuals who can join the Commission, making it relatively more difficult to achieve a full Commission. Additionally, two of the current Housing Commissioners have given notice of their intent to resign from the Commission, which would soon bring the total number of Commissioners to five and make meeting quorum more difficult. The inability to meet Commission quorum and to hold the required public hearings for grant and Consolidated Plan items has posed timing, staffing and cost challenges in order to schedule special meetings to hear these items.

The proposed plan to create a grants standing subcommittee will provide the HCDAC the flexibility to hold public meetings and to comply with grant related timelines when it is not feasible to achieve full Commission quorum. A standing subcommittee with three members could hold a public meeting with a quorum of two Commissioners. Note that the intent is for the Commission to continue hearing these items when a quorum is available, and that the subcommittee would hear them when Commission quorum is not possible in order to meet the required federal timelines. The City's Citizen Participation Plan will be amended to allow for a

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hearing to take place at a grants subcommittee meeting when the Commission does not have a quorum. The next Housing Commission meeting is expected to occur on January 25, 2012, whose agenda will include the proposal to create a grants standing subcommittee.

Workload Assessment

The Housing Department and the City Attorney's staff foresee the potential of a minor workload impact with the creation and staffing of a grants standing subcommittee. However, it is also possible that the flexibility created by the subcommittee to hear items that otherwise could not have been heard due to the lack of quorum for a full Commission meeting would enhance staff efficiency and reduce costs in order to complete work items related to grants such as the Consolidated Plan. Overall, Housing Department staff anticipates a net neutral impact on its workload with a standing subcommittee.

COORDINATION

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

/s/

LESLYE CORSIGLIA
Secretary to the Housing &
Community Development Advisory
Commission

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