

**RESOLUTION NO. 74903**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSÉ AUTHORIZING THE DIRECTOR OF HOUSING TO ACCEPT FEDERAL FUNDS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**WHEREAS**, the American Recovery and Reinvestment Act (“ARRA”) was signed by the President on February 17, 2009 and will provide the City of San José (“City”) a one-time allocation of \$4,128,763 for a new program, created by the Department of Housing and Urban Development (“HUD”), called the Homeless Prevention and Rapid Re-housing Program (“HPRRP”) and \$2,700,463 for the Community Development Block Grant (“CDBG”) program; and

**WHEREAS**, the HPRRP, in partnership with Destination: Home, seeks to provide financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized by providing four categories of assistance: 1) Financial assistance in the form of short- and medium-term tenant based rental assistance, security and utility deposits, utility payments, moving cost assistance, and hotel/motel vouchers; 2) Housing relocation and stabilization case management, outreach and engagement, housing search and placement, legal services, and credit repair; 3) Data collection and evaluation; and 4) administrative costs (up to 5% of the total amount); and

**WHEREAS**, the CDBG funds are proposed to be used for community development improvement projects, priority will be given to projects that can award contracts within 120 days, will create jobs; and that will contain a “green” component; and

**WHEREAS**, on November 18, 2008, the City Council accepted \$5.6 million in federal funds for the Neighborhood Stabilization Program (“NSP”); and

**WHEREAS**, the City now desires to make changes to the NSP: 1) to change the program focus from rental acquisition and rehabilitation to land banking that will include

acquisition, demolition, and redevelopment of blighted foreclosed structures in the highly impacted Santee neighborhood; 2) increase the previously approved Rental Housing Development program budget from \$1.4 million to \$3.9 million; and 3) decrease the Homebuyer Acquisition/Rehabilitation program budget from \$3.7 million to \$1.2 million; and

**WHEREAS**, substantial amendment to the Consolidated Plan – Annual Action Plan 2008-2009 is required to: allow the Director of Housing to accept federal stimulus funding for the CDBG and HPRRP; 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; to approve an amendment to the NSP spending plan originally approved by the City Council on November, 18, 2008; and approve a shortened citizen participation comment period of 15 days in accordance with federal guidance related to the acceptance of federal stimulus funding;

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

Approval of the amendment to the Consolidated Plan – Annual Action Plan 2008-2009 for the following purposes:

1. The Director of Housing is hereby authorized to accept federal stimulus funding for the Community Development Block Grant in the amount of \$2,700,463 and a new program, Homeless Prevention and Rapid Re-Housing Program, in the amount of \$4,128,763, as more specifically set forth in the Director of Housing report dated April 22, 2009.
2. The Director of Housing is hereby authorized to negotiate and execute all non-capital agreements and contracts not requiring CEQA/NEPA review and to

negotiate all capital agreements and contracts, including any amendments or modifications, and after CEQA/NEPA review and City Council project approval, to execute all documents, as more specifically set forth in the Director of Housing report dated April 22, 2009.

3. An amendment to the Neighborhood Stabilization Program spending plan originally approved by the City Council on November 28, 2008, as more specifically set forth in the Director of Housing report dated April 22, 2009, is hereby approved.
4. A shortened citizen participation comment period of 15 days in accordance with federal guidance related to the acceptance of federal stimulus funding, as more specifically set forth in the Director of Housing report dated April 22, 2009, is hereby approved.

ADOPTED this 12th day of May, 2009, by the following vote:

AYES: CAMPOS, CHU, HERRERA, KALRA, LICCARDO,  
NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: CHIRCO, CONSTANT.

DISQUALIFIED: NONE.

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk